

SERVICE CHARGE STATEMENT OF ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2022

FOR

WESTLEA RISE (SWINDON) MANAGEMENT COMPANY LIMITED

WESTLEA RISE

jwHinks
CHARTERED ACCOUNTANTS

19 Highfield Road
Edgbaston
Birmingham
B15 3BH

WESTLEA RISE (SWINDON) MANAGEMENT COMPANY LIMITED
WESTLEA RISE

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FOR THE YEAR ENDED 31 JANUARY 2022

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INDEPENDENT ACCOUNTANT'S REPORT OF FACTUAL FINDINGS
FOR THE YEAR ENDED 31 JANUARY 2022

You have stated that an audit of the service charge accounts in accordance with International Standards on Auditing is not required under the terms of the lease for Westlea Rise. In accordance with our engagement letter dated 9th August 2021, we have performed the procedures agreed with you and enumerated below with respect of the service charge accounts set out on pages 3 to 5 in respect of Westlea Rise for the year ended 31 January 2022 in order to provide a report of factual findings about the service charge accounts that you have issued.

This report is made to the landlord/managing agent for issue with the service charge accounts in accordance with the terms of our engagement. Our work has been undertaken to enable us to make this report to the landlord/managing agent and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the landlord/managing agent for our work or for this report.

Basis of report

Our work was carried out having regard to Residential Service Charge Accounts published jointly by the professional accountancy bodies with ARMA and RICS. In summary, the procedures we carried out with respect to the service charge accounts were:

1. we obtained the service charge accounts and checked whether the figures in the accounts were extracted correctly from the accounting records maintained by or on behalf of the Landlord;
2. we checked, based on a sample, whether entries in the accounting records were supported by receipts, other documentation or evidence that we inspected; and
3. we checked whether the balance of service charge monies for this property shown on page 4 of the service charge accounts agreed or reconciled to the bank statements for the accounts in which the funds are held.

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing (UK and Ireland) or International Standards on Review Engagements, we do not express any assurance on the service charge accounts other than in making the factual statements set out below

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with International Standards on Auditing (UK and Ireland) or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Report of factual findings:

- a. With respect to item 1 we found the figures in the statement of account to have been extracted correctly from the accounting records;
- b. With respect to item 2 we found that those entries in the accounting records that we checked were supported by receipts, other documentation or evidence that we inspected;
- c. With respect of item 3 we found that the balance of service charge monies shown on page 4 of the service charge accounts agrees or reconciles to the bank statement for the accounts in which the funds are held.

JW Hinks LLP
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J W Hinks LLP
Chartered Accountants
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Date: 1 September 2022

CLIENT APPROVAL CERTIFICATE
FOR THE YEAR ENDED 31 JANUARY 2022

The Managing Agent (Alexander Faulkner Partnership) presents their report on the Service Charge Statement of Account for on behalf of the Landlord for the year ended 31 January 2022.

Under the Landlord and Tenant Act 1987, the Landlord is responsible for the preparation of the Service Charge Statement of Account. The Managing Agent has undertaken responsibility for the preparation of the Service Charge Statement of Account on behalf of the Landlord. The Managing Agent is responsible for keeping adequate accounting records that are sufficient to show and explain the property's transactions and enable the preparation of the Service Charge Statement of Account that complies with the requirements of the Landlord and Tenant Act 1987 and the lease.

The Managing Agent certifies that the Service Charge Statement of Account set out on pages 3-5 represents a true and accurate account of the service costs referred to in the lease of the above property, in respect of the accounting year ended 31 January 2022.

On behalf of the Managing Agent

Alexander Faulkner Partnership

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Alexander Faulkner Partnership

Date: 1 September 2022

WESTLEA RISE (SWINDON) MANAGEMENT COMPANY LIMITED
WESTLEA RISE

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2022

	2022 £	Budget £	2021 £
Income			
Service charges	11,404		8,490
	<u>11,404</u>		<u>8,490</u>
Expenditure			
Soft services			
Grounds Maintenance	3,564	4,000	2,160
General Maintenance	210	580	-
Compliance and risk assessments			
General Risk Assessment	234	600	750
Insurance			
Public Liability	604	325	186
Directors and Officers	159	250	80
Accounting costs			
Independent Accountants Fees	624	545	754
Accounts Preparation Fees	84	150	150
Company Secretary Fees	590	590	441
Bank Admin Fees	108	110	144
Management Fees	3,000	3,000	2,226
Reserves			
Transfer to renewals reserve fund	1,250	1,250	938
Other expenditure			
Interest Received	(1)	-	(1)
	<u>10,426</u>	<u>11,400</u>	<u>7,828</u>
Surplus for the year	<u>978</u>		<u>662</u>

WESTLEA RISE (SWINDON) MANAGEMENT COMPANY LIMITED
WESTLEA RISE

BALANCING STATEMENT AS AT 31 JANUARY 2022

	2022		2021	
	£	£	£	£
ASSETS				
Service charges owed by tenants	2,585		857	
Prepaid expenses	811		135	
Cash at bank	1,266		6,778	
	<u>4,662</u>		<u>7,770</u>	
LIABILITIES				
Service charges received in advance - tenants	232		457	
Surplus to be refunded	978		662	
Trade creditors	510		108	
Accrued expenses	754		5,605	
	<u>2,474</u>		<u>6,832</u>	
		<u>2,188</u>		<u>938</u>
NET ASSETS		<u>2,188</u>		<u>938</u>
REPRESENTED BY:				
RESERVE FUND				
Balance brought forward	938		-	
Renewals reserve transfer	1,250		938	
	<u>2,188</u>		<u>938</u>	
		<u>2,188</u>		<u>938</u>

NOTES TO THE SERVICE CHARGE STATEMENT OF ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2022

1. ACCOUNTING POLICIES

This statement is prepared on an accruals basis under the historical cost convention.

2. CASH AT BANK

Service charge monies are held in trust in accordance with Section 42, Landlord and Tenants Act 1987. The balance is held in a Alexander Faulkner Partnership designated interest bearing Client Account with National Westminster Bank, Birmingham City Branch under account reference 76735133.

3. RESERVE FUND

The reserve fund has been established to meet the costs of large, non regular repair and maintenance work. The present level of the fund may prove insufficient given the uncertainty as to when such costs may occur.

4. MANAGING AGENT ANNUAL DECLARATION

The income of the managing agent in addition to the management fee during the year included the following:

Insurance Commission
Accounts Preparation Fees
Company Secretary Fees
Bank Administration Fees