

LEICESTER HOUSE RTM COMPANY

SERVICE CHARGE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2019

LEICESTER HOUSE RTM COMPANY

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for the year ended 31 December 2019

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LEICESTER HOUSE RTM COMPANY

SERVICE CHARGE ACCOUNTS

for the year ended 31 December 2019

ACCOUNTANT'S REPORT OF FACTUAL FINDINGS TO THE MANAGING AGENT OF LEICESTER HOUSE RTM COMPANY

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 leases for Leicester House, Thomas Wyatt Close, Norwich. In accordance with our engagement letter dated 04 March 2019, we have performed the procedures agreed with you and enumerated below with respect to the service charge accounts set out on pages 2 to 5 in respect of Leicester House, Thomas Wyatt Close, Norwich for the year ended 31 December 2019 in order to provide a report of factual findings about the service charge accounts that you have issued.

This report is made to the 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 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 managing agent for our work for this report.

Basis of report

Our work was carried out having regard to the guidance provided in Technical Factsheet 172 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 managing agent;
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 to 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 statements for the accounts in which the funds are held.

Sexty & Co

Sexty & Co
Chartered Certified Accountants
124 Thorpe Road
Norwich, NR1 1RS

Date: 12 February 2020

LEICESTER HOUSE RTM COMPANY

INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 December 2019

	2019		2018	
	£	£	£	£
Income				
Service charges		34,914		34,914
Water charges		8,345		8,033
Electricity		-		1,061
Insurance repairs income		2,648		372
Administration fees recharged		-		53
Other income		585		-
Bank interest		13		103
		46,505		44,536
Expenditure				
Cleaning and windows	6,129		6,129	
Repairs and maintenance	21,499		14,964	
Electricity	2,260		3,694	
Water rates	8,345		8,033	
Insurance	8,409		8,788	
Managing agents fees	4,050		4,050	
Sundry expenses	-		324	
Insurance repairs	2,768		372	
Legal and professional fees	997		610	
Accountancy	876		751	
Administration charges	-		53	
Telephone	914		867	48,635
		56,247		867
Net deficit for the year		(9,742)		(4,099)

LEICESTER HOUSE RTM COMPANY

RESERVE FUND INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 December 2019

	2019		2018	
	£	£	£	£
Income				
Charges received		21,070		21,230
Expenditure				
Professional fees	-		4,428	
Decorating works	7,500		74,916	
General repairs	<u>10,607</u>	18,107	<u>-</u>	79,344
Net surplus/(deficit) for the year		<u>2,963</u>		<u>(58,114)</u>

LEICESTER HOUSE RTM COMPANY

BALANCE SHEET

31 December 2019

	Note	2019	2018
		£	£
CURRENT ASSETS			
Debtors	2	14,637	16,565
Bank Balance	3	<u>13,995</u>	<u>6,824</u>
		28,632	23,389
LESS CURRENT LIABILITIES			
Creditors	4	<u>24,265</u>	<u>21,985</u>
NET ASSETS			
		<u>4,367</u>	<u>1,404</u>
FINANCED BY			
RESERVES			
Reserve Fund	5	4,367	1,404
Income and Expenditure Account	5	<u>-</u>	<u>-</u>
		<u>4,367</u>	<u>1,404</u>

The service charge accounts were approved by the managing agent on 12 February 2020 and signed on their behalf by:



G N Hudson
Director, for and on behalf of Norwich Residential Management Limited

LEICESTER HOUSE RTM COMPANY

NOTES TO THE SERVICE CHARGE ACCOUNTS

for the year ended 31 December 2019

1. ACCOUNTING POLICIES

The accounts are prepared in accordance with the provisions of the leases on the accruals basis.

2. DEBTORS

	2019 £	2018 £
Service charges	4,631	24
Water charges	-	1,353
Prepayments	264	10,029
Deficit service charge monies	9,742	4,099
Other debtors	-	1,060
	<u>14,637</u>	<u>16,565</u>

3. BANK ACCOUNT

Service charge money is held in trust at Barclays Bank PLC under the title NRM (Leicester House) Client Account.

4. CREDITORS

	2019 £	2018 £
Service charges received in advance	18,848	15,176
Water charges due to leaseholders	-	1,758
Accruals	2,690	5,051
Other creditors	2,727	-
	<u>24,265</u>	<u>21,985</u>

5. RESERVES

	Income & Expend A/C £	Reserve Fund £	Total £
At 1 January 2019	-	1,404	1,404
(Deficit)/surplus for the year	(9,742)	2,963	(6,779)
Transfer to debtors (note 2)	9,742	-	9,742
At 31 December 2019	<u>-</u>	<u>4,367</u>	<u>4,367</u>

Reserve fund monies are held (a) to cover internal and external decoration of communal areas and windows to leaseholders' apartments, (b) expenditure on major capital items and (c) costs re statutory requirements.