

FELLOWES PLAIN ESTATE

SERVICE CHARGE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2018

FELLOWES PLAIN ESTATE

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For the year ended 31 December 2018

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FELLOWES PLAIN ESTATE

SERVICE CHARGE ACCOUNTS for the year ended 31 December 2018

ACCOUNTANT'S REPORT OF FACTUAL FINDINGS TO THE MANAGING AGENT OF FELLOWES PLAIN ESTATE

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 Fellowes Plain Estate, Norwich. In accordance with our engagement letter dated 20 February 2018, 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 Fellowes Plain Estate, Norwich for the year ended 31 December 2018 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: 29 April 2019

FELLOWES PLAIN ESTATE

INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 December 2018

	2018		2017	
	£	£	£	£
Income				
Service charges		57,345		57,234
Other income		-		12,027
Admin recharges		1,112		63
Bank interest		<u>426</u>		<u>92</u>
		58,883		69,416
Expenditure				
Repairs & maintenance	12,969		16,990	
Grounds maintenance	16,845		22,599	
Cleaning	-		86	
Insurance	6,698		5,949	
Business rates	5,742		5,649	
Electricity	609		167	
Water	699		1,303	
Telephone	497		193	
Management fees	5,920		7,706	
Sundry	327		3,531	
Admin fees	1,112		63	
Accountancy	465		650	
Legal and professional fees	<u>6,960</u>	58,843	<u>3,740</u>	68,626
Net surplus for the year		<u>40</u>		<u>790</u>

FELLOWES PLAIN ESTATE

RESERVE ACCOUNT

For the year ended 31 December 2018

	2018		2017
	£		£
Income			
Service charges	40,000		40,000
Expenditure			
Decorating works	4,981		-
Landscaping works	<u>17,493</u>	22,474	<u>-</u>
Net surplus for the year		<u>17,526</u>	<u>40,000</u>

FELLOWES PLAIN ESTATE

BALANCE SHEET

31 December 2018

	Notes	2018	2017
		£	£
CURRENT ASSETS			
Debtors	2	6,567	9,828
Bank Balance	3	<u>202,397</u>	<u>175,937</u>
		208,964	185,765
LESS CURRENT LIABILITIES			
Creditors	4	<u>66,707</u>	<u>61,034</u>
NET ASSETS			
		<u>142,257</u>	<u>124,731</u>
FINANCED BY			
RESERVES			
Income and Expenditure Account	5	-	-
Reserve Account	5	<u>142,257</u>	<u>124,731</u>
		<u>142,257</u>	<u>124,731</u>

The service charge accounts were approved by the managing agent on 29 April 2019 and signed on their behalf by:



G N Hudson

Director, for and on behalf of Norwich Residential Management Limited

FELLOWES PLAIN ESTATE

NOTES TO THE SERVICE CHARGE ACCOUNTS

for the year ended 31 December 2018

1. ACCOUNTING POLICIES

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

2. DEBTORS

	2018 £	2017 £
Service charges	569	13
Prepayments	4,345	3,896
Other debtors	<u>1,653</u>	<u>5,919</u>
	<u>6,567</u>	<u>9,828</u>

3. BANK ACCOUNT

Service charge money is held in trust at Barclays Bank PLC under the title NRM FPEMCL Client Account.

4. CREDITORS

	2018 £	2017 £
Service charges received in advance	44,596	51,769
Trade creditors	1,260	1,023
Accruals	17,585	5,360
Other creditors	2,436	2,092
Surplus service charge monies	<u>830</u>	<u>790</u>
	<u>66,707</u>	<u>61,034</u>

5. RESERVES

	Income & Expenditure £	Reserve Fund £	Total £
At 1 January 2018	-	124,731	124,731
Surplus for the year	40	17,526	17,566
Surplus service charge monies transferred to creditors (note 4)	(40)	-	(40)
	<u>-</u>	<u>142,257</u>	<u>142,257</u>
At 31 December 2018	<u>-</u>	<u>142,257</u>	<u>142,257</u>

The Reserve Fund is held for large scale capital work and major renovations.