

Service Charge Accounts

Windmill Gate

For the year ended 31 August 2023

Prepared by RDP Newmans LLP.

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Accountants Report

Windmill Gate

For the year ended 31 August 2023

Independent accountant's report of factual findings to the Landlord of Windmill Gate

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 Windmill Gate. In accordance with our engagement, we have performed the procedures agreed with you and enumerated below with respect to the service charge accounts set out on pages 4 to 14 in respect of Windmill Gate for the year ended 31 August 2023 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 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 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 for our work or for this report.

Basis of report

Our work was carried out having regard to Technical Release 03/11 "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 the balance sheet agreed or reconciled to the bank statement for the account 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 :

- With respect to item 1 we found the figures in the statements of account to have been extracted correctly from the accounting records.
- 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.
- With respect to item 3 we found that the balance of service charge monies for this property shown on the balance sheet agreed or reconciled to the bank statement for the account in which the funds are held.

RDP Newmans LLP

Date: 26th February 2024

RDP Newmans LLP

Chartered Accountants & Registered Auditor

Lynwood House, 373/375 Station Road,

Harrow, Middlesex, HA1 2AW.

Statement of Income and Expenditure

Windmill Gate

For the year ended 31 August 2023

	2023	2022
Income and Expenditure		
Service Charge Income		
Service Charge Receivable	158,171.42	152,345.28
Bank Interest Received	512.37	29.72
Total Service Charge Income	158,683.79	152,375.00
Service Charge Expenditure		
Utilities and Insurance		
Electricity Communal	15,133.17	26,498.81
Insurance - Building	18,186.15	16,018.05
Insurance - Reinstatement Valuations	-	2,100.00
Water Communal	52,694.02	13,113.32
Total Utilities and Insurance	86,013.34	57,730.18
Contracts, Maintenance & Services		
AOV-OV System	-	216.00
Cleaning Carpets	1,344.00	-
Cleaning General	11,553.60	9,643.20
Cleaning Windows	-	144.00
Door Entry System Maintenance	90.00	175.00
Drains, Gutters & Clearance	5,950.20	1,851.40
Electrical Repairs	11,547.96	564.00
Emergency Lighting	-	1,620.00
Fire Alarm Maintenance	-	155.76
Gardening General	35,407.20	18,000.00
Gates/Shutter/Barrier Maintenance	863.00	-
General Repairs	15,763.41	9,766.86
Pest Control	-	3,342.64
Playground Equipment Maintenance	2,297.76	1,769.70
Refuse Collection	3,068.00	220.00
Water Tank Maintenance	711.18	2,715.09
Total Contracts, Maintenance & Services	88,596.31	50,183.65
Fees		
Accountancy Fees	2,520.00	2,520.00
Health & Safety	-	2,400.00
Legal & Professional Fees	588.00	138.00
Management Fees	41,159.41	31,092.08
Total Fees	44,267.41	36,150.08

	2023	2022
Sundry Administration Costs		
Bank Charges	51.20	41.55
Income Tax on Interest	49.60	-
Locks & Keys	360.00	85.00
Postage/Couriers	800.02	248.83
Total Sundry Administration Costs	1,260.82	375.38
Total Service Charge Expenditure	220,137.88	144,439.29
Surplus / (Deficit) for the year		
Surplus / (Deficit) for the year	(61,454.09)	7,935.71

Statement of Reserve Funds

Windmill Gate

For the year ended 31 August 2023

	EXTERNAL REDECORATIONS	INTERNAL REDECORATIONS	CARPET REPLACEMENT	ROOF RENEWAL	SUNDRY	2023	2022
Reserve Fund							
Income							
Reserve Fund Receivable	13,400.00	3,700.00	-	9,500.00	6,120.82	32,720.82	33,586.30
Bank Interest Received	-	-	-	-	2,452.70	2,452.70	504.71
Total Income	13,400.00	3,700.00	-	9,500.00	8,573.52	35,173.52	34,091.01
Expenditure							
Bank Charges	-	-	-	-	30.25	30.25	19.85
Total Expenditure	-	-	-	-	30.25	30.25	19.85
Reserve Fund Movement							
Balance Brought Forward	131,641.04	33,441.25	13,341.70	17,899.00	98,608.54	294,931.53	260,860.37
Increase / (Decrease) for the year	13,400.00	3,700.00	-	9,500.00	8,543.27	35,143.27	34,071.16
Balance Carried Forward							
Reserve Fund Carried Forward	145,041.04	37,141.25	13,341.70	27,399.00	107,151.81	330,074.80	294,931.53

Balance Sheet

Windmill Gate

As at 31 August 2023

	NOTES	31 AUG 2023	31 AUG 2022
Current assets			
Debtors			
Service Charge Receivable		59,323.05	66,743.44
Prepayments		13,736.00	12,022.00
Amounts due from Service Charge Bank		35,000.00	55,570.00
Other Debtors		80,839.75	62,440.43
Total Debtors		188,898.80	196,775.87
Cash at bank			
Reserve Fund Bank Account		211,891.80	224,213.98
Service Charge Bank Account		31,756.36	8,012.09
Total Cash at bank		243,648.16	232,226.07
Net current assets		432,546.96	429,001.94
Current liabilities			
Creditors			
Trade Creditors		(5,018.47)	28,246.28
Service Charge Paid in Advance		13,690.78	18,671.05
Amount Due to Reserve Fund Bank		35,000.00	55,570.00
Other Creditors		-	5,441.21
Accruals		109,501.59	15,389.00
Total Creditors		153,173.90	123,317.54
Total Net Assets		279,373.06	305,684.40
Reserves			
Reserve Fund	3	330,074.28	294,931.53
Income and Expenditure account	6	(50,701.22)	10,752.87
Total Reserves		279,373.06	305,684.40

We approve the financial information which comprises the service charge Income and Expenditure account, the Balance Sheet and related notes. We acknowledge our responsibility for the financial information, including the appropriateness of the accounting basis, and for providing RDP Newmans LLP with all the information and explanations necessary for its compilation in accordance with the terms of engagement.

HML PM Ltd

Date: 26.02.2024

HML PM Limited

Gillingham House, 38-44 Gillingham Street, London SW1V 1HU

Notes to the Service Charges Accounts

Windmill Gate

For the year ended 31 August 2023

1. Accounting Policies

a) Basis of Preparation

The Service charge accounts have been prepared on an accruals basis under the historical cost convention.

b) Service charges receivable

The Service charges receivable as shown in the service charge income and expenditure account represents amounts demanded in respect of the period.

2. Cash at Bank

Service charge money was held in trust in accordance with section 42, Landlord and Tenant Act 1987, at Barclays Bank Plc, 1 Churchill Place, Canary Wharf, London E14 5HP.

These funds are held in the following interest bearing bank accounts:-

- Barclays Bank Plc : HML PM Limited. Designated Client A/c Re: Windmill Gate Service Charge
- Barclays Bank Plc : HML PM Limited. Designated Client A/c Re: Windmill Gate Reserve Fund

3. Reserves

The reserve funds are an allowance for future costs associated with expected major expenditure at the property. The funds will be built up over a number of years so that when major expenditure is required funds will be available to meet the expenditure, and so minimise the need to raise additional levies upon residents.

4. Managing Agent Annual Declaration

In addition to the management fees shown in the income and expenditure account, the following HML companies provided services that have been charged for separately:-

- Alexander Bonhill Limited
- HML PM Limited

5. Property Address

Windmill Gate, International Way, Sunbury on Thames ,Surrey TW16 7HQ

	2023	2022
6. Income and Expenditure Account		
Surplus / (deficit) brought forward	10,752.87	2,817.16
Surplus / (deficit) for the year	(61,454.09)	7,935.71
Service Charge Surplus / (deficit)		
Surplus / (deficit) carried forward	(50,701.22)	10,752.87

Statement of Sectorised Expenditure

Windmill Gate

For the year ended 31 August 2023

	BLOCK G	BLOCK J	BLOCK L	ESTATE	TOTAL
Income and Expenditure					
Service Charge Income					
Service Charge Receivable	17,009.46	22,438.33	32,862.23	85,861.40	158,171.42
Bank Interest Received	-	-	-	512.37	512.37
Total Service Charge Income	17,009.46	22,438.33	32,862.23	86,373.77	158,683.79
Service Charge Expenditure					
Utilities and Insurance					
Electricity Communal	6,159.28	2,635.96	6,337.93	-	15,133.17
Insurance - Building	4,058.03	5,741.04	6,582.54	1,804.54	18,186.15
Water Communal	15,212.96	18,658.95	18,822.11	-	52,694.02
Total Utilities and Insurance	25,430.27	27,035.95	31,742.58	1,804.54	86,013.34
Contracts, Maintenance & Services					
Cleaning Carpets	504.00	336.00	504.00	-	1,344.00
Cleaning General	3,001.40	2,701.60	4,663.20	1,187.40	11,553.60
Door Entry System Maintenance	-	-	90.00	-	90.00
Drains, Gutters & Clearance	1,872.00	1,824.00	2,004.00	250.20	5,950.20
Electrical Repairs	1,248.00	2,382.00	7,917.96	-	11,547.96
Gardening General	-	-	-	35,407.20	35,407.20
Gates/Shutter/Barrier Maintenance	-	-	-	863.00	863.00
General Repairs	484.00	226.00	3,167.00	11,886.41	15,763.41
Playground Equipment Maintenance	-	-	-	2,297.76	2,297.76
Refuse Collection	577.00	253.00	840.00	1,398.00	3,068.00
Water Tank Maintenance	355.59	355.59	-	-	711.18
Total Contracts, Maintenance & Services	8,041.99	8,078.19	19,186.16	53,289.97	88,596.31
Fees					
Accountancy Fees	-	-	-	2,520.00	2,520.00
Legal & Professional Fees	-	-	-	588.00	588.00
Management Fees	2,444.40	2,444.40	5,640.61	30,630.00	41,159.41
Total Fees	2,444.40	2,444.40	5,640.61	33,738.00	44,267.41
Sundry Administration Costs					
Bank Charges	-	-	-	51.20	51.20
Income Tax on Interest	-	-	-	49.60	49.60
Locks & Keys	90.00	-	270.00	-	360.00
Postage/Couriers	78.66	78.64	78.64	564.08	800.02
Total Sundry Administration Costs	168.66	78.64	348.64	664.88	1,260.82
Total Service Charge Expenditure	36,085.32	37,637.18	56,917.99	89,497.39	220,137.88
Surplus / (Deficit)					
Surplus / (Deficit) for the year	(19,075.86)	(15,198.85)	(24,055.76)	(3,123.62)	(61,454.09)

Reconciliation of Reserve Fund - External Redecorations

Windmill Gate

For the year ended 31 August 2023

	BLOCK G	BLOCK J	BLOCK L	ESTATE	TOTAL
Reserve Fund					
Income					
Reserve Fund Receivable	3,000.00	3,400.00	5,000.00	2,000.00	13,400.00
Total Income	3,000.00	3,400.00	5,000.00	2,000.00	13,400.00
Reserve Fund Movement					
Balance Brought Forward	17,663.88	23,522.88	54,418.50	36,035.78	131,641.04
Increase / (Decrease) for the year	3,000.00	3,400.00	5,000.00	2,000.00	13,400.00
Balance Carried Forward					
Reserve Fund Carried Forward	20,663.88	26,922.88	59,418.50	38,035.78	145,041.04

Reconciliation of Reserve Fund - Internal Redecorations

Windmill Gate

For the year ended 31 August 2023

	BLOCK G	BLOCK J	BLOCK L	TOTAL
Reserve Fund				
Income				
Reserve Fund Receivable	2,000.00	800.00	900.00	3,700.00
Total Income	2,000.00	800.00	900.00	3,700.00
Reserve Fund Movement				
Balance Brought Forward	8,768.75	7,928.75	16,743.75	33,441.25
Increase / (Decrease) for the year	2,000.00	800.00	900.00	3,700.00
Balance Carried Forward				
Reserve Fund Carried Forward	10,768.75	8,728.75	17,643.75	37,141.25

Reconciliation of Reserve Fund - Carpet Replacement

Windmill Gate

For the year ended 31 August 2023

	BLOCK G	BLOCK J	BLOCK L	TOTAL
Reserve Fund				
Reserve Fund Movement				
Balance Brought Forward	3,019.65	3,676.20	6,645.85	13,341.70
Increase / (Decrease) for the year	-	-	-	-
Balance Carried Forward				
Reserve Fund Carried Forward	3,019.65	3,676.20	6,645.85	13,341.70

Reconciliation of Reserve Fund - Roof Renewal

Windmill Gate

For the year ended 31 August 2023

	BLOCK G	BLOCK J	BLOCK L	TOTAL
Reserve Fund				
Income				
Reserve Fund Receivable	1,500.00	3,500.00	4,500.00	9,500.00
Total Income	1,500.00	3,500.00	4,500.00	9,500.00
Reserve Fund Movement				
Balance Brought Forward	5,375.00	6,360.00	6,164.00	17,899.00
Increase / (Decrease) for the year	1,500.00	3,500.00	4,500.00	9,500.00
Balance Carried Forward				
Reserve Fund Carried Forward	6,875.00	9,860.00	10,664.00	27,399.00

Reconciliation of Reserve Fund - Sundry

Windmill Gate

For the year ended 31 August 2023

	BLOCK G	BLOCK J	BLOCK L	ESTATE	TOTAL
Reserve Fund					
Income					
Reserve Fund Receivable	250.00	850.00	3,000.00	2,020.82	6,120.82
Bank Interest Received	-	-	-	2,452.70	2,452.70
Total Income	250.00	850.00	3,000.00	4,473.52	8,573.52
Expenditure					
Bank Charges	-	-	-	30.25	30.25
Total Expenditure	-	-	-	30.25	30.25
Reserve Fund Movement					
Balance Brought Forward	3,396.50	8,242.00	22,539.50	64,430.54	98,608.54
Increase / (Decrease) for the year	250.00	850.00	3,000.00	4,443.27	8,543.27
Balance Carried Forward					
Reserve Fund Carried Forward	3,646.50	9,092.00	25,539.50	68,873.81	107,151.81