

Chartered Accountants
Local Matters, National Strength.

Service Charge Certificate

Newport Road Maintenance Limited

Admiral House

For the year ended 31 December 2012

NEWPORT ROAD MAINTENANCE LIMITED
ADMIRAL HOUSE
FOR THE YEAR ENDED 31 DECEMBER 2012

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ACCOUNTANTS' REPORT TO THE MANAGING AGENTS OF NEWPORT ROAD MAINTENANCE LIMITED ADMIRAL HOUSE FOR THE YEAR ENDED 31 DECEMBER 2012

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 of Newport Road Maintenance Limited. In accordance with our engagement, we have performed the procedures agreed with you and listed below with respect to the service charge accounts set out on pages 2 to 7 in respect of Newport Road Maintenance Limited, for the year ended 31 December 2012 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 or for this report.

Basis of report

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; and

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 agreed or reconciled to the bank statements 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 Standard 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 below.

Had we performed additional procedures or had we performed an audit or review of the financial statement 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 agrees or reconciles to the bank statement for the account in which the funds are held.

HW
Chartered Accountants
Bridge House
Ashley Road
Hale
Altrincham
Cheshire WA14 2UT

26 June 2013

NEWPORT ROAD MAINTENANCE LIMITED
ADMIRAL HOUSE
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012

	Actual £
Income	
Service charge	360,987
Expenditure	
Schedule 1 - residential	363,547
Schedule 2 - car park	52,497
Total expenditure	416,044
Deficit for the year	(55,057)

NEWPORT ROAD MAINTENANCE LIMITED
ADMIRAL HOUSE
BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2012

	2012 £	2012 £
Current assets		
Service charge debtors	69,140	
Prepayments	17,909	
Cash at bank	37,179	
		124,228
Creditors: amounts falling due within one year		
Trade creditors	33,984	
Accruals and deferred income	17,494	
		51,478
Total assets less current liabilities		72,750
Capital and reserves		
Reserve fund		72,750

NEWPORT ROAD MAINTENANCE LIMITED
ADMIRAL HOUSE
SERVICE CHARGE SUMMARY
FOR THE YEAR ENDED 31 DECEMBER 2012

	Actual	Budget	Variance
	£	£	£
Schedule			
Schedule 1 – residential	363,547	334,055	29,492
Schedule 2 – car park	52,497	44,043	8,454
	416,044	378,098	37,946

NEWPORT ROAD MAINTENANCE LIMITED
ADMIRAL HOUSE
SCHEDULE 1 – RESIDENTIAL
FOR THE YEAR ENDED 31 DECEMBER 2012

	Actual 2012	Budget 2012	Variance 2012
Summary of costs	£	£	£
Lift maintenance	7,305	6,000	1,305
Window cleaning	7,788	6,720	1,068
Contingency	-	6,040	(6,040)
On site staff	142,744	143,621	(877)
Site management overheads	5,726	3,300	2,426
Security	5,431	2,760	2,671
Electricity	25,877	21,000	4,877
Health and safety	20,901	12,800	8,101
Landscaping	1,111	1,454	(343)
Insurance	26,028	27,000	(972)
Management fee	36,000	36,000	-
Professional fees	2,702	1,800	902
Accountancy fee	1,425	600	825
Water rates	46,789	39,000	7,789
General maintenance	12,720	4,960	7,760
Total costs	**342,547**	**313,055**	**29,492**
Contribution to reserve fund	21,000	21,000	-
Total service charge	**363,547**	**334,055**	**29,492**

Reserve fund for future expenses	
Balance brought forward	24,000
Contribution to reserve fund	21,000
Balance carried forward	45,000

NEWPORT ROAD MAINTENANCE LIMITED
ADMIRAL HOUSE
SCHEDULE 2 – CAR PARK
FOR THE YEAR ENDED 31 DECEMBER 2012

	Actual 2012	Budget 2012	Variance 2012
Summary of costs	£	£	£
Lift maintenance	240	24,000	(23,760)
Contingency	-	593	(593)
On site staff	4,174	4,200	(26)
Security	1,068	1,200	(132)
Electricity	5,691	5,250	441
Management fee	3,600	3,600	-
Professional fees	12,944	-	12,944
General maintenance	780	1,200	(420)
Total costs	**28,497**	**40,043**	**(11,546)**
Contribution to reserve fund	24,000	4,000	20,000
Total service charge	**52,497**	**44,043**	**8,454**

Reserve fund for future expenses	
Balance brought forward	3,750
Contribution to reserve fund	24,000
Balance carried forward	27,750

NEWPORT ROAD MAINTENANCE LIMITED
ADMIRAL HOUSE
RESERVE FUND
FOR THE YEAR ENDED 31 DECEMBER 2012

	Schedule 1 Residential £	Schedule 2 Car park £	Total £
Reserve fund for future expenditure			
Balance brought forward	24,000	3,750	27,750
Movement in the year	21,000	24,000	45,000
Balance carried forward	**45,000**	**27,750**	**72,750**

Approved by the managing agent

Livingcity Asset Management Limited
Livingcity Centre
10 Durling Street
Ardwick Green
Manchester
M12 6FS