

Farnborough Central Management Company Limited

Service Charge Accounts

31 March 2019



Farnborough Central Management Company Limited
Service charge accounts
Contents

	Page
Management company information	1
Management company directors report	2-3
Accountants report	4
Service charge Income and Expenditure account	5
Service charge balance sheet	6
Notes to the service charge accounts	7-8
Detailed schedule to the income and expenditure	9-10

Farnborough Central Management Company Limited
Management Company Information

Directors

W Alexander

I L Clifford

D Hoffman

V Jones

J Sweeny

Secretary

itsyourplace Ltd

Managing Agents

itsyourplace Ltd

Victoria House

178-180 Fleet Road

Fleet

Hampshire

GU51 4DA

Accountants

Branston Adams Chartered Certified Accountants

Suite 2

Victoria House

South Street

Farnham

Surrey

GU9 7QU

Registered office

Victoria House

178-180 Fleet Road

Fleet

Hampshire

GU51 4DA

Registered number

6416734

Farnborough Central Management Company Limited
Directors Report

The directors present their report and accounts for the year ended 31 March 2019.

Principle activities

The company's principle activity during the year continued to be that of acting as trustees of a statutory trust in respect of service charge monies collected for the maintenance of a residents association for Farnborough Central Management Company Limited.

Directors

The following persons served as directors during the year:

W Alexander
D Hoffman - Resigned 27 May 2019
V Jones
I Clifford - Resigned 27 May 2019
S Cole - Resigned 7 August 2018
J Sweeny - Appointed 30 October 2018

Financial Reporting

The management company is duly registered at Companies House as a private company limited by guarantee.

The company is considered to be dormant and non-trading and as more fully explained in note 1 to the accounts.

Disclosure of costs as required by the Law and Property Act

	£
A) Costs in respect of which no demand for payment was received during the year.	9,895
B) Costs in respect of which a demand for payment was received but no payment made prior to the end of the year.	8,163
C) Costs in respect of which a demand for payment was received and payment was made prior to the end of the year.	376,904
Total	<u>394,962</u>

Farnborough Central Management Company Limited
Directors Report

Statement of Directors Responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law require the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with FRS 102. Under company law the directors must not approve the accounts unless they are satisfied that they give a true state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts, the directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that they are also reasonable for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Managing Agents

The managing agent fees payable in the year to 31 March 2019 totalled £67,380 (2018: £67,380).

On Behalf of the Board

W. Alexander

W Alexander
Director

Farnborough Central Management Company Limited
Chartered Certified Accountants Report

Independent Accountant's report to Farnborough Central Management Company Limited

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 Farnborough Central Management Company Limited. In accordance with our engagement letter we have performed the procedures agreed with you and enumerated below with respect to the service charge accounts set out on pages 5 to 10 in respect of Farnborough Central Management Company Limited for the year ended 31 March 2019 in order to provide a report of factual findings about the service charge accounts that you have issued.

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 procedure 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 the service charge monies for Farnborough Central Management Company Limited shown on page 6 of the service charge accounts agreed or reconciled to the bank statements for the accounts in which the funds are held.

Because the above procedure do not constitute either an audit or a review in accordance with the 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 findings set out below.

Had we performed additional procedures or had we performed an audit or review of the service charge accounts in accordance with the 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 6 of the service charge accounts agrees or reconciles to the bank statement for the accounts in which the funds are held.



Branston Adams Chartered Certified Accountants
Suite 2 Victoria House
South Street
Farnham
Surrey
GU9 7QU

Farnborough Central Management Company Limited
Income and Expenditure Account
for the year ended 31 March 2019

	Notes	2019	2018
		£	£
Income		1 458,155	413,388
Administrative expenses		(394,962)	(393,625)
Total expenditure		(394,962)	(393,625)
Surplus of income over expenses		63,193	19,763
Other income		6,168	193
Surplus for the year		69,361	19,956
Surplus carried forward		69,361	19,956

Farnborough Central Management Company Limited
Balance Sheet
for the year ended 31 March 2019

Notes	2019		2018	
	£	£	£	£
Current Assets				
Debtors	2	50,094		73,248
Cash at bank and in hand		376,989		258,913
		<u>427,083</u>		<u>332,161</u>
Creditors: amounts falling due within one year				
	3	(90,361)		(71,621)
Net current assets		<u>336,722</u>		<u>260,540</u>
Net assets				
		<u>336,722</u>		<u>260,540</u>
Reserves				
Estate		107,114		88,436
Wessex		34,427		27,064
Blocks 3-8		120,096		70,791
FOG (Jupiter Close)		6,656		5,820
Ashton		37,212		37,212
Bell		31,217		31,217
Total reserves at 31 March 2019		<u>336,722</u>		<u>260,540</u>

.....
W Alexander
W Alexander
Farnborough Central Management Company Limited

Farnborough Central Management Company Limited
Notes to the Accounts

1. Accounting Policies

Accounting Convention

The financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

Income represents the value of service charges due from residents during the period. Where residents pay in advance charges are shown under creditors. Where residents are late paying the service charges these are shown under debtors.

Cost Apportionment

Total service charges are charged to residents in accordance with the terms and conditions of their lease.

Financial Reporting

The management company holds the service charges on trust on behalf of the residents. It appoints a professional management company to deal with the day to day management. The company does not report the service charge income as part of its own income and expenditure but accounts for it separately. The management company holds the cash resources in a separate designated client account. The company submits its own dormant accounts showing no activity.

Reserves Policy

The directors make a provision each year for the general dilapidations of the common parts by transfer to respective reserves. In due course the dilapidations will require remedial works and this prudent approach is made to ensure sufficient funds are available to meet the liability as it arises.

2. Debtors	2019	2018
	£	£
Service charges in arrears	11,182	11,296
Prepayments	38,912	61,952
	<hr/> <u>50,094</u>	<hr/> <u>73,248</u>

3. Creditors: amounts falling due within one year	2019	2018
	£	£
Service charges paid in advance	71,853	59,841
Trade creditors	8,163	6,580
Accruals	9,895	5,200
Other creditors	<hr/> 450	<hr/> -
	<hr/> <u>90,361</u>	<hr/> <u>71,621</u>

Farnborough Central Management Company Limited
Notes to the Accounts

4. Estate Reserve	2019
Opening reserve	88,436
Surplus / (Deficit) for the year	<u>18,678</u>
Closing reserve	<u><u>107,114</u></u>
5. Wessex Reserve	
Opening reserve	27,064
Surplus / (Deficit) for the year	<u>7,363</u>
Closing reserve	<u><u>34,427</u></u>
6. Blocks 3-8 Reserve	
Opening reserve	70,791
Prior year adjustment (water mains failure)	6,821
Surplus / (Deficit) for the year	<u>42,484</u>
Closing reserve	<u><u>120,096</u></u>
7. Fog (Jupiter Close) Reserve	
Opening reserve	5,820
Surplus / (Deficit) for the year	<u>836</u>
Closing reserve	<u><u>6,656</u></u>
8. Ashton Reserve	
Opening reserve	37,212
Surplus / (Deficit) for the year	<u>-</u>
Closing reserve	<u><u>37,212</u></u>
9. Bell Reserve	
Opening reserve	31,217
Surplus / (Deficit) for the year	<u>-</u>
Closing reserve	<u><u>31,217</u></u>

Farnborough Central Management Company Limited
Detailed Schedule to the Income and Expenditure Account
for the year ended 31 March 2019

	Budget £	2019 £	2018 £
Estate Income			
Service Charge Income		223,882	200,268
Interest		878	193
Sundry Income		-	49
	224,760	200,510	
Estate Expenditure			
Director & Office Insurance	376	315	352
Public Liability Insurance	1,157	1,102	1,118
Annual Return	13	13	13
Audit & Accountancy	1,200	1,200	1,200
Legal Fees	1,000	1,210	1,800
Managing Agent Fees	22,848	22,848	22,848
Farnborough Business Park Management Fee	118,291	118,883	110,631
General Repairs & Maintenance	5,000	2,338	1,927
Street Lighting Repairs	3,000	3,383	3,272
Pump Maintenance - Contract	2,304	2,381	2,304
Pump Maintenance - Repairs	500	847	360
TV Aerial / Satellite Repairs	500	1,085	498
Play Park Inspection	612	312	306
Bin Cleaning - Sanitisation Bi Monthly	6,134	3,480	5,939
Estate Cleaning, Sweeping Bin and Cycle Stores	10,678	6,192	10,402
Refuse Collection	300	300	162
Gardens & Grounds Maintenance - Contract	30,682	30,682	30,682
Gardens & Grounds Maintenance - Repairs / Misc	3,000	1,913	3,715
Electricity	5,000	6,806	5,198
Postage & Sundries	1,000	792	1,267
	213,594	206,082	203,994
Estate Surplus / (Deficit) For The Year		18,678	(3,484)
Blocks 3-8 Income			
Service Charge Income		193,218	175,708
Sundry Income		-	47
Insurance Claim		5,290	-
	198,508	175,755	
Blocks 3-8 Expenditure			
Building Insurance	39,900	44,091	36,497
Engineering Insurance (Lift)	2,310	2,154	1,859
Managing Agent Fees	35,640	35,640	35,640
General Repairs & Maintenance	5,000	3,075	6,861
Electrical Repairs	2,000	3,968	4,342
Lift Maintenance - Contract	10,877	11,287	10,491
Lift Maintenance - Repairs	-	4,457	340
Door Entry / Access Repairs	5,000	3,024	5,394
Electrical Testing, Health & Safety	2,505	4,062	4,620
AOV	986	870	3,786
Communal Cleaning	14,587	18,751	18,286
Windows Cleaning	6,313	5,881	6,313
Refuse Collection	500	1,020	1,252
Electricity	15,000	15,672	16,164
Water - Communal	600	161	139
Lift Telephone	2,000	1,911	2,194
	143,218	156,024	154,178
Blocks 3-8 Surplus / (Deficit) For The Year		42,404	21,011

Wessex Income			
Service Charge Income	39,473	35,744	
Interest	-	-	
	<u>39,473</u>	<u>35,744</u>	
Wessex Expenditure			
Building Insurance	5,576	3,463	5,444
Engineering Insurance (Lift)	551	575	497
Managing Agent Fees	8,586	8,586	8,586
General Repairs & Maintenance	1,000	114	553
Electrical Repairs	500	828	111
Lift Maintenance - Contract & Repairs	3,525	3,460	2,937
Door Entry / Access Repairs	1,000	857	1,590
Electrical Testing, Health & Safety	603	978	1,502
AOV	238	1,239	951
Communal Cleaning	4,790	6,950	5,461
Windows Cleaning	2,104	2,104	2,104
Refuse Collection	-	318	94
Electricity	3,000	2,000	4,000
Lift Telephone	500	638	470
	<u>31,973</u>	<u>32,110</u>	<u>34,300</u>
Wessex Surplus / (Deficit) For The Year			
	<u>7,363</u>	<u>1,444</u>	
FOG (Jupiter Close)			
Service Charge Income	1,582	1,572	
Interest	-	-	
	<u>1,582</u>	<u>1,572</u>	
FOG (Jupiter Close)			
Building Insurance	646	440	606
Managing Agent Fees	306	306	306
General Repairs & Maintenance	200	-	121
Cleaning Windows	180	-	-
Drain Clean	-	-	120
	<u>1,332</u>	<u>746</u>	<u>1,153</u>
FOG Surplus / (Deficit) For The Year			
	<u>836</u>	<u>419</u>	
Total Expenditure	<u>390,118</u>	<u>394,962</u>	<u>393,625</u>