

ORMSBY (FREEHOLD) LIMITED

SERVICE CHARGE STATEMENT OF ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

ORMSBY (FREEHOLD) LIMITED

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SERVICE CHARGE STATEMENT OF ACCOUNT FOR

ORMSBY (FREEHOLD) LIMITED

LETTER OF REPRESENTATION FROM RESIDENT MANAGEMENT COMPANY TO ACCOUNTANT

FOR THE YEAR ENDED 31 MARCH 2024

We have determined 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 Ormsby (Freehold) Limited.

We are responsible for preparing service charge information as set out in the accounts of Ormsby (Freehold) Limited for the year ended 31 March 2024.

We are responsible for ensuring that the financial management of the service charges is sound and that there is an effective system of internal control which facilitates the proper use of the service charges and which includes arrangements for good management of the building and all communal grounds for which we have responsibility in accordance with the terms of the lease.

No leaseholder has made a request for a written summary of relevant costs in relation to the service charges payable or demanded as payable in the period in accordance with Section 21 of the Landlord and Tenant Act 1985.

We confirm that all relevant costs included as expenditure in the service charge information, including any payments to reserve funds, is a proper charge to the property and is in accordance with the underlying leases. Where necessary we have complied with the provisions of section 20 of the Landlord and Tenant Act 1985 in relation to long-term expenditure and major works as defined by the legislation.

All expenditure included in the service charge information is a proper charge to the property and is in accordance with underlying leases.

Where necessary, the allocation of relevant expenditure across the various service charge sectors including that relating to the above property is in accordance with the lease.

All the accounting records have been made available to you for the purpose of your engagement and all the transactions relating to service charges have been properly reflected and recorded in the accounting records. Any significant matters of which we consider you ought be aware have been brought to your attention.

The charge to the reserve fund is in accordance with the provisions of the leases and the amounts have been accurately reflected in the reserve fund (where applicable) included as part of the service charge statement of relevant costs.

All service charge monies are held separately in trust in accordance with section 42 of the Landlord and Tenant Act 1987 in designated accounts with Metro Bank Plc and subsequently with Tide Bank Plc and Redwood Bank Plc and the balances reconciled to the fund balances shown in the statement of account.

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can make the above representations to you.



Ormsby (Freehold) Limited - Resident Management Company

RESIDENT MANAGEMENT COMPANY DECLARATION

We approve the attached summary of costs.



Ormsby (Freehold) Limited - Resident Management Company

Date: 10 July 24

ORMSBY (FREEHOLD) LIMITED

INDEPENDENT ACCOUNTANTS REPORT

FOR THE YEAR ENDED 31 MARCH 2024

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 Ormsby (Freehold) 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 3 to 5 in respect of Ormsby (Freehold) Limited for the year ended 31 March 2024 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 TECH 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 Ormsby (Freehold) Limited shown in 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 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 in the service charge accounts agrees or reconciles to the bank statement for the accounts in which the funds are held.

Simpson Wreford & Partners

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Simpson Wreford & Partners
Chartered Accountants and Registered Auditors
Suffolk House
George Street
Croydon CR0 0YN

Date 12 July 2024

SERVICE CHARGE STATEMENT OF ACCOUNT FOR
ORMSBY (FREEHOLD) LIMITED
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2024

	2024 Actual £	2024 Budget £	2023 Actual £
Income relating to the year			
Service charge demanded on account	41,350	41,350	41,280
Recharge garage door frame repairs	2,330	-	-
Freeholder income	125	500	225
Total income	43,805	41,850	41,505
Expenditure relating to the year			
Repairs and maintenance			
Repairs and maintenance	3,269	5,200	1,628
Cleaning	3,468	3,600	3,600
Window cleaning	1,260	1,600	1,512
Electrical repairs	1,127	-	648
External redecorations	5,200	5,200	-
Insurance claim works: waste stack	-	-	952
Water damage	-	-	(2,522)
Grounds maintenance			
Landscape maintenance	15,000	15,000	15,933
Additional landscaping	1,593	1,800	-
Tree surgery	-	-	3,864
Utilities			
Electricity	509	1,000	459
Water rates	29	80	28
Insurance			
Buildings insurance	6,394	6,000	5,096
Directors and officers insurance	178	180	173
Professional fees			
Independent accountancy fees	1,200	1,200	1,200
Companies House filing fee	13	-	13
General expenses			
Postage & stationery	25	-	73
Administration fees	-	250	-
Bank charges	122	240	1
Total expenditure	39,387	41,350	32,658
Surplus for the year	4,418	500	8,847
Balance at start of accounting year	32,658	-	23,811
Balance at end of accounting year	37,076	-	32,658

SERVICE CHARGE STATEMENT OF ACCOUNT FOR
ORMSBY (FREEHOLD) LIMITED
BALANCE SHEET
AS AT 31 MARCH 2024

	Notes	2024 £	2023 £
ASSETS			
Prepayments		4,046	3,562
Cash at bank	3 and 5	<u>57,576</u>	<u>52,525</u>
		<u>61,622</u>	<u>56,087</u>
LIABILITIES			
Service charges paid in advance by tenants		23,100	21,995
Amount due to Resident Management Company		96	96
Accruals		<u>1,350</u>	<u>1,338</u>
		<u>24,546</u>	<u>23,429</u>
NET ASSETS		<u><u>37,076</u></u>	<u><u>32,658</u></u>
REPRESENTED BY:-			
Income and expenditure account		<u>37,076</u>	<u>32,658</u>
		<u><u>37,076</u></u>	<u><u>32,658</u></u>

SERVICE CHARGE STATEMENT OF ACCOUNT FOR

ORMSBY (FREEHOLD) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies

The statement of account has been prepared in accordance with the provisions of the lease and on the accruals and prepayments basis, under the historical cost convention and (except where it is disclosed otherwise) according to generally accepted accounting practice in the United Kingdom.

2. Tenants rights and obligations

A summary of tenants (leaseholders) rights and obligations must by law accompany a demand for service charges, and is available from the managing agents.

3. Cash at bank

All funds (whether reserve or current account) were held in trust in designated client accounts in the name of the Service Charge Account with Metro Bank Plc. up until Oct 2023.

All funds (whether reserve or current account) are held in trust in designated client accounts in the name of the Service Charge Account partly with Tide Bank Plc and partly with Redwood Bank Plc from Oct 2023.

4. Transactions with directors of Ormsby (Freehold) Limited

During the year Mr Robert Slee received £417 in reimbursement for costs he has expended on behalf of Ormsby (Freehold) Limited.

5. Summary of client bank account movements

£

Balance brought forward 1 April 2023

52,525

Net movement during the year

5,051

Balance carried forward 31 March 2024

57,576