

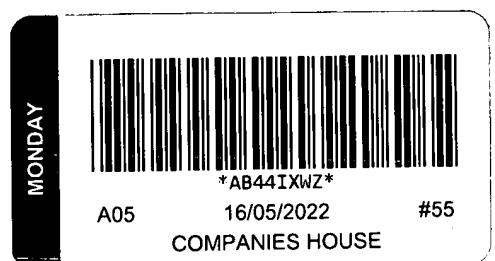
27 APR 2022

Company No. 03350835

REPORT AND FINANCIAL STATEMENTS

31 December 2021

**ARNEWOOD COURT (BOURNEMOUTH) MANAGEMENT
COMPANY LIMITED**



ARNEWOOD COURT (BOURNEMOUTH) MANAGEMENT COMPANY LIMITED

ACCOUNTS
31 December 2021

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DIRECTORS AND OFFICERS

DIRECTORS

Mr G W Baylis
Mr R A Swift

SECRETARY

Foxes Property Management Ltd

REGISTERED OFFICE

6 Poole Hill
Bournemouth
Dorset
BH2 5PS

ACCOUNTANTS

M J Rhodes & Co
Accountants
8 Poole Hill
Bournemouth
BH2 5PS

REPORT OF THE DIRECTORS

The directors submit their report and the accounts for the year to 31 December 2021.

PRINCIPAL ACTIVITIES

The principal activity of the company is the management of residential property. The monies collected from the property owners are held in trust under the Landlord & Tenant Act 1987, and separate service charge accounts are prepared.

RESULTS AND DIVIDENDS

The results of the company for the year under review are set out in detail on page 4.

DIRECTORS

The directors who served during the year were:

G W Baylis
R A Swift

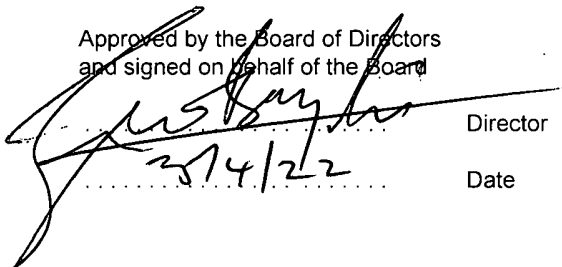
TAXATION STATUS

In the opinion of the directors, the company is a close company for taxation purposes.

EXEMPTIONS

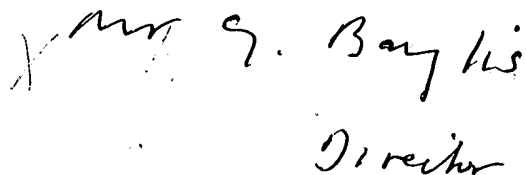
The above report has been prepared in accordance with the small companies regime of the Companies Act 2006.

Approved by the Board of Directors
and signed on behalf of the Board


.....
25/4/22

Director

Date


G. Baylis
Director

STATEMENT OF DIRECTORS RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year.

Under that law the director has elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The accounts are required by law to give a true and fair view of the 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 then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PROFIT AND LOSS ACCOUNT
For the year to 31 December 2021

| | Note | 2021 £ | 2020 £ |
|--|------|------------|------------|
| TURNOVER | 1(b) | 1,275 | 631 |
| Administrative expenses | | 297 | 258 |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | <u>978</u> | <u>373</u> |
| Tax on profit on ordinary activities | 3 | - | - |
| PROFIT RETAINED AND TRANSFERRED TO RESERVES | | <u>978</u> | <u>373</u> |

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial years.

RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the retained profit or loss for the above two financial years.

STATEMENT OF MOVEMENT ON RESERVES
for the year ended 31 December 2021

| | Profit & loss account £ |
|---------------------------------|--|
| Balance at 1 January 2021 | 436 |
| Service charge account transfer | (373) |
| Profit for the year | 978 |
| Balance at 31 December 2021 | <u>1,041</u> |

The notes on page 6 form an integral part of these accounts.

BALANCE SHEET
31 December 2021

| | Note | 2021 £ | 2020 £ |
|--|------|--------------|------------|
| FIXED ASSETS | | | |
| Freehold property | | 1 | 1 |
| CURRENT ASSETS | | | |
| Cash at bank | | <u>1,198</u> | <u>593</u> |
| | | <u>1,198</u> | <u>593</u> |
| CREDITORS | | | |
| Accruals and deferred income - accountancy | | <u>132</u> | <u>132</u> |
| NET CURRENT ASSETS | | 1,066 | 461 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>1,067</u> | <u>462</u> |
| SHARE CAPITAL AND RESERVES | | | |
| Called up share capital | 4 | 26 | 26 |
| Profit and loss account | | 1,041 | 436 |
| SHAREHOLDERS FUNDS | | <u>1,067</u> | <u>462</u> |

For the financial year ended 31 December 2021 the company was entitled to exemption from audit under section 477 Companies Act 2006; and no notice has been deposited under section 476. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and preparing accounts which give a true and fair view of the state of affairs of the company as at the period end and of its profit (or loss) for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006, so far as applicable to the company.

The accounts have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies regime.

These financial statements were approved by the Board of the Directors on

Signed on behalf of the Board of Directors

Director

Date

The notes on page 6 form an integral part of these accounts

Mr G. Baylis
Director

31 December 2021

1) ACCOUNTING POLICIES

(i) Accounting convention

These financial statements have been prepared in accordance with the historical cost convention.

(ii) Turnover

The company has no income. The maintenance charges collected are dealt with in the separate service charge accounts.

(iii) Tangible fixed assets

All fixed assets are initially recorded at cost.

(iv) Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2) INFORMATION REGARDING EMPLOYEES

The company has no employees.

3) TAX ON PROFIT ON ORDINARY ACTIVITIES

2021
£

2020
£

Corporation tax charged on taxable profits

-

-

4) SHARE CAPITAL

2021
£

2020
£

Issued and fully paid :

26 Ordinary shares of £1 each

26

26

INCOME AND EXPENDITURE ACCOUNT
For the year to 31 December 2021

| | | 2021 | | 2020 |
|--|-----|------------|-----|------------|
| | £ | £ | £ | £ |
| INCOME | | | | |
| Car park rents and electricity substation site | | 1,275 | | 631 |
| EXPENDITURE | | | | |
| Rent collection fees | 77 | | 38 | |
| Annual return fee | 40 | | 40 | |
| Trust and estate tax return | 48 | | 48 | |
| Accountancy | 132 | | 132 | |
| | | | | |
| | | 297 | | 258 |
| | | | | |
| SURPLUS FOR THE YEAR | | <u>978</u> | | <u>373</u> |

**ARNEWOOD COURT
SERVICE CHARGE ACCOUNTS**

31 December 2021

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**ARNEWOOD COURT
SERVICE CHARGE ACCOUNTS**

Page 1

**BALANCE SHEET
31 December 2021**

| | £ | 2021 £ | £ | 2020 £ |
|--|---------------|--------------|--------------|--------------|
| CURRENT ASSETS | | | | |
| Bank reserve account | 22 | | 222 | |
| Cash held by managing agents | 4,872 | | 1,440 | |
| Maintenance charges in arrears | - | | 1,466 | |
| Prepayments | 5,877 | | 5,445 | |
| | <u>10,771</u> | | <u>8,573</u> | |
| CURRENT LIABILITIES | | | | |
| Maintenance charges in advance | 268 | | 250 | |
| Re-pointing work levy | 1,520 | | 1,520 | |
| Accruals and deferred income | 3,465 | | 4,002 | |
| | <u>5,253</u> | | <u>5,772</u> | |
| NET CURRENT ASSETS | | <u>5,518</u> | | <u>2,801</u> |
| REPRESENTED BY | | | | |
| Income and expenditure account | | 5,496 | | 2,579 |
| Reserve fund : | | | | |
| Balance brought forward | 222 | | 16,187 | |
| Transfer to income and expenditure account | (1,500) | | (19,100) | |
| Transfer from income and expenditure account | <u>1,300</u> | | <u>3,135</u> | |
| | | 22 | | 222 |
| | | <u>5,518</u> | | <u>2,801</u> |

**ARNEWOOD COURT
SERVICE CHARGE ACCOUNTS**

Page 2

**INCOME AND EXPENDITURE ACCOUNT
For the year to 31 December 2021**

| | £ | 2021 £ | £ | 2020 £ |
|---------------------------------------|-------|--------------|--------|--------------|
| INCOME | | | | |
| Service charges | | 40,315 | | 38,115 |
| Interest received | | 1 | | 18 |
| | | <hr/> | | <hr/> |
| | | 40,316 | | 38,133 |
| EXPENDITURE | | | | |
| Water rates | 6,063 | | 6,265 | |
| Electricity | 2,801 | | 2,571 | |
| Insurance | 7,478 | | 6,593 | |
| Engineering insurance | 636 | | 616 | |
| Repairs and maintenance | 3,759 | | 24,159 | |
| Lift maintenance and repairs | 1,624 | | 2,024 | |
| Gardening and tree work | 3,148 | | 2,554 | |
| Cleaning | 3,691 | | 2,942 | |
| Telephone | 421 | | 341 | |
| Sundries | 485 | | 545 | |
| Legal and professional fees | 640 | | - | |
| Managing agents fees | 6,866 | | 6,705 | |
| Accountancy fees | 360 | | 348 | |
| | | <hr/> | <hr/> | |
| | | 37,972 | | 55,663 |
| SURPLUS (DEFICIT) FOR THE YEAR | | <hr/> | | <hr/> |
| | | 2,344 | | (17,530) |
| Transfer to reserve fund | | (1,300) | | (3,135) |
| Transfer from reserve fund | | 1,500 | | 19,100 |
| Transfer from limited company | | 373 | | 297 |
| Surplus brought forward | | 2,579 | | 3,847 |
| | | <hr/> | | <hr/> |
| Balance carried forward | | <u>5,496</u> | | <u>2,579</u> |

NOTES TO THE ACCOUNTS
For the year to 31 December 2021

1) ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Service charge monies are held on trust in accordance with section 42, Landlord & Tenant Act 1987. Interest earned on service charge monies held on deposit is taxable at the basic rate of income tax. The rate of tax applied to interest received during the year was 20%.

A sinking fund has been established towards the costs of major repairs, redecorations and other unexpected costs. Any shortfall in these funds resulting from expenditure incurred will either be collect by way of levy or be charges to the income and expenditure account in that year.

**ACCOUNTANTS REPORT TO THE DIRECTORS OF
ARNEWOOD COURT**

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.

In accordance with the terms of our engagement we have performed the procedures agreed with you and enumerated below with the respect of the attached service charge accounts for the year ended 31 December 2021 in order to provide a report of factual findings about the service charge accounts that you have issued.

This report is made to the company's directors as representatives of 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 company's directors and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the company's directors for our work or for this report.

Basis of report:

Our work was carried out having regard to (Tech 01/11) 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 company.
2. We checked, based on a sample, whether entries in the accounting records were supported by receipts, other documentation or evidence that we inspected.
3. We checked whether the balance of service charge monies for this property shown on page 1 of the service charge accounts agreed or reconciled to the bank statements for the accounts in which the funds are held.

Report of factual findings:

1. With respect to item 1 we found the figures in the statement of account to have been extracted correctly from the accounting records.
- ii. 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.
- iii) With respect to item 3 we found that the balance of service charge monies shown on page 3 of the service charge accounts agrees or reconciles to the bank statements for the accounts in which the funds are held.

M J Rhodes & Co
Accountants
8 Poole Hill
Bournemouth
BH2 5PS

ARNEWOOD COURT
SERVICE CHARGE ACCOUNTS

Page 5

Schedule to the accounts
31 December 2021

Accruals and deferred income

| | |
|---|-------|
| Gardening | 258 |
| Cleaning | 432 |
| Water rates | 22 |
| Sundries - managing agents accounts preparation fee | 120 |
| - bank charges | 154 |
| - out of hours call out fee | 211 |
| Insurance repairs | 1,908 |
| Accountancy fees | 360 |
| | <hr/> |
| | 3,465 |

Repairs and renewals

| | |
|-------------------------------|-------|
| | £ |
| Dry riser inspections | 926 |
| Garage door repairs | 893 |
| Bin chute clearance | 438 |
| Rubbish clearance | 180 |
| Door entry system maintenance | 216 |
| Drain maintenance | 360 |
| Damp inspection | 50 |
| Bin store door repairs | 78 |
| Lock maintenance | 90 |
| Lighting | 83 |
| Roofing | 377 |
| Locate water mains | 68 |
| | <hr/> |
| | 3,759 |