

YourLife Management Services Ltd  
SERVICE CHARGE STATEMENT OF ACCOUNT  
Tudor Rose Court - Southsea  
For the year ended 30 June 2024

Tudor Rose Court - Southsea  
Service Charge Income and Expenditure Account  
For the year ended 30 June 2024

	30 Jun 2024 Actual £	30 Jun 2024 Budget £	30 Jun 2023 Actual £
Service Charge Fee Income	626,300	626,300	543,997
Guest Suite Income	3,521	3,323	2,312
Other Income	767	500	1,200
Net Meals Income (Note 4)	5,138	-	8,575
Income	<u>635,726</u>	<u>630,123</u>	<u>556,084</u>
Cost of Employment	188,140	183,177	161,578
Domestic Assistance	29,086	55,872	38,798
24 hour Emergency Monitoring	3,444	3,106	2,406
Office Costs	12,458	8,097	10,986
Development Manager and Associated Costs	<u>233,128</u>	<u>250,252</u>	<u>213,768</u>
Food and Beverage	141,138	126,731	115,747
Food and Beverage Total	<u>141,138</u>	<u>126,731</u>	<u>115,747</u>
Energy	52,419	67,724	59,141
Water and Sewerage	6,166	8,702	5,640
Insurance	16,658	13,431	13,058
Grounds Maintenance	6,285	8,016	5,019
Window Cleaning	5,676	7,095	6,307
Communal Cleaning	46,430	43,465	38,249
PPE	-	200	-
Communal Services	<u>133,634</u>	<u>148,633</u>	<u>127,414</u>
Emergency Call System	5,639	6,836	5,204
Lift Maintenance	4,321	5,038	5,303
General Maintenance	39,961	20,270	47,236
Repairs and Maintenance	<u>49,921</u>	<u>32,144</u>	<u>57,743</u>
Management Fee	40,044	40,044	38,137
Audit Fee	930	838	810
Bank Charges	258	260	157
Registered Managers Fees (CQC)	787	787	565
Professional Services	<u>42,019</u>	<u>41,929</u>	<u>39,669</u>
Contingency Fund	30,434	30,434	28,985
Contributions from division	-	-	(8,000)
Expenditure	<u>630,274</u>	<u>630,123</u>	<u>575,326</u>
Surplus/(Deficit)	<u>5,452</u>	<u>-</u>	<u>(19,242)</u>

Tudor Rose Court - Southsea  
Balance Sheet  
As at 30 June 2024

	30 Jun 2024 Actual £	30 Jun 2023 Actual £
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Assets		
Deficit for the period	-	19,242
Debtors (Note 5)	226,335	119,172
Cash at bank and in hand	86,431	205,913
Total assets	<u>312,766</u>	<u>344,327</u>
Liabilities		
Surplus for the period	5,452	-
Creditors (Note 6)	94,943	148,167
Total Liabilities	<u>100,395</u>	<u>148,167</u>
Net assets	<u>212,371</u>	<u>196,160</u>
Reserves		
Contingency Fund (Note 7)	<u>212,371</u>	<u>196,160</u>
Balance carried forward	<u>212,371</u>	<u>196,160</u>

For and on behalf of  
YourLife Management Services Limited  
and signed on its behalf by

*Jo Bennett*

14 Mar 2025

J.Bennett  
Director

Tudor Rose Court - Southsea  
Notes to the Service Charge Accounts  
For the year ended 30 June 2024

## 1. Accounting Policies

### 1.1 Basis of preparation

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

### 1.2 Service charges receivable

Service charges are invoiced in advance in accordance with the lease. The annual Service Charge budget is apportioned to individual apartments based on the lease fraction set out in the Eighth Schedule of the lease.

### 1.3 Contingency Fund

The charge for the year is in accordance with the lease and approved budgets at the beginning of the financial period. Upon completion of every disposition, assignment, underletting or other material change in occupation or possession of the premises, the homeowner will pay to the landlord a contingency fee of 1% of the gross sale price or unencumbered open market value. The fund is held by the landlord or its agent on trust for the homeowners of the building and utilised for or towards the cost of capital expenditure, upgrading and improving the estate and for meeting costs and expenditure incurred less frequently than once in every year, where the level of the fund allows.

### 1.4 Guest Suite Income

Guest suite income is recognised when the service is utilised.

## 2. Tax provided on bank interest received

A Service Charge Trust has been established by Section 42 of the Landlord & Tenant Act 1987 and the Lease. Interest earned on Service Charge monies held on deposit is received gross. From December 2022, HSBC amended the terms and conditions of the current accounts, making them non-interest bearing. As a result, no interest has been accounted for between December 2022 and the accounting reference date. Up to December 2022, the gross rate of bank interest earned was 0.2% below the base rate (2023: 0.20% below base rate), and this interest has been allocated to the contingency fund. Following extensive negotiations on behalf of homeowners, the managing agent has agreed with HSBC to reinstate interest on the development account with effect from 1 July 2024 at a rate of 50% of the Bank of England Base Rate.

## 3. Bank Account

Service Charge money was held in trust at HSBC 8 Canada Square, London, E14 5HG under the title Tudor Rose Court Current Account - Client Account, account number: 72623226. This was an interest bearing account as mentioned in Note 2 above.

Whilst processing payments or collections, service charge receipts and payments were also held in trust on a short term basis at HSBC 8 Canada Square, London, E14 5HG under the title YLMS Cleardown account, account number: 22492482.

Tudor Rose Court - Southsea  
Notes to the Service Charge Accounts  
For the year ended 30 June 2024

4. Net Meals Income	30 Jun 2024	30 Jun 2023
	£	£
Meals Income	35,329	3,710
Food Allowance	(30,191)	4,865
	<u>5,138</u>	<u>8,575</u>
5. Debtors	30 Jun 2024	30 Jun 2023
	£	£
Amounts owed by homeowners	146,513	70,715
Other debtors	71,314	27,672
Prepayments and accrued income	8,508	20,785
	<u>226,335</u>	<u>119,172</u>
6. Creditors	30 Jun 2024	30 Jun 2023
	£	£
Accruals and deferred income	40,850	45,461
Other creditors	49,459	101,313
Amounts owed to landlord	4,634	1,393
	<u>94,943</u>	<u>148,167</u>
7. Contingency Fund	30 Jun 2024	30 Jun 2023
	£	£
Balance Brought Forward	196,160	151,040
Contributions from Service Charge	30,434	28,985
Contributions from Re-sales & Sub-lettings	11,218	19,043
Bank Interest Received	41	1,519
Expenditure in the Year	(25,482)	(4,427)
Balance Carried Forward	<u>212,371</u>	<u>196,160</u>

Expenditure in the year is £12,000 for the registration of building safety, £7,890 for the replacement of lift ropes, £3,110 for lighting and £2,482 for water remediation.

## Independent Auditor's report to the Managing Agent on behalf of the Landlord of Tudor Rose Court

We have audited the accompanying service charge accounts for Tudor Rose Court for the year ended 30 June 2024, which comprise the statement of service charge income and expenditure account, balance sheet as at 30 June 2024, and related notes. The accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts.

### Managing agent's responsibility for the accounts

The managing agent is responsible for the preparation of these accounts in accordance with the terms of the lease, and for such internal control as the managing agent determines is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of the accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the service charge accounts of Tudor Rose Court for the year ended 30 June 2024 are prepared, in all material respects, in accordance with the accounting policies set out in Note 1 to the accounts.

### Basis of accounting and restriction on distribution and use

Without modifying our opinion, we draw attention to Note 1 to the accounts which describe the basis of accounting. Our report has been prepared pursuant to the terms of our engagement letter and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of our engagement letter or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

### Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities even though the audit has been properly planned and performed in accordance with the ISAs (UK). The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the managing agent, and the industry in which it operates. There are no specific laws and regulations governing service charge accounts, however ICAEW Tech release 03/11 provides guidance and appendices recommended for best practice.
- We obtained an understanding of how the managing agent is complying with these frameworks through discussions with management.
- We enquired with management whether there were any instances of non-compliance with laws and regulations or whether they had knowledge of actual or suspected fraud. These enquiries are corroborated through follow-up audit procedures including but not limited to a review of legal and professional costs, correspondence and discussions with management.
- We assessed the susceptibility of these service charge accounts to material misstatement, including the risk of fraud and management override of controls. We designed our audit procedures to respond to this assessment, including the identification and testing of any related party transactions and the testing of journal transactions that arise from management estimates, that are determined to be of significant value or unusual in their nature.
- We assessed the appropriateness of the collective competence and capabilities of the engagement team, including consideration of the engagement team's knowledge and understanding of the industry in which the company operates in, and their practical experience through training and participation with audit engagements of a similar nature.

*Matt Cooper*

Matt Cooper ACA (Senior Statutory Auditor)  
For and on behalf of Hopper Williams & Bell Limited  
Statutory Auditor  
Chartered Accountants  
Highland House  
Mayflower Close  
Chandlers Ford  
Eastleigh  
Hampshire  
SO53 4AR

14 Mar 2025

Date: .....