

Adagio Management Company

Service charge accounts

31 December 2021

**Adagio Management Company
Report and accounts
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**Adagio Management Company
Company Information**

Directors

D L Canty
J R Hussey
G D Wells

Managing Agents

itsyourplace Ltd
Victoria House
178-180 Fleet Road
Fleet
Hampshire
GU51 4DA

Auditors

TTCA Ltd
269 Farnborough Road
Farnborough
Hampshire
GU14 7LY

Registered office

Victoria House
178-180 Fleet Road
Fleet
Hampshire
GU51 4DA

Adagio Management Company
Service charge accounts
Directors' Report

The directors present their report and accounts for the year ended 31 December 2021.

Principal activities

The company's principal activity during the year continued to be that of the administration of a Residents Association.

Directors

The following persons served as directors during the year:

D L Canty
J R Hussey
G D Wells

Financial Reporting

Adagio Management Company Ltd is duly registered at Companies House as a private company limited by guarantee, company number 05313721. The company is considered to be dormant and non trading and as more fully explained in note 1 to the accounts, acts as a trustee to deal with the service charges due from 1 - 140 Elmhurst Court.

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	3,681
B) Costs in respect of which a demand for payment was received but no payment made prior to the end of the year	4,088
C) Costs in respect of which a demand for payment was received and payment was made prior to the end of the year	149,380
	<u>157,149</u>

Managing Agents

During the year the Directors appointed professional managing agents to deal with the day to day administration.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board on 8 August 2022 and signed by its order.

D Canty
Director



Adagio Management Company Statement of Directors' Responsibilities

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

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts unless they are satisfied that they 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 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 the accounts 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.

Adagio Management Company
Independent auditors' report
to the Directors of Adagio Management Company

We have audited the accounts of Adagio Management Company for the year ended 31 December 2021 which comprise the statement of service charge income and expenditure account, balance sheet as at 31 December 2021 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 (UK and Ireland). Those standards require that we comply with ethical requirements and plan the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

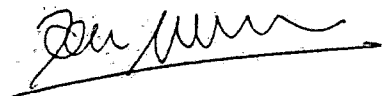
Scope of the audit of the accounts

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the accounts

In our opinion the service charge accounts of Adagio Management Company for the year ended 31 December 2021 are prepared, in all material respects, in accordance with the accounting policies set out in Note 1 to the accounts.

Without modifying our opinion, we draw attention to Note 1 to the accounts which describe the basis of accounting. These service charge accounts are prepared in accordance with the special purpose framework related to residents association and that as a result they may not be suitable for another purpose. 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.



Thomas McManners BSc ACA ACMI
(Senior Statutory Auditor)
for and on behalf of
TTCA Ltd
Chartered Accountants and Statutory Auditors
8 August 2022

269 Farnborough Road
Farnborough
Hampshire
GU14 7LY

**Adagio Management Company
Income and Expenditure account
for the year ended 31 December 2021**

	Notes	2021 £	2020 £
Income	1	230,275	222,675
Administrative expenses		(157,149)	(175,635)
Surplus of income over expenses		<u>73,126</u>	<u>47,040</u>
Interest receivable		27	372
Surplus of income over expenditure		<u>73,153</u>	<u>47,412</u>

Adagio Management Company
Balance Sheet
as at 31 December 2021

	Notes	2021 £	2020 £
Current assets			
Debtors	2	10,402	45,541
Cash at bank and in hand		<u>264,370</u>	<u>279,320</u>
		274,772	324,861
Creditors: amounts falling due within one year			
	3	(19,927)	(69,764)
Net current assets		<u>254,845</u>	<u>255,097</u>
Net assets		<u>254,845</u>	<u>255,097</u>
Reserves			
Reserves for future expenditure	4	254,845	255,097
Total Reserves		<u>254,845</u>	<u>255,097</u>

This statement of account was approved by the board and signed on its behalf by:

D Canty
 Director

Approved by the board on 8 August 2022



Adagio Management Company
Notes to the Accounts
for the year ended 31 December 2021

1 Accounting policies

Basis of preparation

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

Income

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

Financial Reporting

The 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 of the company. Consequently, 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 separately designated client account. The company submits its own dormant accounts showing no activity.

Contingency Reserve

The Directors make provision each year for the general dilapidations of the common parts by transfer to the contingency reserve. 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. Where unbudgeted expenditure is incurred as a result of major works it is taken directly to the reserves as determined by the directors and managing agents.

2 Debtors	2021	2020
	£	£
Service charge in arrears	4,305	12,748
Prepayments	6,097	32,793
	<u>10,402</u>	<u>45,541</u>
3 Creditors: amounts falling due within one year	2021	2020
	£	£
Service charges paid in advance	10,098	26,113
Corporation tax	132	132
Trade creditors	4,088	34,653
Accruals	3,681	8,866
Other creditors	1,928	-
	<u>19,927</u>	<u>69,764</u>

Adagio Management Company
Notes to the Accounts
for the year ended 31 December 2021

4 Contingency reserve	2021
	£
At 1 January 2021	255,097
Contribution to reserves	60,000
Reserve fund expenditure - Door entry repairs	(3,309)
Reserve fund expenditure - NICEIC electrical installation	(4,388)
Reserve fund expenditure - Gas cupboard works	(4,406)
Reserve fund expenditure - Site improvement works	(4,674)
Reserve fund expenditure - Water booster and tank	(56,628)
Variance on expenses in year	12,117
Additional service charges	1,009
Bank interest received	27
At 31 December 2021	<u>254,845</u>

5 Related Party Transactions

There were no related party transactions during the year.

Adagio Management Company
Detailed income and expenditure account
for the year ended 31 December 2021

	Actual 2021 £	Budget 2021 £	Actual 2020 £
Income			
Service charge income	230,275	-	222,675
	<u>230,275</u>	<u>-</u>	<u>222,675</u>
Building Insurance	15,645	16,225	14,763
Director & Office Insurance	378	397	284
Engineering Insurance (Lift)	968	1,159	1,427
Engineering Insurance (Pump)	-	340	-
Annual Return	13	13	13
Audit & Accountancy	1,584	1,440	1,512
Surveyor / Professional Fees	4,516	3,000	-
Managing Agent Fees	33,600	33,600	33,600
General Repairs & Maintenance	6,147	10,000	8,032
Car park Maintenance	-	-	5,121
Electrical Repairs	3,395	10,000	863
Lift Maintenance - Contract	6,976	7,000	6,700
Lift Maintenance - Repairs & Misc.	860	1,000	6,406
Pump Maintenance - Contract	108	1,200	2,184
Pump Maintenance - Repairs & Misc.	-	1,000	2,928
TV Aerial / Satellite Repairs	477	500	4,971
Door Entry / Access Repairs	815	1,000	4,080
Monthly Fire / Electrical & Light Testing	2,336	2,304	2,153
Health and Safety	-	-	1,656
Pest Control	860	-	645
Lightening Protection Testing (annual)	300	300	300
Communal Cleaning	14,530	13,920	13,998
Windows Cleaning	4,142	3,840	3,840
Bin Cleaning	972	1,008	946
Gutter cleaning	-	4,000	2,890
Carpet Cleaning	3,780	-	-
Refuse Collection	4,349	1,000	2,876
Surface cleaning	1,680	-	-
Gardens & Grounds Maintenance - Contract	19,200	19,200	19,200
Gardens & Grounds Maintenance - Repairs / Miscellaneous	5,115	5,000	3,152
Electricity	8,981	19,000	19,111
Telephone (Lift & Door Entry)	14,704	10,800	11,101
Postage and Delivery	368	400	498
Website	350	420	385
Miscellaneous Expenses	-	200	-
	<u>157,149</u>	<u>169,266</u>	<u>175,635</u>
Total expenditure			
Transfer to reserves	60,000	60,000	60,000
	<u>217,149</u>	<u>229,266</u>	<u>235,635</u>

Adagio Management Company
Service Charge Accounts
Victoria House, 178-180 Fleet Road, Fleet, Hampshire, GU51 4DA

TTCA Ltd
269 Farnborough Road
Farnborough
Hampshire
GU14 7LY

Dear Sirs

Adagio Management Company service charge accounts for the year ended 31st December 2021.

We have determined that an audit of the service charge accounts in accordance with International Standards on Auditing is required under the terms of the lease for Adagio Management Company.

We are responsible under the terms of the lease for Adagio Management Company for preparing the service charge statement of account for the year ended 31st December 2021.

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 payments to reserve funds, is a proper charge to the property and is in accordance with the underlying lease.

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.

The schedule that we have prepared, of relevant expenditure applicable to different leases within the property and the allocation of this expenditure to individual tenants, is an accurate summary of all the lease agreements relevant to Adagio Management Company.

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 to be aware have been brought to your attention.

The schedule that we have prepared of all service charges receivable by the landlord during the year is an accurate record of the charges payable by each tenant/leaseholder in accordance with their lease. The balances shown as owed to/by each tenant in respect of service charge demands at the beginning and end of the year are derived from the accounting records.

Adagio Management Company
Service Charge Accounts
Victoria House, 178-180 Fleet Road, Fleet, Hampshire, GU51 4DA

The allocation of details of expense across service charge schemes including that relating to the above property is in accordance with the lease.

The charge to reserve fund is in accordance with the provisions of the lease and the amounts have been accurately reflected in the reserve fund/reserve account.

All service charge monies are held separately from the company's money on trust in accordance with section 42 of the Landlord and Tenant Act 1987 in designated accounts with Barclays Bank and the balances reconciled to the fund balance shown on page 6 of the statement of account.

We acknowledge our responsibility for the design, implementation and maintenance of controls to prevent and detect fraud.

At no time during the year were any arrangements, transactions or agreements to provide credit facilities (including loans, quasi loans or credit transactions) for directors, nor to guarantee or provide security for such matters.

We confirm that, having considered our expectations and intentions for the next twelve months, and the availability of working capital, there are no issues regarding the applicability the going concern basis for these financial statements.

We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

All events since the balance sheet date which require disclosure or which would materially affect the amounts in the financial statements have been adjusted or included in the financial statements.

We have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements and these have been disclosed in accordance with the requirements of accounting standards.

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.

We confirm expenditure to be funded from reserves totals £73,405.

Yours faithfully



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(Signature on behalf of Adagio Management Company)

17.08.22

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Date