

**ST BENEDICTS (TOOTING) MANAGEMENT  
COMPANY LIMITED**

**SERVICE CHARGE STATEMENT  
THE ST BENEDICTS ESTATE, LONDON SW17**

**FOR THE YEAR ENDED  
30 JUNE 2014**

**PB ASSOCIATES  
CHARTERED ACCOUNTANTS**

2 Castle Business Village  
Station Road  
HAMPTON  
Middlesex TW12 2BX

**ST BENEDICTS (TOOTING) MANAGEMENT COMPANY LIMITED**

**THE ST BENEDICTS ESTATE, LONDON SW17**

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FOR THE YEAR ENDED 30 JUNE 2014**

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**ACCOUNTANTS' REPORT OF FACTUAL FINDINGS TO THE LANDLORD OF ST BENEDICTS ESTATE, LONDON SW17 FOR THE YEAR ENDED 30 JUNE 2014**

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 St Benedicts Estate, London SW17. 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 2 to 7 in respect of St Benedicts Estate, London SW17 for the year ended 30 June 2014 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 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 records and extracted the figures 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 this property shown on page 5 of 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 on page 5 of the service charge accounts agrees or reconciles to the bank statement for the accounts in which the funds are held.

## SERVICE CHARGE STATEMENT OF ACCOUNT FOR THE ST BENEDICTS ESTATE, LONDON SW17

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2014

<b>INCOME relating to the year</b>	<b>ESTATE</b>	<b>FLATS</b>	<b>2014 TOTAL</b>	<b>2013 TOTAL</b>
Service Charge demanded on account for year	39,080	90,990	130,070	128,709
Interest Received Gross	72	-	72	54
Less: Tax Deducted	(14)	-	(14)	(11)
<b>TOTAL INCOME</b>	<u>£39,138</u> =====	<u>£90,990</u> =====	<u>£130,128</u> =====	<u>£128,752</u> =====
<b>EXPENDITURE relating to the year</b>				
<b>Repairs and Maintenance</b>				
General Repairs and Maintenance	3,729	6,863	10,592	8,992
Parking Control	600	-	600	600
Entryphone	-	1,834	1,834	1,481
Cleaning of Internal Common Areas	-	12,750	12,750	13,183
Cleaning of External Common Areas	3,655	3,655	7,310	7,124
Health and Safety	510	510	1,020	984
<b>Grounds Maintenance</b>				
Gardening	14,708	14,708	29,416	27,418
Tree Pruning	2,988	-	2,988	2,664
<b>Utilities</b>				
Electricity	1,066	4,553	5,619	4,874
<b>Professional Fees</b>				
Legal and Professional Fees	-	-	-	3,128
Managing Agents Fees	7,325	29,302	36,627	36,049
Independent Accountant's Fee	2,145	1,599	3,744	3,720
Company Secretarial	188	-	188	349
<b>Insurance</b>				
Buildings Insurance	863	16,399	17,262	17,255
Directors' Insurance	647	-	647	556
<b>General Expenses</b>				
Sundry Expenses	-	-	-	-
Bank Charges	-	-	-	-
<b>TOTAL EXPENDITURE</b>	<u>£38,424</u> =====	<u>£92,173</u> =====	<u>£130,597</u> =====	<u>£128,377</u> =====

**SERVICE CHARGE STATEMENT OF ACCOUNT FOR ST BENEDICTS ESTATE,  
LONDON SW17****INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED  
30 JUNE 2014 (continued)**

	<b>ESTATE</b>	<b>FLATS</b>	<b>2014 TOTAL</b>	<b>2013 TOTAL</b>
Service Charge Surplus/(Deficit) for Year	714	(1,183)	(469)	375
Transfers (to)/from Reserves	(714)	1,183	469	(375)
Surplus/(Deficit) to be (Credited)/Collected	<u>£NIL</u>	<u>£NIL</u>	<u>£NIL</u>	<u>£NIL</u>



## SERVICE CHARGE STATEMENT THE ST BENEDICTS ESTATE, LONDON SW17

## BALANCE SHEET AT 30 JUNE 2014

	Note	2014	2013
<b>CURRENT ASSETS</b>			
Service Charges Due		3,177	6,564
Other Debtors	6	2,267	2,001
Prepayments	7	2,216	5,497
Cash Held at Bank by Managing Agent	3	200,910	195,386
		<u>208,570</u>	<u>209,448</u>
<b>CREDITORS</b>			
Service Charges Due in Advance		9,571	1,851
Due to St Benedicts (Tooting) Mgt Co Ltd		6,317	6,317
Trade Creditors		1,446	18,420
Other Creditors	8	15,322	15,278
Accruals	9	17,081	22,580
		<u>49,737</u>	<u>64,446</u>
<b>NET ASSETS</b>		<u>£158,833</u>	<u>£145,002</u>
<b>Represented by:</b>			
<b>RESERVE FUNDS</b>			
Maintenance Reserves	4	<u>£158,833</u>	<u>£145,002</u>

This statement of accounts was approved by Duncan Rendall on behalf of Rendall & Rittner on 24 October 2014 and signed by

.....  
**DUNCAN RENDALL**

## SERVICE CHARGE STATEMENT THE ST BENEDICTS ESTATE, LONDON SW17

NOTES TO THE SERVICE CHARGE STATEMENT FOR THE YEAR ENDED  
30 JUNE 20141. **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**

Service Charge money was held in trust at Bank of Scotland, Edinburgh under the titles R & R St Benedicts (Tooting) SC, account number 06102332 and R & R St Benedicts (Tooting) RF, account number 06301683 and R & R Ltd Client Receipt A/C, account number 06980028.

4. <b>Reserve Fund Expenditure</b>	<b>2014</b>	<b>2013</b>
Surveyor's Fees	1,500	11,591
Structural Engineers Fees	4,278	2,160
Replace Entryphones	(399)	3,652
Drains Investigation and Repairs	9,570	-
Damaged Wall	(1,672)	4,280
Site Investigations	1,182	-
Roof Repairs	372	576
Security Light Repairs	1,559	461
LED Lamps	349	-
Lock Repairs	539	-
Insurance Revaluation	2,880	-
Repaint Estate Path Steps	468	-
Security Cameras	216	-
Redecorate Hall	414	-
	-----	-----
	£21,256	£22,720
	=====	=====

5. **Transactions with Directors of St Benedicts (Tooting) Management Company Limited**

During the year K Herrmann received £448.39 (2013 - £144.64) in reimbursement for costs he has expended on behalf of the St Benedicts Estate, including purchase of LED Lamps. During the year R Joshi received £100.65 (2013 - £46.42) in reimbursement for costs he has expended on behalf of the St Benedicts Estate.



SERVICE CHARGE STATEMENT OF ACCOUNT FOR ST BENEDICTS ESTATE,  
LONDON SW17

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2014 (contd.)

<b>6. Other Debtors</b>	<b>2014</b>	<b>2013</b>
Recharged Expenses	660	-
Supplier Ledger in Advance	1,607	2,001
	<u>£2,267</u>	<u>£2,001</u>
	=====	=====
<b>7. Prepayments</b>		
Electricity	1,817	-
Parking Control	399	399
Insurance Claim	-	5,098
	<u>£2,216</u>	<u>£5,497</u>
	=====	=====
<b>8. Other Creditors</b>		
Major Works	44	-
Window Rebates	278	278
Reserve Fund Loan	15,000	15,000
	<u>£15,322</u>	<u>£15,278</u>
	=====	=====
<b>9. Accruals</b>		
Accountancy Fee	3,744	3,720
Electricity	-	239
Major Works	786	9,556
Management Fees	9,156	9,013
General Repairs	-	52
Gardening	2,718	-
Health and Safety	35	-
Cleaning of External Common Areas	642	-
	<u>£17,081</u>	<u>£22,580</u>
	=====	=====
<b>10. Taxation</b>		

There is no liability to tax on income other than investment income which is charged to Trust Tax at a rate of 20%. The taxation charge in the Income and Expenditure Account consists of tax deducted at source.

**11. Contingent Liability**

During the course of the year certain roof repairs were carried out. The contractors claimed a total of £2,472 but the company is disputing £2,100 of their charge as various works claimed to have been carried out have not been done. The contractors have not issued a credit note as requested but have not pursued payment. The directors consider this amount is not due and so have not provided a creditor in the accounts. It is, however, appropriate to note the contingent liability.