

MITRE HOUSE

124 KINGS ROAD, LONDON SW3

SERVICE CHARGE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2010

MITRE HOUSE

124 KINGS ROAD, LONDON SW3

LANDLORD

Rivers Edge Estates Limited
16 Hans Road
London
SW3 1RT

MANAGING AGENTS

Kinleigh Folkard & Hayward Limited
KFH House
5 Compton Road
Wimbledon
London
SW19 7QA

AUDITORS

Elliotts Shah
Registered Auditors
2nd Floor York House
23 Kingsway
London WC2B 6UJ

MITRE HOUSE

124 KINGS ROAD, LONDON SW3

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REPORT OF THE AUDITORS

TO RIVERS EDGE ESTATES LIMITED

We have examined the service charge statement set out on pages 4 to 5 in respect of Mitre House for the year ended 31 December 2010 together with the books and records maintained by Managing Agent, in so far as they relate to Mitre House.

This report is made to the Landlord for issue with the service charge statement in accordance with Section 21 of the Landlord and Tenant Act 1985. 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.

Under the terms of this engagement, we were not required to, and did not, form any opinion as to either the reasonableness of the costs included within the service charge statement or the standard of the services or works provided.

Respective responsibilities of the Landlord and auditors

Under the Landlord and Tenant Act 1985 Section 21 (5), the Landlord is responsible for the preparation of this service charge statement in respect of the costs in respect of Mitre House.

It is our responsibility to form an independent opinion, based on our examination, on the service charge account and to report our opinion exclusively to the Landlord.

Basis of opinion

Our works included examination of evidence relevant to the amounts included in the statement and their disclosure. It also included an assessment of the significant estimates and judgments made by the Landlord in the preparation of the service charge statement.

We planned and performed our examination so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the service charge statement is a fair summary of the relevant costs incurred and is sufficiently supported by accounts, receipts and other documents which have been made available to us.

In performing our work, we did not evaluate the overall adequacy of the presentation of the information which would have been required if we were to express an audit opinion under International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board.

Opinion

In our opinion the service charge statement presents a fair summary of the relevant costs incurred for the year ended 31 December 2010, is sufficiently supported by accounts, receipts and other documents and has been prepared in accordance with Section 21 (5) of the Landlord and Tenant Act 1985.

 Elliotts Shah

Elliotts Shah
Registered Auditors
2nd Floor York House
23 Kingsway
London WC2B 6UJ

Date: 24 May 2011

MITRE HOUSE
124 KINGS ROAD, LONDON SW3
SERVICE CHARGE ACCOUNT
STATEMENT OF EXPENDITURE ON PROVISION OF SERVICES
FOR THE YEAR ENDED 31 DECEMBER 2010

	2010		2009	
	£	£	£	£
Cleaning contract		2,112		2,056
Electricity - common parts		900		934
General repairs				
<i>External repairs - minor</i>	-		207	
<i>Electrical repairs</i>	173		2,690	
<i>Locks, keys & door repairs</i>	156		324	
		329		3,221
Door entry system				
<i>Maintenance</i>	304		230	
<i>Repairs</i>	-		-	
		304		230
Drain cleaning & maintenance		1,303		1,366
Fire equipment maintenance		302		357
Insurance				
<i>Building</i>	1,394		331	
<i>Engineering</i>	396		544	
		1,790		875
Lift				
<i>Maintenance</i>	1,295		1,243	
<i>Repairs</i>	1,443		-	
		2,738		1,243
Lift telephone		284		(48)
Sundries				
<i>Light bulbs</i>	-		116	
<i>Other items</i>	48		34	
		48		150
Legal fees		-		271
Professional fees		745		-
Auditors fees		1,300		1,344
Managing agents fees		3,740		3,644
Service charge expenditure		15,895		15,643
Landlord & Tenant Act Interest		(19)		(4)
		15,876		15,639
Carried forward		15,876		15,639

MITRE HOUSE
 124 KINGS ROAD, LONDON SW3
 SERVICE CHARGE ACCOUNT
 STATEMENT OF EXPENDITURE ON PROVISION OF SERVICES
 FOR THE YEAR ENDED 31 DECEMBER 2010

	2010		2009	
	£	£	£	£
Brought forward		15,876		15,639
Transfer to reserves		10,000		10,000
Major Works				
<i>Surveyors fees</i>	-		1,913	
<i>Reserves utilised</i>	-		(1,913)	
	-----	-	-----	-
Total Expenditure		<u><u>25,876</u></u>		<u><u>25,639</u></u>

Note:

The interim service charge and reserve fund demanded for the period ended 31 December 2010 amounted to £28,209. Accordingly there is a surplus of £2,333 to be refunded to the lessees.

We hereby certify that the sum of £25,876 is the total expenditure (i.e. flats) for the year ended 31 December 2010 in accordance with the provisions of the leases relating to Mitre House.

Kinleigh Limited Dated: 24 May 2011
 Kinleigh Folkard & Hayward Limited

MITRE HOUSE
124 KINGS ROAD, LONDON SW3
BALANCE SHEET AS AT 31 DECEMBER 2010

	Notes	2010		2009	
		£	£	£	£
CURRENT ASSETS					
Due from lessees, less amounts demanded in advance		-		2,950	
Other debtors		550		752	
Prepayments		1,420		1,383	
Cash at Bank (held by managing agent)		<u>62,008</u>		<u>45,415</u>	
			63,978		50,500
CURRENT LIABILITIES					
Due to lessees, amounts received in advance	4	102		-	
Due to lessees - year end surplus		2,333		921	
Creditors		2,411		408	
Accruals		<u>4,820</u>		<u>4,986</u>	
			9,666		6,315
			<u>54,312</u>		<u>44,185</u>
REPRESENTED BY					
<u>Long Term Balances</u>					
Reserve Funds - Flats	2		<u>54,312</u>		<u>44,185</u>

MITRE HOUSE
124 KINGS ROAD, LONDON SW3
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2010

1 In accordance with the provisions of the Landlord and Tenant Act 1985 (as amended by the Landlord and Tenant Act 1987), the following information is given to indicate the manner in which the total expenditure for the year has been calculated:

	£
Cash paid during the Year	13,950
Less: Amounts included in previous accounting period (Creditors & Accruals brought forward)	(5,393)
Add: Amounts paid in previous accounting period but not included in previous accounts. (Prepayments & Debtors brought forward)	2,136
	10,693
Less: Amounts paid during the period but not included in the account. (Debtors & Prepayments carried forward) *	(1,970)
Add: Provision of charges and invoices not received. (Creditors & Accruals carried forward)	7,231
Direct Charges	(59)
Total expenditure for the year (as shown on pages 4 to 5)	15,895

* The figures shown here are in respect of expenses relating to a period subsequent to the year under review. These amounts will be included in the Statement of Expenditure on Provision of Services and service charge demands of subsequent accounting periods and may therefore not be included in a demand within eighteen months of being incurred. This information is therefore deemed to be due notice in accordance with Section 20b (2) Landlord and Tenant Act 1985 (as amended by Schedule 2 Landlord and Tenant Act 1987).

2 Reserve Fund - Flats

	£
Balance as at 01 January 2010	44,185
Transfer from Statement of Expenditure on Provision of Services	10,000
Net interest received	127
Reserves utilised	-
Balance as at 31 December 2010	54,312

Due to the uncertainty of timing of works and their extent and costs, the amount included within the accounts as a Reserve Fund should not be regarded as the full sum to meet future costs but merely a contribution towards such costs.

MITRE HOUSE
124 KINGS ROAD, LONDON SW3
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2010

3 A summary of the accounts of the lessees is as follows:

	£	£
Arrears balance brought forward at 01 January 2010		2,029
Service charges demanded this year	18,209	
Reserve fund demanded this year	10,000	
Other transfers	59	
Y E 2009/2010 (surplus)/deficit	(2,333)	
		25,935
		27,964
Less: Cash received from lessees		(30,399)
Balance as at 31 December 2010		(2,435)
The above balance carried forward comprises:		
Service charge balances relating to 2009/2010		(102)
Reserve fund balances relating to 2009/2010		-
Other transfers		-
Y E 2009/2010 (surplus)/deficit		(2,333)
Total:		(2,435)

4 Due to lessees, amounts received in advance

	£
Service charge debtors	(102)
Reserve fund debtors	-
Direct charge debtors	-
	(102)

MITRE HOUSE
SCHEDULE OF SERVICE CHARGE EXPENDITURE
3 YEAR COMPARISON
FINAL ACC TO 31ST DECEMBER 2010

	2010 £	2009 £	2008 £
FLATS			
Cleaning contract	2,112	2,056	2,029
Electricity - common parts	900	934	1,794
General repairs	329	3,221	4,606
Door entry system	304	230	194
Drain cleaning & maintenance	1,303	1,366	458
Fire equipment	302	357	288
Insurance	1,790	875	2,233
Lifts	2,738	1,243	927
Lift telephone	284	(48)	210
Sundries	48	150	139
Health & safety	-	-	411
Legal fees	-	271	322
Professional fees	745	-	-
Auditors fees	1,300	1,344	1,200
Managing agents fees	3,740	3,644	3,525
	<u>15,895</u>	<u>15,643</u>	<u>18,336</u>
Transfer to reserve	10,000	10,000	10,000
Landlord & Tenant Act Interest	(19)	(4)	(53)
Major Works			
Works	-	-	-
Surveyors Fees	-	1,913	1,219
Reserves utilised	-	(1,913)	(1,219)
	<u>25,876</u>	<u>25,639</u>	<u>28,283</u>

MITRE HOUSE
SCHEDULE OF SERVICE CHARGES EXPENDITURE
COMPARISON OF ACTUAL TO ESTIMATED COSTS OF SERVICES
YEAR ENDED 31ST DECEMBER 2010

	ACTUAL £	ESTIMATE £
Cleaning contract	2,112	2,664
Electricity - common parts	900	1,000
General repairs	329	3,250
Door entry system	304	250
Drain cleaning & maintenance	1,303	300
Fire equipment	302	300
Insurance	1,790	1,995
Lifts	2,738	1,600
Lift telephone	284	210
Sundries	48	100
Health & safety	-	500
Professional fees	745	1,000
Auditors fees	1,300	1,300
Managing agents fees	3,740	3,740
Less - Net Bank Interest	(19)	-
	<u>15,876</u>	<u>18,209</u>
 Transfer to Reserves	 10,000	 10,000
 <i>Major works</i>		
<i>Works</i>	-	-
<i>Surveyors Fees</i>	-	-
<i>Reserves utilised</i>	-	-
	<u> </u>	<u> </u>
 Total	 <u>25,876</u>	 <u>28,209</u>

All Lessees
Mitre House
124 Kings Road
London
SW3 4TP

1st June 2011

Our Ref: MITJF/Accounts 2010

Dear Lessee

RIVERS EDGE ESTATES LIMITED
MITRE HOUSE, 124 KINGS ROAD, LONDON SW3 4TP
SERVICE CHARGE ACCOUNTS YEAR ENDING 31ST DECEMBER 2010

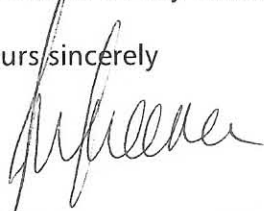
Please find enclosed a copy of the audited service charge accounts for the year ending the 31st December 2010, along with a credit note for your records. The accounts have been approved by the Freeholder.

The service charges demanded for the period ended 31st December 2010 amounted to £28,209 accordingly there is a surplus of £2,333 to be refunded to the lessees.

It is with pleasure I enclose a credit note for your proportion as set out in the terms of your lease.

If I can be of any further assistance, please do not hesitate to contact me.

Yours sincerely



Julie Freeman
KINLEIGH FOLKARD & HAYWARD

Email: jfreeman@kfh.co.uk
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Enc

£259.22
EACH

**Residential Estate
Management**

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