

MITRE HOUSE
124 KINGS ROAD, LONDON SW3
SERVICE CHARGE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2007

MITRE HOUSE

124 KINGS ROAD, LONDON SW3

LANDLORD: Rivers Edge Estates Limited
16 Hans Road
London SW3 1RS

MANAGING AGENTS: Kinleigh Folkard & Hayward (As from 1 October 2007)
KFH House
Ground Floor
5 Compton Road
Wimbledon
London SW19 7QA

AUDITORS: Elliotts Shah
Registered Auditors
2nd Floor, King House
5 - 11 Westbourne Grove
London W2 4UA

MITRE HOUSE

TO THE LESSEES OF

124 KINGS ROAD, LONDON SW3

MITRE HOUSE

<u>Contents</u>	<u>Pages</u>
Auditor's Report	3
Statement of Expenditure	4 - 5
Balance Sheet	6
Notes to the Accounts	7

11/10/08 5:45 PM

Ernst & Young
Registered Auditors
2nd Floor, King House
6-11 Westbourne Grove
London W2 4UA

Date: 27 October 2008

REPORT OF THE AUDITORS

TO THE LESSEES OF

MITRE HOUSE

We have examined the attached statement of Service Charge Expenditure for the year ended 31 December 2007 which has been prepared by Kinleigh Folkard & Hayward, the managing agent.

In our opinion the statement:

- Is a fair summary of the service charge costs for the year;
- Complies with section 21(5) of the Landlord and Tenant Act 1985; and
- Is sufficiently supported by accounts, receipts and other documents produced to us.

Elliotts Shah

Elliotts Shah
Registered Auditors
2nd Floor, King House
5 - 11 Westbourne Grove
London W2 4UA

Date: 27 October 2008

MITRE HOUSE
124 KINGS ROAD, LONDON SW3
SERVICE CHARGE ACCOUNT
STATEMENT OF EXPENDITURE ON PROVISION OF SERVICES
FOR THE YEAR ENDED 31 DECEMBER 2007

	Year Ended 31-Dec-07		Year Ended 31-Dec-06	
	£	£	£	£
Cleaning contract		1,963		1,850
Electricity		619		192
General repairs				
<i>External repairs</i>	-		106	
<i>Electrical repairs</i>	-		933	
<i>Locks, keys & door repairs</i>	650		-	
<i>Others</i>	582		-	
		<u>1,232</u>		<u>1,039</u>
Lifts				
<i>Maintenance contract</i>	1,475		1,138	
<i>Repairs</i>	-		674	
		<u>1,475</u>		<u>1,812</u>
Door entry system		303		183
Insurance				
<i>Building</i>	582		1,352	
<i>Engineering</i>	426		426	
		<u>1,008</u>		<u>1,778</u>
Fire equipment service		278		267
Property telephone		244		193
Sundries		29		72
Health & Safety		-		492
Drain cleaning & repairs		130		113
Carried forward		<u>7,281</u>		<u>7,991</u>

MITRE HOUSE
124 KINGS ROAD, LONDON SW3
SERVICE CHARGE ACCOUNT
STATEMENT OF EXPENDITURE ON PROVISION OF SERVICES
FOR THE YEAR ENDED 31 DECEMBER 2007

	Year Ended 31-Dec-07		Year Ended 31-Dec-06	
	£	£	£	£
Brought forward		7,281		7,991
Auditors' fees		1,274		1,208
Managing agents' fees		3,476		3,360
Landlord & Tenant Act interest		(110)		(72)
Service Charge Expenditure		11,921		12,487
Contribution to reserves		7,778		8,000
TOTAL EXPENDITURE		19,699		20,487

Note:

The interim service charge demanded for the period ended 31 December 2007 amounted to £12,503. Accordingly, there is a surplus of £582 to be credited to lessees.

MITRE HOUSE
124 KINGS ROAD, LONDON SW3
BALANCE SHEET
AS AT 31 DECEMBER 2007

	Notes	2007		2006	
		£	£	£	£
CURRENT ASSETS					
Due from Lessees including payments in advance		563		-	
Landlord control account		1,696		1,696	
Prepayments		298		1,177	
Other Debtors		143		-	
Cash at Bank		<u>29,595</u>		<u>22,165</u>	
			32,295		25,038
CURRENT LIABILITIES					
Trust Tax provision		349		307	
Accruals and other creditors		4,881		5,274	
Surplus arising in the year		582		1,288	
Due to lessees including payments in advance		<u>-</u>		<u>224</u>	
			5,812		7,093
			<u>26,483</u>		<u>17,945</u>
REPRESENTED BY					
Reserve Fund	2		<u>26,483</u>		<u>17,945</u>

**MITRE HOUSE
124 KINGS ROAD, LONDON SW3
SERVICE CHARGE ACCOUNT
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

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	13,818
Less: Amounts included in previous accounting period	(5,274)
Add: Amounts paid in previous accounting period but not included in previous accounts. (Prepayments brought forward)	1,177
Less: Amounts paid during the period but not included in the account. (Prepayments carried forward) *	(298)
Add: Provision of charges and invoices not received. (Accruals carried forward)	2,498
Total expenditure for the year (as shown on page 4)	11,921

* 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. <u>Reserve Fund</u>	£
Balance as at 1 January 2007	17,945
Demands raised in the period	7,778
Net interest received	760
Balance as at 31 December 2007	26,483

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.