

CHELSEA HARBOUR - THAMES QUAY
SERVICE CHARGE ACCOUNTS
FOR THE YEAR TO 28TH SEPTEMBER 2017



CHELSEA HARBOUR - THAMES QUAY

SERVICE CHARGE ACCOUNTS

FOR THE YEAR TO 28TH SEPTEMBER 2017

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CHELSEA HARBOUR - THAMES QUAY
SERVICE CHARGE ACCOUNTS
FOR THE YEAR TO 28TH SEPTEMBER 2017

PROPERTY INFORMATION

Property Address	Thames Quay Chelsea Harbour London SW10 0XF
Managing Agent	PL Management 6th Floor 68 Hammersmith Road London W14 8YW
Accountants	Haines Watts Service Charge Limited 42 High Street Flitwick Bedfordshire MK45 1DU

**CHELSEA HARBOUR - THAMES QUAY
MANAGING AGENT'S REPORT
FOR THE YEAR TO 28TH SEPTEMBER 2017**

PL Management is the Managing Agent responsible for the production of the service charge certificate for the year to 28th September 2017 in respect of Chelsea Harbour - Thames Quay.

I can confirm that on behalf of PL Management I approve the balance sheet shown on page 6 of these service charge accounts.

I can confirm that these service charge accounts have been produced in compliance with the terms set out in the lease and, according to the information available to me, the attached statement of service charge expenditure, shown on page 5, records the true cost to the landlord of providing services to the property for the year.



Dated 20th March 2018

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**Daniel Jones FCCA
Senior Estate Accountant
For and on behalf of PL Management**

**ACCOUNTANT'S REPORT OF FACTUAL FINDINGS TO THE MANAGING AGENT OF
CHELSEA HARBOUR - THAMES QUAY
FOR THE YEAR TO 28TH SEPTEMBER 2017**

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 Chelsea Harbour - Thames Quay. In accordance with our engagement letter we have performed the procedures agreed with you and enumerated below with respect to the service charge accounts and related notes set out on pages 4 to 7 in respect of Chelsea Harbour - Thames Quay for the year to 28th September 2017 in order to provide a report of factual findings about the service charge accounts that you have issued.

This report is made to the Managing Agent 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 Managing Agent and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Managing Agent for our work or for this report.

Basis of Report

Our work was carried out having regard to guidelines to TECH 03/11, *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 and checked whether the figures in the accounts were extracted correctly 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 6 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 have found the figures in the statement of account to have been extracted correctly from the accounting records.

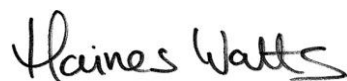
(b) With respect to item 2 we found that those entries in the accounting records that we checked were supported by receipts, other documentation or evidence that we inspected.

(c) With respect to item 3 we found that the balance of service charge monies shown on page 6 of the service charge accounts agrees or reconciles to the bank statements for the accounts in which the funds are held.

Haines Watts
42 High Street
Flitwick
Bedfordshire
MK45 1DU

Chartered Accountants

Signed



Dated

20th March 2018

CHELSEA HARBOUR - THAMES QUAY
ACCOUNTS FOR THE YEAR TO 28TH SEPTEMBER 2017
SUMMARY OF USE OF FUNDS

	Note	2017	2016
		£	£
Service Charges Levied		464,926	451,241
Interest Received		-	184
		<u>464,926</u>	<u>451,425</u>
Less: Expenditure		475,256	430,686
Net Surplus/(Deficit) for the Year	2	<u>(10,330)</u>	<u>20,739</u>

CHELSEA HARBOUR - THAMES QUAY

DETAILED EXPENDITURE ACCOUNT FOR THE YEAR TO 28TH SEPTEMBER 2017

	Note	2017 Actual £	2017 Estimate £	2016 Actual £
Electricity		28,171	17,523	17,473
Wages and Salaries		89,878	92,554	84,599
Security		3,450	3,345	3,704
Electrical Repairs and Maintenance		5,365	3,314	3,696
Lift Repairs and Maintenance		9,350	8,122	9,441
Cleaning		16,450	15,062	14,509
Window Cleaning		216	288	288
Phone and Radios		969	1,198	150
Uniforms and Laundry		54	80	923
Gardening		1,154	1,000	-
Fire Prevention & Health Safety		4,609	1,682	1,780
Administrative Expenses		2,410	2,323	2,122
Drain Cleaning		3,224	950	766
Insurance		41,396	42,890	40,539
Internal Repairs and Maintenance		383	8,000	4,749
External Repairs and Maintenance		6,066	8,000	4,397
Refuse Removal		-	500	-
Village Service Charge Contribution	5	85,717	81,494	81,642
Pest Control		80	2,000	-
Festive Decorations		162	200	150
Camera replacement		1,037	-	-
Accountancy Fees		2,552	2,453	2,453
Legal Fees		606	-	91
Management Fee		41,955	41,947	41,213
Reserve Fund Contribution		130,000	130,000	116,000
TOTAL EXPENDITURE		475,255	464,925	430,686

CHELSEA HARBOUR - THAMES QUAY

BALANCE SHEET AS AT 28TH SEPTEMBER 2017

	Note	2017 £	2016 £
Service Charge Debtors		18,570	4,797
Sundry Debtors and Prepayments		56,627	10,546
Deficit for the Year to be Recovered		10,330	-
Service Charge Bank Account	4	64,985	166,185
Reserve Bank Account	4	94,982	189,726
Recharge Bank Account	4	7,191	2,364
		<u>252,685</u>	<u>373,618</u>
Less: Creditors and Accrued Expenses		24,837	180,254
Surplus for the Year to be Distributed		-	20,739
		<u>24,837</u>	<u>200,993</u>
Net Funds at 28th September 2017		<u><u>227,848</u></u>	<u><u>172,625</u></u>
Represented by:-			
Reserve Funds for Longer Term Maintenance	3	<u><u>227,848</u></u>	<u><u>172,625</u></u>

CHELSEA HARBOUR - THAMES QUAY
NOTES TO THE ACCOUNTS FOR THE YEAR TO 28TH SEPTEMBER 2017

1. ACCOUNTING POLICIES

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

2. NET DEFICIT AS AT 28TH SEPTEMBER 2017

The net deficit for the year will be recovered by the residents in accordance with the terms contained within their leasehold agreement or first deed of transfer.

3. RESERVE FUNDS FOR LONGER TERM MAINTENANCE

The reserve fund has been established to provide funds in order to contribute to the cost of major works which are expected to arise in the future. The present level of the fund may prove insufficient, given the uncertainty as to when such costs may arise. Any shortfall in these funds resulting from expenditure incurred will be charged to the Income and Expenditure Account in that year.

	<u>Total</u>
	<u>£</u>
Balance brought forward	172,625
Provision for the year	130,000
Contribution From Reserves	(74,777)
Balance at 28th September 2017	<u><u>227,848</u></u>

4. BANK ACCOUNTS

All bank accounts are held separately in trust and in compliance with Section 42 of the Landlord and Tenant Act 1987. The accounts are held at Barclays Bank plc, Churchill Place, London. All of the accounts are ring fenced.

All bank accounts for service charge and reserves are held separately in trust and in compliance with Section 42 of the Landlord and Tenant Act 1987. Client money is ring fenced, separate from PL Management's own business accounts. The accounts are held at Barclays Bank Plc, Churchill Place, London E14 5HP and are held in the following account names:-

PL Management Client Account
 PLM AMS Client Account

These accounts have instant access and do not have withdrawal restrictions. Limited interest accrues to the accounts, which is credited to the development once any bank charges or other costs associated with administering the accounts have been taken into consideration.

5. VILLAGE CHARGE

The Village charge is set by Chelsea Harbour Limited and relates to actual expenditure incurred in the current year for managing the shared services and facilities of the development.

6. CONTRIBUTION FROM RESERVES

	<u>£</u>
Internal Refurbishment	50,460
Lifts Works	10,935
Lift Consultancy Fees	2,238
Front entrance, Irrigation & Lighting Works	5,096
New Planting and Maintenance Work	1,236
Landscape Design and Project Management	1,000
Hardware and Software Improvements	1,953
Supply & Fit Extract Fan	583
Supply External Sockets	820
Remove Stains from Carpet	456
	<u><u>74,777</u></u>