

CHELSEA HARBOUR LONDON, SW10



SERVICE CHARGE ACCOUNTS SUMMARY FOR THE YEAR ENDING 28TH SEPTEMBER 2020

INTRODUCTION AND OVERVIEW

The following guidance notes are to be read in conjunction with the service charge accounts for the year ending 28th September 2020. They are intended to provide a summary of the figures contained within the service charge accounts and to hopefully assist leaseholders in understanding the drivers behind certain cost headings.

The guiding principle throughout the assessment of the service charges is that all leaseholders must pay their reasonable, fair and equitable share of service charges in strict adherence to the provisions of the leasehold document which they are a party to and also in accordance with the use that they make of the services provided.

In many cases the use is self-evident, for example, a specific lift may only be used by certain leaseholders within Chelsea Harbour who are then levied the related costs. Therefore, each building at Chelsea Harbour has its own separate budget, presented within the accounts.

Overall, there is an overspend of 4.85% against the 2020 budget, with deficits showing in six of the blocks and a surplus in the remaining two. The general position of each building can be seen below, alongside the budget for 2019-2020.

	2019-2020 Budget (£)	2019-2020 Actual (£)
Admiral Court	314,246	322,001
Admiral Square	145,547	143,985
Carlyle Court	560,066	603,273
Chelsea Crescent	869,073	989,504
Kings Quay	500,683	508,505
Thames Quay	543,240	582,625
The Belvedere	786,788	770,650
The Quadrangle	473,108	502,485
TOTAL	4,192,753	4,423,027

ADMIRAL COURT

Please refer to page 4 of the service charge accounts, which details a deficit of £7,635, resulting in just over a 2.43% overspend against the 2020 budget. As you will see in the accounts, the main reason for the deficit is due to the following areas:

Wages - This is due to a higher level of agency staff than expected and several staff members leaving which resulted in additional recruitment costs. This was also largely due to the night-time services being split across all blocks from the second half of the year, which had previously just been paid by the Belvedere.

Administrative expenses – This includes purchasing of additional IT equipment, additional PPE and associated equipment for the management of COVID-19.

Gas -There is an overspend in this area as a result of slightly higher than expected usage.

Cleaning- The cleaning would have underspent had we not faced additional cleaning costs due to COVID-19 pandemic. Due to this, we had to carry out tasks such as fogging and additional deep cleaning.

Security- This provision was higher than anticipated due to age of the equipment, additional money being spent to keep the systems in good order, alongside the use of additional security personnel during the pandemic due to the low level of occupancy at the development.

Buildings and Terrorism Insurance – This is due to the poor claims history in some of the blocks, which has resulted in an increase in the premium to all blocks under the group account.

ADMIRAL SQUARE

Please refer to page 5 of the 2020 service charge accounts, showing a surplus of £4,150. This is a 2.85% saving against the 2020 budget, mainly due to savings on wages following a review of the apportionment so that Admiral Square only pays for services it uses. There have also been savings within the village charge which has been reflected within the accounts.

CARLYLE COURT

Please refer to page 6 of the 2020 service charge accounts, detailing a deficit of £43,018, This is an overspend of 7.68% against the 2020 budget, largely due to additional costs in the following areas:

Administrative expenses - This includes purchasing of additional IT equipment, additional PPE and associated equipment for the management of COVID-19.

Electricity - There is an overspend against the budgeted amount and as a result we are reviewing the electricity usage as a whole during the current financial year to pinpoint any possible efficiencies that can be achieved.

Cleaning - The cleaning would have been underspent had we not faced additional cleaning costs due to COVID-19 pandemic. Due to this, we had to carry out tasks such as fogging and additional deep cleaning.

Drain cleaning – This provision overspent due to issues predominantly with the soil stacks caused by the disposing of baby wipes/cooking fat via the drainage system. We are trying to encourage residents to be mindful of what is put down the drains to avoid further problems.

Fire Safety -The expenditure for this provision is higher than budgeted for as the equipment is coming to the end of its lifespan, meaning more breakdowns and additional maintenance required. Fire maintenance upgrade works have been incorporated into the CAPEX plan for the next 5-10 years.

Gardening - The main overspend is due to changing suppliers midway through the year due to poor performance and additional planting works.

Lift repairs - This provision is much higher than budgeted for due to continued breakdowns. The lifts are over 30 years old and have come to the end of their lifespan. Lift upgrade works have been incorporated into the CAPEX plan for the next 5-10 years.

Security - This provision was higher than anticipated due to age of the equipment, additional money being spent to keep the systems in good order, alongside the use of additional security personnel during the pandemic due to the low level of occupancy at the development.

Buildings and Terrorism Insurance – This is due to a poor claims history in some of the blocks, this has resulted in an increase in the premium to all blocks across the group account.

CHELSEA CRESCENT

Please refer to page 7 of the 2020 service charge accounts, showing an overall deficit of £119,819. This is a 13.79% overspend against the 2020 budget. As you will see in the accounts, the main reasons for the deficit is as follows:

Wages- This is due to overspends on wages which is due to an unexpected higher level of agency staff, several staff members leaving and resultant recruitment costs. This was also largely due to the night-time services being split across all blocks from the second half of the year, which had previously just been paid by the Belvedere.

Administrative costs - This includes purchasing of additional IT equipment, additional PPE and associated equipment for the management of COVID-19.

Electricity/Water - There is an overspend against the budgeted amount and as a result we are reviewing the usage as a whole during the current financial year to pinpoint any possible efficiencies that can be achieved.

Cleaning - The cleaning would have been underspent had we not faced additional cleaning costs due to COVID-19 pandemic. Due to this, we had to carry out tasks such as fogging and additional deep cleaning.

Window Cleaning - This area was underbudgeted for due to the way the building needed to be accessed, which is via cherry picker.

Electrical repairs - These are higher than anticipated due to additional lighting repairs required in the communal areas.

Fire Safety – The expenditure is higher than budgeted for as the equipment is coming to the end of its lifespan, meaning more breakdowns and additional maintenance required. Fire maintenance upgrade works have been incorporated into the CAPEX plan for the next 5-10 years.

Gardening - The main overspend is due to changing suppliers midway through the year due to poor performance and additional planting works.

Internal and External General Maintenance - These are very hard to budget for as each year can be very different. One of the main reasons for overspends is increased repair/remedial works from insurance claims and a greater number of small maintenance issues than was initially allowed for.

Lift Repairs - This is much higher than budgeted for due to continued breakdowns. The lifts are over 30 years old and have come to the end of their lifespan. Lift upgrade works have been incorporated into the CAPEX plan for the next 5-10 years.

Security - This provision was higher than anticipated due to age of the equipment, additional money being spent to keep the systems in good order, alongside the use of additional security personnel during the pandemic due to the low level of occupancy at the development.

KINGS QUAY

Please refer to page 8 of the 2020 service charge accounts, detailing a deficit of £6,491, detailing a 1.30% overspend against the 2020 budget. As you will see in the accounts, the main reasons for the deficit is as follows:

Wages - This is due to overspends on wages which is due to an unexpected higher level of agency staff, several staff members leaving and resultant recruitment costs. This was also largely due to the night-time services being split across all blocks from the second half of the year, which had previously just been paid by the Belvedere.

Administrative costs - This includes purchasing of additional IT equipment, additional PPE and associated equipment for the management of COVID-19.

Electricity - There is an overspend against the budgeted amount and as a result we are reviewing the electricity usage as a whole during the current financial year to pinpoint any possible efficiencies that can be achieved.

Cleaning - The cleaning would have been underspent had we not faced additional cleaning costs due to COVID-19 pandemic. Due to this, we had to carry out tasks such as fogging and additional deep cleaning.

Drain cleaning - This provision overspent due to issues predominantly with the soil stacks caused by the disposing of baby wipes/cooking fat via the drainage system. We are trying to encourage residents to be mindful of what is put down the drains to avoid further problems.

Fire Safety - the expenditure for this provision is higher than budgeted for as the equipment is coming to the end of its lifespan, meaning more breakdowns and additional maintenance required. Fire maintenance upgrade works have been incorporated into the CAPEX plan for the next 5-10 years.

Lift Repairs - this is much higher than budgeted for due to continued breakdowns. The lifts are over 30 years old and have come to the end of their lifespan. Lift upgrade works have been incorporated into the CAPEX plan for the next 5-10 years.

Security - This provision was higher than anticipated due to age of the equipment, additional money being spent to keep the systems in good order, alongside the use of additional security personnel during the pandemic due to the low level of occupancy at the development.

THAMES QUAY

Please refer to page 9 of the 2020 service charge accounts, showing a deficit of £35,745, showing a 6.58% overspend against the 2020 budget. The main reasons for the deficit are as follows:

Administrative costs - This includes purchasing of additional IT equipment, additional PPE and associated equipment for the management of COVID-19.

Electricity - There is an overspend against the budgeted amount and as a result we are reviewing the electricity usage as a whole during the current financial year to pinpoint any possible efficiencies that could be achieved.

Cleaning - The cleaning would have been underspent had we not faced additional cleaning costs due to COVID-19 pandemic. Due to this, we had to carry out tasks such as fogging and additional deep cleaning.

Fire Safety - The expenditure for this provision is higher than budgeted for as the equipment is coming to the end of its lifespan, meaning more breakdowns and additional maintenance required. Fire maintenance upgrade works have been incorporated into the CAPEX plan for the next 5-10 years.

Internal General Maintenance - This is very hard to budget for as each year can be very different. One of the main reasons for overspends is increased repair/remedial works from insurance claims and higher day to day items than expected.

Lift Repairs - This is much higher than budgeted for due to continued breakdowns. The lifts are over 30 years old and have come to the end of their lifespan. Lift upgrade works have been incorporated into the CAPEX plan for the next 5-10 years.

Security - This provision was higher than anticipated due to age of the equipment, additional money being spent to keep the systems in good order, alongside the use of additional security personnel during the pandemic due to the low level of occupancy at the development.

THE BELVEDERE

Please refer to page 10 of the 2020 service charge accounts, showing a surplus of £33,635, largely due to savings on wages due to the night-time services being split across all blocks from the second half of the year. There were also other savings on the village charge and the following provisions had a reduced need for repairs/callouts throughout the year: boiler maintenance, electrical repairs, fire safety, internal and external general maintenance.

THE QUADRANGLE

Please refer to page 11 of the 2020 service charge accounts, detailing a deficit of £28,376, which is a 6% overspend against the 2020 budget. The main areas for the deficit are as follows:

Administrative costs - This includes purchasing of additional IT equipment, additional PPE and associated equipment for the management of COVID-19.

Electricity - There is an overspend against the budgeted amount and as a result we are reviewing the electricity usage as a whole during the current financial year to pinpoint any possible efficiencies that could be achieved.

Cleaning - The cleaning would have been underspent had we not faced additional cleaning costs due to COVID-19 pandemic. Due to this, we had to carry out tasks such as fogging and additional deep cleaning.

Drain cleaning – this provision overspent due to issues such as disposing of baby wipes/cooking fat via the drainage system.

Fire Safety -The expenditure for this provision is higher than budgeted for as the equipment is coming to the end of its lifespan, meaning more breakdowns and additional maintenance required. Fire maintenance upgrade works have been incorporated into the CAPEX plan for the next 5-10 years.

Internal General Maintenance - This is very hard to budget for as each year can be very different. One of the main reasons for overspends is increased repair/remedial works from insurance claims and higher day to day items than expected.

Lift Repairs - This is much higher than budgeted for due to continued breakdowns. The lifts are over 30 years old and have come to the end of their lifespan. Lift upgrade works have been incorporated into the CAPEX plan for the next 5-10 years.

Security - This provision was higher than anticipated due to age of the equipment, additional money being spent to keep the systems in good order, alongside the use of additional security personnel during the pandemic due to the low level of occupancy at the development.

RESERVES

Please refer to page 14 of the service charge accounts for a block by block breakdown of the reserve funds and any expenditure throughout the year. Notable costs are fire stopping works across all blocks excluding Admiral Square which were required as identified in the fire risk assessment, highlighting a lack of passive fire protection.

Façade investigation works in order to provide the ESW1 forms to confirm the external façades were compliant with the current government guidance.

There were also refurbishment works in Carlyle Court and Chelsea Crescent, roofing works across several of the blocks and other miscellaneous works across all blocks excluding Admiral Square and Kings Quay.

CHELSEA HARBOUR

CHELSEA HARBOUR, LONDON. SW10 0UU



SERVICE CHARGE
ACCOUNTS YEAR ENDED
28TH SEPTEMBER 2020

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON. SW10 0UU
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YEAR ENDING 28TH SEPTEMBER 2020

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CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON. SW10 0UU
SERVICE CHARGE INFORMATION
YEAR ENDING 28TH SEPTEMBER 2020

Landlord

Chelsea Harbour Limited
c/o Rendall & Rittner Limited
13B St George Wharf
London
SW8 2LE

Managing Agent

Rendall & Rittner Limited
13B St George Wharf
London
SW8 2LE

Accountants

Fortus Service Charge
Chartered Accountants
Ground Floor, Baird House
Seebeck Place, Knowlhill
Milton Keynes
MK5 8FR

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON. SW10 0UU
ACCOUNTANT'S REPORT OF FACTUAL FINDINGS TO THE MANAGING AGENT OF CHELSEA HARBOUR
YEAR ENDING 28TH SEPTEMBER 2020



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. 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 3 to 14 in respect of Chelsea Harbour for the year to 28th September 2020 in order to provide a report of factual findings about the service charge accounts.

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 TECH 03/11 Residential Service Charge Accounts published jointly by the ICAEW with RICS and ARMA. In summary we carried out the following procedures:

1. We obtained the service charge accounts and checked 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 we inspected.
3. We checked whether the balance of service charge monies for this property, shown on page 12 of the service charge accounts reconciled to the bank statements for the accounts in which the funds are held.

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

With respect to item 1 we found the figures in the statement of account to have been extracted correctly from the accounting records.

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 we inspected.

With respect to item 3 we found that the balance of service charge monies shown on page 12 of the service charge accounts reconciles to the bank statements for the accounts in which the accounts are held.

Fortus

Fortus Service Charge
Chartered Accountants
Ground Floor, Baird House
Seebeck Place, Knowlhill
Milton Keynes
MK5 8FR

26 March 2021

Date:

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON. SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2020

	Note	2020 Actual £	2020 Budget £	2019 Actual £
INCOME				
Service Charge on Account		2,857,623	2,857,553	2,808,622
Reserve Fund on Account		1,335,232	1,335,200	1,231,026
Service Charge Interest Received	1	230	-	930
Tenant interest Charged		26,643	-	1,066
		4,219,727	4,192,753	4,041,644
EXPENDITURE				
Staffing				
Wages & Salaries		969,814	932,038	853,172
Uniforms		5,613	9,001	9,802
Administrative Expenses		39,708	20,200	34,515
		1,015,135	961,239	897,489
Utilities				
Electricity		185,317	136,850	137,064
Gas		38,484	36,140	28,204
Telephone		5,812	4,550	10,552
Water		25,195	23,000	20,214
		254,808	200,540	196,033
Contracts, Maintenance & Services				
Village Charge		602,302	651,136	662,277
Boiler Maintenance		6,204	9,700	10,938
Cleaning		136,420	102,000	102,715
Window Cleaning		18,552	9,176	13,548
Drain Cleaning		24,541	8,350	12,273
Electrical Repairs and Maintenance		30,870	31,400	35,964
Fire Prevention & Health and Safety		91,987	56,650	42,640
Gardening		30,235	20,600	17,474
General Maintenance - External		19,957	35,500	47,796
General Maintenance - Internal		36,597	39,500	69,271
Lift Repairs and Maintenance		59,578	39,608	54,401
Pest Control		1,648	2,650	936
Heating Repairs & Maintenance		2,431	6,900	7,270
Refuse Removal		3,047	1,500	720
Security		79,550	28,400	25,224
Festive Decorations		1,878	1,400	1,620
		1,145,798	1,044,471	1,105,065
Insurance				
Buildings & Terrorism	8	366,378	348,868	335,957
Insurance Excess		-	-	3,000
		366,378	348,868	338,957
Professional Services				
Management Fees	9	287,676	287,676	282,035
Accountancy Fees		18,000	14,760	19,199
		305,676	302,436	301,234
Total Service Charge Expenditure		3,087,796	2,857,553	2,838,777
Contribution to Reserves		1,335,232	1,335,200	1,231,000
TOTAL EXPENDITURE		4,423,027	4,192,753	4,069,777
Surplus/(Deficit)	7	(203,300)	-	(28,133)



For and on behalf of Rendall & Rittner Limited

Date: 26 March 2021

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON. SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2020

Admiral Court

	Note	2020 Actual £	2020 Budget £	2019 Actual £
INCOME				
Service Charge on Account		208,647	208,646	187,465
Reserve Fund on Account		105,600	105,600	88,000
Service Charge Interest Received	1	1	-	72
Tenant Interest Charged		119	-	-
		314,366	314,246	275,537
EXPENDITURE				
Staffing				
Wages & Salaries		108,379	97,084	68,594
Uniforms		378	775	806
Administrative Expenses		2,225	1,300	2,837
		110,983	99,159	72,237
Utilities				
Electricity		5,328	5,750	5,644
Gas		3,232	2,340	2,204
Telephone		300	100	642
		8,860	8,190	8,490
Contracts, Maintenance & Services				
Village Charge		30,309	33,790	34,369
Boiler Repairs and Maintenance		1,132	1,100	1,268
Cleaning		6,642	5,000	5,585
Window Cleaning		504	504	684
Drain Cleaning		-	1,200	396
Electrical Repairs and Maintenance		1,651	3,000	2,813
Fire Prevention & Health and Safety		7,188	6,700	4,797
Gardening		1,261	1,200	306
General Maintenance - External		875	5,500	9,282
General Maintenance - Internal		898	3,000	8,737
Lift Repairs and Maintenance		1,978	1,527	2,096
Pest Control		424	250	54
Refuse Removal		129	100	37
Security		4,838	2,100	1,520
Festive Decorations		258	200	101
		58,085	65,171	72,044
Insurance				
Buildings & Terrorism	8	20,034	17,923	17,213
		20,034	17,923	17,213
Professional Services				
Management Fees	9	17,203	17,203	16,866
Accountancy Fees		1,237	1,000	1,319
		18,440	18,203	18,185
Total Service Charge Expenditure		216,401	208,646	188,169
Contribution to Reserves		105,600	105,600	88,000
TOTAL EXPENDITURE		322,001	314,246	276,169
Surplus/(Deficit)	7	(7,635)	-	(632)



For and on behalf of Rendall & Rittner Limited

Date: 26 March 2021

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON. SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2020

Admiral Square

	Note	2020 Actual £	2020 Budget £	2019 Actual £
INCOME				
Service Charge on Account		106,032	105,947	115,065
Reserve Fund on Account		39,632	39,600	33,026
Service Charge Interest Received	1	11	-	-
Tenant Interest Charged		2,459	-	70
		<u>148,134</u>	<u>145,547</u>	<u>148,161</u>
EXPENDITURE				
Staffing				
Wages & Salaries		8,364	12,247	24,361
Uniforms & Laundry		34	217	244
Administrative Expenses		2,494	1,100	859
		<u>10,892</u>	<u>13,564</u>	<u>25,465</u>
Utilities				
Telephone		494	50	608
		<u>494</u>	<u>50</u>	<u>608</u>
Contracts, Maintenance & Services				
Village Charge		50,899	55,581	56,535
Fire Prevention and Health & Safety		164	150	-
General Maintenance - External		3,746	2,500	2,577
Refuse Removal		211	100	61
Security		1,145	1,300	1,038
		<u>56,165</u>	<u>59,631</u>	<u>60,211</u>
Insurance				
Buildings & Terrorism	8	27,631	23,641	22,800
		<u>27,631</u>	<u>23,641</u>	<u>22,800</u>
Professional Services				
Management Fees	9	8,602	8,602	8,433
Accountancy Fees		569	460	607
		<u>9,171</u>	<u>9,062</u>	<u>9,040</u>
Total Service Charge Expenditure		<u>104,353</u>	<u>105,947</u>	<u>118,124</u>
Contribution to Reserves		<u>39,632</u>	<u>39,600</u>	<u>33,000</u>
TOTAL EXPENDITURE		<u>143,985</u>	<u>145,547</u>	<u>151,124</u>
Surplus/(Deficit)	7	<u>4,150</u>	<u>-</u>	<u>(2,963)</u>



For and on behalf of Rendall & Rittner Limited

Date: 26 March 2021

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON. SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2020

Carlyle Court

	Note	2020 Actual £	2020 Budget £	2019 Actual £
INCOME				
Service Charge on Account		434,067	434,066	472,101
Reserve Fund on Account		126,000	126,000	105,000
Service Charge Interest Received	1	2	-	37
Tenant Interest Charged		186	-	290
		560,255	560,066	577,428
EXPENDITURE				
Staffing				
Wages & Salaries		118,527	124,980	151,492
Uniforms & Laundry		1,129	1,570	1,741
Administrative Expenses		6,587	3,000	6,130
		126,242	129,550	159,362
Utilities				
Electricity		33,146	24,150	24,720
Gas		3,855	3,250	2,868
Telephone		1,034	950	1,907
		38,035	28,350	29,495
Contracts, Maintenance & Services				
Village Charge		108,322	116,352	118,348
Boiler Repairs and Maintenance		940	1,100	1,443
Cleaning		30,596	21,000	21,362
Window Cleaning		912	912	2,790
Drain Cleaning		5,717	2,000	3,676
Electrical Repairs and Maintenance		3,144	4,000	7,378
Fire Prevention & Health and Safety		17,866	8,000	5,829
Gardening		9,145	6,000	5,564
General Maintenance - External		1,434	5,000	6,366
General Maintenance - Internal		1,839	5,000	17,175
Lift Repairs and Maintenance		16,947	9,165	12,577
Pest Control		12	400	176
Refuse Removal		443	100	129
Security		16,796	3,000	5,282
Festive Decorations		353	200	331
		214,465	182,229	208,426
Insurance				
Buildings & Terrorism	8	39,670	35,549	34,425
Insurance Excess		-	-	1,000
		39,670	35,549	35,425
Professional Services				
Management Fees	9	56,388	56,388	55,282
Accountancy Fees		2,473	2,000	2,638
		58,861	58,388	57,920
Total Service Charge Expenditure		477,273	434,066	490,628
Contribution to Reserves		126,000	126,000	105,000
TOTAL EXPENDITURE		603,273	560,066	595,628
Surplus/(Deficit)	7	(43,018)	-	(18,200)



For and on behalf of Rendall & Rittner Limited

Date: 26 March 2021

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON. SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2020

Chelsea Crescent

	Note	2020 Actual £	2020 Budget £	2019 Actual £
INCOME				
Service Charge on Account		619,055	619,073	610,092
Reserve Fund on Account		250,000	250,000	160,000
Service Charge Interest Received	1	-	-	113
Tenant Interest Charged		630	-	166
		869,685	869,073	770,371
EXPENDITURE				
Staffing				
Wages & Salaries		211,610	170,801	156,275
Uniforms & Laundry		1,240	1,572	1,767
Administrative Expenses		8,257	4,100	6,223
		221,107	176,473	164,265
Utilities				
Electricity		33,840	24,150	27,764
Gas		14,610	13,000	10,081
Telephone		1,347	850	2,220
Water		19,449	7,000	5,036
		69,246	45,000	45,100
Contracts, Maintenance & Services				
Village Charge		141,568	151,538	154,113
Boiler Maintenance		2,268	2,000	-
Cleaning		28,575	23,000	22,420
Window Cleaning		7,440	1,860	3,156
Drain Cleaning		882	2,000	2,716
Electrical Repairs & Maintenance		15,568	5,000	11,488
Fire Prevention and Health & Safety		20,877	8,000	6,865
Gardening		14,787	11,000	11,603
General Maintenance - External		4,637	2,000	5,952
General Maintenance - Internal		8,971	8,000	13,370
Lift Repairs & Maintenance		9,099	7,638	10,481
Pest Control		785	400	263
Heating Repairs & Maintenance		931	400	4,198
Refuse Removal		1,146	200	168
Security		18,711	6,500	5,183
Festive Decorations		383	200	359
		276,628	229,736	252,335
Insurance				
Buildings & Terrorism	8	107,314	103,397	99,297
		107,314	103,397	99,297
Professional Services				
Management Fees	9	61,166	61,166	59,967
Accountancy Fees		4,045	3,300	4,314
		65,211	64,466	64,281
Total Service Charge Expenditure				
		739,504	619,073	625,278
Contribution to Reserves				
		250,000	250,000	160,000
TOTAL EXPENDITURE				
		989,504	869,073	785,278
Surplus/(Deficit)				
	7	(119,819)	-	(14,907)



For and on behalf of Rendall & Rittner Limited

Date: 26 March 2021

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON. SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2020

Kings Quay

	Note	2020 Actual £	2020 Budget £	2019 Actual £
INCOME				
Service Charge on Account		332,683	332,683	299,100
Reserve Fund on Account		168,000	168,000	140,000
Tenant Interest Charged		1,331	-	-
		502,014	500,683	439,100
EXPENDITURE				
Staffing				
Wages & Salaries		113,333	110,012	87,025
Uniforms & Laundry		667	889	1,004
Administrative Expenses		3,860	2,100	3,534
		117,861	113,001	91,563
Utilities				
Electricity		20,635	12,075	14,897
Gas		4,829	5,200	2,908
Telephone		576	800	1,069
		26,040	18,075	18,875
Contracts, Maintenance & Services				
Village Charge		59,590	64,778	65,889
Boiler Maintenance		210	-	-
Cleaning		16,671	13,000	12,534
Window Cleaning		552	552	720
Drain Cleaning		3,811	700	769
Electrical Repairs and Maintenance		3,427	6,500	3,131
Fire Prevention & Health and Safety		11,959	8,000	5,658
Gardening		1,261	-	-
General Maintenance - External		224	4,000	2,974
General Maintenance - Internal		1,782	6,000	3,894
Lift Repairs and Maintenance		8,619	6,110	8,385
Pest Control		7	400	105
Heating Repairs & Maintenance		384	5,500	3,072
Refuse Removal		246	400	72
Security		8,272	4,500	3,137
Festive Decorations		209	200	196
		117,226	120,641	110,536
Insurance				
Buildings & Terrorism	8	41,543	43,604	42,076
		41,543	43,604	42,076
Professional Services				
Management Fees	9	35,362	35,362	34,669
Accountancy Fees		2,473	2,000	2,638
		37,835	37,362	37,307
Total Service Charge Expenditure		340,505	332,683	300,356
Contribution to Reserves		168,000	168,000	140,000
TOTAL EXPENDITURE		508,505	500,683	440,356
Surplus/(Deficit)	7	(6,491)	-	(1,256)



For and on behalf of Rendall & Rittner Limited

Date: 26 March 2021

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON. SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2020

Thames Quay

	Note	2020 Actual £	2020 Budget £	2019 Actual £
INCOME				
Service Charge on Account		393,241	393,240	380,715
Reserve Fund on Account		150,000	150,000	125,000
Service Charge Interest Received	1	5	-	78
Tenant Interest Charged		3,634	-	60
		546,880	543,240	505,852
EXPENDITURE				
Staffing				
Wages & Salaries		115,779	117,496	106,824
Uniforms & Laundry		897	1,068	1,222
Administrative Expenses		6,636	3,000	4,304
		123,312	121,564	112,350
Utilities				
Electricity		38,988	31,625	22,099
Telephone		798	850	1,390
		39,786	32,475	23,489
Contracts, Maintenance & Services				
Village Charge		83,195	89,761	91,300
Cleaning		22,057	16,000	16,438
Window Cleaning		168	168	180
Drain Cleaning		1,412	500	2,859
Electrical Repairs and Maintenance		3,364	4,400	2,683
Fire Prevention & Health and Safety		15,705	7,300	5,321
Gardening		1,261	-	-
General Maintenance - External		4,361	7,000	10,690
General Maintenance - Internal		11,802	4,000	10,392
Lift Repairs and Maintenance		13,170	7,638	10,338
Pest Control		45	400	141
Heating Repairs & Maintenance		1,116	1,000	-
Refuse Removal		341	200	99
Security		10,407	4,500	3,789
Festive Decorations		281	200	263
		168,685	143,067	154,492
Insurance				
Buildings & Terrorism	8	51,933	47,759	45,938
		51,933	47,759	45,938
Professional Services				
Management Fees	9	45,876	45,876	44,976
Accountancy Fees		3,033	2,500	3,235
		48,909	48,376	48,211
Total Service Charge Expenditure		432,625	393,240	384,480
Contribution to Reserves		150,000	150,000	125,000
TOTAL EXPENDITURE		582,625	543,240	509,480
Surplus/(Deficit)	7	(35,745)	-	(3,628)



For and on behalf of Rendall & Rittner Limited

Date: 26 March 2021

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON. SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2020

The Belvedere

	Note	2020 Actual £	2020 Budget £	2019 Actual £
INCOME				
Service Charge on Account		386,788	386,788	391,099
Reserve Fund on Account		400,000	400,000	500,000
Service Charge Interest Received	1	207	-	516
Tenant Interest Charged		17,289	-	14
		804,284	786,788	891,629
EXPENDITURE				
Staffing				
Wages & Salaries		177,418	181,922	166,037
Uniforms & Laundry		359	2,017	1,958
Administrative Expenses		4,878	2,300	6,893
		182,656	186,239	174,887
Utilities				
Electricity		13,064	14,950	12,098
Gas		6,631	6,500	6,654
Telephone		533	400	1,516
Water		623	4,000	3,361
		20,850	25,850	23,629
Contracts, Maintenance & Services				
Village Charge		55,045	59,969	60,997
Boiler Maintenance		780	2,500	7,175
Cleaning		10,001	7,000	6,151
Window Cleaning		7,920	4,080	5,280
Drain Cleaning		4,554	950	816
Electrical Repairs and Maintenance		493	4,500	3,778
Fire Prevention & Health and Safety		8,887	11,000	8,340
Gardening		1,261	1,200	-
General Maintenance - External		1,726	4,000	6,482
General Maintenance - Internal		2,520	8,000	12,789
Lift Repairs and Maintenance		3,727	2,947	4,234
Pest Control		4	400	54
Refuse Removal		228	200	66
Security		5,744	2,500	1,312
Festive Decorations		108	200	101
		102,997	109,447	117,574
Insurance				
Buildings & Terrorism	8	45,806	47,049	45,317
		45,806	47,049	45,317
Professional Services				
Management Fees	9	17,203	17,203	16,866
Accountancy Fees		1,138	1,000	1,213
		18,341	18,203	18,079
Total Service Charge Expenditure		370,650	386,788	379,485
Contribution to Reserves		400,000	400,000	500,000
TOTAL EXPENDITURE		770,650	786,788	879,485
Surplus/(Deficit)	7	33,635	-	12,144



For and on behalf of Rendall & Rittner Limited

Date: 26 March 2021

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON. SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2020

The Quadrangle

	Note	2020 Actual £	2020 Budget £	2019 Actual £
INCOME				
Service Charge on Account		377,109	377,108	352,984
Reserve Fund on Account		96,000	96,000	80,000
Service Charge Interest Received	1	4	-	115
Tenant Interest Charged		995	-	467
		474,108	473,108	433,566
EXPENDITURE				
Staffing				
Wages & Salaries		116,403	117,496	92,565
Uniforms & Laundry		909	893	1,061
Administrative Expenses		4,771	3,300	3,734
		122,083	121,689	97,360
Utilities				
Electricity		40,316	24,150	29,842
Gas		5,328	5,850	3,489
Telephone		730	550	1,199
Water		5,124	12,000	11,817
		51,498	42,550	46,347
Contracts, Maintenance & Services				
Village Charge		73,374	79,366	80,727
Boiler Repairs and Maintenance		874	3,000	1,052
Cleaning		21,878	17,000	18,225
Window Cleaning		1,056	1,100	738
Drain Cleaning		8,165	1,000	1,043
Electrical Repairs and Maintenance		3,223	4,000	4,694
Fire Prevention & Health and Safety		9,341	7,500	5,829
Gardening		1,261	1,200	-
General Maintenance - External		2,956	5,500	3,473
General Maintenance - Internal		8,786	5,500	2,915
Lift Repairs and Maintenance		6,038	4,583	6,289
Pest Control		370	400	144
Refuse Removal		302	200	88
Security		13,637	4,000	3,963
Festive Decorations		287	200	269
		151,547	134,549	129,448
Insurance				
Buildings & Terrorism	8	32,447	29,945	28,892
		32,447	29,945	30,892
Professional Services				
Management Fees	9	45,876	45,876	44,976
Accountancy Fees		3,033	2,500	3,235
		48,909	48,376	48,211
Total Service Charge Expenditure		406,485	377,108	352,257
Contribution to Reserves		96,000	96,000	80,000
TOTAL EXPENDITURE		502,485	473,108	432,257
Surplus/(Deficit)	7	(28,376)	-	1,308



For and on behalf of Rendall & Rittner Limited

Date: 26 March 2021

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON. SW10 0UU
BALANCE SHEET
YEAR ENDING 28TH SEPTEMBER 2020

		2020	2019
	Note	£	£
CURRENT ASSETS			
Service Charge Debtors		715,557	883,225
Other Debtors	4	121,071	41,882
Prepayments		459,922	435,314
Bank - Service Charge	3	233,172	228,085
Bank - Reserve	3	4,476,497	4,167,182
Cash in Hand		1,339	1,338
Deficit due from lessees	7	231,433	28,133
		6,238,991	5,785,160
CURRENT LIABILITIES			
Trade Creditors		610,189	530,050
Other Creditors	5	66,614	62,545
Accruals		213,026	150,569
		889,829	743,164
NET ASSETS		5,349,162	5,041,996
FINANCED BY:			
RESERVE FUND	6	5,349,162	5,041,996

We confirm our approval of these accounts;



For and on behalf of Rendall & Rittner Limited

Date: 26 March 2021

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON. SW10 0UU
NOTES TO THE ACCOUNTS
YEAR ENDING 28TH SEPTEMBER 2020

1. ACCOUNTING POLICIES

Accounting Convention

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

Expenditure

Expenditure represents amounts payable for goods and services in connection with managing and maintaining the property.

Service Charge Income

Service charge income represents amounts demanded on account from the leaseholder.

Interest Receivable

Interest received in respect of Service Charge bank accounts is credited to the Service Charge income as when received.

Interest received in respect of Reserve Fund bank accounts is credited to the Reserve Fund as and when received.

2. TAX ON INTEREST RECEIVED

A Service Charge Trust has been established under Section 42 of the Landlord & Tenant Act 1987 and the lease. Interest earned on service charge monies held is taxable at the basic rate of income tax. The rate of tax applied to interest received during the year was 20% (2019 - 20%).

3. BANK ACCOUNT

All client monies are held by way of a statutory trust, in a designated Client Bank Account at the Bank of Scotland, PO Box 1000, BX2 1LB in accordance with Section 42 and Section 42A of the Landlord & Tenant Act 1987.

Account Names	Number
Rendall and Rittner Limited Client Receipts Account	06980028
R&R Chelsea Harbour SC Client AC	10214365
R&R Chelsea Harbour RF Client AC	10214461

4. OTHER DEBTORS

	2020	2019
	£	£
Sundry Debtors	87,484	39,471
Intercompany balances	33,588	1,948
Developer Account	-	463
	<hr/>	<hr/>
	121,071	41,882

5. OTHER CREDITORS

	2020	2019
	£	£
Sundry Creditor	38,019	20,667
Service Charge Creditor	28,595	30,733
Balance from Previous Agent	-	11,144
	<hr/>	<hr/>
	66,614	62,545

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NOTES TO THE ACCOUNTS

YEAR ENDING 28TH SEPTEMBER 2020

6. RESERVES

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 as well as costs of large, non-regular work.

	Balance as at 29-Sep-19 £	Provision in Year £	Interest Received £	Expenditure in Year £	Balance as at 28-Sep-20 £
Admiral Court	82,576	105,600	99	(54,500)	133,776
Admiral Square	42,863	39,632	21	(14,109)	68,406
Carlyle Court	115,735	126,000	3	(171,123)	70,616
Chelsea Crescent	1,034,633	250,000	751	(533,199)	752,185
Kings Quay	631,189	168,000	773	(56,539)	743,423
Thames Quay	479,272	150,000	503	(81,007)	548,768
The Belvedere	2,337,589	400,000	1,997	(37,545)	2,702,040
The Quadrangle	318,139	96,000	307	(84,499)	329,948
	5,041,996	1,335,232	4,454	(1,032,521)	5,349,162

Details of Expenditure	Admiral Court £	Admiral Square £	Carlyle Court £	Chelsea Crescent £	Kings Quay	Thames Quay	The Belvedere £	The Quadrangle £
Fire Stopping	40,580	-	112,398	152,349	47,640	52,997	7,651	65,181
M&E Consultancy Fees	448	703	1,524	3,160	853	1,135	779	1,046
Façade Investigation Works	6,674	-	18,514	25,131	7,813	8,680	1,210	10,698
Lift Works	-	-	1,914	25,544	-	-	3,505	-
Refurbishment	-	-	11,640	233,206	-	-	-	-
Roofing Works	-	9,000	4,890	4,542	-	2,154	-	720
Surveying Work	122	4,407	419	546	233	323	9,444	286
Miscellaneous Works	6,676	-	19,824	88,721	-	15,718	14,956	6,568
	54,500	14,109	171,123	533,199	56,539	81,007	37,545	84,499

7. SURPLUS/(DEFICIT) ON BUDGETED EXPENDITURE

	£
Deficit on Budgeted Expenditure to 28th September 2019	(28,133)
Deficit on Budgeted Expenditure to 28th September 2020	(203,300)
Carried Forward as at 28th September 2020	(231,433)

8. BUILDING INSURANCE

Admiral Court is insured as at 28 September 2020 with JLT under policy number LP PPP 6985874 for building insurance for a sum insured of £21,560,942.

Admiral Square is insured as at 28 September 2020 with JLT under policy number LP PPP 6985874 for building insurance for a sum insured of £31,252,906.

Carlyle Court is insured as at 28 September 2020 with JLT under policy number LP PPP 6985874 for building insurance for a sum insured of £42,472,477.

Chelsea Crescent is insured as at 28 September 2020 with JLT under policy number LP PPP 6985874 for building insurance for a sum insured of £110,022,280.

Kings Quay is insured as at 28 September 2020 with JLT under policy number LP PPP 6985874 for building insurance for a sum insured of £38,858,344.

Thames Quay is insured as at 28 September 2020 with JLT under policy number LP PPP 6985874 for building insurance for a sum insured of £55,099,756.

Belvedere is insured as at 28 September 2020 with JLT under policy number LP PPP 6985874 for building insurance for a sum insured of £42,966,881.

Quadrangle is insured as at 28 September 2020 with JLT under policy number LP PPP 6985874 for building insurance for a sum insured of £34,026,838.

9. INCOME & RELATED INCOME OR OTHER BENEFITS

Rendall & Rittner Limited have earned the following income (incl. VAT) relating to the Service Charge as a result of our management of Chelsea Harbour in the year;

		2020 £	2019 £
Management Fees	Rendall & Rittner Limited	287,676	282,034
Furlough Administration Fee	Rendall & Rittner Limited	3,000	-
25 Year Planned Maintenance Report	Cardoe Martin Limited	-	9,143
Section 20 Fees	Rendall & Rittner Limited	59,833	-
Training & Introduction Fees	Rendall & Rittner Limited	12,600	11,818
Section 20 Surveyor Fees	Cardoe Martin Limited	51,534	32,534
		414,643	335,529