

**ST. GEORGE'S FIELDS**  
**SERVICE CHARGE STATEMENTS**  
**FOR THE YEAR ENDED**  
**31st DECEMBER 2017**

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# ST. GEORGE'S FIELDS

## SERVICE CHARGE STATEMENTS

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**INDEPENDENT ACCOUNTANT'S REPORT TO THE LANDLORD  
OF ST. GEORGE'S FIELDS**

**YEAR ENDED 31 DECEMBER 2017**

In accordance with our engagement letter, we have examined the service charge statement of account set out on pages 2 to 5 in respect of St. George's Fields for the year ended 31 December 2017 together with the books and records in so far as they relate to St. George's Fields.

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 are 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 independent accountant**

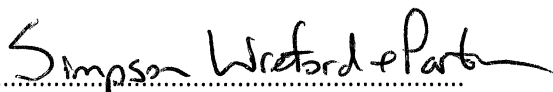
Under the Landlord and Tenant Act 1985, the Landlord is responsible for the preparation of this service charge statement in respect of the costs in respect of St. George's Fields. It is our responsibility to form an independent opinion, based on our examination, on the service charge statement and to report our opinion exclusively to the Landlord.

**Basis of opinion**

We planned and performed our examination so as to obtain all the information and explanations that 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 costs relating to St. George's Fields and is sufficiently supported by accounts, receipts and other documents which have been made available to us. In view of the purpose for which this service charge statement has been prepared, however, 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.

We certify that:-

- (a) In our opinion the service charge statement is a fair summary complying with the requirements of Section 21(5) of the Landlord and Tenant Act 1985.
- (b) The summary is sufficiently supported by accounts, receipts and other documents which have been produced to us.



.....  
Simpson Wreford & Partners  
Registered Auditor  
Suffolk House  
George Street  
Croydon CR0 0YN

Date - 11<sup>th</sup> April 2018

**ST. GEORGE'S FIELDS**  
**DETAILED SERVICE CHARGE ACCOUNT**  
**FOR THE YEAR ENDED 31st DECEMBER 2017**

	(a)	(b)	(c)	(d)	(e)	(f)		Total 2017	Budget 2017	Total 2016
SERVICE CHARGE OUTGOINGS	£	£	£	£	£	£	£	£	£	£
<b>Lift costs</b>										
Maintenance contract	1,909	(4,370)	13,438	-	-	-	10,977			
Repairs	-	-	(382)	-	552	-	170			
Insurance	-	-	4,580	(2,317)	-	-	2,263			
Telephone	-	(60)	644	-	-	60	<u>644</u>	14,054	16,000	13,072
<b>Garden expenses</b>										
Maintenance contracts	-	-	61,703	-	-	-	61,703			
New planting	-	-	37,390	-	-	-	37,390			
Tree surgery	-	-	20,928	-	-	-	20,928			
Fish ponds	-	-	2,076	-	-	-	2,076			
Other gardening costs	-	-	10,948	-	-	-	<u>10,948</u>	133,044	107,000	72,107
<b>Cleaning</b>										
Wages and employment costs	-	-	73,006	-	-	-	73,006			
Consumables	3,280	(562)	8,122	(656)	-	-	10,184			
Equipment	-	(20)	4,085	-	1,564	-	5,629			
Waste disposal costs	-	-	3,445	-	-	-	<u>3,445</u>	92,263	99,000	86,406
<b>Decorating</b>										
Wages and employment costs	-	-	25,105	-	-	-	25,105			
Paint and supplies	-	-	1,762	-	-	-	<u>1,762</u>	26,867	47,000	32,781
<b>Security</b>										
Gate maintenance	-	-	6,220	-	-	-	6,220			
CCTV	-	-	3,989	-	-	-	<u>3,989</u>	10,209	9,000	9,622
<b>Legal and professional</b>										
Surveyors' and related fees	-	-	9,399	-	-	-	9,399			
Legal and professional fees	1,788	-	11,835	(4,858)	-	-	8,765			
Independent accountant's fee	-	(4,700)	5,310	-	-	4,700	<u>5,310</u>	23,474	21,000	18,276
<b>Electrical and lighting</b>										
Electricity	-	(7,280)	24,345	-	(495)	-	16,570			
Testing repairs and renewals	-	-	11,040	-	-	-	11,040			
New lighting	-	-	4,230	-	-	-	<u>4,230</u>	31,840	25,000	29,014
<b>Repairs and renewals</b>										
General repair costs	1,390	(7,986)	54,668	(1,390)	5,188	-	51,870			
Drainage	-	(2,106)	11,419	-	-	-	9,313			
Balcony repairs	-	-	4,284	-	-	-	4,284			
Roadways	-	-	1,204	-	-	-	1,204			
TV aerial maintenance	2,400	(12,000)	15,600	(2,400)	-	-	3,600			
Fire protection system costs	-	-	13,744	-	-	-	<u>13,744</u>	84,015	106,000	91,088
<b>Bank</b>										
Bank charges	-	-	279	-	-	-		279	2,500	266
<b>Carry forward total</b>	<b>10,767</b>	<b>(39,084)</b>	<b>444,414</b>	<b>(11,621)</b>	<b>6,809</b>	<b>4,760</b>		<b>416,045</b>	<b>432,500</b>	<b>352,632</b>

**ST. GEORGE'S FIELDS**  
**DETAILED SERVICE CHARGE ACCOUNT**  
**FOR THE YEAR ENDED 31st DECEMBER 2017 - continued**

	(a)	(b)	(c)	(d)	(e)	(f)	Total 2017	Budget 2017	Total 2016
	£	£	£	£	£	£	£	£	£
<b>Brought forward total</b>	<b>10,767</b>	<b>(39,084)</b>	<b>444,414</b>	<b>(11,621)</b>	<b>6,809</b>	<b>4,760</b>	<b>416,045</b>	<b>432,500</b>	<b>352,632</b>
Insurance									
Buildings	-	-	45,575	-	-	-	45,575		
Terrorism	-	-	32,611	-	-	-	<u>32,611</u>		
							78,187	80,000	75,178
Office and administration									
Salaries and employment costs	2,364	(163)	104,153	(2,408)	313	-	104,259		
Rates	-	-	186	-	-	-	186		
Telephone	-	(200)	2,286	-	-	200	2,286		
Stationery and postage	-	-	2,086	-	-	-	2,086		
Computer expenses	1,217	(828)	1,965	(1,266)	(154)	-	934		
Sundries	-	(42)	4,013	-	42	-	<u>4,013</u>		
							113,765	100,000	108,435
<b>Total</b>	<b><u>14,348</u></b>	<b><u>(40,317)</u></b>	<b><u>637,290</u></b>	<b><u>(15,295)</u></b>	<b><u>7,010</u></b>	<b><u>4,960</u></b>	<b><u>607,996</u></b>	<b><u>612,500</u></b>	<b><u>567,290</u></b>
<b>SERVICE CHARGES RAISED FOR YEAR</b>							<b>812,501</b>	<b>812,500</b>	<b>798,972</b>
Interest receivable net of taxation							<u>4,875</u>	<u>-</u>	<u>7,055</u>
							817,376	812,500	806,027
Transfer to St. George's Fields Reserve Fund							<u>209,380</u>	<u>200,000</u>	<u>269,782</u>

**RESERVE ACCOUNT EXPENDITURE**  
**FOR THE YEAR ENDED 31st DECEMBER 2017**

RESERVE ACCOUNT OUTGOINGS

Major works - Contractors	-	(5,292)	244,585	-	5,292	-	244,585		
Major works - Fees	-	-	12,666	-	-	-	<u>12,666</u>		
	<u>-</u>	<u>(5,292)</u>	<u>257,251</u>	<u>-</u>	<u>5,292</u>	<u>-</u>	<u>257,251</u>	<u>-</u>	<u>123,472</u>

The major works carried out in the year were the lift upgrade to the two lifts at West Rise, external high level decorations and repairs to the concrete structure.

**ST. GEORGE'S FIELDS**  
**DETAILED SERVICE CHARGE ACCOUNT**  
**FOR THE YEAR ENDED 31st DECEMBER 2017 - continued**

**NOTES**

**1. Analysis of Expenditure**

Total expenditure shown in the service charge account has been analysed as follows:

- |   |                             |
|---|-----------------------------|
| Column (a) are those costs paid in the previous year but relating to this period.   | b/f prepayments             |
| Column (b) are those costs paid in this year but relating to the previous year.   | b/f accruals and provisions |
| Column (c) are those costs incurred which have been demanded and paid within the year.  |                             |
| Column (d) are those costs paid in the year, but relating to the next period.   | c/f prepayments             |
| Column (e) are those costs incurred where a demand for payment from the supplier of services etc. has been received by the Landlord within the year, but remained unpaid at the year end. | c/f accruals                |
| Column (f) are those costs incurred where no demand for payment from the suppliers of services etc. has been received by the Landlord within the year.                                    | c/f accruals                |

2. The service charge money is held in accounts with Barclays Bank plc in a treasury deposit account, a current account and a reserve account, all of which are designated as held in trust for lease holders in accordance with section 42 of the Landlord & Tenants Act 1987.

## ST. GEORGE'S FIELDS

## SERVICE CHARGE TRUST FUND BALANCE SHEET AT 31st DECEMBER 2017

	2017		2016	
	£	£	£	£
<b>CURRENT ASSETS</b>				
Service charges recoverable	1,360		2,715	
Other debtors	-		7,970	
Prepayments	15,294		14,348	
Cash at bank and in hand	<u>1,184,107</u>		<u>1,259,487</u>	
	1,200,762		1,284,520	
<b>CREDITORS:</b>				
Service charges received in advance	16,730		18,703	
Taxation and social security	7,627		7,903	
Other creditors	1,409		1,409	
Accruals	<u>11,970</u>		<u>45,609</u>	
	37,736		73,624	
<b>NET CURRENT ASSETS</b>		<u>1,163,025</u>		<u>1,210,896</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><u>1,163,025</u></u>		<u><u>1,210,896</u></u>
<b>RESERVES</b>				
Balance bought forward		1,210,896		1,064,586
Added in year	817,376		806,027	
Service charge expenditure in year	<u>(607,996)</u>		<u>(536,245)</u>	
		<u>209,380</u>		<u>269,782</u>
		1,420,276		1,334,368
Reserve account expenditure in year		<u>(257,251)</u>		<u>(123,472)</u>
Balance carried forward		<u><u>1,163,025</u></u>		<u><u>1,210,896</u></u>

**ST. GEORGE'S FIELDS**  
**SERVICE CHARGE ACCOUNT**  
**FOR THE YEAR ENDED 31st DECEMBER 2017**

	2017		2016	
	£	£	£	£
<b>SERVICE CHARGE INCOME</b>				
Service charges receivable		812,501		798,972
Interest receivable - net of trust tax		<u>4,875</u>		<u>7,055</u>
		817,376		806,027
<b>SERVICE CHARGE OUTGOINGS</b>				
<b>Lift costs</b>				
Maintenance contract	10,977		9,545	
Repairs	170		573	
Insurance	2,263		2,232	
Telephone	<u>644</u>		<u>722</u>	
		14,054		13,072
<b>Garden expenses</b>				
Maintenance contracts	61,703		56,670	
New planting	37,390		9,033	
Tree surgery	20,928		-	
Fish ponds	2,076		4,029	
Other gardening costs	<u>10,948</u>		<u>2,375</u>	
		133,044		72,107
<b>Cleaning</b>				
Wages and employment costs	73,006		70,634	
Consumables	10,184		6,596	
Equipment	5,629		5,880	
Waste disposal costs	<u>3,445</u>		<u>3,296</u>	
		92,263		86,406
<b>Decorating</b>				
Wages and employment costs	25,105		30,624	
Paint and supplies	<u>1,762</u>		<u>2,157</u>	
		26,867		32,781
<b>Security</b>				
Gate maintenance	6,220		9,622	
CCTV	<u>3,989</u>		<u>-</u>	
		10,209		9,622
<b>Insurance</b>				
Buildings	45,575		43,146	
Terrorism	<u>32,611</u>		<u>32,032</u>	
		78,187		75,178
<b>Sub-total expenditure</b>		354,624		289,166



**ST. GEORGE'S FIELDS**  
**SERVICE CHARGE ACCOUNT**

**FOR THE YEAR ENDED 31st DECEMBER 2017 - continued**

	2017		2016	
	£	£	£	£
Total expenditure from previous page		354,624		289,166
Legal and professional				
Surveyors' and related fees	9,399		3,336	
Legal and other professional fees	8,765		10,260	
Independent accountant's fee	5,310		4,680	
		23,474		18,276
Bank				
Bank charges		279		266
Electrical and lighting				
Electricity consumption	16,570		17,224	
Testing, repairs and renewals	11,040		7,560	
New lighting	4,230		4,230	
		31,840		29,014
Repairs and renewals				
General repair costs	51,870		60,749	
Drainage	9,313		9,549	
Balcony works	4,284		-	
Roadways	1,204		5,011	
TV aerial maintenance	3,600		15,780	
Fire protection system costs	13,744		-	
		84,015		91,089
Office and administration				
Salaries and employment costs	104,259		98,874	
Rates	186		183	
Telephone	2,286		2,242	
Stationery and postage	2,086		2,250	
Sundry expenses	4,013		3,906	
Computer expenses	934		979	
		113,765		108,434
Total service and management costs		607,996		536,245
Transfer to St.George's Fields Reserve Fund		209,380		269,782
Major works	257,251	257,251	123,472	123,472