

# MARTIN RUSSELL JONES

5 Watford Way,  
Hendon Central,  
London, NW4 3JL

CHARTERED SURVEYORS

Management Department  
Telephone: 020 - 8202 3858  
Fax: No: 020 - 8202 9513  
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The Lessees  
Jefferson House  
11 Basil Street  
Knightsbridge  
London  
SW3 1AX

28 October 2002

Dear Sir/Madam

## **CERTIFIED STATEMENT OF INCOME AND EXPENDITURE FOR YEAR ENDED 31 DECEMBER 2001**

We are pleased to enclose a statement of service charge expenditure and balance of reserve funds for the year ended 31 December 2001 certified by Pridie Brewster, Chartered Accountants.

The total expenditure of £66,591.82 exceeded the estimated figure of £52,116.88 apportioned on account to the lessees during the year by £14,474.94. Your percentage of this deficit has been debited to your account per the attached Service Charge Statement. The main reason for this shortfall was the porter's rent of £6,743.84, for which no provision was made in the budget. Other items over budget were – general repairs & maintenance £2,000; pest control £1,600; porter's & relief wages £2,000 and door entry system repairs etc £1,000, the remainder being spread generally over insurance, cleaning and materials, bank charges etc.

A demand showing any arrears due from you at today's date is also enclosed and we look forward to your early remittance.

Yours faithfully



Wendy Goldsmith  
Accounts Department.

**STEEL SERVICES LIMITED**

**SERVICE CHARGES**

**FOR THE YEAR ENDED 31ST DECEMBER 2001**

**PRIDIE BREWSTER  
CHARTERED ACCOUNTANTS**

29/39 London Road  
TWICKENHAM  
Middlesex TW1 3SZ

**SERVICE CHARGES****FOR THE YEAR ENDED 31ST DECEMBER 2001**

We have examined the attached summary of costs, outgoings and expenses for the year ended 31 December 2001 from the receipts, vouchers and other documentation provided to us by the Managing Agents.

There is no separate meter relating to the electricity charged for the common parts. Records relating to the payment of electricity charges for the block generally were kept throughout the year by the Managing Agents and we have accepted their calculations of the charges for the common parts and the caretaker's flat for the year.

The annexed statement on the Contingency Fund shows the movements on the fund for the year ended 31 December 2001 and we can confirm that the balance of £119,823.64 (less an amount of £8,233.17 retained in current account to cover Service Charge expenditure pending receipt of Service Charge arrears from lessees) was held in a separate interest bearing account on that date.

Subject to the above, it is our opinion that the attached schedule of costs, expenses and outgoings is sufficiently supported by receipts and other documents and represents a fair summary of the said costs, expenses and outgoings and, when read in conjunction with the annexed summaries, shows how they are reflected in the **Service Charge demands and specifies the amount payable by each lessee.**

29/39 London Road  
TWICKENHAM  
Middlesex TW1 3SZ

NOT SUPPLIED  
Also NOT SUPPLIED: AMOUNT PAID /  
DUE BY FLAT

**PRIDIE: BREWSTER**  
**CHARTERED ACCOUNTANTS**

General Repairs and Maintenance		10,003.13
Lift Repairs and Maintenance		913.30
Boiler Repairs and Maintenance		1,728.68
Window Cleaning		2,152.01
Gas		5,071.07
Electricity		3,130.24
Insurance		3,455.54
Entryphone		2,282.18
Pest Control		2,653.60
Professional Fees		524.05
Agents' Fees		8,875.00
Accountants' Fees		550.00
Bank Charges		274.96
Sundry Expenses		37.43
Porter's Expenses:-		
- Wages and National Insurance	16,433.29	
- Rent	6,743.84	
- Water Rates	50.61	
- Electricity	53.29	
- Telephone	659.37	
- Sundry Expenses	1,069.71	
		<u>25,010.11</u>
		66,661.30
Less Interest Received		69.48
		<u><u>£66,591.82</u></u>

**CONTINGENCY FUND****FOR THE YEAR ENDED 31 DECEMBER 2001**

<b>BALANCE AT 1 JANUARY 2001</b>	104,635.10
<b>Add:</b>	
Contribution Received	12,006.71
Net Interest Received	3,181.83
<b>BALANCE AT 31 DECEMBER 2001</b>	<u><u>£119,823.64</u></u>