

(Sent with 22 Dec 14 letters)

Name of landlord?

JEFFERSON HOUSE, 11 BASIL STREET,
LONDON SW3

SERVICE CHARGE STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2013

The **SAME COMMENTS** apply to these so-called "*Service charges statement for 2013*" (also described as) "*service charge accounts*", produced by ERRINGTON LANGER PINNER, as to those it produced "*for 2012*":

- (1)- **CONTINUATION of producing "*accounts*" that are NOT compliant with my Lease (Clause 2) - and by implication: FRAUDULENT**. In the process:

- (2)- **CONTINUATION OF LYING** by claiming that it followed the ICAEW's TECH 03/11 - as it very clearly states that **the requirements of the Lease TAKE PRECEDENCE**.

- (3)- **CONTINUATION of producing "*accounts*" WITHOUT giving the landlord's name.**

= **CONTINUATION of ERRINGTON LANGER PINNER being in cahoots with the Ladsky mafia...**

...with the objective of adding to the criminal psychological regime through provocation.

HENCE:

As in the case of the "*2012 accounts*" I am **NOT** wasting my time looking at them - and **REPEAT** all of my Comments under Martyn Gerrard # 15 - as they apply equally.

(At end 2015)

Of course, it has since continued on its merry way: the "*2014 accounts*"

JEFFERSON HOUSE, 11 BASIL STREET, LONDON SW3

Landlord name?

**SERVICE CHARGE STATEMENT TO THE LESSEES
FOR THE ACCOUNTING YEAR ENDED 31 DECEMBER 2013**

Accountant's report of factual findings to the Landlord of Jefferson House, 11 Basil Street, London SW3.

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 residents leases for Jefferson House, 11 Basil Street, London SW3.

In accordance with our engagement letter, we have performed the procedures agreed with you and enumerated below with respect to the service charge statement of account set out in this document in respect of Jefferson House, 11 Basil Street, London SW3 for the year ended 31 December 2013 in order to provide a report of factual findings about the service charge accounts that you have issued.

This report is made to the Landlord 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 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.

Basis of report

Our work was carried out having regard 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:

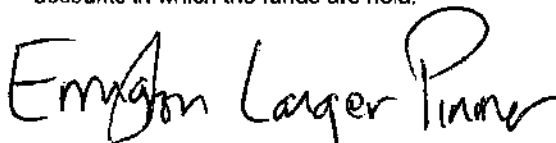
1. to check whether the figures contained in the accounts were extracted correctly from the accounting records maintained by or on behalf of the Landlord;
2. to check, based on a sample, whether entries in the accounting records were supported by receipts, other documentation or evidence that we inspected; and
3. to check whether the balance of service charge monies for this property 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 1 we found the figures in the statement of account to have been extracted correctly from the accounting records.
- (b) With respect to 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 3 we found that the balance of service charge monies for the property shown in these service charge accounts agrees or reconciles to the bank statements for the accounts in which the funds are held.



Errington Langer Pinner
Chartered Accountants

Date

9 December 2014

Pyramid House
956 High Road
Finchley
London N12 9RX

JEFFERSON HOUSE, 11 BASIL STREET, LONDON SW3

**SERVICE CHARGE INCOME AND EXPENDITURE ACCOUNT
FOR THE ACCOUNTING YEAR ENDED 31 DECEMBER 2013**

	2013		2012	
	£	£	£	£
Expenditure relating to the period				
Schedule 1				
Buildings repair and maintenance				
General and cleaning	22,259		14,819	
Lift	6,679		2,058	
Entryphone	5,316		4,836	
Pest control	3,330		2,700	
Gardening	3,467	41,052	1,933	26,346
Utilities				
Electricity	2,779		12,134	
Less: Recovered from lessees	(5,995)	(3,216)	(28,980)	(14,846)
Administration				
Management fees	15,000		15,000	
Accountancy	2,280		2,485	
Legal and professional fees	1,200	18,480	600	18,085
Insurance		17,595		20,561
Porter's expenses:				
Porterage services		27,128		27,459
Rent		5,500		5,500
Telephone		203		419
		106,742		83,524
Schedule 2				
Boiler repairs and maintenance		2,198		3,578
Gas		487		-
Total service charge costs		109,425		87,102
Contributions transferred to/(from) net funds		(40,140)		111,756
Total expenditure		69,285		198,858
Less:				
Service charges demanded on account for the period	130,071		197,720	
Service charge adjustment	(80,936)		-	
Administration fees demanded	-		300	
Lessee retention written off	-		660	
Bank interest received	150	(69,285)	178	(198,858)
(Surplus)/deficit to be retained/collected		-		-
(Surplus)/deficit at start of period		-		-
(Surplus)/deficit at end of period		-		-

JEFFERSON HOUSE, 11 BASIL STREET, LONDON SW3

**BALANCING STATEMENT
AS AT 31 DECEMBER 2013**

	2013		2012	
	£	£	£	£
Assets				
Arrears owed by lessees	24,982		129,020	
Other debtors	22,302		-	
Sums paid in this period but relating to subsequent period	20,628		18,021	
Net bank balances held	(3)	418,488	486,400	386,058
				533,099
Less:				
Liabilities				
Matched lessees deposits held	49,277		32,051	
Advance ground rent demanded	-		8,800	
Other creditors	510		-	
Due to freeholder	25,938		33,188	
Unallocated receipts	-		452	
Costs relating to the period but not yet paid	9,134	(84,859)	18,927	(91,417)
Net assets		401,542		441,682
Net funds				
Balance brought forward from 1 January 2013		441,682		329,926
Transfer from service charge account during the year		-		111,756
Less:				
Transfer to service charge account during the year		(40,140)		-
Balance at 31 December 2013	(4)	401,542		441,682

JEFFERSON HOUSE, 11 BASIL STREET, LONDON SW3

**FUND RECONCILIATION
FOR THE YEAR ENDED 31 DECEMBER 2013**

	2012		2012	
	£	£	£	£
Net funds b/fwd		441,682		329,927
Lessee arrears b/fwd		(129,020)		(96,779)
		<u>312,662</u>		<u>233,148</u>
Received from lessees:				
In relation to arrears	129,020		96,779	
In relation to current year	<u>47,818</u>	176,838	<u>97,955</u>	194,734
		<u>489,501</u>		<u>427,882</u>
Expenditure less sundry income		(112,940)		(115,220)
		<u>376,561</u>		<u>312,662</u>
Lessee arrears c/fwd		24,982		129,020
Net funds c/fwd		<u><u>401,542</u></u>		<u><u>441,682</u></u>

JEFFERSON HOUSE, 11 BASIL STREET, LONDON SW3

NOTES TO THE SERVICE CHARGE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. Accounting policies

The accounts are prepared on the accruals basis.

2. Tax provided on bank interest received

A Service Charge Trust has been established by Section 42 of the Landlord and Tenant Act 1987. Interest earned on service charge monies held on deposit is taxable at the basic rate of income tax. The rate of tax applied to any interest received during the year was 20% (2012 - 20%).

3. Bank account

Service charge money was held in trust at National Westminster Bank plc, Harrow Town Centre Branch, 315 Station Road, Harrow, Middx HA1 2AD, under the following title and account number:

The North London Network Ltd Re BIC NWBK GB 2L

85806072

4. Reserves

The reserve fund has been established to provide funds in order to pay for major repairs 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 this fund resulting from expenditure incurred will be charged to the income and expenditure account in that year.