

JEFFERSON HOUSE, 11 BASIL STREET,  
LONDON SW3

**SERVICE CHARGE STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

I repeat the Comments I made in relation to the "2012" and "2013" equally so-called "**Service charge statements**" – also described as "**service charge accounts**" – produced by **ERRINGTON LANGER PINNER** - namely:

---

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

---

(2)- In the process, **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 harassment regime through provocation.

---

HENCE:

As in the case of the previous so-called "accounts" **I am NOT wasting my time looking at them...**

...– and **REPEAT** all my comments under **Martyn Gerrard # 15** – as they apply equally.

# JEFFERSON HOUSE, 11 BASIL STREET, LONDON SW3

## SERVICE CHARGE STATEMENT TO THE LESSEES FOR THE ACCOUNTING YEAR ENDED 31 DECEMBER 2014

---

### 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 2014 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:

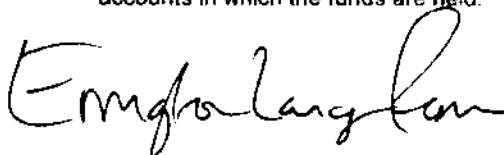
1. to check whether the figures contained in the accounts were extracted correctly from the accounting records maintained by or on behalf of the Landlord;
2. to check, based on a sample, whether entries in the accounting records were supported by receipts, other documentation or evidence that we inspected; 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

27 July 2015

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 2014**

	2014		2013	
	£	£	£	£
Expenditure relating to the period				
<b>Schedule 1</b>				
<b>Buildings repair and maintenance</b>				
General repairs and maintenance	21,228		22,259	
Lift	3,166		6,679	
Entryphone	5,180		5,316	
Pest control	1,708		3,330	
Health & Safety	3,454		-	
Risk assessment	659		-	
Refuse removal	317		-	
Gardening	1,964	37,675	3,467	41,052
<b>Utilities</b>				
Electricity	9,538		2,779	
Less: Recovered from lessees	(3,410)	6,127	(5,995)	(3,216)
<b>Administration</b>				
Management fees	15,000		15,000	
Administration fee section 20 works	2,160		-	
Accountancy	2,202		2,280	
Administration fee for debt recovery	1,830		-	
Legal and professional fees	-	21,192	1,200	18,480
<b>Insurance</b>		20,203		17,595
<b>Porter's expenses:</b>				
Porterage services	28,645		27,128	
Rent	5,500		5,500	
Telephone	256		203	
Sundries	315	34,716	-	32,831
		119,913		106,742
<b>Schedule 2</b>				
<b>Boiler repairs and maintenance</b>	2,250		2,196	
<b>Gas</b>	-	2,250	487	2,683
<b>Schedule 3</b>				
<b>Major works</b>	163,560		-	
<b>Management fees re major works</b>	16,115	179,675	-	-
<b>Total service charge costs</b>		301,838		106,742
<b>Contributions transferred to/(from) Working capital account</b>		(20,937)		(40,140)
<b>Total expenditure</b>		280,900		69,285
<b>Less:</b>				
Service charges demanded on account for the period	110,250		130,071	
Service charge adjustment	(20,552)		(60,936)	
Boiler works levy	179,183		-	
Administration fees demanded	1,830		-	
Bank interest received	106	270,817	150	(69,285)
<b>(Surplus)/deficit at end of period</b>		10,083		-

**JEFFERSON HOUSE, 11 BASIL STREET, LONDON SW3**

**BALANCING STATEMENT  
AS AT 31 DECEMBER 2014**

		2014		2013	
	£	£	£	£	£
<b>Assets</b>					
Arrears owed by lessees	47,441		24,982		
Other debtors	13,056		22,302		
Deficit to be collected	10,083		-		
Sums paid in this period but relating to subsequent period	425		20,628		
Net bank balances held	(3)	<u>395,370</u>	466,375	<u>418,488</u>	486,400
<b>Less:</b>					
<b>Liabilities</b>					
Matched lessees deposits held	51,798		49,277		
Other creditors	1,410		510		
Due to freeholder	15,438		25,938		
Costs relating to the period but not yet paid	<u>17,126</u>	(85,772)	<u>9,134</u>	(84,859)	
<b>Net assets</b>		<u>380,604</u>		<u>401,542</u>	
<b>Working capital account</b>					
Balance brought forward from 1 January 2014		401,542		441,682	
Transfer from service charge account during the year		-		-	
Less:					
Transfer to service charge account during the year		(20,938)		(40,140)	
Balance at 31 December 2014	(4)	<u>380,604</u>		<u>401,542</u>	

# JEFFERSON HOUSE, 11 BASIL STREET, LONDON SW3

## NOTES TO THE SERVICE CHARGE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

---

### 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% (2013 - 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. Working capital account

The working capital account 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 account may prove insufficient, given the uncertainty as to when such costs may arise.

Any shortfall in this account resulting from expenditure incurred will be charged to the income and expenditure account in that year.

## JEFFERSON HOUSE, 11 BASIL STREET, LONDON SW3

### WORKING CAPITAL ACCOUNT RECONCILIATION FOR THE YEAR ENDED 31 DECEMBER 2014

	2014		2013	
	£	£	£	£
<b>Working capital account b/fwd</b>	401,542		441,682	
Lessee arrears b/fwd	(24,982)		(129,020)	
		<u>376,561</u>		<u>312,662</u>
Received from lessees:				
In relation to arrears	24,982		129,020	
In relation to current year	<u>223,375</u>	248,357	<u>47,818</u>	176,838
		<u>624,918</u>		<u>489,501</u>
Expenditure less sundry income		(301,838)		(112,940)
		<u>323,080</u>		<u>376,561</u>
Lessee arrears c/fwd		47,441		24,982
Deficit to be collected		10,083		-
<b>Working capital account c/fwd</b>		<u><u>380,604</u></u>		<u><u>401,542</u></u>



BLOCK MANAGEMENT DEPARTMENT  
Martyn Gerrard House, 197 Ballards Lane, Finchley, London N3 1LP  
T: 020 8343 4340 ext 4 E: bm@martyngerrard.co.uk  
DX 57278 Finchley 2 www.martyngerrard.co.uk

"50 years of fulfilling dreams"

Ms N Y S Klosterkotter-Dit-Rawe  
3 Jefferson House  
11 Basil Street  
London  
SW3 1AX

*Rcvd 10 Oct.*

Our ref: : SV/12820

08 October 2015

Dear Ms N Y S Klosterkotter-Dit-Rawe,

**RE: 3 Jefferson House 7-13 Basil Street**

Please find enclosed "Request for Payment" towards deficit in the budget for the latest Service Charge period, based on the actual expenditure.

Should you have any queries please do not hesitate to contact us, at the numbers on the letter head.

Yours sincerely,

Sasha Vrba  
Management Assistant  
**Block Management Department**  
**MARTYN GERRARD ESTATE AGENTS**  
bm@martyngerrard.co.uk

Gold award by Marketing Campaign of the 'Negotiator of 2014';

Gold award by the Sunday Times as 'London letting agency of the year 2014'

Sunday Times Silver award - London estate agency of 2014



Martyn Gerrard is the trading name for the North London Network Ltd. Registered in England No. 2441809.  
Registered Office: 35 Ballards Lane, London N3 1XW. Company Secretary: B. Peters  
Directors: M. Gerrard MRICS FNAAEA, S.E. Gerrard FNAAEA MARLA, D.H. Smith FNAAEA MARLA, W.A. Price FNAAEA, S.M. Gerrard M



Regulated by RICS