

Professional Conduct Directorate
Institute of Chartered Accountants in England & Wales
Silbury Court
412-416 Silbury Boulevard
Milton Keynes MK9 2AF

Ms N K-Dit-Rawé
3 Jefferson House
11, Basil Street
London SW3 1AX

- Events discussed under **Pridie Brewster**
- Snapshot: **Doc library # 6.1**

(By Special Delivery)

19 July 2005

And this kick-started the corrupt ICAEW into a hell-bent determination to protect its member, as well as 'the brother' (Persecution # 6) **Andrew David Ladsky...** by repeatedly turning a deliberate blind eye to the very damning evidence

Dear Madam / Sir

Its **20.07.05** acknowledgment

Re-statement by Pridie Brewster, 29-39 London Road, Twickenham Middx TW1 3SZ, of year-end accounts for Jefferson House

I am the lessee of flat 3 Jefferson House at the above address which is a block of 35 flats, with ownership identified under the name of Steel Services. Accountants for the block are Pridie Brewster. Contact is Mr Roger Clement. The managing agents for the block are Martin Russell Jones (MRJ), for which the key contacts are Ms Joan Doreen Hathaway and Mr Barrie Robert Martin.

1 Original demand for major works at Jefferson House

In a letter "To all flat owners", dated 15 July 2002¹, Ms Hathaway informed residents that the cost of the major works for Jefferson House was £736,206.09. With the same letter, she enclosed an invoice, dated 17 July 2002², demanding from me the sum of £14,400.19 (1.956%) of my share of the service charge.

Barely three weeks later, on behalf of Steel Services, Ms Hathaway filed an application to the Leasehold Valuation Tribunal, dated 7 August 2002³, for the purpose of "determining the reasonableness of the global sum demanded". (The attached also includes the percentage share for each of the 35 flats – as supplied with the application).

2 Leasehold Valuation Tribunal determination – 17 June 2003

The Tribunal dated its determination, 17 June 2003. The report was highly critical of the method and approach used in the specifications for the works, resulting in:

- (1) Amount disallowed by the LVT because improvements (and therefore not the responsibility of the lessees): £169,497.72 (£129,958.00 exc. VAT and management fees) = 23% of the global sum demanded
- (2) Amount for which the LVT could not make a determination due to lack of specification = £188,783.67 (£144,745.00 exc. VAT and management fees) = 25.6% of the global sum demanded
- (3) A view supported by the LVT, considering the terms of the lease, as well as Royal Institute of Chartered Surveyors' best practice, that the reserve fund should be used as contribution: £141,977.00 – or 19.3% of the global sum demanded

Leaving an amount that can be charged of £235,946.56 – or 32% of the original sum demanded. In other words, £500,000.00 of the sum demanded was not considered as reasonable.

See LVT
4

¹ 15.07.02 - Letter from Ms Joan Hathaway, MRJ, to 'To all flat owners'

² 17.07.02 - Invoice from MRJ to me

³ 07.08.02 – Steel Services application to the Leasehold Valuation Tribunal

As exemplified by the attached letters e.g. from Resident M ⁴ and Resident C ⁵ to the LVT, some residents paid the sum demanded out of fear of prosecution. (As it happens, some ended-up nonetheless being listed on the claim filed by Ms Hathaway in West London County Court on 29 November 2002). Others, such as myself, continued fighting the false claim.

LVT # 1.4

3 Year-end accounts 2002 and 2003

Martin Russell Jones repeatedly ignored my numerous requests for a copy of the 2002 ⁶ and 2003 ⁷ accounts. Eventually, in February 2005, I managed to obtain a copy through the intermediary of the Kensington & Chelsea Housing department (involving, in the process, the Local Government Ombudsman and, indirectly, the Parliamentary Ombudsman).

Pridie Brewster certified both sets of accounts.

→ **Key issue: the 2003 accounts do not reflect the 17 June 2003 LVT determination.**

In my letter of **30 March 2005** ⁸ to Ms Hathaway - which details the issue with the year-end accounts - I copied Pridie Brewster, stating that if I did not hear from them by 18 April 2005, I would contact your Office.

I received a letter from Mr Roger Clement, dated **15 April 2005** ⁹, in which he states: "...we were not made aware of the Leasehold Valuation Tribunal determination of 17 June 2003 at the time that we were preparing our certificate". Mr Clement goes on to state that he has requested a copy of the determination.

I replied to his letter on **17 April 2005** ¹⁰ and, as you can see, took the opportunity to supply him with a comprehensive pack of enclosures.

As I had forgotten to mention that I had obtained a consent order from Steel Services exempting me from the Leasehold Valuation Tribunal related costs, I sent another letter to Mr Clement, dated **9 May 2005** ¹¹.

While I stated in my letter of 17 April 2005 to Mr Clement "Given the situation, I appreciate that it will take you a while to sort things out", **three months have now gone by and I have not received any communication from him since his 15 April 2005 letter.**

4 Actions

Clearly, **the 2003 accounts need to be re-stated.** I wish to know:

- **What steps Pridie Brewster has taken to this effect?**
- **When will the re-stated accounts be issued?**

In addition:

- As we are now seven months past the 2004 year-end – I also wish to be supplied with the 2004 year-end accounts for Jefferson House. **This is to be considered a Section 21 (1) request** under the Landlord and Tenant Act 1985.

⁴ 19.10.02 – Letter from Resident M to the LVT

⁵ 20.10.02 – Letter from Resident C to the LVT

⁶ 31.12.02 – Certified year-end accounts for Jefferson House

⁷ 31.12.03 - Certified year-end accounts for Jefferson House

⁸ 30.03.05 – My letter to Ms Hathaway

⁹ 15.04.05 – Letter to me from Mr Roger Clement, Pridie Brewster

¹⁰ 17.04.05 – My letter to Mr Roger Clement, Pridie Brewster

¹¹ 09.05.05 – My letter to Mr Roger Clement, Pridie Brewster

In my 17 April 2005 enclosures to Mr Clement, I included copy of an invoice I received from MRJ, dated 21 October 2004, which states a “*Brought forward balance of £14,452.17*” - with no explanation whatsoever i.e there was no supporting documentation of any kind.

I received another invoice, dated 16 November 2004¹², stating “*Brought forward balance of £15,447.86*” – likewise, with no explanation whatsoever.

My lease states under Clause 2.2:

- (d) “...after the end of each financial year... the lessor shall cause the amount of the service charge payable by the lessee for such financial year **to be determined by an accountant...**”
- (e) “... the costs expenses and outgoings... of the lessor shall be deemed to include... also the sum or sums (hereinafter called the ‘contingency payment’) on account of any other costs expenses and outgoings (not being of an annually recurring nature) which the lessor shall have incurred at any time prior to the commencement of the relevant financial year or shall expect to incur at any time after the end of the relevant financial year... as the accountant may in his reasonable discretion consider it reasonable to include (whether by way of amortization of costs expenses and outgoings already incurred or by way of provision for expected future costs expenses and outgoings) in the amount of the service charge for the relevant financial year”
- (f) “... **the accountant shall prepare a written statement containing...** together with any future sums indicated by the accountant pursuant to Clause 2 (2) (e)... **specifying the amount of the service charge payable by the lessee....**”

Finally, I wish to draw your attention to my comments on page 3 of my 30 March 2005 letter to Ms Hathaway relating to the accounts in which funds are said to be held. In particular, the fact that, by virtue of section 42 of the Landlord and Tenant Act 1987, all service charge contributions (including contributions to the building’s insurance costs) must be held in trust.

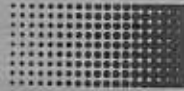
Thank you in anticipation of your assistance in pursuing this matter with Pridie Brewster.

Yours sincerely

N K-Dit-Rawé

¹² 16.11.04 – Invoice from MRJ stating a “*Brought forward balance*” of £15,447.86

Royal Mail
special delivery



guaranteed next day

9.00am

to

Name

Professional Conduct
Director

Address

ICAEW
412-416 Silbury Blvd.
Milton Keynes

Postcode

MK9 2AF

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