

THE SANCTUARY, OAKHILL GROVE, SURBITON

**Statement of Service Charge Accounts
For the year ended 31 December 2017**

**NEWTON MAGNUS
Chartered Certified Accountants**

Arrowsmith Court
Station Approach
Broadstone
Dorset BH18 8AT

THE SANCTUARY, OAKHILL GROVE, SURBITON

Introduction

This report has been produced by Goadsby & Harding (Commercial) Limited on behalf of Ralebridge Financial Investments Limited, the landlord of The Sanctuary, Oakhill Grove, Surbiton and relates to the reconciled service charge for the period 1 January 2017 to 31 December 2017. This report has been produced having regard to the best practice guidelines for service charges in commercial property that have been published through the collaboration of a number of professional bodies representing a diversity of interests throughout the property industry.

The report is intended to provide further explanation as to actual service charge costs incurred and any material variances against the property budget issued to tenants on 12th October 2016.

THE SANCTUARY, OAKHILL GROVE, SURBITON

Service Charge Accounts For the year ended 31 December 2017

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SERVICE CHARGE CERTIFICATE


Certification period: 1 January 2017 to 31 December 2017

Landlord: Ralebridge Financial Investments Limited

Managing Agents: Goadsby & Harding (Commercial) Limited

Building: The Sanctuary, Oakhill Grove, Surbiton

I hereby certify that, according to the information available to me, the attached statement of service charge expenditure report and accompanying information on pages 3 to 7 records the true cost to the landlord of providing the services to the property for the period 1 January 2017 to 31 December 2017, in accordance with the terms of the lease and, where practicable, the RICS Code of Practice *Service charges in commercial property*.

Signed.....

For and on behalf of: **Goadsby & Harding (Commercial) Limited**

Date.....12-03-2018

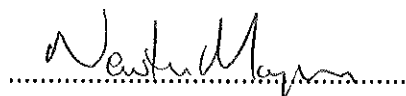
THE SANCTUARY, OAKHILL GROVE, SURBITON

Accountants Report to Ralebridge Financial Investments Limited (the Landlord)

Re: The Sanctuary, Oakhill Grove, Surbiton

In accordance with instructions given to us we have prepared the attached service charge accounts for the year ended 31 December 2017 on pages 3 to 7 from the accounting records maintained by Goadsby & Harding (Commercial) Limited, and from information and explanations supplied to us.

We have not carried out an audit to confirm the validity of the individual items of expenditure but in our opinion the managing agents' expenditure statement is sufficiently supported by accounts, receipts and other documents and is a fair summary of the costs disclosed therein.

A handwritten signature in black ink, appearing to read "Newton Magnus", is written over a horizontal dotted line.

Newton Magnus

Chartered Certified Accountants

Date: 8 March 2018

THE SANCTUARY, OAKHILL GROVE, SURBITON

Balance Sheet as at 31 December 2017

	2017	2016
	£	£
Current Assets		
Service charge deficit - Tenants	-	1,505.34
Service charge deficit - Landlord	-	162.75
Service charges unpaid	237.00	237.00
Bank account balances (Note 1)	37,254.03	24,078.68
	<hr/>	<hr/>
	37,491.03	25,983.77
	<hr/>	<hr/>
Current Liabilities		
Creditors & accruals	4,444.21	4,240.59
Service charge surplus - Landlord	843.05	279.75
Service charge surplus - Tenants	3,568.71	-
Service charges received in advance	12,568.93	11,741.05
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	21,424.90	16,261.39
	<hr/>	<hr/>
Net Assets	£ 16,066.13	£ 9,722.38
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Represented by		
Sinking Fund		
Opening balance	9,722.38	21,421.87
Transfer from service charge account	8,000.00	4,200.00
Interest received	23.75	53.31
Damp repairs Suite 5	(1,680.00)	(15,952.80)
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Closing balance	£ 16,066.13	£ 9,722.38
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**Management Agents Expenditure Statement
For the year ended 31 December 2017**

	Budget 2017 £	Actual 2017 £	Actual 2016 £	Actual to Budget %	2017 to 2016 actual %
Emergency lighting checks	150.00	124.03	124.03	-17.00%	0.00%
Fire alarm maintenance	1,200.00	991.72	925.35	-17.00%	7.17%
Fire extinguishers maintenance	400.00	54.01	365.05	-86.00%	-85.20%
Fire evacuation drill	550.00	528.00	528.00	-4.00%	0.00%
Weekly fire alarm test	650.00	624.00	624.00	-4.00%	0.00%
Legionella annual test	700.00	696.00	864.00	-1.00%	-19.44%
Internal plants	1,200.00	1,100.72	1,100.72	-8.00%	0.00%
Internal cleaning					
- including exterior windows	6,500.00	6,341.76	6,404.76	-2.00%	-0.98%
Grounds maintenance	5,250.00	5,688.00	7,188.00	8.00%	-20.87%
Electrical supply	1,200.00	691.36	953.86	-42.00%	-27.52%
Electrical repairs	250.00	388.32	763.30	55.00%	-49.13%
Accountancy	770.00	770.00	770.00	0.00%	0.00%
Refuse collection	3,100.00	2,192.88	2,968.58	-29.00%	-26.13%
Sundries (2016+2017 Signs)	2,000.00	108.00	270.00	-95.00%	-60.00%
General maintenance	3,500.00	2,729.76	3,384.00	-22.00%	-19.33%
Fire risk assessment	225.00	270.00	225.00	20.00%	20.00%
Property website	400.00	226.80	381.60	-43.00%	-40.57%
Interest received net	-	(33.94)	(40.11)	0.00%	-15.38%
	<hr/>	<hr/>	<hr/>		
	28,045.00	23,491.42	27,750.14		
	<hr/>	<hr/>	<hr/>		
Management fees - service charge	4,000.00	3,999.96	3,999.96	0.00%	0.00%
Management fees - rent collection	7,500.00	7,762.08	7,948.29	3.00%	-2.34%
Sinking fund	8,000.00	8,000.00	4,200.00	0.00%	90.48%
Insurance	7,000.00	7,317.26	6,862.97	5.00%	6.62%
	<hr/>	<hr/>	<hr/>		
	26,500.00	27,079.30	23,011.22		
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	54,545.00	50,570.72	50,761.36		
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Notes to Service Charge Accounts

For the year ended 31 December 2017

1 Accounting policies

The accounts are prepared in accordance with the provisions of the lease and on the accruals basis.

2 Tax provided on bank interest received

Service charge monies are held on trust in accordance with section 42, 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 applicable to interest received during the year was 20% (2016: 20%). By concession HM Revenue and Customs will not seek to tax interest of under £100.

3 Debtors and prepayments

2017	2016
£	£
-	-
<u> </u>	<u> </u>

4 Bank account

Service charge money was held in trust at the Royal Bank of Scotland in the name of Goadsby & Harding (Commercial) Limited. The account is designated to the landlord, Ralebridge Financial Investments Ltd. Interest earned is credited to the service charge account.

5 Creditors and accruals

	2017	2016
	£	£
Weekly fire alarm	264.00	264.00
Legionella annual test	116.00	290.00
Internal cleaning	528.48	528.48
Grounds maintenance	480.00	480.00
Electrical supply	165.67	24.00
Electrical repairs	-	144.00
Accountancy	770.00	720.00
Refuse collection	170.04	176.90
Management fees -service	-	999.99
Management fees - rent	-	613.23
Fire risk assessment	270.00	-
External repairs - sinking fund	1,680.00	-
Rounding difference	0.02	(0.01)
	<u>4,444.21</u>	<u>4,240.59</u>

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**Service Charge Apportionment Schedule
For the year ended 31 December 2017**

1	Landlord	12.20%	Shortfall
	Rubypark Limited		Capped
2	Cubic Interactive Limited	6.60%	Capped
	Landlord		Shortfall
3	Biles Hendry Limited	11.50%	
4	Alderwick & James	11.40%	
5	DB Vertrieb GMBh	5.90%	
6/8	Open Energy Market Limited	14.50%	
7	Advocat Art Limited	8.50%	
9	Boogie Management Limited	7.20%	
10	GB Card & Partners Limited	9.30%	100 days
	Landlord		34 days
	Calibrate Digital Limited		231 days
11	Access 21 Limited	12.90%	
		<hr/>	
		100.00%	
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**Expenditure Comparison with Interim Charges
For the year ended 31 December 2017**

			Expenditure £	Service charges due £	Deficit/ (Surplus) £
1	Landlord	12.20%	191.63	(732.00)	(540.37)
	Rubypark Limited		5,978.00	(5,978.00)	-
2	Cubic Interactive Limited	6.60%	3,234.00	(3,234.00)	-
	Landlord		103.67	(396.00)	(292.33)
3	Biles Hendry Limited	11.50%	5,815.63	(6,325.00)	(509.37)
4	Alderwick & James	11.40%	5,765.06	(6,270.00)	(504.94)
5	DB Vertrieb GMBh	5.90%	2,983.67	(3,245.00)	(261.33)
6/8	Open Energy Market Limited	14.50%	7,332.75	(7,975.00)	(642.25)
7	Advocat Art Limited	8.50%	4,298.51	(4,675.00)	(376.49)
9	Boogie Management Limited	7.20%	3,641.09	(3,960.00)	(318.91)
10	GB Card & Partners Limited	9.30%	1,288.51	(1,516.98)	(228.47)
	Landlord		438.09	(448.44)	(10.35)
	Calibrate Digital Limited		2,976.47	(3,132.06)	(155.59)
11	Access 21 Limited	12.90%	6,523.62	(7,095.00)	(571.38)
			<u>50,570.72</u>	<u>(54,982.48)</u>	<u>(4,411.76)</u>

Tenant deficits in the year
 Tenant surpluses in the year
 Landlord deficits in the year
 Landlord surpluses in the year

-
 (3,568.71)
 -
 (843.05)

(4,411.76)