

CHELSEA HARBOUR LONDON, SW10



SERVICE CHARGE ACCOUNTS SUMMARY FOR THE YEAR ENDING 28TH SEPTEMBER 2019

INTRODUCTION AND OVERVIEW

The following guidance notes are to be read in conjunction with the service charge accounts for the year ending 28th September 2019. They are intended to provide a summary of the figures contained within the service charge accounts and to hopefully assist leaseholders in understanding the drivers behind certain cost headings.

The guiding principle throughout the assessment of the service charges is that all leaseholders must pay their reasonable, fair and equitable share of service charges in strict adherence to the provisions of the leasehold document which they are a party to and also in accordance with the use that they make of the services provided.

In many cases the use is self-evident, for example, a specific lift may only be used by certain leaseholders within Chelsea Harbour who are then levied the related costs. Therefore, each building at Chelsea Harbour has its own separate budget, presented within the accounts.

Overall, there is an overspend of under 1% against the 2019 budget, with deficits showing in six of the blocks and a surplus in the remaining two. The general position of each building can be seen below, alongside the budget for 2018-2019.

| | 2018-2019 Budget (£) | 2018-2019 Actual (£) |
|------------------|-----------------------------|-----------------------------|
| Admiral Court | 275,466 | 276,169 |
| Admiral Square | 147,972 | 151,124 |
| Carlyle Court | 577,102 | 595,628 |
| Chelsea Crescent | 770,089 | 785,278 |
| Kings Quay | 439,101 | 440,356 |
| Thames Quay | 505,941 | 509,480 |
| The Belvedere | 891,100 | 879,485 |
| The Quadrangle | 432,981 | 432,258 |
| TOTAL | 4,039,752 | 4,069,778 |

ADMIRAL COURT

Please refer to page 4 of the service charge accounts, which details a small deficit of £632, resulting in just over a 0.2% overspend against the 2019 budget. As you will see in the accounts, the main cause of the deficit is due to higher costs than anticipated in the internal and external general maintenance provisions. Whilst there were some other smaller areas of overspend, including administrative expenses, utilities, village charge, boiler repairs and window cleaning, it is also worth noting the savings made on wages, cleaning, drain cleaning, electrical repairs, security and gardening.

ADMIRAL SQUARE

Please refer to page 5 of the 2019 service charge accounts, showing a deficit of £2,963. This is a 2% overspend against the 2019 budget, mainly due to an overspend in wages, insurance, telephone and the village charge. Most other provisions were either near or in-line with the budget.

CARLYLE COURT

Please refer to page 6 of the 2019 service charge accounts, detailing a deficit of £18,200. This is just over a 3% overspend against the 2019 budget, largely due to additional costs in internal general maintenance. The other notable overspends are administrative expenses, utilities, village charge, drain cleaning, electrical repairs and external general maintenance.

CHELSEA CRESCENT

Please refer to page 7 of the 2019 service charge accounts, showing an overall deficit of £14,907. This is a 1.9% overspend against the 2019 budget, with notable overspends in electrical repairs, internal and external general maintenance, village charge, heating repairs, accountancy fees, utilities and drain cleaning. Despite the overspends, there are also savings made in wages, window cleaning, health and safety and pest control.

KINGS QUAY

Please refer to page 8 of the 2019 service charge accounts, detailing a deficit of £1,256, being a 0.3% overspend against the 2019 budget. The main areas of overspend include heating repairs and maintenance, internal and external general maintenance, and the village charge.

THAMES QUAY

Please refer to page 9 of the 2019 service charge accounts, showing a deficit of £3,628, being a 0.7% overspend against the 2019 budget. The notable overspends are internal and external general maintenance, alongside other provisions including administrative expenses, telephone, village charge, cleaning, drain cleaning, and accountancy fees.

THE BELVEDERE

Please refer to page 10 of the 2019 service charge accounts, showing a surplus of £12,144, largely due to savings on wages, cleaning and lift repairs. Despite there being an overall surplus, there were some areas of overspend, including, administrative expenses, gas, boiler repairs and maintenance, and internal and external general maintenance.

THE QUADRANGLE

Please refer to page 11 of the 2019 service charge accounts, detailing a surplus of £1,308, which is a 0.3% underspend against the 2019 budget. This is largely due to savings made on wages and internal and external general maintenance. Even though there is an overall surplus, there are some areas of overspend, including electricity, village charge, cleaning and accountancy fees.

RESERVES

Please refer to page 14 of the service charge accounts, for a block by block breakdown of the reserve funds and any expenditure throughout the year. Notable costs are internal refurbishment costs for Admiral Court, fence replacement works for Admiral Square, lift lobby works and reception desk costs for Carlyle Court, refurbishment project costs for Chelsea Crescent and external renovation costs for the Belvedere.

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON, SW10 0UU
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YEAR ENDING 28TH SEPTEMBER 2019

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CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON, SW10 0UU
SERVICE CHARGE INFORMATION
YEAR ENDING 28TH SEPTEMBER 2019

Landlord

Chelsea Harbour Limited
C/o Rendall & Rittner Limited
Portsoken House
155 - 157 Minories
London
EC3N 1LJ

Managing Agent

Rendall & Rittner Limited
Portsoken House
155 - 157 Minories
London
EC3N 1LJ

Accountants

Fortus Service Charge
Chartered Accountants
42 High Street
Flitwick
Bedfordshire
MK45 1DU



CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON, SW10 0UU
ACCOUNTANT'S REPORT OF FACTUAL FINDINGS TO THE MANAGING AGENT OF CHELSEA HARBOUR
YEAR ENDING 28TH SEPTEMBER 2019

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 lease for Chelsea Harbour. In accordance with our engagement letter, we have performed the procedures agreed with you and enumerated below with respect to the service charge accounts and related notes set out on pages 3 to 14 in respect of Chelsea Harbour for the year to 28th September 2019 in order to provide a report of factual findings about the service charge accounts.

This report is made to the managing agent 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 managing agent and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the managing agent 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 ICAEW with RICS and ARMA. In summary we carried out the following procedures:

1. We obtained the service charge accounts and checked the figures in the accounts were extracted correctly from the accounting records maintained by or on behalf of the Landlord.
2. We checked, based on a sample, whether entries in the accounting records were supported by receipts, other documentation or evidence we inspected.
3. We checked whether the balance of service charge monies for this property, shown on page 12 of the service charge accounts reconciled to the bank statements for the accounts in which the funds are held.

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

With respect to item 1 we found the figures in the statement of account to have been extracted correctly from the accounting records.

With respect to item 2 we found that those entries in the accounting records that we checked were supported by receipts, other documentation or evidence we inspected.

With respect to item 3 we found that the balance of service charge monies shown on page 12 of the service charge accounts reconciles to the bank statements for the accounts in which the accounts are held.

Fortus

Fortus Service Charge

Chartered Accountants
 42 High Street
 Flitwick
 Bedfordshire
 MK45 1DU

20 November 2020

Date:

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON, SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2019
CONSOLIDATED

| | Note | 2019 Actual £ | 2019 Budget £ | 2018 Actual £ |
|--|------|---------------------|---------------------|---------------------|
| INCOME | | | | |
| Service Charge on Account | | 2,808,622 | 2,808,752 | 2,541,742 |
| Reserve Fund on Account | | 1,231,026 | 1,231,000 | 2,096,000 |
| Service Charge Interest Received | 1 | 930 | - | 1,903 |
| Tenant Interest Charged | | 1,066 | - | - |
| | | 4,041,644 | 4,039,752 | 4,639,645 |
| EXPENDITURE | | | | |
| Staffing | | | | |
| Wages & Salaries | | 853,172 | 921,897 | 714,644 |
| Uniforms & Laundry | | 9,802 | 9,000 | 920 |
| Administrative Expenses | | 34,515 | 19,904 | 16,371 |
| | | 897,489 | 950,801 | 731,934 |
| Utilities | | | | |
| Electricity | | 137,064 | 119,000 | 107,250 |
| Gas | | 28,204 | 27,800 | 23,804 |
| Telephone | | 10,552 | 4,457 | 957 |
| Water | | 20,214 | 23,000 | 16,649 |
| | | 196,033 | 174,257 | 148,661 |
| Contracts, Maintenance & Services | | | | |
| Village Charge | | 662,277 | 652,087 | 661,213 |
| Boiler Repairs and Maintenance | | 10,938 | 6,728 | 5,880 |
| Cleaning | | 102,715 | 104,039 | 100,037 |
| Window Cleaning | | 13,548 | 16,032 | 8,982 |
| Drain Cleaning | | 12,273 | 8,346 | 12,506 |
| Electrical Repairs and Maintenance | | 35,964 | 30,000 | 41,405 |
| Fire Prevention & Health and Safety | | 42,640 | 58,003 | 41,980 |
| Gardening | | 17,474 | 25,752 | 23,347 |
| General Maintenance - External | | 47,796 | 25,000 | 40,589 |
| General Maintenance - Internal | | 69,271 | 32,000 | 28,070 |
| Lift Repairs and Maintenance | | 54,401 | 62,552 | 66,662 |
| Pest Control | | 936 | 7,000 | 1,359 |
| Heating Repairs & Maintenance | | 7,270 | 5,000 | 12,738 |
| Refuse Removal | | 720 | 2,950 | 637 |
| Security | | 25,224 | 31,734 | 37,049 |
| Festive Decorations | | 1,620 | 1,450 | 1,176 |
| | | 1,105,065 | 1,068,674 | 1,083,630 |
| Insurance | | | | |
| Insurance | 8 | 335,957 | 318,431 | 321,448 |
| Insurance Excess | | 3,000 | - | - |
| | | 338,957 | 318,431 | 321,448 |
| Professional Services | | | | |
| Accountancy Fee | | 19,200 | 14,556 | 17,536 |
| Management Fees | 9 | 282,034 | 282,034 | 273,289 |
| | | 301,234 | 296,590 | 290,825 |
| Total Service Charge Expenditure | | 2,838,778 | 2,808,752 | 2,576,497 |
| Contribution to Reserves | | 1,231,000 | 1,231,000 | 2,117,631 |
| TOTAL EXPENDITURE | | 4,069,778 | 4,039,752 | 4,694,129 |
| Surplus/(Deficit) | 7 | (28,133) | - | (54,483) |



For and on behalf of Rendall & Rittner Limited

Date: 19 November 2020

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON, SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2019

ADMIRAL COURT

| | Note | 2019 Actual £ | 2019 Budget £ | 2018 Actual £ |
|--|------|---------------------|---------------------|---------------------|
| INCOME | | | | |
| Service Charge on Account | | 187,465 | 187,466 | 153,986 |
| Reserve Fund on Account | | 88,000 | 88,000 | 110,000 |
| Service Charge Interest Received | 1 | 72 | - | 135 |
| | | 275,537 | 275,466 | 264,121 |
| EXPENDITURE | | | | |
| Staffing | | | | |
| Wages & Salaries | | 68,594 | 75,579 | 49,794 |
| Uniforms & Laundry | | 806 | 775 | 57 |
| Administrative Expenses | | 2,837 | 1,289 | 936 |
| | | 72,237 | 77,644 | 50,787 |
| Utilities | | | | |
| Electricity | | 5,644 | 5,000 | 6,205 |
| Gas | | 2,204 | 1,800 | 1,819 |
| Telephone | | 642 | 199 | 70 |
| | | 8,490 | 6,999 | 8,093 |
| Contracts, Maintenance & Services | | | | |
| Village Charge | | 34,369 | 33,839 | 34,313 |
| Boiler Repairs and Maintenance | | 1,268 | 1,076 | 1,502 |
| Cleaning | | 5,585 | 10,816 | 5,257 |
| Window Cleaning | | 684 | 456 | 294 |
| Drain Cleaning | | 396 | 1,280 | 2,767 |
| Electrical Repairs and Maintenance | | 2,813 | 4,114 | 4,221 |
| Fire Prevention & Health and Safety | | 4,797 | 6,526 | 6,955 |
| Gardening | | 306 | 1,200 | 1,200 |
| General Maintenance - External | | 9,282 | 3,000 | 3,504 |
| General Maintenance - Internal | | 8,737 | 1,000 | 902 |
| Lift Repairs and Maintenance | | 2,096 | 2,456 | 2,081 |
| Pest Control | | 54 | 250 | 29 |
| Refuse Removal | | 37 | 200 | 39 |
| Security | | 1,520 | 2,241 | 2,096 |
| Festive Decorations | | 101 | 200 | 168 |
| | | 72,044 | 68,655 | 65,328 |
| Insurance | | | | |
| Insurance | 8 | 17,213 | 16,303 | 16,421 |
| | | 17,213 | 16,303 | 16,421 |
| Professional Services | | | | |
| Accountancy Fee | | 1,319 | 1,000 | 1,002 |
| Management Fees | 9 | 16,866 | 16,866 | 16,124 |
| | | 18,185 | 17,866 | 17,126 |
| Total Service Charge Expenditure | | 188,169 | 187,466 | 157,755 |
| Contribution to Reserves | | 88,000 | 88,000 | 110,000 |
| TOTAL EXPENDITURE | | 276,169 | 275,466 | 267,755 |
| Surplus/(Deficit) | 7 | (632) | - | (3,634) |



For and on behalf of Rendall & Rittner Limited

Date: 19 November 2020

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON, SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2019

ADMIRAL SQUARE

| | Note | 2019 Actual £ | 2019 Budget £ | 2018 Actual £ |
|--|------|---------------------|---------------------|---------------------|
| INCOME | | | | |
| Service Charge on Account | | 115,065 | 114,972 | 105,307 |
| Reserve Fund on Account | | 33,026 | 33,000 | 36,000 |
| Service Charge Interest Received | 1 | - | - | 1 |
| Tenant Interest Charged | | 70 | - | - |
| | | 148,161 | 147,972 | 141,309 |
| EXPENDITURE | | | | |
| Staffing | | | | |
| Wages & Salaries | | 24,361 | 23,029 | 18,288 |
| Uniforms & Laundry | | 244 | 217 | 26 |
| Administrative Expenses | | 859 | 995 | 439 |
| | | 25,465 | 24,240 | 18,752 |
| Utilities | | | | |
| Telephone | | 608 | 50 | 28 |
| | | 608 | 50 | 28 |
| Contracts, Maintenance & Services | | | | |
| Village Charge | | 56,535 | 55,662 | 56,440 |
| Fire Prevention & Health and Safety | | - | - | 60 |
| General Maintenance - External | | 2,577 | 3,000 | 2,170 |
| Refuse Removal | | 61 | 200 | - |
| Security | | 1,038 | 1,244 | 1,304 |
| | | 60,211 | 60,106 | 59,974 |
| Insurance | | | | |
| Insurance | 8 | 22,800 | 21,683 | 21,856 |
| | | 22,800 | 21,683 | 21,856 |
| Professional Services | | | | |
| Accountancy Fee | | 607 | 460 | 501 |
| Management Fees | 9 | 8,433 | 8,433 | 8,199 |
| | | 9,039 | 8,893 | 8,699 |
| Total Service Charge Expenditure | | 118,124 | 114,972 | 109,310 |
| Contribution to Reserves | | 33,000 | 33,000 | 36,000 |
| TOTAL EXPENDITURE | | 151,124 | 147,972 | 145,310 |
| Surplus/(Deficit) | 7 | (2,963) | - | (4,002) |



For and on behalf of Rendall & Rittner Limited

Date: 19 November 2020

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON, SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2019

CARLYLE COURT

| | Note | 2019 Actual £ | 2019 Budget £ | 2018 Actual £ |
|--|------|---------------------|---------------------|---------------------|
| INCOME | | | | |
| Service Charge on Account | | 472,101 | 472,102 | 425,493 |
| Reserve Fund on Account | | 105,000 | 105,000 | 125,000 |
| Service Charge Interest Received | 1 | 37 | - | 111 |
| Tenant Interest Charged | | 290 | - | - |
| | | <u>577,428</u> | <u>577,102</u> | <u>550,604</u> |
| EXPENDITURE | | | | |
| Staffing | | | | |
| Wages & Salaries | | 151,492 | 163,934 | 132,871 |
| Uniforms & Laundry | | 1,741 | 1,570 | 174 |
| Administrative Expenses | | 6,130 | 2,949 | 2,913 |
| | | <u>159,362</u> | <u>168,453</u> | <u>135,958</u> |
| Utilities | | | | |
| Electricity | | 24,720 | 21,000 | 13,909 |
| Gas | | 2,868 | 2,500 | 4,625 |
| Telephone | | 1,907 | 921 | 174 |
| | | <u>29,495</u> | <u>24,421</u> | <u>18,709</u> |
| Contracts, Maintenance & Services | | | | |
| Village Charge | | 118,348 | 116,522 | 118,153 |
| Boiler Repairs and Maintenance | | 1,443 | 1,076 | 2,108 |
| Cleaning | | 21,362 | 22,261 | 20,364 |
| Window Cleaning | | 2,790 | 840 | 930 |
| Drain Cleaning | | 3,676 | 1,236 | 1,169 |
| Electrical Repairs and Maintenance | | 7,378 | 4,314 | 4,308 |
| Fire Prevention & Health and Safety | | 5,829 | 7,926 | 6,244 |
| Gardening | | 5,564 | 7,593 | 4,196 |
| General Maintenance - External | | 6,366 | 4,000 | 8,730 |
| General Maintenance - Internal | | 17,175 | 3,000 | 5,754 |
| Lift Repairs and Maintenance | | 12,577 | 12,736 | 12,543 |
| Pest Control | | 176 | 400 | 194 |
| Refuse Removal | | 129 | 500 | 129 |
| Security | | 5,282 | 6,409 | 7,779 |
| Festive Decorations | | 331 | 200 | 168 |
| | | <u>208,426</u> | <u>189,014</u> | <u>192,768</u> |
| Insurance | | | | |
| Insurance | 8 | 34,425 | 32,932 | 33,155 |
| Insurance Excess | | 1,000 | - | - |
| | | <u>35,425</u> | <u>32,932</u> | <u>33,155</u> |
| Professional Services | | | | |
| Accountancy Fee | | 2,638 | 2,000 | 3,391 |
| Management Fees | 9 | 55,282 | 55,282 | 53,565 |
| | | <u>57,920</u> | <u>57,282</u> | <u>56,956</u> |
| Total Service Charge Expenditure | | <u>490,628</u> | <u>472,102</u> | <u>437,545</u> |
| Contribution to Reserves | | 105,000 | 105,000 | 125,000 |
| TOTAL EXPENDITURE | | <u>595,628</u> | <u>577,102</u> | <u>562,545</u> |
| Surplus/(Deficit) | 7 | <u>(18,200)</u> | <u>-</u> | <u>(11,941)</u> |



For and on behalf of Rendall & Rittner Limited

Date: 19 November 2020

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON, SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2019

CHELSEA CRESCENT

| | Note | 2019 Actual £ | 2019 Budget £ | 2018 Actual £ |
|--|------|---------------------|---------------------|---------------------|
| INCOME | | | | |
| Service Charge on Account | | 610,092 | 610,089 | 563,812 |
| Reserve Fund on Account | | 160,000 | 160,000 | 175,000 |
| Service Charge Interest Received | 1 | 113 | - | 209 |
| Tenant Interest Charged | | 166 | - | - |
| | | <u>770,371</u> | <u>770,089</u> | <u>739,021</u> |
| EXPENDITURE | | | | |
| Staffing | | | | |
| Wages & Salaries | | 156,275 | 166,478 | 135,743 |
| Uniforms & Laundry | | 1,767 | 1,572 | 185 |
| Administrative Expenses | | 6,223 | 4,029 | 3,041 |
| | | <u>164,265</u> | <u>172,079</u> | <u>138,969</u> |
| Utilities | | | | |
| Electricity | | 27,764 | 21,000 | 23,665 |
| Gas | | 10,081 | 10,000 | 9,023 |
| Telephone | | 2,220 | 818 | 181 |
| Water | | 5,036 | 7,000 | 7,057 |
| | | <u>45,100</u> | <u>38,818</u> | <u>39,925</u> |
| Contracts, Maintenance & Services | | | | |
| Village Charge | | 154,113 | 151,760 | 153,882 |
| Cleaning | | 22,420 | 22,418 | 22,274 |
| Window Cleaning | | 3,156 | 5,664 | 3,780 |
| Drain Cleaning | | 2,716 | 1,030 | 2,357 |
| Electrical Repairs and Maintenance | | 11,488 | 4,314 | 8,860 |
| Fire Prevention & Health and Safety | | 6,865 | 9,338 | 6,434 |
| Gardening | | 11,603 | 12,159 | 13,152 |
| General Maintenance - External | | 5,952 | 2,000 | 6,972 |
| General Maintenance - Internal | | 13,370 | 10,000 | 4,135 |
| Lift Repairs and Maintenance | | 10,481 | 10,780 | 15,440 |
| Pest Control | | 263 | 2,500 | 896 |
| Heating Repairs & Maintenance | | 4,198 | 3,000 | 7,329 |
| Refuse Removal | | 168 | 500 | 140 |
| Security | | 5,183 | 6,302 | 7,152 |
| Festive Decorations | | 359 | 200 | 168 |
| | | <u>252,335</u> | <u>241,964</u> | <u>252,970</u> |
| Insurance | | | | |
| Insurance | 8 | 99,297 | 93,992 | 94,724 |
| | | <u>99,297</u> | <u>93,992</u> | <u>94,724</u> |
| Professional Services | | | | |
| Accountancy Fee | | 4,314 | 3,270 | 3,451 |
| Management Fees | 9 | 59,967 | 59,967 | 57,937 |
| | | <u>64,281</u> | <u>63,237</u> | <u>61,389</u> |
| Total Service Charge Expenditure | | <u>625,278</u> | <u>610,089</u> | <u>587,978</u> |
| Contribution to Reserves | | <u>160,000</u> | <u>160,000</u> | <u>175,000</u> |
| TOTAL EXPENDITURE | | <u>785,278</u> | <u>770,089</u> | <u>762,978</u> |
| Surplus/(Deficit) | 8 | <u>(14,907)</u> | <u>-</u> | <u>(23,957)</u> |



For and on behalf of Rendall & Rittner Limited

Date: 19 November 2020

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON, SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2019

KINGS QUAY

| | Note | 2019 Actual £ | 2019 Budget £ | 2018 Actual £ |
|--|------|---------------------|---------------------|---------------------|
| INCOME | | | | |
| Service Charge on Account | | 299,100 | 299,101 | 279,092 |
| Reserve Fund on Account | | 140,000 | 140,000 | 140,000 |
| Service Charge Interest Received | 1 | - | - | 241 |
| | | 439,100 | 439,101 | 419,333 |
| EXPENDITURE | | | | |
| Staffing | | | | |
| Wages & Salaries | | 87,025 | 94,546 | 77,152 |
| Uniforms & Laundry | | 1,004 | 889 | 123 |
| Administrative Expenses | | 3,534 | 2,108 | 1,876 |
| | | 91,563 | 97,544 | 79,150 |
| Utilities | | | | |
| Electricity | | 14,897 | 10,500 | 11,340 |
| Gas | | 2,908 | 4,000 | 2,471 |
| Telephone | | 1,069 | 774 | 105 |
| | | 18,875 | 15,274 | 13,915 |
| Contracts, Maintenance & Services | | | | |
| Village Charge | | 65,889 | 64,873 | 65,781 |
| Cleaning | | 12,534 | 10,976 | 12,825 |
| Window Cleaning | | 720 | 768 | 840 |
| Drain Cleaning | | 769 | 950 | 1,079 |
| Electrical Repairs and Maintenance | | 3,131 | 4,314 | 4,201 |
| Fire Prevention & Health and Safety | | 5,658 | 7,698 | 4,483 |
| Gardening | | - | 1,200 | 1,200 |
| General Maintenance - External | | 2,974 | 2,000 | 4,471 |
| General Maintenance - Internal | | 3,894 | 2,000 | 4,002 |
| Lift Repairs and Maintenance | | 8,385 | 8,824 | 10,074 |
| Pest Control | | 105 | 600 | 57 |
| Heating Repairs & Maintenance | | 3,072 | 1,000 | 1,282 |
| Refuse Removal | | 72 | 400 | 81 |
| Security | | 3,137 | 3,808 | 3,796 |
| Festive Decorations | | 196 | 200 | 168 |
| | | 110,536 | 109,611 | 114,339 |
| Insurance | | | | |
| Insurance | 8 | 42,076 | 40,003 | 40,354 |
| | | 42,076 | 40,003 | 40,354 |
| Professional Services | | | | |
| Accountancy Fee | | 2,638 | 2,000 | 1,950 |
| Management Fees | 9 | 34,669 | 34,669 | 33,615 |
| | | 37,308 | 36,669 | 35,565 |
| Total Service Charge Expenditure | | 300,356 | 299,101 | 283,323 |
| Contribution to Reserves | | 140,000 | 140,000 | 140,000 |
| TOTAL EXPENDITURE | | 440,356 | 439,101 | 423,323 |
| Surplus/(Deficit) | 7 | (1,256) | - | (3,990) |



For and on behalf of Rendall & Rittner Limited

Date: 19 November 2020

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON, SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2019

THAMES QUAY

| | Note | 2019 Actual £ | 2019 Budget £ | 2018 Actual £ |
|--|------|---------------------|---------------------|---------------------|
| INCOME | | | | |
| Service Charge on Account | | 380,715 | 380,940 | 351,865 |
| Reserve Fund on Account | | 125,000 | 125,000 | 130,000 |
| Service Charge Interest Received | 1 | 78 | - | 128 |
| Tenant Interest Charged | | 60 | - | - |
| | | 505,852 | 505,940 | 481,993 |
| EXPENDITURE | | | | |
| Staffing | | | | |
| Wages & Salaries | | 106,824 | 115,287 | 94,579 |
| Uniforms & Laundry | | 1,222 | 1,068 | 136 |
| Administrative Expenses | | 4,304 | 2,972 | 2,340 |
| | | 112,350 | 119,327 | 97,055 |
| Utilities | | | | |
| Electricity | | 22,099 | 27,500 | 22,740 |
| Telephone | | 1,390 | 798 | 129 |
| | | 23,489 | 28,298 | 22,869 |
| Contracts, Maintenance & Services | | | | |
| Village Charge | | 91,300 | 89,892 | 91,151 |
| Cleaning | | 16,438 | 11,682 | 16,512 |
| Window Cleaning | | 180 | 120 | 192 |
| Drain Cleaning | | 2,859 | 1,950 | 1,079 |
| Electrical Repairs and Maintenance | | 2,683 | 4,314 | 6,271 |
| Fire Prevention & Health and Safety | | 5,321 | 7,239 | 3,446 |
| Gardening | | - | 1,200 | 1,200 |
| General Maintenance - External | | 10,690 | 5,000 | 7,331 |
| General Maintenance - Internal | | 10,392 | 3,000 | 4,668 |
| Lift Repairs and Maintenance | | 10,338 | 9,818 | 11,818 |
| Pest Control | | 141 | 2,000 | 76 |
| Heating Repairs & Maintenance | | - | 1,000 | 4,128 |
| Refuse Removal | | 99 | 500 | 105 |
| Security | | 3,789 | 4,450 | 7,091 |
| Festive Decorations | | 263 | 200 | 168 |
| | | 154,492 | 142,365 | 155,234 |
| Insurance | | | | |
| Insurance | 8 | 45,938 | 43,523 | 43,899 |
| | | 45,938 | 43,523 | 43,899 |
| Professional Services | | | | |
| Accountancy Fee | | 3,235 | 2,453 | 2,669 |
| Management Fees | 9 | 44,976 | 44,976 | 43,726 |
| | | 48,211 | 47,429 | 46,396 |
| Total Service Charge Expenditure | | 384,480 | 380,940 | 365,453 |
| Contribution to Reserves | | 125,000 | 125,000 | 130,000 |
| TOTAL EXPENDITURE | | 509,480 | 505,940 | 495,453 |
| Surplus/(Deficit) | 7 | (3,628) | - | (13,460) |



For and on behalf of Rendall & Rittner Limited

Date: 19 November 2020

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON, SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2019

THE BELVEDERE

| | Note | 2019 Actual £ | 2019 Budget £ | 2018 Actual £ |
|--|------|---------------------|---------------------|---------------------|
| INCOME | | | | |
| Service Charge on Account | | 391,099 | 391,100 | 328,081 |
| Reserve Fund on Account | | 500,000 | 500,000 | 1,300,000 |
| Service Charge Interest Received | 1 | 516 | - | 1,009 |
| Tenant Interest Charged | | 14 | - | - |
| | | 891,629 | 891,100 | 1,629,090 |
| EXPENDITURE | | | | |
| Staffing | | | | |
| Wages & Salaries | | 166,037 | 182,902 | 123,156 |
| Uniforms & Laundry | | 1,958 | 2,017 | 88 |
| Administrative Expenses | | 6,893 | 2,289 | 2,363 |
| | | 174,887 | 187,208 | 125,606 |
| Utilities | | | | |
| Electricity | | 12,098 | 13,000 | 10,922 |
| Gas | | 6,654 | 5,000 | 3,290 |
| Telephone | | 1,516 | 387 | 156 |
| Water | | 3,361 | 4,000 | 3,547 |
| | | 23,629 | 22,387 | 17,914 |
| Contracts, Maintenance & Services | | | | |
| Village Charge | | 60,997 | 60,057 | 60,898 |
| Boiler Repairs and Maintenance | | 7,175 | 2,576 | 1,092 |
| Cleaning | | 6,151 | 10,789 | 6,271 |
| Window Cleaning | | 5,280 | 7,200 | 2,340 |
| Drain Cleaning | | 816 | 950 | 2,449 |
| Electrical Repairs and Maintenance | | 3,778 | 4,314 | 5,815 |
| Fire Prevention & Health and Safety | | 8,340 | 11,347 | 8,581 |
| Gardening | | - | 1,200 | 1,200 |
| General Maintenance - External | | 6,482 | 1,000 | 804 |
| General Maintenance - Internal | | 12,789 | 8,000 | 3,383 |
| Lift Repairs and Maintenance | | 4,234 | 11,070 | 8,468 |
| Pest Control | | 54 | 250 | 29 |
| Refuse Removal | | 66 | 150 | 39 |
| Security | | 1,312 | 2,309 | 1,840 |
| Festive Decorations | | 101 | - | - |
| | | 117,574 | 121,213 | 103,210 |
| Insurance | | | | |
| Insurance | 8 | 45,317 | 42,506 | 43,330 |
| | | 45,317 | 42,506 | 43,330 |
| Professional Services | | | | |
| Accountancy Fee | | 1,213 | 920 | 1,002 |
| Management Fees | 9 | 16,866 | 16,866 | 16,397 |
| | | 18,079 | 17,786 | 17,399 |
| Total Service Charge Expenditure | | 379,485 | 391,100 | 307,459 |
| Contribution to Reserves | | 500,000 | 500,000 | 1,321,631 |
| TOTAL EXPENDITURE | | 879,485 | 891,100 | 1,629,090 |
| Surplus/(Deficit) | 7 | 12,144 | - | - |



For and on behalf of Rendall & Rittner Limited

Date: 19 November 2020

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON, SW10 0UU
INCOME & EXPENDITURE ACCOUNT
YEAR ENDING 28TH SEPTEMBER 2019
THE QUADRANGLE

| | Note | 2019 Actual £ | 2019 Budget £ | 2018 Actual £ |
|--|------|---------------------|---------------------|---------------------|
| INCOME | | | | |
| Service Charge on Account | | 352,984 | 352,982 | 334,105 |
| Reserve Fund on Account | | 80,000 | 80,000 | 80,000 |
| Service Charge Interest Received | 1 | 115 | - | 70 |
| Tenant Interest Charged | | 467 | - | - |
| | | 433,566 | 432,982 | 414,175 |
| EXPENDITURE | | | | |
| Staffing | | | | |
| Wages & Salaries | | 92,565 | 100,142 | 83,062 |
| Uniforms & Laundry | | 1,061 | 893 | 131 |
| Administrative Expenses | | 3,734 | 3,272 | 2,464 |
| | | 97,360 | 104,307 | 85,657 |
| Utilities | | | | |
| Electricity | | 29,842 | 21,000 | 18,470 |
| Gas | | 3,489 | 4,500 | 2,577 |
| Telephone | | 1,199 | 511 | 115 |
| Water | | 11,817 | 12,000 | 6,045 |
| | | 46,347 | 38,011 | 27,207 |
| Contracts, Maintenance & Services | | | | |
| Village Charge | | 80,727 | 79,482 | 80,595 |
| Boiler Repairs and Maintenance | | 1,052 | 2,000 | 1,179 |
| Cleaning | | 18,225 | 15,098 | 16,535 |
| Window Cleaning | | 738 | 984 | 606 |
| Drain Cleaning | | 1,043 | 950 | 1,607 |
| Electrical Repairs and Maintenance | | 4,694 | 4,314 | 7,729 |
| Fire Prevention & Health and Safety | | 5,829 | 7,930 | 5,775 |
| Gardening | | - | 1,200 | 1,198 |
| General Maintenance - External | | 3,473 | 5,000 | 6,607 |
| General Maintenance - Internal | | 2,915 | 5,000 | 5,227 |
| Lift Repairs and Maintenance | | 6,289 | 6,868 | 6,238 |
| Pest Control | | 144 | 1,000 | 78 |
| Refuse Removal | | 88 | 500 | 105 |
| Security | | 3,963 | 4,971 | 5,992 |
| Festive Decorations | | 269 | 450 | 336 |
| | | 129,448 | 135,747 | 139,807 |
| Insurance | | | | |
| Insurance | 8 | 28,892 | 27,489 | 27,709 |
| Insurance Excess | | 2,000 | - | - |
| | | 30,892 | 27,489 | 27,709 |
| Professional Services | | | | |
| Accountancy Fee | | 3,235 | 2,453 | 3,569 |
| Management Fees | 9 | 44,976 | 44,976 | 43,726 |
| | | 48,211 | 47,429 | 47,296 |
| Total Service Charge Expenditure | | 352,258 | 352,982 | 327,674 |
| Contribution to Reserves | | 80,000 | 80,000 | 80,000 |
| TOTAL EXPENDITURE | | 432,258 | 432,982 | 407,674 |
| Surplus/(Deficit) | 7 | 1,308 | - | 6,500 |



For and on behalf of Rendall & Rittner Limited

Date: 19 November 2020

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON, SW10 0UU
BALANCE SHEET
YEAR ENDING 28TH SEPTEMBER 2019

| | | 2019 | 2018 |
|----------------------------|------|------------------|------------------|
| | Note | £ | £ |
| CURRENT ASSETS | | | |
| Service Charge Debtors | | 883,225 | 630,475 |
| Other Debtors | 4 | 41,882 | 55,778 |
| Prepayments | | 435,314 | 164,623 |
| Bank | 3 | 4,395,267 | 3,627,853 |
| Cash in hand | | 1,338 | 225 |
| Deficit due from lessees | 7 | 28,133 | 54,483 |
| | | 5,785,160 | 4,533,437 |
| CURRENT LIABILITIES | | | |
| Trade Creditors | | 530,050 | - |
| Other Creditors | 5 | 62,545 | 9,238 |
| Accruals | | 150,569 | 308,458 |
| | | 743,163 | 317,696 |
| NET ASSETS | | 5,041,996 | 4,215,741 |
| FINANCED BY: | | | |
| RESERVE FUND | 6 | 5,041,996 | 4,215,741 |

We confirm our approval of these accounts;



For and on behalf of Rendall & Rittner Limited

Date: 19 November 2020

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON, SW10 0UU
NOTES TO THE ACCOUNTS
YEAR ENDING 28TH SEPTEMBER 2019

I. ACCOUNTING POLICIES

Accounting Convention

The accounts have been prepared on the accruals basis and in accordance with the lease.

Expenditure

Expenditure represents amounts payable for goods and services in connection with managing and maintaining the property.

Service Charge Income

Service charge income represents amounts demanded on account from the leaseholder.

Interest Receivable

Interest received in respect of Service Charge bank accounts is credited to the Service Charge income as when received.

Interest received in respect of Reserve Fund bank accounts is credited to the Reserve Fund as and when received.

2. TAX ON INTEREST RECEIVED

A Service Charge Trust has been established under Section 42 of the Landlord & Tenant Act 1987 and the lease. Interest earned on service charge monies held is taxable at the basic rate of income tax. The rate of tax applied to interest received during the year was 20% (2018 - 20%).

3. BANK ACCOUNT

All client monies are held by way of a statutory trust, in a designated Client Bank Account at the Bank of Scotland, PO Box 1000, BX2 1LB in accordance with Section 42 and Section 42A of the Landlord & Tenant Act 1987.

| Account Names | Account Number |
|---|----------------|
| Rendall and Rittner Limited Client Receipts Account | 06980028 |
| R&R Chelsea Harbour SC Client AC | 10214365 |
| R&R Chelsea Harbour RF Client AC | 10214461 |

4. OTHER DEBTORS

| | 2019 | 2018 |
|---------------------------|--------|--------|
| | £ | £ |
| Sundry Debtors | 39,471 | 40,926 |
| Inter Company Adjustments | 1,948 | - |
| Developer Account | 463 | 463 |
| Trade Debtors | - | 14,389 |
| | 41,882 | 55,778 |

5. OTHER CREDITORS

| | 2019 | 2018 |
|-----------------------------|--------|-------|
| | £ | £ |
| Sundry creditors | 20,667 | 9,238 |
| Service charge creditors | 30,733 | - |
| Balance from previous agent | 11,144 | - |
| | 62,545 | 9,238 |

CHELSEA HARBOUR, CHELSEA HARBOUR, LONDON, SW10 0UU

NOTES TO THE ACCOUNTS

YEAR ENDING 28TH SEPTEMBER 2019

6. RESERVES

The Reserve Fund has been established to provide funds in order to contribute to the cost of major works which are expected to arise in the future as well as costs of large, non-regular work.

| | Balance as at 29-Sep-18 £ | Provision in Year £ | Interest Received £ | Expenditure in Year £ | Balance as at 28-Sep-19 £ |
|------------------|---------------------------------|---------------------------|---------------------------|-----------------------------|---------------------------------|
| Admiral Court | 109,165 | 88,000 | 213 | (114,802) | 82,576 |
| Admiral Square | 59,918 | 33,000 | 117 | (50,172) | 42,863 |
| Carlyle Court | 83,790 | 105,000 | 164 | (73,218) | 115,735 |
| Chelsea Crescent | 1,009,508 | 160,000 | 1,972 | (136,847) | 1,034,633 |
| Kings Quay | 497,427 | 140,000 | 972 | (7,210) | 631,189 |
| Thames Quay | 355,378 | 125,000 | 694 | (1,800) | 479,272 |
| The Belvedere | 1,854,885 | 500,000 | 3,623 | (20,919) | 2,337,589 |
| The Quadrangle | 245,670 | 80,000 | 480 | (8,011) | 318,139 |
| | 4,215,741 | 1,231,000 | 8,235 | (412,980) | 5,041,996 |

| Details of Expenditure | Admiral Court £ | Admiral Square £ | Carlyle Court £ | Chelsea Crescent £ | Kings Quay | Thames Quay | The Belvedere £ | The Quadrangle £ |
|---|-----------------------|------------------------|--------------------|--------------------------|------------|-------------|-----------------------|------------------------|
| Internal refurbishment | 107,548 | - | 10,470 | - | - | - | - | - |
| Communal terrace grass | 2,280 | - | - | - | - | - | - | - |
| Fence replacement | - | 49,392 | - | - | - | - | - | - |
| Reception desk | - | - | 14,675 | - | - | - | - | - |
| External renovation | - | - | - | - | - | - | 19,537 | - |
| Professional & consultancy fee re: refurbishment project | - | - | - | 119,665 | - | - | - | 6,356 |
| Lift lobbies works | 4,140 | - | 45,900 | - | 5,760 | - | - | - |
| 25 Year Planned Maintenance Report | 474 | 780 | 1,634 | 2,128 | 910 | 1,260 | 842 | 1,114 |
| Capex Report | 360 | - | 540 | 540 | 540 | 540 | 540 | 540 |
| Inspection and water testing | - | - | - | 8,574 | - | - | - | - |
| Inspection and securing of loose cover caps | - | - | - | 5,940 | - | - | - | - |
| | 114,802 | 50,172 | 73,218 | 136,847 | 7,210 | 1,800 | 20,919 | 8,011 |

7. SURPLUS/(DEFICIT) ON BUDGETED EXPENDITURE

| | £ |
|--|----------|
| Deficit on Budgeted Expenditure to 28th September 2018 | (54,483) |
| Debited to Lessees during year ended 28th September 2019 | 54,483 |
| Deficit on Budgeted Expenditure to 28th September 2019 | (28,133) |
| Carried Forward as at 28th September 2019 | (28,133) |

8. BUILDING INSURANCE

Admiral Court is insured as at 28 September 2019 with JLT under policy number LP PPP 6985874 for building insurance for a sum insured of £18,984,972.

Admiral Square is insured as at 28 September 2019 with JLT under policy number LP PPP 6985874 for building insurance for a sum insured of £25,509,288.

Carlyle Court is insured as at 28 September 2019 with JLT under policy number LP PPP 6985874 for building insurance for a sum insured of £37,589,488.

Chelsea Crescent is insured as at 28 September 2019 with JLT under policy number LP PPP 6985874 for building insurance for a sum insured of £111,300,545.

Kings Quay is insured as at 28 September 2019 with JLT under policy number LP PPP 6985874 for building insurance for a sum insured of £46,689,355.

Thames Quay is insured as at 28 September 2019 with JLT under policy number LP PPP 6985874 for building insurance for a sum insured of £51,083,777.

Belvedere is insured as at 28 September 2019 with JLT under policy number LP PPP 6985874 for building insurance for a sum insured of £49,473,393.

Quadrangle is insured as at 28 September 2019 with JLT under policy number LP PPP 6985874 for building insurance for a sum insured of £31,778,213.

9. INCOME & RELATED INCOME OR OTHER BENEFITS

Rendall & Rittner Limited have earned the following income (incl. VAT) relating to the Service Charge as a result of our management of Chelsea Harbour in the year;

| | | 2019 £ | 2018 £ |
|------------------------------------|---------------------------|-----------|-----------|
| Management Fees | Rendall & Rittner Limited | 282,034 | 273,289 |
| Section 20 Surveyor Fees | Cardoe Martin Limited | 32,534 | - |
| 25 Year Planned Maintenance Report | Cardoe Martin Limited | 9,143 | - |
| Training and Introduction fees | Rendall & Rittner Limited | 11,818 | - |
| | | 335,529 | 273,289 |