

STATEMENT OF SERVICE CHARGE INCOME & EXPENDITURE

FOR THE PERIOD ENDED 31 DECEMBER 2020

FOR

BRP T1, BIRMINGHAM

BRP T1, BIRMINGHAM
SERVICE CHARGE ACCOUNTS
31 DECEMBER 2020

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BRP T1, BIRMINGHAM

**ACCOUNTANTS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2020**

ACCOUNTANTS' REPORT OF FACTUAL FINDINGS TO THE LANDLORD OF BRP T1, BIRMINGHAM

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 BRP T1, Birmingham. In accordance with our engagement Letter dated 16 May 2019, we have performed the procedures agreed with you and enumerated below with respect to the service charge accounts set out on pages 2 to 4 in respect of the period ended 31 December 2020 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 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. We obtained the service charge accounts and checked whether 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 that we inspected; and
3. We checked whether the balance of service charge monies for this property shown on page 2 of the service charge accounts agreed or reconciled to the bank statements for the account 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 item 1 we found the figures in the statements of account to have been extracted correctly from the accounting records.
- b) 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 that we inspected.
- c) With respect to item 3 we found that the balance of service charge monies shown on page 2 of the service charge accounts agrees or reconciles to the bank statements for the account in which the funds are held.

Crowe U.K. LLP

Crowe U.K. LLP
Chartered Accountants
Black Country House
Rounds Green Road
West Midlands
B69 2DG

Date: ...29 June 2021.....

BRP T1, BIRMINGHAM

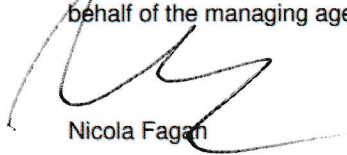
**INCOME AND EXPENDITURE
FOR THE PERIOD ENDED 31 DECEMBER 2020**

	2020 £	2019 £
Income relating to the period		
Service charges	293,378	268,200
Gross interest	108	143
Total income receivable	<u>293,486</u>	<u>268,343</u>
Expenditure relating to the period		
Cleaning	13,950	11,981
Window cleaning	11,250	11,250
IT Support	6,410	7,612
Electricity	18,494	45,000
Water	5,500	5,500
Lift	13,703	4,662
Landscaping	2,272	3,008
Floral displays	6,102	5,886
M&E Repairs & Maintenance	23,586	24,970
Common area repairs	2,825	1,256
Professional fees	2,204	-
Management fee	23,000	23,000
Accountancy fee	2,526	5,000
Insurance	30,262	34,738
Pest control	1,548	432
Water treatment	2,726	2,322
Health and safety	5,039	1,650
Security	4,266	2,127
Caretaker	71,397	48,551
Sinking fund	11,000	10,000
Total expenditure	<u>258,060</u>	<u>248,945</u>
Excess (deficit) funds	<u>35,426</u>	<u>19,398</u>
Amounts due to tenants	36,798	32,419
Amounts due from landlord	<u>(1,372)</u>	<u>(13,021)</u>
	<u>35,426</u>	<u>19,398</u>

BRP T1, BIRMINGHAM
BALANCE SHEET
FOR THE PERIOD ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Assets			
Cash at bank	2	102,440	54,295
Trade debtors		15,998	41,665
Other debtors		5,761	-
Prepayments		27,994	18,188
Amounts due from landlord		14,393	13,021
		166,586	127,169
Liabilities			
Trade creditors		49,909	26,206
Other creditors		4,608	-
Accruals		16,719	55,000
Service charge in advance		34,011	-
Amounts owed to tenants		36,839	32,463
		142,086	113,669
Net assets		24,500	13,500
Reserves:			
General reserves	3	24,500	13,500
Balance as at 31 December 2020		24,500	13,500

The statement of account was approved by Nicola Fagan for the managing agent on 29/12/21 and signed on behalf of the managing agent by



Nicola Fagan

BRP T1, BIRMINGHAM

**NOTES TO THE STATEMENT OF SERVICE CHARGE INCOME & EXPENDITURE
FOR THE PERIOD ENDED 31 DECEMBER 2020**

1. Accounting policies

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

2. Bank account

Service charge money was held in trust at Barclays Bank under the title Birmingham Resi designated client account.

3. Reserve funds

The general reserve has been established to meet the cost of large, non-regular repair and maintenance work.

4. Managing agent annual declaration

The following fees have been levied by the managing agent in relation to the period ended 31 December 2020.

Professional fees	£
Agents fees	<u>23,000</u>