

**STATEMENT OF SERVICE CHARGE INCOME & EXPENDITURE**

**FOR THE PERIOD ENDED 31 DECEMBER 2020**

**FOR**

**BRP T2, BIRMINGHAM**

**BRP T2, BIRMINGHAM**  
**SERVICE CHARGE ACCOUNTS**  
**31 DECEMBER 2020**

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**BRP T2, BIRMINGHAM**

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

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**ACCOUNTANTS' REPORT OF FACTUAL FINDINGS TO THE LANDLORD OF BRP T2, 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 T2, 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 T2, BIRMINGHAM

INCOME AND EXPENDITURE  
FOR THE PERIOD ENDED 31 DECEMBER 2020

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	2020 £
<b>Income relating to the period</b>	
Service charges	168,901
Gross interest	26
Total income receivable	<u>168,927</u>
<b>Expenditure relating to the period</b>	
Cleaning	15,997
Window cleaning	12,593
IT Support	8,044
Electricity	39,731
Water	6,250
Lift	202
Landscaping	1,368
M&E Repairs & Maintenance	33,422
Common area repairs	1,228
Management Fee	27,083
Accountancy Fee	2,600
Insurance	53,946
Pest Control	54
Water Treatment	4,080
Health & Safety	3,250
Security	1,276
Caretaker	81,550
Sinking fund	13,000
Total expenditure	<u>305,674</u>
Excess (deficit) funds	<u>(136,747)</u>
Amounts due to tenants	23,074
Amounts due from landlord	<u>(159,821)</u>
	<u>(136,747)</u>

BRP T2, BIRMINGHAM

BALANCE SHEET  
FOR THE PERIOD ENDED 31 DECEMBER 2020

	Notes	2020 £
<b>Assets</b>		
Cash at bank	2	44,874
Trade debtors		18,578
Prepayments		54,788
Amounts due from landlord		36,186
		<u>154,426</u>
<b>Liabilities</b>		
Trade creditors		73,169
Other creditors		5,731
Accruals		13,240
Service charge in advance		26,212
Amounts owed to tenants		23,074
		<u>141,426</u>
<b>Net assets</b>		<u><u>13,000</u></u>
<b>Reserves:</b>		
General reserves	3	13,000
Balance as at 31 December 2020		<u><u>13,000</u></u>

The statement of account was approved by Nicola Fagan for the managing agent on 29/6/21 and signed on behalf of the managing agent by

  
Nicola Fagan

**BRP T2, BIRMINGHAM**

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

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**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.

<b>Professional fees</b>	£
Agents fees	<u>27,083</u>