

STATEMENT OF SERVICE CHARGE INCOME & EXPENDITURE

FOR THE PERIOD ENDED 31 DECEMBER 2021

FOR

BRP T2, BIRMINGHAM

BRP T2, BIRMINGHAM
SERVICE CHARGE ACCOUNTS
31 DECEMBER 2021

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BRP T2, BIRMINGHAM
ACCOUNTANTS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2021

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 2021 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: 3 August 2022

BRP T2, BIRMINGHAM

**INCOME AND EXPENDITURE
FOR THE PERIOD ENDED 31 DECEMBER 2021**

	2021 £	2020 £
Income relating to the period		
Service charges	269,793	168,901
Gross interest	7	26
Total income receivable	<u>269,800</u>	<u>168,927</u>
Expenditure relating to the period		
Cleaning	17,684	15,997
Window cleaning	28,608	12,593
IT Support	8,591	8,044
Electricity	50,386	39,731
Water	6,250	6,250
Lift	13,770	202
Landscaping	1,464	1,368
M&E Repairs & Maintenance	36,104	33,422
Common area repairs	11,028	1,228
Management Fee	26,000	27,083
Accountancy Fee	2,852	2,600
Insurance	56,474	53,946
Pest Control	-	54
Water Treatment	2,490	4,080
Health & Safety	7,284	3,250
Telephone	281	-
Security	3,406	1,276
Caretaker	83,970	81,550
Site management	5,423	-
Sinking fund	19,000	13,000
Total expenditure	<u>381,065</u>	<u>305,674</u>
Excess (deficit) funds	<u>(111,265)</u>	<u>(136,747)</u>
Amounts due to/(from) tenants	(12,303)	23,074
Amounts due to/(from) landlord	(98,962)	(159,821)
	<u>(111,265)</u>	<u>(136,747)</u>

BRP T2, BIRMINGHAM

BALANCE SHEET
FOR THE PERIOD ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Assets			
Cash at bank	2	29,378	44,874
Trade debtors		95,019	18,578
Prepayments		67,622	54,788
Amounts due from landlord		74,962	36,186
Amounts due from tenants		12,303	-
		<u>279,284</u>	<u>154,426</u>
Liabilities			
Trade creditors		70,361	73,169
Other creditors		27	5,731
Accruals		29,256	13,240
Service charge in advance		147,640	26,212
Amounts owed to tenants		-	23,074
		<u>247,284</u>	<u>141,426</u>
Net assets		<u>32,000</u>	<u>13,000</u>
Reserves:			
General reserves	3	32,000	13,000
Balance as at 31 December 2021		<u>32,000</u>	<u>13,000</u>

The statement of account was approved by Nicola Fagan for the managing agent on 31/12/21 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 2021**

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 2021.

Professional fees
Agents fees

£

26,000