

Examination of the accounts for the period 1-Jul-98 to 30-Jun-99 (CHRA0600, 5-Feb-02)

The format of this document is based on that of the accounts summary for the year. Each service charge figure is split - as prescribed in the RICS Residential Management Code - thus:

- (a) no demand for payment received within the period;
- (b) demand for payment made within the period but no payment made;
- (c) demand for payment received within the period and payment made.

Each service charge item is also split into its constituent charges and we have added comments where appropriate.

	(a)	(b)	(c)	Total
Insurance			1,102.18	1,102.18
Evidence of payment missing. £1,100 for insurance - should be closer to three times that, surely?				
Total	0.00			1,102.18

Electricity		262.40	1,053.94	1,316.34
Bill of 8 Jul 98. Based on estimated use. Photocopy truncated. Truncated text reads 'have been cancelled and this bill... the adjustments have been made'. Does this bill replace an earlier one properly belonging to 97/98 - there are 5 quarterly bills in this period!	280.79			
Bill of 22 Sep 98. Based on estimate use (according to 30 Dec 98 bill).	284.90			
Bill of 30 Dec 98. Not marked as having been paid. We assume this was replaced with 11 Jan 99 bill.	428.83			
Bill of 11 Jan 99. Very close to date of previous bill. Truncated text reads 'rges have been cancelled and this bill... the adjustments have been made.'	307.99			
Bill of 22 Mar 99	180.26			
Bill of 22 Jun 99	262.40			
Total	1,316.34			0.00

Cleaning		175.00	1,925.00	2,100.00
11 * monthly bills of £175. Bill for Feb 99 missing. Cleaner Joshua attends each week (for a few hours) without fail though he is paid rather well. Can we get him to do more?	1,925.00			
Total	1,925.00			175.00

Lift PM7 Inspection			411.25	411.25
Invoice dated 15 Oct 99. The invoice states that additional repair works are required to the "main gear unit" in order for a certificate to be issued; certificates (not provided to CHRA) were issued for safety gear and landing and car interlocks.	411.25			
Total	411.25			0.00

Lift Maintenance			352.50	352.50
Invoice dated 11 Sep 98 for maintenance between 1 Sep 98 and 31 Aug 99 @ 12 visits per annum. Lift maintenance issues have been raised in letters to CPS: contract should be for a monthly visit; lack of lift log entries = lack of accountability. No further documents were provided during inspection to evidence that maintenance was carried out. We requested a copy of the service contract.	352.50			
Total	352.50			0.00

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	(a)	(b)	(c)	Total
Surveyor			4,612.18	4,612.18
Invoice from Haywards dated 5 Oct 98. Basis of fee is 13.5% of lowest tender less Willmotts fee. Need to check basis and figures.	4,612.18			
Total	4,612.18			0.00
London Fire Brigade			91.20	91.20
Invoice for petroleum license (to cover petrol stored in car tanks in garage)	91.20			
Total	91.20			0.00
Entryphone hire			780.12	780.12
Invoice for annual rent, 4 Dec 98. Has 3.1% cost of living increase which I believe accords with contract but need to check. Also provided with photocopy of contract (very poor quality and barely readable).	780.12			
Total	780.12			0.00
Minor Repairs		70.85	128.91	199.76
Invoice of 24 Aug 98 from key cutter. Figures are indecipherable and we have asked CPS for more information.	?			
Invoice of 26 Jan 99 for repair to latch (presumably of lock on main entrance)	29.38			
Invoice of 1 Jul 98 for new lock	64.63			
Total	94.01			105.75
Insurance claims - presumably these are for attempted claims which failed and have therefore been added to the service charge account?		1,128.00	607.51	1,735.51
Invoice dated 18 Dec 98. Window repair to flat 12. Why is this not the responsibility of the flat owner?	83.64			
Invoice dated 19 Mar 99. Trace leak to bath at flat and make repairs (doesn't say which flat - but we guess that this invoice relates to the one below and the flat is number 26, two above flat 10). Required forced entry to flat and replacement of locks. Why is this not the responsibility of the flat where the leak originated? Does 'replace' bath mean provide new bath or put bath back in position?	523.87			
Invoice dated 28 Jun 99. Repairs to bedroom, living room and ceiling at flat 10. Why were the repairs necessary, why did they cost £960 (+VAT)?	1,128.00			
Total	1,735.51			0.00
Management Fee	3,877.50			3,877.50
Evidence of payment missing. We requested a copy of the management contract and were told there isn't one as the owners and the agents are the same [This is incorrect - they are different limited companies.] [Besides ownership and management are different functions...]				
Total	0.00			3,877.50

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	(a)	(b)	(c)	Total
Accountant's Fee	275.00			275.00
Evidence of payment missing. Have also requested copy of audit instruction.				
Total	0.00			275.00

Total	11,318.11	16,853.54
Discrepancy	5,535.43	