

St Benedicts Estate, SW17

Estimated cost of services year ending 30 June 2015

Definitive v1.01 - 11 June 2014

	Y/E 2014 Estimate	Y/E 2015 Estimate	Estate	Flats	Account Code	Basis
<b>Maintenance costs</b>						
Repairs and maintenance	£12,500	£12,500	£5,000	£7,500	GE16	Estimated cost based on past costs including lamp replacement
Cleaning of flat common areas	£13,205	£12,900		£12,900	CL01	Current contract & actual cost excluding lamp replacement
Bin store cleaning & rubbish removal	£7,500	£7,500	£3,750	£3,750	RR01	Current gardening contract & actual cost, split 50/50
Gardening	£27,768	£27,768	£13,884	£13,884	GA01	Current contract & actual cost, split 50/50
Tree pruning	£2,000	£3,000	£3,000		GA04	Estimated cost based on past costs, increased for work in 2014
Electricity	£5,300	£5,523	£2,209	£3,314	EL01	Actual cost with 5% increase, split 40/60 by new lamp powers
Buildings insurance	£13,012	£8,086	£334	£7,752	IN02	Reduced premium for 2014-15 split 4/96 after valuation no commission
Terrorism insurance	£4,243	£4,450	£184	£4,266	IN05	Reduced premium for 2014-15 split 4/96 after valuation no commission
D&O insurance	£557	£345	£345		IN08	Reduced premium for 2014-15 no commission
Door entry system	£1,000	£1,000		£1,000	SS01	Estimated maintenance cost based on past costs
<b>Administration costs</b>						
Legal and professional fees	£1,500	£1,500	£1,500		LP08	Estimated cost
Health and safety fees	£984	£984	£492	£492	HS04	Audit and monitoring cost, split 50/50, no electrical inspection
Accountancy fees	£3,720	£3,900	£2,340	£1,560	AU01	Advised cost, split 60/40
Management Company & sundry expenses	£150	£150	£150		LP06	Estimated cost based on past costs
Managing Agent fees	£36,627	£41,208	£8,242	£32,966	MF01	Revised contract with contractual indexed increase, split 20/80 The increase is less than the insurance commission saved
<b>Total estimated routine expenditure</b>	<b>£130,066</b>	<b>£130,814</b>	<b>£41,430</b>	<b>£89,384</b>		
<b>Non-Annual Expenditure</b>						
Estate Reserve Fund Collection	£3,146	£8,736	£8,736		RE01	Estate Reserve collection for part of wall repairs and path repair
Flats Reserve Fund Collection	£14,709	£3,378		£3,378	RE01	Flats contingency reserve that can be loaned to blocks as required
Flats Reserve A Collection	£210	£1,852		£1,852	RE01	7-10 Abbey Drive
Flats Reserve B Collection	£734	£1,833		£1,833	RE01	21-26 Abbey Drive
Flats Reserve C Collection	£1,859	£4,917		£4,917	RE01	31-36 Abbey Drive
Flats Reserve D Collection	£898	£1,122		£1,122	RE01	17-27 Carlisle Way
Flats Reserve E Collection	£3,016	£5,823		£5,823	RE01	31-45 Church Lane
Flats Reserve F Collection	£512	£4,660		£4,660	RE01	1-23 Limetree Walk
Flats Reserve G Collection	£648	£4,351		£4,351	RE01	2-24 Limetree Walk
Flats Reserve H Collection	£387	£1,637		£1,637	RE01	130-133 Rectory Lane
Flats Reserve I Collection	£1,635	£10,481		£10,481	RE01	1-71 St Benedicts Close
Flats Reserve J Collection	£1,560	£4,523		£4,523	RE01	73-103 St Benedicts Close
Flats Reserve K Collection	£5,271	£9,691		£9,691	RE01	105-135 St Benedicts Close
Flats Reserve L Collection	£510	£2,311		£2,311	RE01	18-28 St Benedicts Close
<b>Total estimated non-annual expenditure</b>	<b>£35,095</b>	<b>£65,315</b>	<b>£8,736</b>	<b>£56,579</b>		
<b>Total of estimated expenditure</b>	<b>£165,161</b>	<b>£196,129</b>	<b>£50,166</b>	<b>£145,963</b>		

In accordance with the documentation relating to St Benedicts Estate we hereby certify that the interim service charge payable for the year ending 30 June 2014 shall be based upon expenditure, including insurances, of £196,129 (split £50,166 Estate and £145,963 Flats), which we consider to be a fair and reasonable interim payment.

Rendall and Rittner Limited  
Managing Agent  
June 2014

**St Benedicts Estate, SW17**  
**Reserve Funds 2010-15\***

Definitive v1.01 - 11 June 2014

Following the transition to reserves for individual blocks of flats, the common costs are calculated overall then the costs, reserves and collection are shown by block.

\* As decided at the Annual General Meeting on 30 November 2011, the current maintenance period has been extended from 4 to 5 years because of the repairs required.

<b>Common Reserve Funds 2014-15</b>	<b>Basis</b>	<b>Estate Reserve</b>	<b>Flats Reserves:</b>	<b>Common</b>	<b>Block</b>	
<b>Periodic Maintenance and Other Costs</b>						
Blocks of flats external & internal redecoration	Previous cost excl VAT allowing for average annual inflation at 3.5% over period 2010-15				£103,606	
Estate facilities redecoration inc clock tower		£5,175				
Surveyor and CDM fees	Worst case at 11%	£569			£11,397	
Paving, wall and fencing repair & replacement		£3,105				
Investment in LED lamps to reduce electricity costs	Strip lamps outside doors			£1,365		
Communal floor sealing (note 6)						
Insurance revaluation (note 6)						
5-yearly electrical testing (note 6)						
<b>Total of periodic maintenance excluding VAT</b>		£8,849	£116,368	£1,365	£115,003	
<b>Total of periodic maintenance including VAT</b>	VAT rate 20%	£10,619	£139,642	£1,638	£138,004	
<b>Common Reserve Funds</b>						
Contingency reserve (notes 2, 5)	% of periodic maintenance 35% minimum £5,000	£5,000	£48,875	£48,875		
Temporary reduction in contingency reserve (note 5)	To limit service charge increase	(£2,000)		(£16,000)		
Additional contingency reserve to cover arrears	Not available to fund work	£839		£4,503		
<b>Total to collect over period</b>		£14,458		£39,016		
LESS Current reserves	Accounts at 30 June 2013 and authorised expenditure	(£5,722)		(£35,638)		
<b>Balance to collect over period</b>	(Block total split by block below)	£8,736		£3,378	£138,004	Apportioned below
<b>Common Reserve Funds Collection</b>						
Collection per year	Years remaining in period 1*	£8,736		£3,378		
Common amount to collect this year		£0		£0		
<b>Collection in budget 2014-15</b>		<b>£8,736</b>		<b>£3,378</b>		

<b>Flat Blocks Reserve Funds 2014-15</b>	<b>Block A</b>	<b>Block B</b>	<b>Block C</b>	<b>Block D</b>	<b>Block E</b>	<b>Block F</b>	<b>Block G</b>	<b>Block H</b>	<b>Block I</b>	<b>Block J</b>	<b>Block K</b>	<b>Block L</b>	<b>Total</b>
Addresses	7-10 Abbey Dr	21-26 Abbey Dr	31-36 Abbey Dr	17-27 Carlisle Wy	31-45 Church La	1-23 Limetree Wk	2-24 Limetree Wk	130-133 Rectory La	1-71 St Ben Cl	73-103 St Ben Cl	105-135 St Ben Cl	18-28 St Ben Cl	
Number of flats	4	6	6	6	8	12	12	4	36	16	16	6	132
Proportion (note 1)	2.923976%	4.385964%	4.385964%	4.385964%	5.847952%	8.771928%	8.771928%	2.923976%	27.485376%	11.695904%	14.035088%	4.385964%	99.999984%
<b>Flats Reserve Funds by Block</b>													
Common balance to collect over period	£4,035	£6,053	£6,053	£6,053	£8,070	£12,106	£12,106	£4,035	£37,931	£16,141	£19,369	£6,053	£138,005
Specific block amounts to collect over period (note 3)	£250	£743	£1,313	£0	£723	£327	£502	£168	£1,690	£683	£264	£112	£6,775
Entryphone replacement (note 6)				(done)						(done)			£0
LESS Current block reserves (notes 3, 4)	(£3,133)	(£4,963)	(£2,449)	(£4,931)	(£3,670)	(£9,273)	(£9,757)	(£2,566)	(£30,540)	(£12,301)	(£9,942)	(£4,554)	(£98,079)
<b>Balance to collect over period</b>	£1,152	£1,833	£4,917	£1,122	£5,123	£3,160	£2,851	£1,637	£9,081	£4,523	£9,691	£1,611	£46,701
<b>Flats Reserve Funds Collection by Block</b>													
Collection per year	£1,152	£1,833	£4,917	£1,122	£5,123	£3,160	£2,851	£1,637	£9,081	£4,523	£9,691	£1,611	£46,701
Specific block amounts to collect this year (note 4)	£700	£0	£0	£0	£700	£1,500	£1,500	£0	£1,400	£0	£0	£700	£6,500
<b>Collection in budget 2014-15</b>	<b>£1,852</b>	<b>£1,833</b>	<b>£4,917</b>	<b>£1,122</b>	<b>£5,823</b>	<b>£4,660</b>	<b>£4,351</b>	<b>£1,637</b>	<b>£10,481</b>	<b>£4,523</b>	<b>£9,691</b>	<b>£2,311</b>	<b>£53,201</b>

(1) The proportions equal those in which blocks contributed to the old flats reserve and match estimated common expenditure. They vary by the numbers of 1-bedroom and 2-bedroom flats in blocks.

(2) The flats contingency reserve is being collected into the old single flats reserve to allow it easily to be loaned to individual block reserves if required, as authorised at the Annual General Meeting on 30 November 2011.

(3) The specific block amounts to collect this period are the costs of the less urgent repairs as estimated by the surveyor, while the quoted costs of more urgent repairs already committed have already been taken from the current block reserves.

(4) The specific block amounts to collect this year are the costs of roof repairs not yet carried out derived from different contractor estimates, while those carried out have already been taken from the current block reserves.

(5) The contingency reserve has been increased because the existing amount was insufficient for unplanned expenditure like roof repairs, causing a deficit, but the collection has been limited to limit service charge increases in the last year of the period.

(6) In the next periodic maintenance period, 2015-2019, the full amount will need to be collected over the period along with additional amounts for insurance revaluation, electrical testing, new entryphones and floor sealing now required.