

**Nether Edge Management Company Limited t/a
Nether Edge Living**

**Financial Statements of Service Charge
Income and Expenditure**

Year ended 31 December 2016

NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING

Independent auditor's report to Nether Edge Management Company Limited T/A Nether Edge Living

We have audited the accompanying service charge accounts for Nether Edge Living for the year ended 31 December 2016, which comprise the statement of service charge income and expenditure account, balance sheet as at 31 December 2016, and related notes. The accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts.

Managing company's responsibility for the accounts

The managing company is responsible for the preparation of these accounts in accordance with the terms of the leases, and for such internal control as the managing company determines is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of the accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the service charge accounts of Nether Edge Living for the year ended 31 December 2016 are prepared, in all material respects, in accordance with the accounting policies set out in Note 1 to the accounts.

Basis of accounting and restriction on distribution and use

Without modifying our opinion, we draw attention to Note 1 to the accounts which describes the basis of accounting. Our report has been prepared pursuant to the terms of our engagement letter and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of our engagement letter or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

BHP Chartered Accountants, Registered Auditors

**BHP, Chartered Accountants
2 Rutland Park
Sheffield
S10 2PD**

7 June 2017

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
 FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
 SUMMARY OF SERVICE CHARGE INCOME
 FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

	2016	2015
Estate	39,434	39,228
Communal Management	79,871	79,453
Leisure suite	58,424	58,118
Insurance	36,983	34,916
Alexandra	2,216	2,238
Alexandra Building	3,500	3,502
Cliffe	6,435	6,552
Edward	2,640	2,954
Kingswood	8,025	7,867
Muxlow	5,326	5,150
Peveril	3,746	3,764
Sheaf 1	5,671	5,692
Sheaf 2	20,379	20,336
Sheaf 3 Apartments	1,643	1,664
Sheaf 3 Buildings	3,340	3,260
Victoria	2,826	3,021
Total	<u>280,459</u>	<u>277,715</u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
 FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
 SUMMARY OF SURPLUSES AND DEFICITS
 FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

	<u>2016</u>	<u>2015</u>
	£	£
Estate	3,572	389
Communal Management	(9,069)	2,970
Leisure Suite	(67)	(1,264)
Insurance	(150)	0
Alexandra Apartments	60	17
Alexandra Building	0	0
Cliffe	(40)	406
Edward	(96)	284
Kingswood	(528)	179
Mudlow	(769)	35
Peveril	215	29
Sheaf 1	698	164
Sheaf 2	1,784	630
Sheaf 3 Apartments	342	41
Sheaf 3 Buildings	0	14
Victoria	(285)	48
	<u>(4,333)</u>	<u>3,942</u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
ESTATE
FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

	Actual 2016 £		Actual 2015 £
Income relating to the period			
Service charges	39,434		39,228
Fob Income	1,263		1,275
Other income	0		0
Rentals Income	1,435		4,899
Breach of lease	150		0
Interest received	84		0
Total income receivable	<u>42,366</u>		<u>45,402</u>
Expenditure relating to the period			
Estate and Grounds Maintenance			
Day to day maintenance	3,110	4,003	
Roads and drains maintenance	3,141	1,450	
Garden & Grounds maintenance	12,600	11,998	
Garages	532	48	
Lighting conductor	480	450	
Health and safety	0	72	
Security			
CCTV/security measures	1,085	4,505	
Gate maintenance	2,533	5,002	
Telephone lines for gates	567	1,056	
Fobs	876	643	
Estate utilities			
Electricity	4,314	4,611	
Estate lighting and repairs	1,021	848	
Estate management:			
General Administration	65	2,327	
Reserve Fund	<u>8,500</u>	<u>8,000</u>	<u>45,013</u>
	<u>38,794</u>		
SURPLUS	<u><u>3,572</u></u>		<u><u>388</u></u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
 FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
 COMMUNAL MANAGEMENT AND ADMINISTRATION
 FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

		Actual 2016 £	Actual 2015 £
Income			
Service charges		79,871	79,453
Expenditure relating to the period			
Staff costs			
Staffing	55,603	51,941	
Training - regulatory	1,613	0	
Training - statutory	580	1,555	
Staff uniforms - protective clothing	495	768	
Lone worker protection	273	285	
Staff expenses	0	32	
Staff pension contributions	1,263	0	
Administration costs			
Office telephone	399	685	
Office broadband	150	337	
Office stationery and consumables	478	858	
Sundry expenses	19	14	
Community and communications	331	1,773	
IT and network costs	710	0	
General administrative expenses	12	0	
Administration costs			
Finance and accounting	15,328	12,172	
HR	3,334	2,383	
Legal	4,292	1,560	
Auditors fee	3,906	2,120	
Bank charges	154	0	
Company secretarial	0	0	
	<u>0</u>	<u>0</u>	
		88,940	76,483
SURPLUS		<u>(9,069)</u>	<u>2,970</u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
LEISURE SUITE
FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

	Actual 2016 £	Actual 2015 £
Income relating to the period		
Service charges	58,424	58,119
Total income receivable	<u>58,424</u>	<u>58,119</u>
Expenditure relating to the period		
Cleaning costs		
Leisure suite cleaning	1,248	797
Window and screen cleaning	245	400
Window and glass cleaning - internal	245	0
Cleaning materials and consumables	1,282	915
Pool costs		
Pool maintenance and repairs	1,929	2,124
Spa repairs and maintenance	1,131	2,544
Sauna Maintenance and repairs	138	0
Boiler maintenance and repairs	221	928
Air handling maintenance and repairs	2,387	3,639
Pool chemicals	3,549	2,433
Leisure suite utilities		
Electricity	17,877	16,224
Gas	5,529	7,222
Water	2,491	2,674
Leisure Facilities		
Gym maintenance and repairs	534	1,078
Door entry system	60	29
Watercooler	304	304
Hygiene services	289	175
Maintenance costs		
Day to day maintenance	3,331	3,366
Fire alarm maintenance	905	195
Fire extinguisher maintenance	295	55
Fire risk assessment/signage	922	906
Emergency light testing	50	50
Electrical and lighting repairs	725	1,094
Consumables and light bulbs	60	87
Health and safety	30	146
Lift costs		
Lift maintenance	400	294
Lift insurance/inspection	314	203
Reserve fund	12,000	11,500
	<u>58,491</u>	<u>59,382</u>
SURPLUS/(DEFICIT)	<u>(67)</u>	<u>(1,264)</u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
 FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
 INSURANCE
 FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

	Actual 2016 £	Actual 2015 £
Income relating to the period		
Service charges	<u>36,983</u>	<u>34,916</u>
Total income receivable	36,983	34,916
Expenditure relating to the period		
Property owners & public liability inc IP Tax	32,717	29,876
Directors and officers liability inc IP Tax	476	505
Leisure centre/Estate Office All Risks inc IP Tax	575	583
IP Tax (total)	3,208	3,952
VAT	157	0
	<u>37,133</u>	<u>34,916</u>
SURPLUS/(DEFICIT)	<u>(150)</u>	<u>0</u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
 FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
 ALEXANDRA APARTMENTS - 4 UNITS
 FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

	Actual 2016 £	Actual 2015 £
Income relating to the period		
Service charges	<u>2,216</u>	<u>2,238</u>
Total income receivable	2,216	2,238
Expenditure relating to the period		
Communal costs		
Communal cleaning	367	366
Window cleaning	95	75
Communal electricity	42	379
Maintenance costs		
Day to day maintenance	296	102
Consumables and light bulbs	82	29
Fire risk assessment/signage	53	53
Emergency light testing	21	17
Reserve fund	1,200	1,200
	<u>2,156</u>	<u>2,221</u>
SURPLUS/(DEFICIT)	<u><u>60</u></u>	<u><u>17</u></u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
 FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
 ALEXANDRA BUILDING - 9 UNITS
 FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

	Actual 2016	Actual 2015 £
Income relating to the period		
Service charges	<u>3,500</u>	<u>3,502</u>
Total income receivable	3,500	3,502
Expenditure relating to the period		
Management fees	500	502
Reserve fund	<u>3,000</u>	<u>3,000</u>
	3,500	3,502
SURPLUS/(DEFICIT)	<u><u>0</u></u>	<u><u>0</u></u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
 FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
 CLIPPE - 6 UNITS
 FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

	Actual 2016 £	Actual 2015 £
Income relating to the period		
Service charges	<u>6,435</u>	<u>6,552</u>
Total income receivable	6,435	6,552
Expenditure relating to the period		
Communal costs		
Communal cleaning	780	810
Window cleaning	120	100
Communal electricity	616	508
Maintenance costs		
Day to day maintenance	637	522
Consumables & light bulbs	208	101
Fire risk assessment/signage	53	53
Emergency light testing	21	17
Management fees	340	335
Reserve fund	3,700	3,700
	<u>6,475</u>	<u>6,146</u>
SURPLUS/(DEFICIT)	<u><u>(40)</u></u>	<u><u>406</u></u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
 FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
 EDWARD - 7 UNITS
 FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

	£	Actual 2016 £	Actual 2015 £
Income relating to the period			
Service charges		<u>2,640</u>	<u>2,954</u>
Total income receivable		2,640	2,954
Expenditure relating to the period			
Communal costs			
Communal cleaning	527		540
Window cleaning	95		75
Communal electricity	277		354
Maintenance costs			
Day to day maintenance	730		576
Consumables & light bulbs	33		65
Fire risk assessment/signage	53		53
Emergency lighting	21		17
Management fees	400		390
Reserve fund	600		600
SURPLUS/(DEFICIT)		<u>2,736</u>	<u>2,670</u>
		<u>(96)</u>	<u>284</u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
KINGSWOOD - 12 UNITS
FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

	£	Actual 2016 £	Actual 2015 £
Income relating to the period			
Service charges		<u>8,025</u>	<u>7,867</u>
Total income receivable		8,025	7,867
Expenditure relating to the period			
Communal costs			
Communal cleaning	780		810
Window cleaning	70		50
Communal electricity	641		618
Maintenance costs			
Day to day maintenance	1,481		646
Consumables and light bulbs	62		408
Emergency lighting	21		17
Fire alarm maintenance	150		95
Fire risk assessment/signage	53		53
Smoke ventilation	125		21
Management fees	670		670
Reserve fund	<u>4,500</u>		<u>4,300</u>
		8,553	7,688
SURPLUS/(DEFICIT)		<u>(528)</u>	<u>179</u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
 FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
 MUXLOW - 12 UNITS
 FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

	£	Actual 2016 £	Actual 2015 £
Income relating to the period			
Service charges		<u>5,326</u>	<u>5,150</u>
Total income receivable		5,326	5,150
Expenditure relating to the period			
Communal costs			
Communal cleaning	652	675	
Window cleaning	135	100	
Communal electricity	351	465	
Repairs and maintenance:			
Day to day maintenance	1,476	384	
Consumables & light bulbs	37	231	
Fire risk assessment/signage	53	53	
Emergency lighting	21	17	
Management fees	670	670	
Reserve fund	2,700	2,500	
		<u>6,095</u>	<u>5,115</u>
SURPLUS/(DEFICIT)		<u>(769)</u>	<u>35</u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
PEVERIL - 8 UNITS
FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

	£	Actual 2016 £	Actual 2015 £
Income relating to the period			
Service charges		<u>3,746</u>	<u>3,764</u>
Total income receivable			
Expenditure relating to the period			
Communal costs			
Communal cleaning	405		406
Window Cleaning	0		0
Communal electricity	432		324
Maintenance costs			
Day to day maintenance	323		538
Consumables & light bulbs	47		151
Fire risk assessment/signage	53		53
Emergency lighting	21		17
Management fees	450		446
Reserve fund	1,800		1,800
	<u> </u>	3,531	3,735
SURPLUS/(DEFICIT)		<u>215</u>	<u>29</u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
 FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
 SHEAF 1 APARTMENTS - 12 UNITS
 FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

	£	Actual 2016 £	Actual 2015 £
Income relating to the period			
Service charges		<u>5,671</u>	<u>5,692</u>
Total income receivable		5,671	5,692
Expenditure relating to the period			
Communal costs			
Communal cleaning	405		406
Window and screen cleaning	100		70
Communal electricity	65		375
Maintenance costs			
Day to day maintenance	76		143
Consumables & light bulbs	(57)		137
Emergency lighting	21		17
Fire alarm maintenance	90		107
Fire risk assessment/signage	53		53
Management fees	670		670
Reserve fund	3,550		3,550
		<u>4,973</u>	<u>5,528</u>
SURPLUS/(DEFICIT)		<u>698</u>	<u>164</u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
 FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
 SHEAF 2 - 32 UNITS
 FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

		Actual 2016 £	Actual 2015 £
Income relating to the period			
Service charges		<u>20,379</u>	<u>20,336</u>
Total income receivable		20,379	20,336
Expenditure relating to the period			
Communal costs			
Internal Cleaning	1,280	1,351	
Window and screen cleaning	520	400	
Communal electricity	2,140	1,975	
Maintenance costs			
Day to day maintenance	994	1,575	
Consumables and light bulbs	158	0	
Emergency lighting	21	17	
Fire alarm maintenance	220	230	
Fire risk assessment/signage	53	135	
Lift maintenance costs			
Lift maintenance	1,628	2,119	
Lift insurance/inspection	471	606	
Lift phone lines	310	512	
Management fees	1,800	1,786	
Reserve fund	9,000	9,000	
		<u>18,595</u>	<u>19,706</u>
SURPLUS/(DEFICIT)		<u>1,784</u>	<u>630</u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
 FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
 SHEAF 3 APARTMENTS - 4 UNITS
 FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

	£	Actual 2016 £	Actual 2015 £
Income relating to the period			
Service charges		<u>1,643</u>	<u>1,664</u>
Total income receivable		1,643	1,664
Expenditure relating to the period			
Communal costs			
Window and screen cleaning	150		120
Communal electricity	90		310
Maintenance costs			
Day to day maintenance	212		143
Consumables & light bulbs	5		215
Emergency lighting	21		42
Fire risk assessment/signage	53		53
Fire alarm maintenance	70		40
Reserve fund	700		700
	<u>700</u>	<u>1,301</u>	<u>1,623</u>
SURPLUS/(DEFICIT)		<u><u>342</u></u>	<u><u>41</u></u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
 FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
 SHEAF 3 BUILDING - 8 UNITS
 FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

		Actual 2016	Actual 2015
	£	£	£
Income relating to the period			
Service charges		<u>3,340</u>	<u>3,260</u>
Total income receivable		3,340	3,260
Expenditure relating to the period			
Management fees	440		446
Reserve fund	<u>2,900</u>		<u>2,800</u>
		3,340	3,246
SURPLUS/(DEFICIT)		<u>0</u>	<u>14</u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
VICTORIA - 8 UNITS
FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

		Actual 2016 £	Actual 2015 £
Income relating to the period			
Service charges	£	<u>2,826</u>	<u>3,021</u>
Total income receivable		2,826	3,021
Expenditure relating to the period			
Communal costs			
Internal cleaning	524	540	
Window cleaning	95	75	
Communal electricity	417	126	
Maintenance costs			
Day to day maintenance	1,007	987	
Consumables & light bulbs	154	229	
Fire risk assessment/signage	53	53	
Emergency lighting	21	17	
Management fees	440	446	
Reserve fund	400	500	
		<u>3,111</u>	<u>2,973</u>
SURPLUS/(DEFICIT)		<u>(285)</u>	<u>48</u>

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
BALANCE SHEET
AS AT 31 DECEMBER 2016**

	2016		2015	
	£	£	£	£
Asset				
Job stock		124		204
Debtors	2	12,809		1,457
Prepayments	2	500		1,705
Other debtors	2	0		0
Cash at bank and in hand		<u>357,591</u>		<u>371,967</u>
		<u>371,024</u>		<u>375,333</u>
Liabilities	3	60,351		63,036
Net asset		<u>310,673</u>		<u>312,297</u>
Represented by:				
Alexandra reserve fund		9,806		8,589
Alexandra building reserve fund		3,038		5,369
Cliffe reserve fund		14,745		17,347
Edward reserve fund		17,239		18,092
Kingswood reserve fund		19,477		20,266
Mudow reserve fund		5,375		12,288
Peveril reserve fund		16,713		15,746
Sheaf 1 reserve fund		20,549		18,639
Sheaf 2 reserve fund		44,688		40,732
Sheaf 3 apartments reserve fund		4,568		2,698
Sheaf 3 building reserve fund		17,096		14,242
Victoria reserve fund		36,038		40,162
Estate reserve fund		25,454		9,412
Leisure suite reserve fund		5,133		9,645
Transfer fee fund		70,753		79,070
		<u>310,673</u>		<u>312,297</u>
		<u>310,673</u>		<u>312,297</u>

The service charge accounts on pages 2 to 23 were approved and authorised for issue by the board and were signed on its behalf on 7 June 2017


A Ryan - Director

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
NOTES TO THE FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND
EXPENDITURE
FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

1. Accounting policies

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

2. Debtors

	2016	2015
	£	£
Service charge monies owed	1,805	1,457
Prepayments	500	1,705
Communal Management deficit	9,069	0
Leisure suite deficit	67	0
Insurance deficit	150	0
Cliffe deficit	40	0
Edward deficit	96	0
Kingswood deficit	528	0
Mudlow deficit	769	0
Victoria deficit	285	0
	<u>13,309</u>	<u>3,162</u>

3. Creditors

	2016	2015
	£	£
Trade creditors	7,234	11,717
Estate surplus	3,572	1,447
Communal Management surplus	0	637
Leisure suite surplus	0	11
Insurance surplus	0	0
Alexandra surplus	60	17
Cliffe surplus	0	406
Edward surplus	0	284
Kingswood surplus	0	179
Mudlow surplus	0	35
Peveril surplus	215	29
Sheaf 1 surplus	698	164
Sheaf 2 surplus	1,784	630
Sheaf 3 apartment surplus	342	41
Sheaf 3 building surplus	0	14
Victoria surplus	0	48
Accruals	11,356	6,153
Payments on account	33,037	40,055
Sundry creditors	73	0
PAYE	1,960	1,169
	<u>60,351</u>	<u>63,036</u>

4 Reserve funds

The reserve funds have been established to provide funds to meet the costs of large, non-regular repairs and maintenance work on the properties within the complex.

Any shortfall in these funds resulting from expenditure incurred will be charged to the income and expenditure account in that year.

**NEITHER EDGE MANAGEMENT COMPANY LIMITED T/A NEITHER EDGE LIVING
FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
BLOCK RESERVES
FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

Alexandra Apartments	Reserve	Alexandra Building	Reserve
	fund		fund
Balance brought forward	8,989	Balance brought forward	5,389
Contribution for the year	1,308	Contribution for the year	3,088
Contribution from Transfer Fee Fund	0	Contribution from transfer fee fund	1,129
2015 block surplus / (deficit)	17	2015 block surplus / (deficit)	0
Less: Expenditure		Less: Expenditure	
Decoration		Roof repairs	(80)
Works		Roof and chimney	(1,393)
Repairs and renewals		External decoration	(4,850)
Balance Carried Forward	<u>9,995</u>	Building works	(137)
		Balance Carried Forward	<u>3,438</u>
CRife	Reserve	Edward	Reserve
	fund		fund
Balance brought forward	17,347	Balance brought forward	18,092
Contribution for the year	3,780	Contribution for the year	800
Contribution from Transfer Fee Fund	1,129	2015 block surplus / (deficit)	284
2015 block surplus / (deficit)	486	Less: Expenditure	
Less: Expenditure		Carpet	(1,737)
External decoration	(4,880)	Balance Carried Forward	<u>17,239</u>
Carpet	(2,957)		
Balance Carried Forward	<u>14,745</u>	Harlow	Reserve
			fund
Kingswood	Reserve	Balance brought forward	12,388
	fund	Contribution for the year	2,788
Balance brought forward	28,266	Contribution from Transfer Fee Fund	1,129
Contribution for the year	4,800	2015 block surplus / (deficit)	35
Contribution from Transfer Fee Fund	1,129	Works	
2015 block surplus / (deficit)	179	External decoration	(18,345)
Fire system		Window repair	(511)
Clock repair	(1,022)	Balance Carried Forward	<u>8,378</u>
Internal decoration	(5,855)		
Balance Carried Forward	<u>19,477</u>	Sheaf 1	Reserve
			fund
Pavani	Reserve	Balance brought forward	18,539
	fund	Contribution for the year	3,550
Balance brought forward	15,746	2015 block surplus / (deficit)	164
Contribution for the year	1,888	Less: Expenditure	0
2015 block surplus / (deficit)	29	Gutter repair	(118)
Contribution from Transfer Fee Fund	1,129	LED lights	(825)
Less: Expenditure		Facel Painting	(1,889)
Carpet	(1,991)	Balance Carried Forward	<u>20,348</u>
Balance Carried Forward	<u>18,713</u>		
		Sheaf 2	Reserve
Sheaf 2	Reserve		fund
	fund	Balance brought forward	40,732
Balance brought forward	40,732	Contribution for the year	9,088
Contribution for the year	9,088	2015 block surplus / (deficit)	838
2015 block surplus / (deficit)	838	Less: Expenditure	
Less: Expenditure		Ridge pointing	(2,918)
LED light upgrades	(828)	LED light upgrades	(828)
Facel Painting	(1,928)	Facel Painting	(1,928)
Balance Carried Forward	<u>44,688</u>	Balance Carried Forward	<u>44,688</u>
Sheaf 3 Buildings	Reserve	Sheaf 3 Apartments	Reserve
	fund		fund
Balance brought forward	14,242	Balance brought forward	2,688
Contribution for the year	2,988	Contribution for the year	700
2015 block surplus / (deficit)	14	Contribution from Transfer Fee Fund	1,129
Roof repairs	(50)	2014 block surplus / (deficit)	41
Electrical conditioning reports		Less: Expenditure	
Balance Carried Forward	<u>17,995</u>	Repairs and renewals	0
		Balance Carried Forward	<u>4,508</u>
Victoria	Reserve		
	fund	Balance brought forward	48,162
Balance brought forward	48,162	Contribution for the year	400
Contribution for the year	400	2015 block surplus / (deficit)	48
2015 block surplus / (deficit)	48	Tower repairs	(972)
Less: Expenditure		Balance Carried Forward	<u>34,638</u>
Internal redecoration	(3,800)		
Balance Carried Forward	<u>34,638</u>		

**NETHER EDGE MANAGEMENT COMPANY LIMITED T/A NETHER EDGE LIVING
FINANCIAL STATEMENTS OF SERVICE CHARGE INCOME AND EXPENDITURE
COMMUNAL AREA RESERVES AND TRANSFER FEE FUND
FOR THE YEAR 1 JANUARY 2016 TO 31 DECEMBER 2016**

Leisure suite	Reserve fund	
Balance Brought forward	9,645	
2015 block surplus / (deficit)	11	
Contribution for the year	12,000	
Bank interest received	0	
Contribution from Transfer Fee Fund	5,649	
Less: Expenditure		
Shower ceiling tiles	(1,320)	
Locker locks	(603)	
Legionella prevention	(1,571)	
Fire door seals	(652)	
Pool Cupboard	(1,728)	
LED lighting upgrades	(860)	
Cardio equipment	(4,440)	
Treadmill	(2,748)	
Reception refurbishment	(3,459)	
LS CCTV	(2,140)	
LS intruder alarm	(1,250)	
IT works	(1,400)	
Balance Carried Forward	<u>5,133</u>	
	Reserve fund	
Estate/ Communal Management and administration		
Balance Brought forward	9,412	
2015 block surplus / (deficit) - estate	1,447	
2015 block surplus / (deficit) - communal management	637	
Contribution for the year	8,500	
Contribution from Transfer Fee Fund	5,649	
	0	
Less: Expenditure		
Bike racks	(191)	
Balance Carried Forward	<u>23,484</u>	
Transfer fee fund	2016	2015
	£	£
Balance Brought forward	79,070	71,159
Transfer fees receivable	28,239	29,659
Bank interest received	46	44
Expenditure		
Network set-up	0	(1,126)
CCTV upgrades	(7,795)	0
Sauna replacement	(10,735)	0
Replacement pool system	0	0
Works to wall	0	0
Garden & Grounds Enhancement	0	(1,826)
Transfer to block reserves (6)	(6,774)	(6,978)
Transfer to Estate and Leisure Suite Reserves	(11,298)	(11,862)
Balance Carried Forward	<u>70,783</u>	<u>79,070</u>