

Scott Schedule						
Disputed service charges year ended 31 December 2016						
Case reference	BIR/OOFN/LIS/2018/0071			Property - Alexandra House, Leicester LE1 1SQ		
Item	Cost	Applicant's Comments	Respondent	Respondent's Comments	Applicant's Comments	Leave Blank for the Tribunal
General comments				abbreviations - AHMC = the 1st applicant, Peach = Peach Property Management Limited		
				references are to the new bundle of documents unless otherwise stated		
				AHMC has failed to comply with the lease		
				AHMC has failed to charge reasonable sums		
				AHMC has produced bogus documents, its credibility is questioned		
				The service charge accounts produced by AHMC are inadequate, as a minimum requirement they should identify the charges payable by the different groups of leaseholders, they are drawn up in a manner which is inconsistent from year to year and inconsistent with the budgets, the cost headings are inappropriate. Changes in accounting policies have not been disclosed nor explained. The accounts do not enable comparison of expenditure from one year to another or with the budget.		
				no auditors or accountants report has been supplied despite the budget providing for the cost of an audit		
				The information supplied by AHMC is unreliable.		
				No nominal ledger accounting records have been produced by AHMC, just some working papers and a selection of invoices, which may have been cancelled or amended. Credit notes have been omitted, accruals have not been reversed, prepayments have not been included. It appears that AHMC has been highly selective when presenting information, meaningless documents have been produced whilst meaningful documents have been omitted		

				Bank statements have not been produced, there is little evidence of actual payments		
				There are a large number of errors all of which fall in AHMC's favour, statistically the likelihood of that occurring by chance is negligible. With the limited information available, it is highly likely that we are looking at the tip of an iceberg and there are many more errors which we have been unable to identify. There appears to be a lack of authorisation of service charge expenditure and a failure to reconcile suppliers accounts. The respondents ask AHMC to correct the errors so that the parties do not need to take up the time of the Tribunal. AHMC is not entitled to recover more than it has expended nor amounts exceeding a reasonable sum.		
				AHMC has disregarded the previous Tribunal decision, the Tribunal went to great length over a period of 7 days to explain the areas of overcharging to AHMC which has ignored those comments and has continued to overcharge		
				AHMC refused to allow inspection of documents on several occasions which would have enabled the parties to narrow down the issues for the Tribunal to consider		
				AHMC has failed to be transparent, it has failed to disclose transactions with Roxylight Group Companies and associated contractors and persons		
				AHMC has failed to disclose all costs incurred relating to the previous Tribunal case		
General comments regarding this year only				AHMC did not supply a copy of the accounts or the budget to some leaseholders		
				The budget for the year p522 is illegible		
				AHMC has issued credit notes of £502.00 each on pages 100 and 129 old bundle. Those credits do not appear on the statements of account. AHMC is asked to explain where the corresponding charges appear within the service charge accounts.		
				Invoices at pages 97 and 98 old bundle are dated 23 February 2016 and appear on the statement of account on page 80 with that date, however they include charges up to 14 November 2016.		

				<p>Incorrect service charges have been applied to some leaseholders during the year in respect of legal fees. AHMC has no authority to charge leaseholders who were involved in the previous Tribunal case and attempt to penalise them. AHMC was responsible for overcharging all leaseholders. The charges are unreasonable, contrary to the lease and contrary to the Tribunal decision.</p>		
				<p>Mr A S Cook was a director of AHMC during the year. At the time, he was an officer of Roxylight Group companies. He was appointed by the developer Saxon Urban (Two) Limited, which was part of the Roxylight Group. Peach is also part of the same Group. Other directors are stated to have been appointed in April 2014 however Mr Cook had no authority to appoint directors because the members voted to remove him as a director in February 2014. None of the directors have declared their conflicts of interests to the leaseholders/members, who have not elected them.</p>		
				<p>AHMC has failed to disclose details of the actual car park expenditure although it must possess that information otherwise it would be unable to disclose a deficit of £683 for the year on page 543. It is impossible for the respondents to reconstruct that figure from the limited information produced by AHMC. We have used our best endeavours to allocate the costs despite it not being our responsibility.</p>		
				<p>AHMC made some adjustments during the year relating to the previous Tribunal decision, AHMC is asked to explain where the corresponding charges appear in the service charge accounts</p>		
				<p>Companies House issued a notice to strike off AHMC on 19 April 2016.</p>		
Other income	0		900	<p>no details have been supplied by AHMC, which has applied interest and administration charges during the year, we have estimated income of £900 in accordance with the accounts for 2013. AHMC is stated to be a non profit making company therefore all income must be accounted for within the service charge accounts.</p>	<p>These do not fall within the Tribunal's jurisdiction under section 27A of the Landlord and Tenant Act 1985 ("the 1985 Act").</p>	<p>The Tribunal's jurisdiction is limited to making a determination under section 27A of the 1985 Act as to liability to pay a service charge. Service Charge means amounts payable by a tenant in accordance with section 18(1). Under the terms of the Lease the service charge is "Tenant's Share of Expenses". Income received or receivable by the Management Company is neither a Service Charge item nor an Expense and therefore falls outside the jurisdiction of the Tribunal.</p>

Deposit account interest	0		1080	AHMC has failed to produce any details, the inadequate interest indicates that monies are not being held correctly, we have estimated 1% based on the average reserve fund balance	These do not fall within the Tribunal's jurisdiction under section 27A of the Landlord and Tenant Act 1985 ("the 1985 Act").	See above
sub total	0		1980			0
Expenditure						
Rates and water	-410		-410			£320 Clearly there was a supply made during 2016. The same issue arose in 2015 where we adopted Mr Barton's estimate based on actual usage in 2017. We do the same again for 2016.
Premises insurance	52586		43257	The E&J amounts require adjustment following the admission regarding the rate of commission, we have estimated a credit of £2500, vehicle insurance should not be included under premises insurance, £4615 has been transferred to car park expenditure, charges by ADT and Peach should not be included under insurance, they relate to flats and are not service charge expenditure, the charges by Peach are unreasonable in any event,	<p>Pursuant to clause 5 of the lease, the management company have covenanted to observe and perform the obligations specified in Schedule 8.</p> <p>Pursuant to paragraph 1 to Schedule 8, the applicant is obliged to provide the services set out in part 1 of Schedule 4. Paragraph 10 to Schedule 4 requires the applicant to pay all taxes, charges and outgoings payable in respect of the building communal areas or estate communal areas, which includes payment to the second applicant (as landlord) of the premiums paid by the second applicant in respect of the services set out in part 2 of the Schedule. Part 2 of the Schedule relates to buildings insurance, together with insurance of the estate communal areas.</p> <p>It is accepted by the management company that vehicle and lift insurance is placed by them, rather than being placed by the landlord (second applicant). The costs associated with the vehicle and lift insurance are split between the car park and estate schedules.</p> <p>The management company are unclear as to the issues raised by the respondent, and simply put do not understand the point the respondent is making here or the respondent's challenge.</p>	£60042 Premises insurance £56962.58 (agreed) Lift insurance £1608.96 (agreed) (page 1718) [Valet Insurance £4615 (agreed) (page 1719) – transferred to car park expenditure] ADT £114 disallowed – invoice 16/13 not produced. Peach 16/14-18 total £2,100. No breakdown between labour and materials. Labour to be reduced £250 to £150 per day. Disallow 30%. Total allowed as "Excess" = £1470.

Light and heat	17700		14868	<p>In 2014, AHMC entered into a QLTA for 3 years without following the consultation procedure. There are minor errors p1731, p1751 and p1779 which is further evidence of the information supplied by AHMC being unreliable. No document has been supplied in respect of the charge of £171.07 on 01/12/16 and no invoices appear to be missing. The adjusted total is £17492 and 15% is transferred to car parking expenditure £2624 leaving £14868 estate costs</p>	<p>Pursuant to clause 5 of the lease, the management company have covenanted to observe and perform the obligations specified in Schedule 8.</p> <p>Pursuant to paragraph 1 to Schedule 8, the applicant is obliged to provide the services set out in part 1 of Schedule 4. Paragraph 10 to Schedule 4 requires the applicant to pay all taxes, charges and outgoings payable in respect of the building communal areas or estate communal areas or expenses which are not the responsibility of the leaseholders. Accordingly, such costs are recoverable pursuant to paragraph 10 to part 1 of Schedule 4 of the lease.</p> <p>The management company accepts that in 2013 the tariff was a business rather than residential tariff. However, the management company sought a refund which was received in later service charge years. The refund will therefore show in later accounts.</p> <p>The Respondent refers to errors at pages 1731, 1751 and 1779. The management company does not accept that these are errors. The Respondent has failed to clarify the errors.</p>	<p>£14868</p> <p>Disallow missing invoice £171.07 (16/48 - page 1729). Deduct £37 for adjustments pages 1731, 1751 and 1779.</p> <p>Total - £17492</p> <p>Estate (85%) = £14686</p> <p>Car Parking (15%) = £2624</p> <p>QLTA as noted in 2014 – Respondent’s contribution capped at £100. Credit £22 – Apartment 94, £13 - Apartment 65 and £10 – Apartment 58.</p>
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Wages and social security	84657		20851	<p>Even though there are only 3 or 4 employees per month the charge does not agree with the wages records, we have taken the lower of the two. No details of the £1254 charge by Bristows has been supplied therefore that is not accepted. AHMC has failed to allocate between car parking and estate charges, therefore 75% of the adjusted total £83,403 has been transferred to car parking charges leaving £20,851 estate costs.</p>	<p>Pursuant to clause 5 of the lease, the management company has covenanted to observe and perform the obligations specified in Schedule 8.</p> <p>Pursuant to paragraph 1 to Schedule 8, the applicant is obliged to provide the services set out in part 1 of Schedule 4.</p> <p>Paragraph 7 to part 1 to Schedule 4 requires the applicant to employ one or more car parking attendants (either directly or by entering into a contract with a firm of professional car park attendants) to park one private motor car for the owners of each flat which has the benefit of the parking facility.</p> <p>Further and/or alternatively, paragraph 9 to part 1 to Schedule 4 requires the applicant to provide such staff as it considers necessary in connection with the provision of other services.</p>	<p>£21164</p> <p>The amount in the accounts is less than the schedule at page 1808 (£80961.44 + £6695.44). At hearing Mr Barton concedes “roughly in the ball park”.</p> <p>Tribunal adopts figure in accounts.</p> <p>Total - £84657</p> <p>Estate (25%) = £21164</p> <p>Car Parking (75%) = £63493</p>
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Telephone	3336		2919	AHMC has failed to allocate between parking and estate charges, 12.5% = £417 has been transferred to car parking, leaving £2919 estate charges	<p>Pursuant to clause 5 of the lease, the management company have covenanted to observe and perform the obligations specified in Schedule 8.</p> <p>Pursuant to paragraph 1 to Schedule 8, the applicant is obliged to provide the services set out in part 1 of Schedule 4. Paragraph 10 to Schedule 4 requires the applicant to pay all taxes, charges and outgoings payable in respect of the building communal areas or estate communal areas or expenses which are not the responsibility of the leaseholders. Accordingly, such costs are recoverable pursuant to paragraph 10 to part 1 of Schedule 4 of the lease.</p> <p>Further and/or alternatively, paragraph 6 to part 1 to Schedule 4 requires the applicant to provide, operate, maintain and renew any appliances or systems which it considers necessary for the safety and security of the occupiers of Alexandra House.</p> <p>Further and/or alternatively, paragraph 14 to part 1 to Schedule 4 requires the applicant to generally manage, administer and protect the amenities of the building communal areas and the estate communal areas.</p> <p>The costs associated with the telephone are split between the car park and estate schedules.</p>	<p>£2919 Total - £3336 Estate (87.5%) = £2919 Car Parking (12.5%) = £417</p>
Post and stationery	669		-31	The charges by Peach are unreasonable. VAT should not be applied to postage. No receipts from the post office have been produced.	<p>See above.</p> <p>The post and stationery costs are incurred by Peach, and then re-charged to the management company. Given that Peach are VAT registered, the re-charge is subject to VAT.</p> <p>The management company disputes the respondent's comments— all receipts have been provided at pages 1884 – 1886.</p>	<p>£552 Mr Barton accepts invoice at page 1886 = £268.89 Postage allowed net of VAT (page 1884 - £333.33 and page 185 £250). Allow Roxylight credit of £299.86 at page 1883.</p>
Travelling	175		175			£175

Management fees	29000		4475	<p>The management is woefully inadequate, Peach failed to disclose its connection with the Roxylight Group, it has not complied with the RICS code of practice despite the lengthy explanations by the previous Tribunal, the system of charging is incorrect, insurance was charged separately, it has failed to issue valid invoices, multiple versions of invoices have been produced, Peach has been unable to explain adequately the expenditure included within the service charge accounts, it has not been transparent, it failed to allow inspection of the supporting documents, it has failed to produce valid year end certificates to leaseholders. It failed to follow the consultation procedure, unreasonable administration charges have been applied. Peach has failed to disclose details of all income and benefits it has received arising from the management. Peach breached the data protection act by disclosing (incorrect) personal information in the accounts p532. Peach has no authority for charging in advance, it has failed to repay the monies which the previous Tribunal found it had overcharged. The charge is unreasonable, a nominal sum of £25 per unit is proposed. Peach has now resigned, not before time, the members/leaseholders of AHMC voted to remove it in 2014.</p>	<p>Pursuant to clause 5 of the lease, the management company has covenanted to observe and perform the obligations specified in Schedule 8.</p> <p>Pursuant to paragraph 1 to Schedule 8, the applicant is obliged to provide the services set out in part 1 of Schedule 4. Paragraph 14 to part 1 to Schedule 4 requires the applicant to generally manage, administer and protect the amenities of the building communal areas and estate communal areas and, for that purpose, employ managing agents.</p> <p>The criticisms raised by the respondent are denied. It is denied that the management on the part of Peach has been inadequate. Any connection, or otherwise, with the Roxylight Group is irrelevant: the management company is a lessee owned and controlled management company and has chosen to employ the services of Peach as its managing agent. The directors of the management company are lessees and, as a board of directors, have resolved to appoint Peach as their agent.</p> <p>It is disputed that the system of charging has been incorrect. Whilst there have been occasions in which insurance is shown as a separate charge, this practice is not uncommon within the industry.</p> <p>It is disputed that there has been a failure to allow inspection of supporting documents. The respondent has sought to exercise his rights under sections 21 and 22 of the 1985 Act. Most recently, the respondent failed to attend his appointment with Peach.</p> <p>It is disputed that the 2016 accounts disclosed a list of debtors. Document 532 which the Respondent refers to is in relation to 2013.</p> <p>It is accepted that Peach issue an invoice in advance of their services which is then paid monthly in arrears.</p> <p>It is also accepted that Peach have no reside as managing agent. Ray Petty, Estate Manager, retires at the end of July 2019. Given Mr Petty's involvement and experience with the building, coupled with his impending retirement, Peach has given notice to the management company of their intention to resign.</p>	£21480
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Repairs and renewals	13582		11374	<p>the charge is unreasonable, AHMC has not supplied details of the charge of £1,885.78 on 01/01/16, the prepayment should be deducted not added</p>	<p>Pursuant to clause 5 of the lease, the applicant has covenanted to observe the obligations specified in Schedule 8.</p> <p>Pursuant to paragraph 1 to Schedule 8, the applicant is obliged to provide the services set out in part 1 of Schedule 4.</p> <p>Paragraph 1 to part 1 to Schedule 4 requires the applicant to keep the structural and external parts of the building, the building communal areas and the communal service media serving the building or estate in good and substantial repair and condition, renewing wherever necessary.</p> <p>Further and/or alternatively paragraph 2 to part 1 to Schedule 4 requires the applicant to (whenever reasonably necessary) paint, decorate or otherwise treat:</p> <ol style="list-style-type: none"> 1. the outside of the building; 2. the building communal areas; 3. the estate communal areas. <p>Further and/or alternatively, paragraph 3 to part 1 to Schedule 4 requires the applicant to keep the building communal areas and estate communal areas clean and reasonably lit.</p> <p>The costs associated with the Repairs and Renewals is not unreasonable, and is within market norms.</p> <p>The Respondent refers to a charge of £1,885.78 on 01/01/16, however, there is no such charge within Repairs and Renewals.</p>	<p>£12581</p> <p>No invoice for £1885.78 appears at pages 1904-1906.(This appears to be an error by Mr Barton and is in fact a matter relating to lift maintenance where this item appears). Allow 1916, 1917, 1925, 1936 which cover such matters as “washing machine leak from flat above” under “Excess”. Prepayment of £1001 is disallowed fore this year as it is an Expense relating to the following year.</p>
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Lift maintenance	21108		15142	<p>the charge is unreasonable, AHMC has not supplied details of the charge of £1,885.78 on 01/01/16, the prepayment should be deducted not added</p>	<p>Pursuant to clause 5 of the lease, the applicant has covenanted to observe the obligations specified in Schedule 8.</p> <p>Pursuant to paragraph 1 to Schedule 8, the applicant is obliged to provide the services set out in part 1 of Schedule 4.</p> <p>Paragraph 1 to part 1 to Schedule 4 requires the applicant to keep the structural and external parts of the building, the building communal areas and the communal service media serving the building or estate in good and substantial repair and condition, renewing wherever necessary.</p> <p>Further and/or alternatively paragraph 2 to part 1 to Schedule 4 requires the applicant to (whenever reasonably necessary) paint, decorate or otherwise treat:</p> <ol style="list-style-type: none"> 1. the outside of the building; 2. the building communal areas; 3. the estate communal areas. <p>Further and/or alternatively, paragraph 3 to part 1 to Schedule 4 requires the applicant to keep the building communal areas and estate communal areas clean and reasonably lit.</p> <p>Further and/or alternatively, paragraph 6 to part 1 to Schedule 4 requires the applicant to provide, operate, maintain and renew any appliances or systems which the applicant considers necessary for the safety and security of the occupiers.</p> <p>The costs associated with the Lift Maintenance is not unreasonable, and is within market norms.</p> <p>The management company attaches page 1943a to insert into the bundle. There was a balance carried forward from 2014 of £1,885.78 which was written off in 2016.</p>	<p>£18420 Otis £4119.09 X3 (pages 1938-40) + £4201.47 (page 1941) + £1982.70 (page 1942). Deduct credit £4201.47 (page 1943). Add prepayment made in 2014 but in respect of 2015 costs of £4080 (page 1943A).</p>
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Household and cleaning	13408		12802	the charges by Peach and HS Property Maintenance are unreasonable, p1957 and p1960	<p>Pursuant to clause 5 of the lease, the applicant has covenanted to observe and perform the obligations specified in Schedule 8.</p> <p>Pursuant to paragraph 1 to Schedule 8, the applicant is obliged to provide the services specified in part 1 of Schedule 4.</p> <p>Pursuant to paragraph 3 to part 1 to Schedule 4, the applicant is obliged to keep the building communal areas and estate communal areas clean and reasonably lit.</p> <p>Further and/or alternatively, pursuant to paragraph 4 to part 1 to Schedule 4, the applicant is obliged to keep the external surfaces of the windows for each apartment, together with the external and internal services of the windows in the communal areas clean.</p> <p>Further and/or alternatively, pursuant to paragraph 9, the applicant is obliged to provide such staff as it considers necessary in connection with the provision of services in this schedule.</p> <p>Further and/or alternatively, pursuant to paragraph 14 to part 1 to Schedule 4, the applicant is obliged to generally manage, administer and protect the amenities of the building communal areas and estate communal areas.</p> <p>The costs associated with household and cleaning are within market norms.</p>	<p>£13008</p> <p>Reduce 1957 and 1960 from £1000 to £600.</p>
Water testing	951		951			£951
Pump station	861		861			£861
Fire alarm	8965		8965			£8965
Lighting maintenance and bulbs	3561		3561			£3561
Dry riser maintenance	960		960			£960
Emergency lighting inspection	2266		2266			£2266

Fire risk assessment	1606		606	<p>It is unnecessary to arrange a fire risk assessment each year and the charge by Peach is unreasonable</p>	<p>Pursuant to clause 5 of the lease, the applicant has covenanted to observe and perform the obligations specified in Schedule 8.</p> <p>Pursuant to paragraph 1 to Schedule 8, the applicant is obliged to provide the services set out in part 1 to Schedule 4.</p> <p>Pursuant to paragraph 1 to part 1 to Schedule 4, the applicant is required to keep the communal service media serving the building or estate in good and substantial repair and condition, and renewed when necessary.</p> <p>Further and/or alternatively, paragraph 6 to part 1 to Schedule 4 requires the applicant to provide, operate, maintain and renew any appliances or systems which it considers necessary for the safety of the occupiers of the building.</p> <p>Further and/or alternatively, paragraph 14 to part 1 to Schedule 4 requires the applicant to generally manage, administer and protect the amenities of the building communal areas and the estate communal areas.</p> <p>The management company considered it appropriate and reasonable to undertake a fire risk assessment (FRA) in 2016, notwithstanding that an FRA has been undertaken in previous years. Matters of health and safety are paramount.</p> <p>The costs associated with the FRA is not unreasonable, and is within market norms</p>	<p>£606 Disallow FRA (page 1991)</p>
Accountancy	1800		260	<p>The service provided by the accountant and the cost remain unreasonable despite the comments made by the previous Tribunal, the service charge accounts are inadequate as described above, changes of accounting policies have not been disclosed, the accounts do not comply with Tech 03/11 . No auditors or accountants report has been issued to leaseholders. We propose £260 based on the charges of another accountant's charges to a management company for providing a full service at a similar size block of apartments.</p>	<p>Pursuant to clause 5 of the lease, the applicants have covenanted to observe and perform the obligations specified in Schedule 8. Pursuant to paragraph 1 to Schedule 8, the applicant is obliged to provide the services set out in part 1 to Schedule 4.</p> <p>Pursuant to paragraph 14 to part 1 to Schedule 4, the applicant is required to generally manage and administer the estate, and for that purpose employ solicitors, accountants, auditors and/or other professional advisers.</p> <p>Further and/or alternatively, paragraph 16 to part 1 to Schedule 4 requires the applicant to comply with all statutory obligations relating to the management company.</p> <p>Pursuant to the terms of the lease, the management company is required to undertake an audit.</p> <p>The audit fees are within market norms.</p>	<p>£2000 Invoice from David Simon at 1994 of £2100 reduced to £2000.</p>
Pest control	135		135			<p>£135</p>

Legal and professional fees	-3973		-43123	<p>We have asked AHMC to supply details of the costs relating to the previous Tribunal but we have not received a reply. It was irresponsible of AHMC if it were taking legal action against leaseholders at a time when it was found to be overcharging and its demands were invalid, it should have put its house in order first. AHMC informed leaseholders that it would not charge legal fees to the service charge accounts. No details have been supplied regarding charges of £210, £13,139, £5,269, £10,000, £1,979 and £100 and they are not accepted.</p>	<p>Pursuant to clause 5 of the lease, the applicants have covenanted to observe and perform the obligations specified in Schedule 8.</p> <p>Pursuant to paragraph 1 to Schedule 8, the applicant is obliged to provide the services set out in part 1 to Schedule 4.</p> <p>Pursuant to paragraph 14 to part 1 to Schedule 4, the applicant is required to generally manage and administer the estate, and for that purpose employ solicitors, accountants, auditors and/or other professional advisers.</p> <p>Further and/or alternatively, paragraph 16 to part 1 to Schedule 4 requires the applicant to comply with all statutory obligations relating to the management company.</p> <p>The invoice dated 07/12/16 for £13,343 was a journal entry which was reversed the same day. This had no effect on the balance.</p> <p>The invoice dated 31/12/16 for £10,000 was the costs awarded against Mr Barton.</p> <p>The two invoices dated 31/12/16 for £5,269 and £1,979 were journal entries to correct a coding error.</p>	<p>-£3973</p> <p>We accept Management Company explanation in relation to £13343, £10,000, £5268 and £1979.</p> <p>Invoices at page 2017 (£7345.20), page 2014 (£810) and page 2013 (£17.30) totalling £8172.50 relate to the 2015 Tribunal and the AOM and service charge applications. In accordance with what we were told at the hearing these costs are not to be charged to Mr Barton through the service charge account. Accordingly, Mr Barton is entitled to credits of £49 (Apartment 94) and £40 (Apartment 117).</p>
Bank charges	305		0	<p>the charges are unreasonable, AHMC has supplied no details of the £100 charge</p>	<p>Pursuant to clause 5 of the lease, the applicant has covenanted to observe and perform the obligations specified in Schedule 8.</p> <p>Pursuant to paragraph 1 to Schedule 8, the applicant is obliged to provide the services set out in part 1 to Schedule 4.</p> <p>Paragraph 13 to Schedule 4 entitles the applicant to borrow money to enable it to meet its obligations under that schedule.</p> <p>The management company operate two accounts: general maintenance fund and reserve account (also referred to as maintenance levy fund).</p> <p>The bank charges relate to those accounts and are based on general usage. This is standard practice.</p>	<p>£305</p> <p>See reasons given in previous years</p>

Transfer to reserve fund	21500		0	AHMC is not operating the reserve fund correctly, it has failed to make adjustments in accordance with the previous Tribunal decision, it is therefore carrying forward the incorrect balance, it has failed to supply details of a separate bank account, it has failed to disclose details of expenditure which has been deducted from the reserve fund, it has failed to justify the contributions as requested, the respondents are unable to accept the charge until the fund is operated correctly.	<p>Pursuant to clause 3.1.2, each leaseholder has covenanted to observe and perform the tenant's obligations specified in parts 1 and 2 of Schedule 6.</p> <p>Paragraph 2 to part 1 to Schedule 6 requires each leaseholder to pay their share of the expenses to the applicant calculated and payable as specified in part 1 of Schedule 5.</p> <p>Part 2 to Schedule 5 entitled the applicant to invest such payments on deposit.</p> <p>Further and/or alternatively, paragraph 2 to part 2 to Schedule 5 entitles the applicant, at its discretion, to place or invest such sums as a reserve. Reserve is defined in the recitals (at clause 1.1.18) as being anticipated future expenditure which the applicant decides it would be prudent to collect on account of its obligations in the lease.</p> <p>The respondent does not appear to be challenging the management company's ability to collect a reserve fund, nor does the respondent appear to be challenging the reasonableness of the funds collected. These are the only two matters within the Tribunal's jurisdiction under section 27A and 19 of the 1985 Act.</p>	£21500
Transfer to maintenance levy fund	11815		0	not permitted by the lease	As above.	£11815 The Management Company is to credit the excess to the Tenant's next payment of the Tenant's Share of Expenses (paragraph 3.5.2.2 of Schedule 5 Part 1).
sub total	286563		100864			£215481
net estate expenditure	286563		98884			ESTATE EXPENDITURE Total £215481 Apartment 53 - £968 Apartment 58 - £1122 -£10= £1112 Apartment 60 - £962 Apartment 65 - £1167-£13 =£1154 Apartment 94 - £1294 -£49 -£22 = £1223 Apartment 117 - £1063 -£40 = £1023
car park expenditure				AHMC has failed to disclose car park expenditure for the year and is therefore in breach of the terms of the lease. It obviously possesses the information otherwise it would be unable to disclose a surplus of £492 for the year on page 561. It is not for the respondents to calculate amounts on behalf of AHMC but we have used our best endeavours to do so.		
Electricity			2624	transferred from above		£2624

Wages and social security		62552	transferred from above		£63493
Insurance		4615	transferred from above		£4615
Telephone		417	transferred from above		£417
sub total		70208			Total £71149 1.25% payable by Apartments 58, 65 and 94 = £889
Total	286563	169092			TENANT'S SHARE OF THE EXPENSES Apartment 53 - £968 Apartment 58 - £2001 Apartment 60 - £962 Apartment 65 - £2043 Apartment 94 - £2112 Apartment 117 - £1023