

Scott Schedule						
Disputed service charges year ended 31 December 2015						
Case reference	BIR/OOFN/LIS/2018/0071			Property - Alexandra House, Leicester LE1 1SQ		
Item	Cost	Applicant's Comments	Respondent	Respondent's Comments	Applicant's Comment's	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 p521 is illegible		
				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 interest to the leaseholders/members, who have not elected them.		

				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.		
				Companies House issued a notice to strike off AHMC on 19 May 2015.		
Other income	0		900	no details have been supplied by AHMC, therefore we are unable to accept the charge, 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, which is consistent with previous years.	These do not fall within the Tribunal's jurisdiction under section 27A of the Landlord and Tenant Act 1985 ("the 1985 Act").	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.
Deposit account interest	0		870	AHMC has failed to produce any details, the lack of income 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		1770			0
Expenditure						

Rates and water	868		320	<p>The charge is unreasonable AHMC has failed to correct the £633 charge which was cancelled p1350, we have estimated an amount based on the actual charge in 2017.</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>Further and/or alternatively, paragraph 3 to part 1 to Schedule 4 requires the management company to keep the building communal areas and estate communal areas clean and reasonably lit.</p> <p>The management company accounts for invoices in the year in which those invoices are received. This is the basis of the accounting method adopted by the management company. The management company does not apportion invoices for rates and water across service charge years, even if the services span other service charge years.</p> <p>The charges relate to usage for the common parts, and the supply is used by a number of individuals and suppliers, including site staff, gardeners, cleaners, contractors etc.</p> <p>The costs include standing charge and sewerage charges.</p> <p>Such costs are not unreasonable in the circumstances. The supply is the supply.</p> <p>The management company are unclear as to the issues raised by the respondent.</p>	<p>£320</p> <p>There is a cancellation of £633.49 at page 1350 which has not been corrected</p> <p>In addition service charge accounts for 2016 show rates and water in credit in the sum of £410 (page 562).</p> <p>Clearly there was a supply made during both 2015 and 2016. We therefore adopt Mr Barton's estimate.</p>
-----------------	-----	--	-----	---	--	---

Premises insurance	53165		46803	<p>the working paper does not agree with the accounts, it appears that the charge of £1546 has been duplicated in the accounts, the prepayments make no sense, a prepayment should reduce the expenditure not increase it, the information supplied is therefore unreliable. No details have been supplied regarding the charges of £400 and £12,313. Car parking costs should not appear under the cost heading premises insurance, £4417 has been transferred below.</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, 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>£46803 Premises insurance £45256.82 (agreed) Lift insurance £1546 (agreed) (page 1346) [Valet insurance £4416.66 (agreed) (page 1355) has been transferred to car park expenditure.]</p>
--------------------	-------	--	-------	--	---	---

Light and heat	16374		11076	<p>AHMC entered into a QLTA in February 2014 without following the consultation procedure. Although charges have been made now at the residential rate, no credit notes have been produced in respect of the previous overcharging. There is no document to support the charge of £343.73. The charge has been amended to £13030 and 15% of that figure £1954 has been transferred to car parking charges leaving £11076 as estate charges.</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 management company have requested the missing invoice from EON but have not been provided with a copy. The invoice number is H114 BEEFFC dated 05 April 2015. This is for Lis Supply Alexandra House. Page 1412 shows the start of a new invoice for this supply and a balance brought forward of £15.84 on page 1413.</p>	<p>£13626 £343.73 disallowed. Correct residential rate has been applied for this year. Credits have been allowed by the Tribunal in years of overcharging namely 2013 and 2014. Total - £16030 Estate (85%) = £13626 Car Parking (15%) = £2404</p> <p>QLTA as noted in 2014 – Respondent’s contribution capped at £100. Credit £12 – Apartment 94, £4 - Apartment 65 and £1 – Apartment 58.</p>
----------------	-------	--	-------	---	---	---

Wages and social security	87351		21567	<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 and accept £86297. No details of the £1053.95 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 £86297 has been transferred to car parking charges leaving £21567 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>£21516 Page 1510 shows wages £80469.53 and Employer NI £6647.70. Both sums are shown for this year as a combined sum rather than separately in accounts for previous years. Disallow £1053.95 as Management Company unable to explain who or what is "Bristows" (page 1504). Total - £86063 Estate (25%) = £21516 Car Parking (75%) = £64547</p>
---------------------------	-------	--	-------	--	--	---

Telephone	2648		2317	AHMC has failed to allocate between parking and estate charges, 12.5% = £331 has been transferred to car parking, leaving £2317 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>£2317 Total - £2648 Estate (87.5%) = £2317 Car Parking (12.5%) = £331</p>
Post and stationery	418		18	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 original invoice included at £400 was corrected on the same day, which can be shown on the ledger attached – page 1583a</p>	<p>£351 See nominal ledger at page 1583a. Total of pages 1581 and 1582 = £418. Page 1583 suggests 340 stamps – approximately 2 per leaseholder which the Tribunal finds reasonable despite greater use of electronic communication. VAT of £66.67 disallowed.</p>
Travelling	1029		212	No details of £876.14 have been supplied. We have requested details of the costs of the previous Tribunal hearing but AHMC has failed to respond.	<p>Documents attached to insert into bundle – pages 1585a – 1585 c.</p>	<p>£212 Pages 1585a to 1585c are company credit cards used by Mr Petty and Mr RF Reynolds for accommodation, meals and other items. These are all matters of account between Peach and Mr Petty/Mr Reynolds in relation to the performance of their duties but are clearly not service charge items. We allow £212 (agreed) for the costs of hiring a venue for Management Company AGM (see page 1666a)</p>

Management fees	30085		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.</p> <p>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 2015 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
-----------------	-------	--	------	---	--	---------------

Repairs and renewals	14518		7745	<p>Monies received have not been accounted for, works to flats is not service charge expenditure p1598, p1605, p1616, charges by Peach are unreasonable p1608, p1621, p1622, p1623</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 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> <p>The costs incurred at page 1608, 1621 and 1623 are within market norms.</p> <p>The management company make every effort to make a claim against the buildings Insurance Policy for any internal repairs due to leaks etc., however, if the repair cost is lower than the Insurance Excess then the repairs are undertaken at the expense of the service charge.</p>	<p>£12205</p> <p>Pages 1598 (leak), 1605 (water damage) and 1616/7 (insurance claim and excess) allowed – See under “Excess” in Decision. Pages 1608 (labour £3500), 1621 (labour £750) 1622 (labour £320) and 1623 (labour £250) – labour rate reduced from £250 to £150 per day. Disallow £1928 plus VAT = £2313.</p>
Lift maintenance	13244		13244			£13244

Household and cleaning	12913		12307	the working paper does not agree with accounts, the information supplied by AHMC is therefore unreliable, the charges by Peach are unreasonable and they have been reduced in accordance with the last Tribunal decision	<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>£12513 Reduce car park sweeping at pages 1649 and 1650 from £1000 to £600.</p>
Water testing	784		784			£784
Pump station	403		403			£403
Fire alarm	7561		7561			£7561
Lighting maintenance and bulbs				included under repairs and renewals	As above.	No separate heading in accounts
Sundry expenses	388		0	no details supplied	Document attached to insert into bundle at page 1666a	Disallowed Hotel expenses for hire of venue for AGM of £212 allowed under travelling above. No details of "amounts re-classified as per client" at page 1666a have been provided and is therefore disallowed
Dry riser maintenance	768		768			£768
Emergency lighting inspection	600		600			£600

Fire risk assessment	2920		1920	It is unnecessary to arrange a fire risk assessment each year and the charge by Peach is unreasonable	<p>As above.</p> <p>The management company considered it appropriate and reasonable to undertake a fire risk assessment (FRA) in 2015, notwithstanding that an FRA has been undertaken in previous years.</p> <p>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>£1920 FRA disallowed (pages 1673 and 1674).</p>
Accountancy	1500		260	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>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>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 page 1678 if for £2000 not £1500)</p>

Legal and professional fees	15748		-1902	<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 as service charge expenditure. Advice given to individuals and charges where no details have been supplied cannot be 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>£2748</p> <p>Invoices at pages 1682- 1687 (total £13756.94) contain narratives that relate variously to service charge arrears claimed against Mr Barton in the County Court and First Tier Tribunal, fees of counsel (Mr Brynmor Adams), s20B advice, payability, dispensation and counsel's fees for the hearing 7th to 10th April 2015.</p> <p>We know from the evidence of Mr Cook that the Tribunal hearings in December 2014 and April 2015 related to both service charge proceedings and appointment of manager. We also know that the Management Company took advice from counsel as to how to deal with the costs of those proceedings. Miss Zanelli submits with some force that the narratives on the bills from PDC Legal are infelicitous in that they should also have referred to the AOM proceedings. The Tribunal accepts that submission and finds that the invoices totalling £13756.94 relate both to service charge and AOM proceedings.</p> <p>In 2014 we stripped out £10,000 which we were told by Mr Cook was charged to Mr Barton and the other respondents as contractual costs in relation to the 2014/15 service charge proceedings.</p> <p>In 2015 we strip out £13,000 as relating to the AOM proceedings. Mr Cook's evidence was that sum was to be an administration charge against Mr Barton and the other AOM applicants and not to be charged to the service charge account. The balance of those two invoices (£756.94) is payable by the service charge but not, on the evidence of Mr Cook, by Mr Barton. Accordingly, we credit Mr Barton with £5 (Apartment 94) and £4 (Apartment 117).</p> <p>Clark and Son LLP invoice in the sum of £312 (page 1688) is an Expense properly chargeable to the service charge account in relation to Management Company AGM and resolution paperwork.</p>
-----------------------------	-------	--	-------	---	--	---

Bank charges	199		0	The charges are unreasonable	<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. The charges are within market norm.</p>	<p>£199</p> <p>See previous years</p>
Transfer to reserve fund	21700		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>	<p>£21700</p>

Transfer to maintenance levy fund	914		0	not permitted by the lease	As above.	£914 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	286098		130478			<p style="text-align: center;">ESTATE EXPENDITURE</p> <p>Total £184184 Apartment 53 - £828 Apartment 58 - £959 -£1= £958 Apartment 60 - £822 Apartment 65 - £998-£4 =£994 Apartment 94 - £1106 -£12 -£5 = £1089 Apartment 117 - £909-£4 = £905</p>
						<p style="text-align: center;">CAR PARK EXPENDITURE</p> <p>Electricity - £2404 Staff Wages - £64547 Social Security - [included within wages] Insurance - £4417 Telephone - £331</p> <p>Total £71699 1.25% payable by Apartments 58, 65 and 94 = £896</p>
						<p style="text-align: center;">TENANT'S SHARE OF THE EXPENSES</p> <p>Apartment 53 - £828 Apartment 58 - £1854 Apartment 60 - £822 Apartment 65 - £1890 Apartment 94 - £1985 Apartment 117 - £905</p>