

Frequently Asked Questions

Understanding your Income against Expenditure statement

Why do you send an Income against Expenditure statement for communal services?

We believe it's important that you see how much it costs to provide services where you live. Each year, we set a budget for every service based on what we think it will cost. At the end of the financial year, we look at what the service actually cost. The Income against Expenditure statement gives you information about the budget we set, the actual cost of the service we provided and the difference between the two amounts. If we collected too much, we'll give you this money back. If we didn't collect enough, we'll ask you to make up the shortfall.

Does the Income against Expenditure statement show all of the services provided by Knightstone?

No. The Income against Expenditure statement only shows the services that you contribute towards. It doesn't show all the services that we may provide at your scheme.

How do you calculate the expenditure?

The Income against Expenditure statement shows how much we've spent on communal services between 1 April 2013 and 31 March 2014.

How do you calculate the income received?

The statement shows the income that we've requested from you and your neighbours through your service charge during the financial period April 2013 – March 2014.

How do you calculate the variance for each service?

We work out how much we've spent on the service during the financial year and we work out how much income we've received from you and your neighbours during the same period. We then subtract the actual cost of providing the service from the income we've received. If we spent more than our income, the shortfall will appear as a deficit figure in the variance column. If we spent less than our income, it will appear as a surplus (credit) figure in the variance column.

What do you do with the surplus or deficit amount?

When the surplus or deficit amount is known, we carry this forward to your service charge which will start in April 2015. If there is a deficit figure carried forward, we'll ask you to pay this from April 2015 – March 2016. If there is a surplus amount, we'll give this amount back to you from April 2015 – March 2016.