



JOHNSON FELLOWS
CHARTERED SURVEYORS

1016-1018 Kingsbury Road

Erdington

Birmingham

B24 9PZ

Service Charge Expenditure Report

30th September 2015 to

29th September 2016



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Introduction

The service charge expenditure report is intended to provide details of the expenditure for the service charge year just ended.

A service charge is necessary due to there being communal structures, services and areas.

The Property

The property comprises of three units with communal car parking/servicing and two access points from Kingsbury Road. To the rear of the site is a canal and to the side are residential dwellings.

The common parts serving the whole property do not include the buildings which are let in their entirety to the tenants. The Common parts include the vehicular access, car parking and the boundary walls/fences.

Voids and Concessions

The service charge for any void lettable units or attributable to any service charge concessions is the responsibility of the Landlord.

VAT

The Landlord has elected the property for VAT. The figures stated in this report are shown net of VAT.

The service charge payable will have VAT charged at the standard rate.

Banking

Due to the general level of service charge funds, they are not maintained within a discrete bank account. The funds are held within the Johnson Fellows Clients Account which is maintained with Barclays Bank plc. As a consequence the service charge is not credited with any interest, neither are any bank charges allocated to the service charge.

Interest charged to tenants for late payment of service charge is credited to the service charge.

Reserve Fund

There is no reserve fund.

Service Charge Objectives

The object of this expenditure report is to provide clear explanation of the service charge expenditure on a not for profit/not for loss basis. It is also to promote clarity and transparency and to allow the leaseholders to budget accurately for the forthcoming year.



We encourage leaseholders to provide comments on the format and/or the information contained in this report which would assist in the report being improved for the benefit of all concerned. We would also welcome constructive feedback on the communal services provided at the property.

As Managing Agents, Johnson Fellows aim to provide a high quality management service in order to provide a well maintained environment, and delivering value for money for the service charge expenditure.

The service charge is administered having regard to Service Charges in Commercial Property; RICS Code of Practice.



Management Team

Facilities Manager:

Chris Monteith

Johnson Fellows, Charter House, 163 Newhall Street, Birmingham, B3 1SW

Direct Dial: 0121 234 0409

Mobile: 07786 072 755

Email: chris.monteith@johnsonfellows.co.uk

Chris Monteith is responsible for the repair and maintenance of the property and statutory compliance.

Management Surveyor:

Neil Wetherell

Johnson Fellows, Charter House, 163 Newhall Street, Birmingham, B3 1SW

Direct Dial: 0121 234 0406

Mobile: 07836 313 914

Email: neil.wetherell@johnsonfellows.co.uk

Neil Wetherell is responsible for the overall management of the property.

Service Charge Accountant:

Rebecca Glover

Client Accounts

Johnson Fellows, Charter House, 163 Newhall Street, Birmingham, B3 1SW

Direct Dial: 0121 234 0405

Email: rebecca.glover@johnsonfellows.co.uk

Rebecca Glover is the client accountant responsible for this property.



Service Charge Apportionment

The service charge operates for the whole property as defined in the lease documents. The apportionment percentages for each lessee are noted within the Service Charge Apportionment Schedule, as detailed in Appendix A.

The calculation of the apportionment percentages is based upon the Net Internal Area of each unit.



Expenditure Commentary

All figures are shown net of VAT

- **Car Park Cleaning** **£1,620**

The contract cost for the cleaning of the car park with an increased frequency to once per week and the removal of fly tipping.

- **Pest Control** **£660**

The contract cost for the hire of bait stations and the quarterly visits to site to maintain them.

- **Car Park Maintenance** **£1,090**

The cost of the repair of pot holes, treating weeds, high level pruning and the provision of signage to the car park.

- **Drain Maintenance** **£150**

Annual flush of the surface water drains serving the car park.

- **Statutory Compliance** **£0**

The health and safety audit was not undertaken during this service charge year.

- **Interest** **£0**

No interest was credited.

- **Audit Fee** **£150**

The cost of the accountants certifying the year end service charge accounts.

- **Management Fee** **£2,525**

The fee to manage the property and administer the service charge. It is a fixed fee indexed linked annually to RPI.

Total **£6,195**

The expenditure was below the budget.



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Facilities Manager

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Dated 23rd February 2017

.....
Partner

.....
Dated 23rd February 2017



Appendix A

1016-1018 Kingsbury Road, Erdington, Birmingham, B24 9PZ

Service Charge Apportionment Schedule

30th September 2015 to 29th September 2016

Unit	Occupier	Area (m2)	Percentage
Unit 1, 1016	Capitol Tiles	325.28	63.1%
Unit 3, 1016	Greggs	98.63	19.1%
1016	Carphone Warehouse	91.8	17.8%
TOTAL		515.71	100.0%



Appendix B

1016-1018 Kingsbury Road, Erdington, Birmingham, B24 9PZ

Service Charge Variance Schedule

30th September 2015 to 29th September 2016

The property is VAT registered. Figures for Schedule 1 shown net of VAT.

Service Charge Item	Actual 2014/2015	Budget 2015/2016	Actual 2015/2016	Actual v Budget Variance %	Actual v Budget Variance £
Cleaning	£ 560	£ 2,000	£ 1,620	-19.00%	-£ 380
Pest Control	£ 645	£ 660	£ 660	0.00%	£ -
Car Park Maintenance	£ 3,022	£ 1,300	£ 1,090	-16.15%	-£ 210
Drain Maintenance	£ 600	£ 600	£ 150	-75.00%	-£ 450
Landscape - External	£ 45	£ -	£ -	N/A	£ -
Statutory Compliance	£ -	£ 350	£ -	-100.00%	-£ 350
Signage	£ 180	£ -	£ -	#DIV/0!	£ -
Interest	£ -	£ -	£ -	N/A	£ -
Audit Fees	£ 150	£ 150	£ 150	0.00%	£ -
Management Fees	£ 2,500	£ 2,525	£ 2,525	0.00%	£ -
TOTAL	£ 7,702	£ 7,585	£ 6,195	-18.33%	-£ 1,390



Appendix C

CAPITAL AND PROVINCIAL

**1016 - 1018 KINGSBURY ROAD
ERDINGTON**

SERVICE COSTS AUDIT STATEMENT

YEAR ENDED 28TH SEPTEMBER 2016



**1016 - 1018 KINGSBURY ROAD
ERDINGTON
Certificate of Service Costs for the year ended 28th September 2016**

	2016	2015
Cleaning	1,620.00	560.00
Pest Control	660.00	645.00
Car Park maintenance	1,090.00	3,022.00
Drain maintenance	150.00	600.00
Landscape - external	-	45.00
Signage fees	-	180.00
Audit fees	150.00	150.00
Management fees	2,525.00	2,500.00
Total expenditure	<u>6,195.00</u>	<u>7,702.00</u>

No reserve fund is held on this property

In our opinion the above is a fair summary of the costs incurred by or on behalf of Capital & Provincial Retail Ltd in connection with the matters for which the service charge is payable and is sufficiently supported by accounts, receipts and other documents which have been produced to us.

Haines Watts

Haines Watts Chartered Accountants