



**JOHNSON FELLOWS**  
CHARTERED SURVEYORS

455-469 Otley Road,

Undercliff,

Bradford,

BD2 4QF

**Service Charge Expenditure Report**

29<sup>th</sup> September 2014 to

28<sup>th</sup> September 2015



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## **Introduction**

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

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

The service charge is reviewed at each year end so subsequent budgets will reflect more accurately the services required and the expenditure incurred.

## **The Property**

The property comprises of a parade of eight retail shops. There is a forecourt to the front and a car park/service area to the rear accessed from the A6177 outer ring road.

The common parts serving the whole property include the main structure and the external elements (but not the shop frontages), the vehicular access and car park 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 service charge payable by the commercial lessees 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.

## **Reserve Fund**

Whilst the leases do provide for a reserve fund, one is not operated at present.

## **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.

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](mailto: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](mailto: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](mailto: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 apportionment of the service charge has regard to the NIA of each unit.



## Expenditure Commentary

### **SCHEDULE 1**

*All figures are shown net of VAT*

- **Cleaning** **£525**

The cost for the clearing fly tipping from the car park.

- **Pest Control** **£361**

The pest control contract with Rentokil operating for the car park/service yard.

- **Boundary Maintenance** **-£1,500**

This credit represents the accrual from the service charge for 2013/2014. The expenditure incurred for the planned works has been included under the car park maintenance heading.

- **Building Repairs** **£772**

Reactive repairs were required to the roof of the parade during the year.

- **Car Park Maintenance** **£692**

With the benefit of an accrual from the 2013/2014 service charge, works were undertaken to the bollards, car park lining, paving and fencing.

- **Drain Maintenance** **£1,404**

Annual flush of the surface water drains serving the car park, unblocking drain and a repair to drain lids.

- **Electrical Maintenance** **£0**

There were no electrical repairs required.

- **Electricity Supply** **£2,007**

The communal electricity supply serving the common parts. The costs reflect estimated consumption. An actual reading has been arranged.

- **Statutory Compliance** **£0**

No health and safety audit of the common parts was planned for this service charge year.

- **Management Fee** **£1,059**

This figure represents the fee to manage the property and administer the service charge. It is a fixed fee indexed linked annually to RPI. It includes the preparation of the annual service charge accounts which are not externally certified, having regards to the level of expenditure.

- **Facilities Management** **£218**



The cost for the Facilities Manager to organise and supervise the service charge contracts and maintenance works. This is linked to RPI.

**Total**

**Schedule 1**

**£5,537**

The total expenditure was below the budget which will result in year-end credit balances.

.....  
Facilities Manager

.....  
Partner

Dated

Dated

1<sup>st</sup> February

1<sup>st</sup> February

..... 2016

..... 2016



Appendix A

**455-469 Otley Road, Bradford, BD2 4QF**

**Service Charge Apportionment Schedule**

**29th September 2014 to 28th September 2015**

<b>Unit</b>	<b>Schedule</b>	<b>Area (sq m)</b>	<b>Percentage</b>
455	1	46.60	6.49%
457/459	1	150.61	20.96%
461	1	76.44	10.64%
463	1	78.70	10.95%
465/469	1	366.21	50.96%
<b>TOTAL</b>		<b>718.56</b>	<b>100.00%</b>



## Appendix B

455-469 Otley Road, Bradford, BD2 4QF

### Service Charge Variance Schedule

29th September 2014 to 28th September 2015

The property is VAT registered. Figures shown net of VAT.

Service Charge Item	Schedule 1	Actual 2013/2014	Budget 2014/2015	Actual 2014/2015	Budget v Budget Variance %	Budget v Budget Variance £
Cleaning	1	£ -	£ 635	£ 525	-17.32%	-£ 110
Pest Control	1	£ 391	£ 401	£ 361	-9.98%	-£ 40
Refuse	1	£ -	£ 250	£ -	-100.00%	-£ 250
Boundary Maintenance	1	£ 500	£ 2,000	-£ 1,500	-175.00%	-£ 3,500
Building Repair	1	£ -	£ -	£ 772	N/A	£ 772
Car Park Maintenance	1	£ 3,000	£ 1,500	£ 692	-53.87%	-£ 808
Drain Maintenance	1	£ -	£ 500	£ 1,404	180.80%	£ 904
Electrical Repair	1	£ -	£ 200	£ -	-100.00%	-£ 200
Electricity Supply	1	£ 2,694	£ 750	£ 2,007	167.60%	£ 1,257
Statutory Compliance	1	£ -	£ -	£ -	N/A	£ -
Interest	1	£ -	£ -	£ -	0.00%	£ -
Management Fees	1	£ 1,033	£ 1,059	£ 1,059	0.00%	£ -
Facilities Management	1	£ -	£ 218	£ 218	0.00%	£ -
<b>1 Total</b>		£ 7,618	£ 7,513	£ 5,538	-26.29%	-£ 1,975
<b>Grand Total</b>		£ 7,618	£ 7,513	£ 5,538	-26.29%	-£ 1,975