



JOHNSON FELLOWS
CHARTERED SURVEYORS

455-469 Otley Road,

Undercliff,

Bradford,

BD2 4QF

Service Charge Expenditure Report

29th September 2016 to

28th September 2017



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Introduction

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

A service charge is necessary for the upkeep of communal structures, services and areas.

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 which is accessed from the A6177.

The common parts serving the whole property include the main structure and the external parts of the buildings but not the shop frontages, the vehicular access, forecourt, 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 figures shown in this report are net of 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. Therefore, 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. Unbudgeted exceptional expenditure is recoverable.

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 welcome constructive feedback on the communal services provided at the property.



As Managing Agents, Johnson Fellows aim is to deliver a high-quality management service to provide a well-maintained environment and 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 apportionment of the service charge has regard to the NIA of each unit.

The exception to the normal arrangements is that the lease for 461 Otley Road provides for the service charge to include the external decorations of the shop front, whilst no other lease does. If such expenditure is incurred, the lease allows for all the costs to be apportioned to the tenant of 461 Otley Road.



Expenditure Commentary

SCHEDULE 1

All figures are shown net of VAT

- **Cleaning** **£635**

The contribution to the cost of cleaning the car park by Tesco's contractor.

- **Pest Control** **£361**

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

- **Refuse** **£0**

There was no fly tipping during the year which needed to be cleared.

- **Boundary Maintenance** **£0**

No expenditure was necessary.

- **Building Repairs** **£500**

The patch repair of a roof to the buildings.

- **Car Park Maintenance** **£0**

No expenditure was necessary.

- **Drain Maintenance** **£600**

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

- **Electrical Repair** **£600**

The cost to install a sub-meter so in future the electrical costs allocated to the service charge reflect actual consumption together with a contribution to the standing charge.

- **Electricity Supply** **£500**

A contribution to the electrical supply costs to the common areas with an allowance for inflation.

- **Statutory Compliance** **£0**

The health and safety audit of the common parts was deferred to 2017/2018.



- **Management Fee** **£1,088**

This figure represents the fee to manage the property and administer the service charge as provided for in the budget. It includes the preparation of the annual service charge accounts which are not externally certified, having regards to the level of expenditure.

- **Facilities Management** **£224**

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

Total

Schedule 1 **£4,508**

The total expenditure was below the budget. This results in a credit balance for the year.

.....
Facilities Manager

.....
Partner

Dated

Dated

5th July 2018

5th July 2018



Appendix A

455-469 Otley Road, Bradford, BD2 4QF

Service Charge Apportionment Schedule

29th September 2016 to 28th September 2017

Unit	Schedule	Area (sq m)	Percentage
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%
TOTAL		718.56	100.00%



Appendix B

455-469 Otley Road, Bradford, BD2 4QF

Service Charge Variance Schedule

29th September 2016 to 28th September 2017

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

Service Charge Item	Schedule	Actual 2015/2016	Budget 2016/2017	Actual 2016/2017	Actual v Budget Variance %	Actual v Budget Variance £
Cleaning	1	£ 635	£ 635	£ 635	0.00%	£ -
Pest Control	1	£ 361	£ 370	£ 361	-2.56%	-£ 9
Refuse	1	£ 240	£ 250	£ -	-100.00%	-£ 250
Boundary Maintenance	1	£ -	£ 500	£ -	-100.00%	-£ 500
Building Repair	1	£ 570	£ 750	£ 500	-33.33%	-£ 250
Car Park Maintenance	1	£ -	£ 1,300	£ -	-100.00%	-£ 1,300
Drain Maintenance	1	£ 600	£ 600	£ 600	0.00%	£ -
Electrical Repair	1	£ 95	£ 800	£ 600	-25.00%	-£ 200
Electricity Supply	1	-£ 4,632	£ 500	£ 500	0.00%	£ -
Statutory Compliance	1	£ 500	£ 500	£ -	-100.00%	-£ 500
Interest	1	£ -	£ -	£ -	0.00%	£ -
Management Fees	1	£ 1,071	£ 1,088	£ 1,088	0.00%	£ -
Facilities Management	1	£ 220	£ 224	£ 224	0.00%	£ -
1 Total		-£ 340	£ 7,517	£ 4,508	-40.04%	-£ 3,009
Grand Total		-£ 340	£ 7,517	£ 4,508	-40.04%	-£ 3,009