JOHNSON FELLOWS

Wing Yip Business Centre

Oldham Road

Manchester

M4 5HU

Service Charge

Budget Report

1st October 2026 –

30th September 2027

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Introduction

This report has been produced by Johnson Fellows on behalf of the Landlord, W Wing Yip & Brothers Property and Investments Ltd. It is intended to provide details of the planned expenditure for the service charge period 1st October 2026 to 30th September 2027.

Enclosed within this report is a copy of the Service Charge Variance Schedule and Service Charge Apportionment Schedule.

The service charge is administered having regard to RICS Professional Statement; Service Charges in Commercial Property; 2nd Edition.

The Property

The property is located on the A62 Oldham Road, approximately 500m to the north east of Manchester City Centre. Oldham Road is one of the main arterial routes into Manchester. Links to the Motorway network are via J22 of the M60, 2 miles to the east.

The Business Centre adjoins the Wing Yip Superstore and forms an integral part of the same site along with a multi-storey car park. Access to the site is via Cassidy Close.

The Business Centre itself is a four storey brick building under a pitched tiled roof. It consists of multiple business units and a restaurant arranged over the 1st, 2nd and 3rd Floors. It has a dedicated entrance lobby leading to a passenger lift and central staircase. Access to the car park is provided at each level.

The primary services provided for the property consist of internal and external cleaning of the communal parts, utility consumption, lift maintenance, site security and maintenance.

Service Charge Objectives

The objective of Johnson Fellows as Managing Agent is to provide a high quality management service. In so doing we aim to provide a well maintained environment, delivering value for money for the service charge expenditure.

The objective of this budget report is to provide a clear explanation for the recovery 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 tenants to budget accurately for the forthcoming period.

Should any occupier have comments on the format, or the information contained in this report which would assist in the report being improved for the benefit of all concerned, these comments would be welcomed. We would also welcome constructive feedback on the communal services provided at the property.

VAT

The property is elected for VAT, consequently the expenditure stated within this report is net of VAT.

Voids and Concessions

Where any void units exist, the responsibility for the service charge rests with the Landlord.

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. Consequently, the service charge is not credited with any interest, neither are any bank charges allocated to the service charge.

Interest charged on the late payment of service charge by tenants is to be credited to the service charge.

Reserve Fund

There is no reserve fund.

Service Charge Apportionment

The apportionment is detailed within the Service Charge Apportionment Schedule attached at Appendix A.

The budget contains a single schedule that all occupiers contribute towards.

The apportionment percentages are calculated based on gross internal floor areas. However, a weighting is applied to the contribution made by the Cash and Carry Store due to its significantly larger floor area. Similarly, following professional advice, a weighting is provided to the restaurant premises due to the intensity of use.

A full independent measured survey has been completed in order to verify the floor areas.

Management Team

Management Surveyor:

Ian Starbuck
Johnson Fellows, 180 Newhall Street, Birmingham, B3 1SW
Direct Dial: 0121 234 0462
Mobile: 07887 745 635
Email: ian.starbuck@johnsonfellows.co.uk

Ian Starbuck is responsible for the overall management of the property.

Facilities Manager:

Daniel Blakeman
Johnson Fellows, 180 Newhall Street, Birmingham, B3 1SW
Direct Dial: 0121 234 0409
Mobile: 07786 072 755
Email: daniel.blakeman@johnsonfellows.co.uk

Daniel Blakeman is responsible for the repair and maintenance of the property and statutory compliance.

Help Desk Manager:

Jay Chauhan
Johnson Fellows, 180 Newhall Street, Birmingham, B3 1SW
Direct Dial: 0121 234 0409
Mobile: 07763 564705
Email: helpdesk@johnsonfellows.co.uk

Jay Chauhan is the Help Desk Manager and is responsible for dealing with urgent reactive maintenance and repair.

Service Charge Accountant:

Paul Evans
Client Accounts
Johnson Fellows, 180 Newhall Street, Birmingham, B3 1SJ
Direct Dial: 0121 234 0405
Email: paul.evans@johnsonfellows.co.uk

Paul Evans is the client accountant responsible for this property.

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Budget Commentary

All figures are shown net of VAT

SCHEDULE 1 - Business Centre Costs - All Occupiers

- **Internal Cleaning** **£18,500.00**

The cost heading is for the cleaning contract for the internal communal areas of the Business Centre including the WC's. The contractor attends 2 hours per day. The budget also includes toilet requisites. It has been increased in line with the rise in the contract costs.

- **Pest Control** **£1,000.00**

The budget heading is for the pest control at the Business Centre. It has been reduced down for this year as the pigeon cull now forms part of the PPM contract.

- **Window Cleaning** **£750.00**

The budget covers the cost of the window cleaning contract for the Business Centre. It has been reduced based on last year's expenditure and the reduction to quarterly visits.

- **Estate Cleaning (Drainage)** **£3,500.00**

The expenditure is the estimated contribution towards the annual drainage flush through at the estate. There is also a contingency for ad-hoc repairs. It has been maintained at the same level.

- **External Landscaping/Cleaning** **£7,500.00**

This budget heading covers the cost of the external cleaning, landscaping and pressure wash of the car parking areas. It has been increased for the new year in line with the contract costs and last year's expenditure.

- **Gritting** **£2,000.00**

The cost heading allows for the gritting contract for the communal areas of the estate during the winter months. It has been maintained at the same level.

- **External Repairs & Maintenance** **£20,000.00**

The budget heading covers the contribution towards the maintenance of external areas and building structure. Urgent essential works are required to the car park surfaces at first and second floor levels to avoid further degradation. An estimate of £34,000 has been received to address the worst areas. It is proposed that the works are completed this autumn. The Landlord will forward fund the costs, with the service charge reimbursing them over a two year period. £17,000 is therefore being placed in the new service charge budget for the first refunding instalment. The remaining budget provides a contingency for any other external repairs required during the year.

- **Internal Repairs & Maintenance** **£3,500.00**

The cost heading allows for the repair and maintenance of the internal communal areas. It has been maintained at the same level for the new year.

- **Electricity** **£35,000.00**

The cost heading relates to the electricity consumption within the common areas of the estate. The budget has been reduced based on last year's consumption.

- **Gas** **£4,000.00**

The budget relates to the gas consumption for the heating of the Business Centre. The budget has been maintained at the same level.

- **Water Charges** **£2,000.00**

The estimated expenditure relates to the water rates for the Business Centre. The budget has been maintained at the same level.

- **Lift Maintenance Contract** **£1,000.00**

The cost heading is for the annual maintenance contract for the passenger lift and goods lift within the Business Centre. The contract consists of 6 visits per annum. The budget has been maintained at the same level.

- **Lift Repairs** **£22,000.00**

The heading allows for any repairs that are required to the lifts during the year. The main lift serving the Business Centre is currently out of service pending essential works. Following completion of a lift condition report by an independent specialist, it has been determined that the lift either requires replacement or significant overhaul. It is proposed that the lift be overhauled at a cost of approximately £125,000. The Landlord will forward fund the works with the service charge reimbursing them by annual instalments. The budget reflects an initial £20,000 reimbursement with a £2,000 contingency for any works required to the second lift within the year.

- **M&E Maintenance Contract** **£9,550.00**

The cost heading covers the contract cost for the weekly testing of the fire alarm, lightning protection, emergency lighting and boiler service. It has been increased for the new year due to the inclusion of tap temperature checks and a rise in the contract rates.

- **M&E Repairs** **£6,000.00**

The budget heading provides a contingency for repairs to the Landlord's M&E equipment. It has been increased based on last year's expenditure.

- **Security Systems** **£500.00**

The budget heading covers the cost of the annual CCTV maintenance contract, plus a contingency for repairs. It has been reduced based on the anticipated expenditure.

- **Health & Safety** **£1,500.00**

The budget covers the costs of completing the health & safety, fire risk and legionella risk assessments. It has been maintained at the same level.

- **Security Guarding** **£170,000.00**

The budget figure is the cost of the 24/7 site security guarding. It has been increased based on last year's expenditure and the increase in the contract rates.

- **Help Desk** **£553.00**

A 24 hour/7 day a week Help Desk is in place to allow all occupiers to speak with a dedicated operative and report urgent items of repair and maintenance. This will ensure that matters can be handled promptly without delay. The budget has been increased in line with the Retail Price Index, which has risen by 2.97% over the past 12 months.

- **Audit Fee** **£900.00**

The cost heading allows for the year end accounts to be certified by an independent accountant as recommended by the RICS Service Charge Professional Statement. The budget has been maintained at the same level.

- **Management Fee** **£11,457.00**

This figure represents the costs incurred for the management of the property, administration of the service charge and completing periodic inspections. The RICS Service Charge Professional Statement recommends that this be a fixed fee, subject to annual review or indexation. The Retail Price Index has shown a 2.97% increase in the past 12 months.

- **Facilities Management** **£5,610.00**

The figure represents the costs incurred to organise and supervise the various contracts in place, deal with items of maintenance, ensuring compliance and complete regular site inspections. The fee is fixed subject to annual indexation. The Retail Price Index has shown a 2.97% increase in the past 12 months.

Total

Schedule 1 **£326,820.00**

Budget Approval



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Partner

Dated 24th September 2026

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Appendix A

Wing Yip Business Centre, Oldham Road, Manchester

Service Charge Unit Percentages

Recovery Group = sc

Reconciliation Period = 01/10/2026-30/09/2027

Ref	Unit	Area Sq Ft	Weighted Area Sq Ft	Schedule 1
0001	**Cash & Carry Store**	47,681	19,230	48.22%
0002	**Units 2A & 2D**	1,958	1,973	4.95%
0003	**Units 3 & 3A**	11,222	14,925	37.43%
0004	**Unit 3B**	490	490	1.23%
0005	**Unit 3C**	746	746	1.87%
0006	**Unit 3D**	670	670	1.68%
0007	**Unit 3E**	645	645	1.62%
0008	**Unit 3F**	1,198	1,198	3.00%
	Total	**64,610**	**39,877**	**100.00%**

Floor areas measured on a GIA basis
Weighted area for Cash & Carry based on 100% for first 10,000 sq ft, 50% for second 10,000 sq ft, 25% for third 10,000 sq ft, 12.5% for fourth 10,000 sq ft and 6.25% for fifth 10,000 sq ft
Weighted area for restaurant increased by one third due to intensity of use following professional advice

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Appendix B

Wing Yip Business Centre, Oldham Road, Manchester

Service Charge Budget Comparison

Recovery Group = sc

Reconciliation Period = 01/10/2026-30/09/2027

*Amounts in gbp

Code	Description	Budget Yr End 2026	Budget Yr End 2027	Variance
1	**Schedule 1**			
5100-0101	Management Fee	11,127.00	11,457.00	330.00
5100-0203	S/C Audit Fees	900.00	900.00	0.00
5100-0302	Help Desk	537.00	553.00	16.00
5100-0309	Facilities Manager	5,448.00	5,610.00	162.00
5100-0401	Landlords risk assessments, audits & reviews	1,500.00	1,500.00	0.00
5200-0501	Electricity	39,000.00	35,000.00	-4,000.00
5200-0601	Gas	4,000.00	4,000.00	0.00
5200-0801	Water and Sewage Charges	2,000.00	2,000.00	0.00
5300-0901	Security Guarding	154,000.00	170,000.00	16,000.00
5300-0902	Security Systems	1,000.00	500.00	-500.00
5300-1001	Internal Cleaning	16,960.00	18,500.00	1,540.00
5300-1003	Window Cleaning	2,940.00	750.00	-2,190.00
5300-1007	Pest Control	3,100.00	1,000.00	-2,100.00
5300-1009	External Landscaping	6,840.00	7,500.00	660.00
5300-1010	Snow clearance / Gritting	2,000.00	2,000.00	0.00
5300-1016	Drainage	3,500.00	3,500.00	0.00
5400-1201	M&E Maintenance Contract	7,850.00	9,550.00	1,700.00
5400-1202	M&E Repairs	4,000.00	6,000.00	2,000.00
5400-1301	Lift Maintenance Contract	1,000.00	1,000.00	0.00
5400-1302	Lift Repairs	4,000.00	22,000.00	18,000.00
5400-1501	Internal Repairs and Maintenance	3,500.00	3,500.00	0.00
5400-1502	External Repairs and Maintenance	9,750.00	20,000.00	10,250.00
	Schedule Total	**284,952.00**	**326,820.00**	**41,868.00**
	Total	**284,952.00**	**326,820.00**	**41,868.00**