



Campbells Meadow Business Park

Campbells Meadow

Kings Lynn

Norfolk

PE30 4NA

Service Charge Expenditure Report

**1st January 2020 to 31st December
2020**



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Introduction

This report has been produced by Johnson Fellows on behalf of the Landlord, Tesco Stores Limited. It is intended to provide details of the expenditure Incurred for the service charge year commencing 1st January 2020.

The service charge is established as provided for in the leases for the upkeep of the common parts of the property.

The Property

The property is situated 1.8 miles to the south east of Kings Lynn town centre, behind Campbell's Meadow Retail Park and adjacent to the newly built Tesco Extra/Dobbie's.

The property comprises of a self-contained distribution centre and a small terrace of 4 office units and 5 industrial units all accessed via an estate service road.

For the office and industrial units, the service charge is to maintain the external communal areas serving these units which include the car park, paved walkways, estate lighting, landscaped areas and the cycle parking area.

The service charge for the distribution centre is to maintain the external and structural parts of the building together with the external communal areas serving this unit which includes car parking and landscaped areas.

The estate service road is shared by both the industrial/office units and the distribution centre together with Tesco Extra and Dobbie's Garden Centre.

Voids and Concessions

The Landlord will assume responsibility for the service charge for void units and concessions.

VAT

The property has been elected for VAT by the Landlord. Consequently all expenditure budgets are quotes net of VAT, with VAT being charged at the appropriate rate.

Banking

Due to the level of service charge funds, they are not maintained within a discrete bank account. The funds are held within the Johnson Fellows Client Account which is maintained with Barclays Bank plc, sort code 20-46-06. As a consequence the service charge is not credited with any interest, neither are any bank charges allocated to the service charge.



Service Charge Objectives

The objective of Johnson Fellows as Managing Agents 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 service charge expenditure report is aimed at providing a clear explanation of the expenditure incurred and is to promote clarity and transparency. Should any occupier have comments on the format or the information contained in this report that would assist with the report being improved for the benefit of all concerned, these comments would be welcome. We would also welcome constructive feedback on the communal services provided at the property.

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.

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 provisions are set out in various lease documents. They detail the service charge expenditure which tenants are to contribute towards and the method of apportionment.

Not all tenants are responsible for contributing to all expenditure, consequently Service Charge Schedules have been established.

The schedules are:

Schedule 1	Offices and Industrial Units common area
Schedule 2	No longer in use
Schedule 3	Access Road
Schedule 4	Industrial units only

The due proportion has been upon the net internal area of each unit relative to the total net internal area of all units under schedules 1, 2 & 4

Schedule 3 uses a weighted apportionment based off of relative plot sizes, within each plot individual units are then apportioned on the net internal area of each unit relative to the total net internal area of all units within that plot.

If such apportionment is inappropriate, the Landlord has reasonable discretion to adopt such other due proportion as is fair and reasonable. This may include attributing the whole expenditure to a particular occupier.

The service charge schedules and percentage apportionments are detailed in Appendix A & B.



Expenditure Commentary

SCHEDULE 1 – Offices and Industrial Units Common Area

All figures are shown net of VAT

- **Cleaning** **£100.00**
Removal of fly tipping
- **Car Park Maintenance** **£1497.00**
Annual non-domestic rates for the car parking spaces
- **External Repairs** **£336.13**
Apportioned cost of site wide H&S report.
- **Landscaping External** **£5,569.50**
The cost of fortnightly attendance of the external landscape areas, including trees, shrub beds, hedge and grass cutting and weed control.
- **Repairs - External** **£1,349.15**
Repairs to fence along bottom edge of the car park were undertaken and installation of signage.
- **Gritting** **£530.00**
Cost for gritting the site over winter periods.
- **Security** **£2,812.70**
Installation of gates and bollards.
- **Interest** **£0.00**
Any interest charged on the late payment of service charge will be credited to this budget heading.
- **Audit Fee** **£150.00**
The RICS Service Charge Code of Practice provides for service charge accounts to be independently certified on an annual basis.
- **Management Fee** **£1,900.00**
This figure represents the fixed annual fee, compliant with the RICS Service Charge Code of Practice. It covers the property management, periodic inspection and administration of the service charge. It is subject to annual indexation.



- **Facilities Management** **£795.00**

The costs of the Facilities Manager contract management and compliance issues.

Total

Schedule 1 **£15,039.48**



SCHEDULE 2 – Distribution Centre

- **Audit Fees** **-£150**

Costs accidentally attributed to incorrect schedule in previous year



SCHEDULE 3 – Access Road

All figures are shown net of VAT

- **Drain Maintenance** **£5,045.18**

Drain maintenance of access road drains.

- **Landscaping External** **£5,786.70**

Attendance of the external landscape areas, including trees, shrub beds, hedge and grass cutting and weed control.

- **Road Maintenance** **£1,302.00**

Cost of adhoc repair to access road.

- **Gritting** **£888.00**

Cost of keeping the road gritted during winter months.

- **Plant and Machinery** **-£583.00**

Refund from overpaid invoice in previous period.

- **Health & Safety** **£288.87**

Apportionment of health and safety report for the site.

- **Signage** **£90.00**

Cost for installation of signage.

- **Audit Fee** **£0.00**

The RICS Service Charge Code of Practice provides for service charge accounts to be independently certified on an annual basis.

- **Management Fee** **£4,100.00**

This figure represents the fixed annual fee split over multiple schedules, compliant with the RICS Service Charge Code of Practice. It covers the property management, periodic inspection and administration of the service charge. It is subject to annual indexation. This fee has been reallocated between schedule 1 & 3 to better reflect previous time expenditure.



- **Facilities Management** **£1,000**

The costs of the Facilities Manager to oversee contract management and compliance issues.

Total

Schedule 3 **£20,217.75**

.....
Associate Partner

.....
Facilities Manager



APPENDIX A

**Kings Lynn:Campbells Meadow Business Park Campbell (01996)
Service Charge Budget Comparison**

Reconciliation Period = 01/01/2020-31/12/2020

*Amounts in gbp

Code	Description	Actual (12/2020)	Budget (12/2020)	Variance	%
1	Schedule 1				
5100-0101	Management Fee	1,900.00	1,900.00	0.00	0.0000
5100-0203	S/C Audit Fees	150.00	150.00	0.00	0.0000
5100-0309	Facilities Manager	795.00	795.00	0.00	0.0000
5100-0402	Health & Safety	336.13	500.00	-163.87	-32.7740
5300-0901	Security guarding	2,812.70	2,778.00	34.70	1.2491
5300-1001	Internal Cleaning	100.00	1,716.00	-1,616.00	-94.1725
5300-1009	External Landscaping	5,569.50	3,120.00	2,449.50	78.5096
5300-1010	Snow clearance / Gritting	530.00	1,000.00	-470.00	-47.0000
5300-1016	Drainage	0.00	500.00	-500.00	-100.0000
5400-1502	External Repairs and maintenance	1,349.15	500.00	849.15	169.8300
5400-1505	Car Park Maintenance	1,497.00	500.00	997.00	199.4000
	Schedule Total	15,039.48	13,459.00	1,580.48	11.7429
2	Schedule 2				
5100-0203	S/C Audit Fees	-150.00	0.00	-150.00	
	Schedule Total	-150.00	0.00	-150.00	
3	Access Road				
5100-0101	Management Fee	4,100.00	4,100.00	0.00	0.0000
5100-0203	S/C Audit Fees	300.00	300.00	0.00	0.0000
5100-0309	Facilities Manager	1,000.00	1,000.00	0.00	0.0000
5100-0402	Health & Safety	288.87	500.00	-211.13	-42.2260
5100-0408	Signage	90.00	0.00	90.00	
5200-0501	Electricity	0.00	1,000.00	-1,000.00	-100.0000
5300-1009	External Landscaping	5,786.70	3,900.00	1,886.70	48.3769
5300-1010	Snow clearance / Gritting	888.00	2,000.00	-1,112.00	-55.6000
5300-1016	Drainage	5,045.18	4,000.00	1,045.18	26.1295
5400-1520	Road Maintenance	1,302.00	5,000.00	-3,698.00	-73.9600
5400-1526	Footpath Maintenance	0.00	500.00	-500.00	-100.0000
5400-1535	Electrical Repair	0.00	2,500.00	-2,500.00	-100.0000
5700-2103	Plant replacement	-583.00	0.00	-583.00	
5700-2202	Reserve fund	2,000.00	2,000.00	0.00	0.0000
	Schedule Total	20,217.75	26,800.00	-6,582.25	-24.5606
	Total	35,107.23	40,259.00	-5,151.77	-12.7966



APPENDIX B

Kings Lynn:Campbells Meadow Business Park Campbell (01996)

Service Charge Unit Percentages

Reconciliation Period = 01/01/2020-31/12/2020

Unit	Tenant	Days	Schedule 1	Schedule 2	Access Road
0002	Plumbcity Ltd (Original)	57.00	2.3127	0.0000	0.2134
0007	Tesco Stores Ltd (Original)	366.00	0.0000	0.0000	26.1200
0011	Dobbies Garden Centres Ltd (Original)	366.00	0.0000	0.0000	24.7600
0006	Seafish Importers Ltd (Original)	366.00	14.8500	0.0000	1.3700
0003	PKS Developments Ltd (Original)	366.00	14.8500	0.0000	1.3700
0001	N BACK & O GIBBS for THE TRUSTEES OF THE NORWICH TOWN CLOSE ESTATE CHARITY (Original)	366.00	0.0000	100.0000	7.4000
0005	Randall; Elizabeth Anne Randall & Paul Johnathan (Original)	366.00	14.8500	0.0000	1.3700
0009	Steven Eagell Ltd (Original)	366.00	0.0000	0.0000	7.4000
0004	Randall's Pension Scheme; The Trustees of (Original)	366.00	14.8500	0.0000	1.3700
0012	Mark Reeve & David Reeve as trustees of the Chalcroft Retirement Benefit Scheme (Original)	366.00	6.4375	0.0000	0.5950
0015	Mark Reeve & David Reeve as trustees of the Chalcroft Retirement Benefit Scheme (Original)	366.00	6.4375	0.0000	0.5950
0002	Timothy Faulkner (Original)	309.00	12.5373	0.0000	1.1566
0013	Chalcroft Limited (in administration) (Original)	366.00	6.4375	0.0000	0.5950
0014	Chalcroft Limited (in administration) (Original)	366.00	6.4375	0.0000	0.5950
0008	Vacant	366.00	0.0000	0.0000	15.1500
0010	Vacant	366.00	0.0000	0.0000	9.9400
	Total		100.0000	100.0000	100.0000

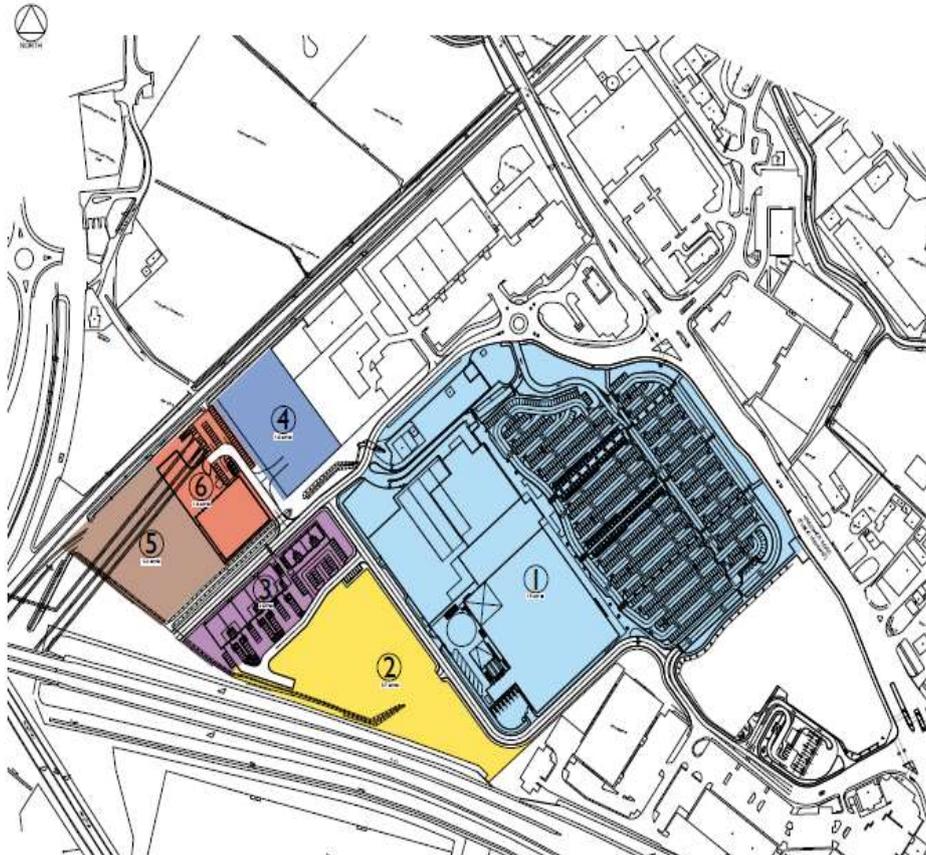


APPENDIX C
Access Road Apportionment Schedule

Plot	Unit	Schedule	Unit Size (sq ft)	Original Plot Area (Acres)	Weighted Plot size
Plot 1	1A	4	116,138	19.00	11.00
	1B	4	110,154	19.00	11.00
Plot 2	Plot 2	4	0	3.70	3.28
Plot 3	2 - 8	4	7,860	2.00	2.00
	10	4	4,529	2.00	2.00
	12	4	4,529	2.00	2.00
	14	4	4,529	2.00	2.00
	16	4	4,529	2.00	2.00
Plot 4	18	4	4,529	2.00	2.00
	Plot 4	4	0	1.60	1.60
Plot 5	Plot 5	4	0	2.20	2.15
Plot 6	14 - 15	4	24,228	1.60	1.60
4 Total			281,025	30.10	21.63

Plot name	Acres
Plot 1	19
Plot 2	3.7
Plot 3	2
Plot 4	1.6
Plot 5	2.2
Plot 6	1.6
Total	30.1

Weighting scores	
Acres	Percentage
0-2	100.0%
2-4	75.0%
4+	50.0%





APPENDIX D
Plan of Schedule 1 Building

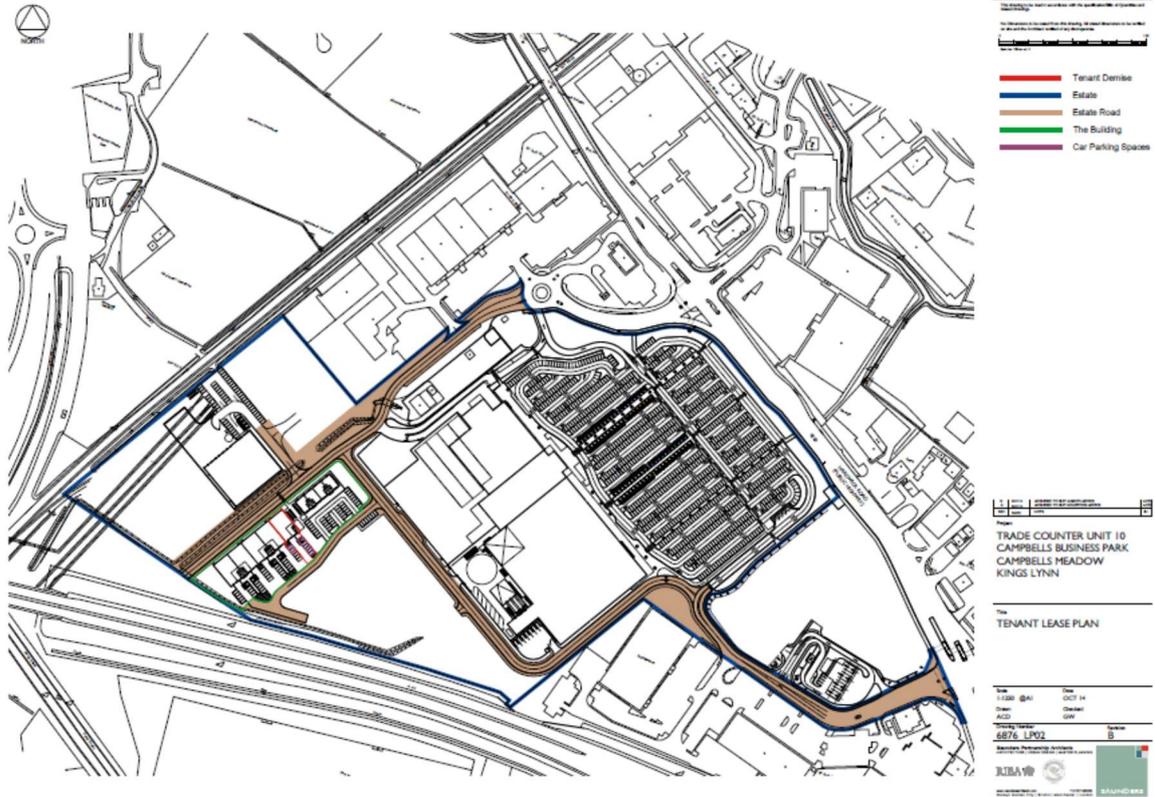


APPENDIX E
Plan of Schedule 2 Building





APPENDIX F Plan of Estate Access Road



TESCO STORES LIMITED
CAMPBELLS MEADOW BUSINESS PARK,
CAMPBELLS MEADOW, KINGS LYNN

SERVICE COSTS AUDIT STATEMENT

YEAR ENDED 31ST DECEMBER 2020



**Campbells Meadow Business Park
Campbells Meadow, Kings Lynn
Certificate of Service Costs for the year ended 31st December 2020**

	2020	2019
Schedule 1		
Cleaning	100.00	900.00
Car Park Maintenance	1,497.00	-
Health and Safety	336.13	-
Landscape - External	5,569.50	1,320.00
Repairs - External	1,349.15	(100.00)
Gritting	530.00	362.00
Electricity Supply	-	(500.00)
Security	2,812.70	2,777.90
Audit Fees	150.00	150.00
Management Fees	1,900.00	3,200.00
Facilities Management	795.00	795.00
	<u>15,039.48</u>	<u>8,904.90</u>
Schedule 2		
Audit Fees	(150.00)	-
	<u>(150.00)</u>	<u>-</u>
Access Road		
Drain Maintenance	5,045.18	7,489.14
Landscape - External	5,786.70	1,665.00
Road Maintenance	1,302.00	2,861.00
Gritting	888.00	849.00
Plant & Machinery	(583.00)	-
Health & Safety	288.87	-
Signage	90.00	894.00
Reserve Fund	2,000.00	-
Audit Fees	300.00	300.00
Management Fees	4,100.00	2,750.00
Facilities Management	1,000.00	1,000.00
	<u>20,217.75</u>	<u>17,808.14</u>
Total Expenditure	<u>35,107.23</u>	<u>26,713.04</u>
Reserve fund:		
Balance @ 01.01.20	-	
Paid in during the year	2,000.00	
Interest in the year	-	
Balance @ 31.12.20	<u>2,000.00</u>	

Independent Accountant's Review Report

To the Manager, Campbells Meadow

We have reviewed the statement of service charge expenditure for the above property for the year ended 31 December 2020. The statement of service charge expenditure has been prepared by the Manager in accordance with guidance issued by the RICS in the Code of Practice, Services Charges in Commercial Property, Third edition.

Manager's Responsibility for the Statement of service charge expenditure

The Manager is responsible for the preparation of the statement of service charge expenditure and for such internal control as the Manager determines is necessary to enable the preparation of statements that are free from material misstatement, whether due to fraud or error.

Reporting Accountant's Responsibility

Our responsibility is to express a conclusion on the statement of service charge expenditure based on the procedures we have performed and the evidence we have obtained. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400, Engagements to Review Historical Financial Statements (Revised). ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the statement of service charge expenditure, taken as a whole, is not prepared in all material respects in accordance with the provisions of the Code of practice 'Service charges in commercial property' issued by the RICS. ISRE 4000 (Revised) also requires us to comply with relevant ethical requirements.

A review of a statement of service charge expenditure in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The reporting accountant performs procedures, primarily consisting of making inquiries of management and others responsible for the services that comprise the service charge on this property, as appropriate, and applying analytical procedures, and evaluates the evidence obtained. The procedures do not include review of the allocation or apportionment of service charge expenditure to occupiers.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on the statement of service charge expenditure.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the statement of service charge expenditure is not prepared, in all material respects, in accordance with the provisions of the Code of practice 'Service charges in commercial property' issued by the RICS.

Basis of Accounting and Restriction on Distribution and Use

Our report is made in accordance with the terms of our engagement and is intended solely for the Manager to issue to current occupiers. This report should not be distributed to or used by other parties. Our work has been undertaken to enable us to make this report to the Manager and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility or liability to anyone other than the Manager in connection with the report or this engagement.



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