



**JOHNSON FELLOWS**  
CHARTERED SURVEYORS

**Imperial Buildings**

**Gallowtree Gate**

**Leicester**

**LE1 1JB**

**Service Charge Budget Report**

**29<sup>th</sup> September 2017 to 28<sup>th</sup>  
September 2018**



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





## **Introduction**

This report has been produced by Johnson Fellows on behalf of the Landlord, Jordan Developments (UK) Ltd. It is intended to provide details of the planned expenditure for the forthcoming service charge year.

## **The Property**

The property is located within Leicester city centre at the junction of Gallowtree Gate and Halford Street. It comprises of a five storey building with retail accommodation on the ground floor and basement, and four storeys of offices situated above with a communal entrance from Halford Street.

Internal common areas include the office entrance, stairs, corridors and toilets together with external fire escape serving all parts of the building.

The building is not fully occupied with void offices on the third and fourth floors.

## **Voids and Concessions**

The responsibility for service charge in respect of void accommodation or any concessions rests with the Landlord.

## **VAT**

The Landlord has elected the property for VAT. Therefore the budget stated within this report is net of VAT.

## **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. 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 object of this budget report is to provide clear explanation of the planned 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](mailto:chris.monteith@johnsonfellows.co.uk)

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

### Management Surveyor:

George Brittain  
Johnson Fellows, Charter House, 163 Newhall Street, Birmingham, B3 1SW  
Direct Dial: 0121 234 0454  
Mobile: 07884 352 576  
Email: [george.brittain@johnsonfellows.co.uk](mailto:george.brittain@johnsonfellows.co.uk)

George Brittain 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 expenditure is apportioned having regard to fixed percentages stated in each Lease.

The service charge apportionments are noted within the Service Charge Apportionment Report, Appendix A.



## **Budget Commentary**

### **SCHEDULE 1**

*All figures are shown net of VAT*

- **Cleaning** **£300.00**

An allowance has been retained as a contingency figure for any unplanned cleaning to the common parts.

- **Building Repair** **£2,000.00**

There is a contingency for any unplanned works during this service charge year.

- **External Decoration** **£125.00**

There is a contingency for any unplanned works during this service charge year.

- **Electricity Supply** **£1,450.00**

The budget for the communal electricity supply is in line with last year's expenditure.

- **Fire Prevention** **£200.00**

A contingency has been budgeted for any works in relation to fire prevention this has increased over the previous year due to market cost.

- **Health & Safety** **£250.00**

A budget figure has been allocated for any essential health and safety works that may be required.

- **Audit Fee** **£250.00**

The Landlord and Tenant Act 1985 and RICS regulations require that service charge accounts are certified on an annual basis. This cost covers the fee raised by the accountants for certifying the year end service charge accounts.

- **Management Fee** **£1,194.00**

This figure represents the fee to manage the property and administer the service charge. It is a fixed fee that increases yearly in like with the retail price index

### **Total**

**Schedule 1** **£5,769.00**



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Management Surveyor

Dated 25<sup>th</sup> October 2017

.....  
Facilities Manager

Dated 25<sup>th</sup> October 2017



**Appendix A**

**Imperial Buildings, Leicester LE1 1JB**

**Service Charge Apportionment Schedule**

**29th September 2017 to 28th September 2018**

<b>Unit</b>	<b>Tenant</b>	<b>Apportionment</b>
2 Halford Street	The Independent Travel Co. Ltd	15%
58 Gallowtree Gate	Nero Holdings Ltd	35%
Upper Floors, Halford Street	Landlord (Void)	50%
<b>Total</b>		<b>100%</b>



**Appendix B**

**Imperial Buildings, Leicester LE1 1JB**

**Service Charge Variance Schedule**

**29th September 2017 to 28th September 2018**

<b>Service Charge Item</b>	<b>Schedule</b>	<b>Budget 2016/2017</b>	<b>Budget 2017/2018</b>	<b>Budget v Budget Variance %</b>	<b>Budget v Budget Variance £</b>
Cleaning	1	£ 300	£ 300	0.00%	£ -
Building Repair	1	£ 2,000	£ 2,000	0.00%	£ -
External Decoration	1	£ 125	£ 125	0.00%	£ -
Electricity Supply	1	£ 1,450	£ 1,450	0.00%	£ -
Fire Prevention	1	£ 150	£ 200	33.33%	£ 50
Health & Safety	1	£ 250	£ 250	0.00%	£ -
Management Fees	1	£ 1,150	£ 1,194	3.83%	£ 44
Audit Fee	1	£ 250	£ 250	0.00%	£ -
<b>Total</b>		<b>£ 5,675</b>	<b>£ 5,769</b>	<b>1.66%</b>	<b>£ 94</b>