



Wing Yip Business Centre

395 Edgware Road

Cricklewood

London NW2 6LN

Service Charge Expenditure Report

1<sup>st</sup> October 2022 –

30<sup>th</sup> September 2023



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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, W Wing Yip & Brothers Property and Investments Ltd. It is intended to provide details of the expenditure incurred during the service charge period 1<sup>st</sup> October 2022 to 30<sup>th</sup> September 2023.

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; 1<sup>st</sup> Edition.

## **The Property**

The property is located on A5 Edgware Road within the north-west London area of Cricklewood. It is approximately 500m from J1 of the M1 Motorway and the North Circular Road. The City of London is approximately 5 miles to the south.

The Business Centre is a purpose built office and retail premises with brick facades under a pitched tiled roof. It adjoins the Wing Yip Superstore, which is part of the wider Wing Yip estate, including underground car parking, warehousing and the China House office building.

The ground floor of the property is occupied by the Wing Tai Restaurant and the Reindeer Cafe. The first floor is divided into cellular office suites with communal WC facilities. Wing Tai Restaurant has its own dedicated entrance. The first floor businesses have a shared ground floor entrance leading to a staircase and passenger lift.

The primary services provided for the property consist of internal cleaning of communal parts, utility consumption, lift maintenance, waste management, site security and external landscaping 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 report is to provide a clear explanation of the service charge expenditure on a not for profit/not for loss basis. It is also to promote clarity and transparency.

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. As a consequence, 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 for each schedule is detailed within the Service Charge Apportionment Schedule attached at Appendix A.

Three separate schedules have been adopted. Schedule 1 provides costs for the Business Centre, Schedule 2 the wider estate costs and Schedule 3 relates to waste management.

Schedule One            All occupiers

Schedule Two           All occupiers

Schedule Three        First floor occupiers only

The apportionment percentages are calculated based on net internal floor areas.



## **Management Team**

### **Management Surveyor:**

Ian Starbuck  
Johnson Fellows, Charter House, 163 Newhall Street, Birmingham, B3 1SW  
Direct Dial: 0121 234 0462  
Mobile: 07887 745 635  
Email: [ian.starbuck@johnsonfellows.co.uk](mailto:ian.starbuck@johnsonfellows.co.uk)

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

### **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.

### **Help Desk Manager:**

Charlie Scott  
Johnson Fellows, Charter House, 163 Newhall Street, Birmingham, B3 1SW  
Direct Dial: 0121 234 0409  
Mobile: 07763 564705  
Email: [helpdesk@JohnsonFellows.co.uk](mailto:helpdesk@JohnsonFellows.co.uk)

Charlie Scott is the Help Desk Manager and is responsible for dealing with urgent reactive maintenance and repair.

### **Site Manager:**

Clive Manyeza  
Mobile: 07711 396 763

Clive is on site one day per week and is responsible for litter picking, landscaping, minor items of repair and maintenance and tenant liaison for urgent matters.

### **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.



## Expenditure Commentary

*All figures are shown net of VAT*

### **SCHEDULE 1 - Business Centre Costs - All Occupiers**

- **Internal Cleaning** **£14,204.64**

The expenditure relates to the contract cost for the internal cleaning of the Business Centre. It came in slightly over budget due to the increase in contract costs.

- **Toilet Requisites** **£162.96**

The expenditure relates to the provision of toilet consumables and cleaning materials. The costs were under budget.

- **Pest Control** **£1,009.02**

The expenditure is for the pest control contract for the Business Centre with Rentokil, which came in slightly above budget due to a rise in the contract costs.

- **Window Cleaning** **£255.00**

The costs incurred are for the window cleaning contract for the Business Centre, based on quarterly visits. The expenditure was under the budget. Not all visits were completed.

- **Estate Cleaning (Drains)** **£1,080.00**

The expenditure heading is the Business Centre's contribution towards the cleaning of the drains at the estate. The expenditure was over budget.

- **External Landscaping** **£0.00**

No budget was provided under this cost heading due to the services that are completed by the Site Manager.

- **External Repairs & Maintenance** **£2,315.83**

The cost heading allowed for a contribution towards any external building repair items. The main items of expenditure include the completion of a roof insulation report for fire purposes, roof repairs to the business centre and the cleaning of the bin store. The expenditure was above budget.

- **Internal Repairs & Maintenance** **£6,532.74**

The budget allowed a contingency for any unforeseen repairs and maintenance to the communal areas. It was also to facilitate the upgrading of the lighting within the communal areas. Overall, expenditure was under budget.



- **Electricity** **£9,478.63**

The cost heading relates to the electricity consumption within the common areas of the Business Centre. Expenditure was over budget due to the increase in utility costs.

- **Gas** **£765.78**

The budget relates to the gas consumption for the heating of the communal areas of the Business Centre. The expenditure was under budget.

- **Water Charges** **£2,029.91**

The expenditure relates to the water rates for the common areas of the Business Centre. It was above the budget figure for the year.

- **Lift Maintenance Contract** **£1,846.01**

The cost heading is for the annual maintenance contract for the passenger lift within the Business Centre together with the alarm line. The expenditure was over budget, largely due to higher than anticipated alarm line costs.

- **Lift Repairs** **£28.14**

The budget allowed a contingency sum for any unforeseen repairs that were required to the lift during the year. A single call out was the only expenditure.

- **M&E Maintenance Contract** **£7,366.80**

The cost heading covers the contract cost for the weekly testing of the fire alarm, lightning protection, emergency lighting and boiler service. Total expenditure was above budget.

- **M&E Repairs** **£7,481.69**

The budget heading provided a contingency for repairs to the Landlord's M&E equipment. Various works were completed, most notably relating to the heating and the need to complete boiler repairs. The expenditure coming in above budget.

- **Health & Safety** **£0.00**

The heading allowed for the completion of the Landlord's health & safety and fire risk assessments. They were not carried out during the service charge year.

- **Staff Wages** **£7,045.86**

The heading relates to the costs of the Site Manager. The Site Manager is at the property one day per week and is responsible for landscaping, minor items of repair and maintenance and tenant liaison for urgent matters. Overall, we anticipate that this will result in cost savings whilst also improving the service. The expenditure was over budget due to an increase in contract costs during the year. The contract is being re-tendered.



- **Security Systems** **£0.00**

The budget heading allowed for the maintenance of the CCTV equipment. No expenditure was incurred during the year.

- **Help Desk** **£500.00**

24 hour/7 day a week Help Desk has been set up to allow all occupiers to speak with a dedicated operative and report urgent items of repair and maintenance. The expenditure is in line with the budget figure.

- **Audit Fee** **£650.00**

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 cost was under budget.

- **Management Fee** **£8,059.00**

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 fee was in line with the budget.

- **Facilities Management** **£4,579.00**

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 was in line with the budget.

**Total**

**Schedule 1** **£75,391.01**



## **SCHEDULE 2 - Estate Costs - All Occupiers**

- **External Repairs & Maintenance** **£640.00**

The heading allowed for the Business Centre's contribution towards any repairs to the wider communal estate. The expenditure was slightly under budget.

- **Electricity** **£2,756.97**

The expenditure heading is the contribution towards the external communal electricity consumption. Costs were under budget for the year.

- **Security Guarding** **£28,096.37**

The expenditure heading is the Business Centre's contribution towards the 24/7 site security guarding. The costs were over the budget figure due to a rise in the contract costs.

### **Total**

**Schedule 2** **£31,493.34**

## **SCHEDULE 3 – First Floor Occupiers Only**

- **Waste Management** **£1,429.93**

The expenditure relates to the refuse collection contract for all first floor Business Centre occupiers. The restaurants maintain their own contracts. The expenditure was fractionally over budget.

### **Total**

**Schedule 3** **£1,429.93**



**Expenditure Approval**

.....  
Facilities Manager

.....  
Partner

Dated 7<sup>th</sup> March 2024

Dated 7<sup>th</sup> March 2024



**Appendix A**

**Wing Yip Business Centre, Cricklewood**

**Service Charge Apportionment Schedule**

**1st October 2022 - 30th September 2023**

Unit	Schedule	Area Sq Ft	Percentage
Unit 2 Gnd Floor	1	6,023	36.31%
Unit 3 Gnd Floor	1	2,606	15.71%
Unit 5 1st Floor	1	337	2.03%
Unit 6 1st Floor	1	540	3.26%
Unit 7 1st Floor	1	717	4.32%
Unit 8 1st Floor	1	643	3.88%
Unit 9 1st Floor	1	732	4.41%
Unit 10 1st Floor	1	698	4.21%
Unit 11 1st Floor	1	724	4.37%
Unit 12 1st Floor	1	632	3.81%
Unit 13 1st Floor	1	606	3.65%
Unit 15 1st Floor	1	710	4.28%
Unit 16 1st Floor	1	708	4.27%
Unit 17 1st Floor	1	910	5.49%
<b>1 Total</b>		<b>16,586</b>	<b>100.00%</b>
Unit 2 Gnd Floor	2	6,023	36.31%
Unit 3 Gnd Floor	2	2,606	15.71%
Unit 5 1st Floor	2	337	2.03%
Unit 6 1st Floor	2	540	3.26%
Unit 7 1st Floor	2	717	4.32%
Unit 8 1st Floor	2	643	3.88%
Unit 9 1st Floor	2	732	4.41%
Unit 10 1st Floor	2	698	4.21%
Unit 11 1st Floor	2	724	4.37%
Unit 12 1st Floor	2	632	3.81%
Unit 13 1st Floor	2	606	3.65%
Unit 15 1st Floor	2	710	4.28%
Unit 16 1st Floor	2	708	4.27%
Unit 17 1st Floor	2	910	5.49%
<b>2 Total</b>		<b>16,586</b>	<b>100.00%</b>
Unit 5 1st Floor	3	337	4.23%
Unit 6 1st Floor	3	540	6.79%
Unit 7 1st Floor	3	717	9.01%
Unit 8 1st Floor	3	643	8.08%
Unit 9 1st Floor	3	732	9.20%
Unit 10 1st Floor	3	698	8.77%
Unit 11 1st Floor	3	724	9.10%
Unit 12 1st Floor	3	632	7.94%
Unit 13 1st Floor	3	606	7.62%
Unit 15 1st Floor	3	710	8.92%
Unit 16 1st Floor	3	708	8.90%
Unit 17 1st Floor	3	910	11.44%
<b>3 Total</b>		<b>7,957</b>	<b>100.00%</b>



## Appendix B

### Wing Yip Business Centre, Cricklewood

### Service Charge Variance Schedule

### 1st October 2022 - 30th September 2023

The property is VAT registered. Figures for all schedules are shown net of VAT.

Service Charge Item	Schedule	Budget 2022-23	Expenditure 2022-23
Internal Cleaning	1	£ 13,500.00	£ 14,204.64
Toilet Requisites	1	£ 750.00	£ 162.96
Pest Control	1	£ 960.00	£ 1,009.02
Window Cleaning	1	£ 700.00	£ 255.00
Estate Cleaning (Drainage)	1	£ 900.00	£ 1,080.00
External Landscaping	1	£ -	£ -
External Repairs & Maintenance	1	£ 500.00	£ 2,315.83
Internal Repairs & Maintenance	1	£ 8,000.00	£ 6,532.74
Electricity	1	£ 7,500.00	£ 9,478.63
Gas	1	£ 2,500.00	£ 765.78
Water Charges	1	£ 1,500.00	£ 2,029.91
Lift Maintenance Contract	1	£ 1,370.00	£ 1,846.01
Lift Repairs	1	£ 2,000.00	£ 28.14
M&E Maintenance Contract	1	£ 6,500.00	£ 7,366.80
M&E Repairs	1	£ 2,000.00	£ 7,481.69
Health & Safety	1	£ 750.00	£ -
Security Systems	1	£ 300.00	£ -
Staff Wages	1	£ 5,216.00	£ 7,045.86
Help Desk	1	£ 500.00	£ 500.00
Audit Fee	1	£ 700.00	£ 650.00
Management Fee	1	£ 8,059.00	£ 8,059.00
Facilities Management	1	£ 4,579.00	£ 4,579.00
<b>1 Total</b>		<b>£ 68,784.00</b>	<b>£ 75,391.01</b>
External Repairs & Maintenance	2	£ 750.00	£ 640.00
Electricity	2	£ 3,000.00	£ 2,756.97
Security Guarding	2	£ 21,000.00	£ 28,096.37
<b>2 Total</b>		<b>£ 24,750.00</b>	<b>£ 31,493.34</b>
Waste Management	3	£ 1,400.00	£ 1,429.93
<b>3 Total</b>		<b>£ 1,400.00</b>	<b>£ 1,429.93</b>
<b>TOTAL</b>		<b>£ 94,934.00</b>	<b>£ 108,314.28</b>



**Appendix C**

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**WING YIP & BROTHERS PROPERTY AND INVESTMENTS LTD  
BUSINESS CENTRE, 395 EDGWARE ROAD, CRICKLEWOOD  
STATEMENT OF SERVICE CHARGE EXPENDITURE  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**WING YIP & BROTHERS PROPERTY AND INVESTMENTS LTD**  
**BUSINESS CENTRE, 305 EDGWARE ROAD, CRICKLEWOOD**  
**STATEMENT OF SERVICE CHARGE EXPENDITURE**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**INDEPENDENT ACCOUNTANTS' REPORT TO THE LANDLORD OF  
BUSINESS CENTRE, 395 EDGWARE ROAD, CRICKLEWOOD**

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We have reviewed the accompanying statement of service charge expenditure for Business Centre for the year ended 30 September 2023 and a summary of significant accounting policies and notes to the service charge expenditure report set out on page 7 to 8. The statement of service charge expenditure has been prepared by Johnson Fellows LLP in accordance with guidance issued by the RICS to supplement the RICS code of Practice, *Service Charges in Commercial Property* (the code).

**Managing Agent's responsibility for the statement of service charge expenditure**

Johnson Fellows LLP are responsible for the preparation of the statement of service charge expenditure and for such internal controls as they determine are necessary to determine the preparation of statements that are free from material misstatement, whether due to fraud or error.

**Reporting Accountants' 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 the 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 RICS. ISRE 2400 (Revised) also requires us to comply with relevant ethical requirements.

A review of statement of service charge expenditure in accordance with ISRE 2400 (Revised) is a limited assurance assignment. 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. As the reporting accountant we have performed the following procedures:

- checked whether entries in the accounting records are supported by invoices, receipts, other documentation or evidence
- made enquiries of management and others responsible for the services that comprise the service charge on this property
- applied analytical procedures.

The procedures do not include a review of the allocation or apportionment of service charge expenditure to occupiers.



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**INDEPENDENT ACCOUNTANTS' REPORT TO THE LANDLORD OF  
BUSINESS CENTRE, 395 EDGWARE ROAD, CRICKLEWOOD**

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**Conclusion**

Our report is made in accordance with the terms of our engagement and is intended solely for Johnson Fellows LLP for issue to current occupiers and the landlord. 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 Johnson Fellows LLP 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 Johnson Fellows LLP in connection with the report of this engagement.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that cause 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.

On the basis of information and explanations provided to us by Johnson Fellows LLP, in our opinion, the expenditure incurred and to be incurred by the Lessor for the year ended 30 September 2023 was £108,314.28 exclusive of VAT.

**BENNETT WHITEHOUSE SERVICE CHARGE LIMITED**

Chartered Accountants  
1st Floor  
Waterfront One  
Waterfront Business Park  
Brierley Hill  
West Midlands  
DYS 1LX

8 February 2024



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**WING YIP & BROTHERS PROPERTY AND INVESTMENTS LTD**  
**BUSINESS CENTRE, 395 EDGWARE ROAD, CRICKLEWOOD**  
**SERVICE CHARGE EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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<b>Total All Schedules</b>	<b>Actual 2023 £</b>	<b>Budget 2023 £</b>	<b>Budget Variance £</b>	<b>Prior Period £</b>	<b>Prior Variance £</b>
Schedule 1	75,391.01	66,784.00	8,607.01	50,982.80	18,408.11
Schedule 2	31,493.34	34,750.00	3,256.66	30,376.00	1,114.34
Schedule 3	1,426.93	1,400.00	26.93	1,153.76	273.17
<b>TOTAL ALL SCHEDULES</b>	<b>108,311.28</b>	<b>102,934.00</b>	<b>5,377.28</b>	<b>82,512.56</b>	<b>18,795.62</b>

For breakdown of all schedules see pages 4 to 6

**WING YIP & BROTHERS PROPERTY AND INVESTMENTS LTD**  
**BUSINESS CENTRE, 365 EDGWARE ROAD, CRICKLEWOOD**  
**SERVICE CHARGE EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

<b>Schedule 1 - Business Centre Costs</b>	<b>Actual 2023 £</b>	<b>Budget 2023 £</b>	<b>Budget Variance £</b>	<b>Prior Period £</b>	<b>Prior Variance £</b>
<b>MANAGEMENT</b>					
<b>Management fees</b>					
Management fees	8,059.00	8,059.00	-	7,600.00	459.00
<b>Accounting fees</b>					
Accountancy fees	650.00	700.00	(50.00)	650.00	-
<b>Site management resources</b>					
Staff costs	7,045.86	5,210.00	1,835.86	4,744.00	2,301.86
Helpdesk fees	500.00	500.00	-	-	500.00
Facilities management	4,579.00	4,579.00	-	4,320.00	259.00
<b>Health, safety and environmental</b>					
Health and safety	-	750.00	(750.00)	675.00	(675.00)
<b>UTILITIES</b>					
<b>Electricity</b>					
Electricity	9,478.63	7,500.00	1,978.63	3,587.86	5,890.77
<b>Gas</b>					
Gas	765.78	2,500.00	(1,734.22)	788.40	(32.62)
<b>Water</b>					
Water and sewerage charges	2,029.91	1,500.00	529.91	1,723.58	306.33
<b>SOFT SERVICES</b>					
<b>Security</b>					
Security equipment	-	300.00	(300.00)	-	-
<b>Cleaning and environmental</b>					
Cleaning	14,204.64	13,500.00	704.64	13,080.18	1,124.46
Window cleaning	355.00	700.00	(445.00)	600.00	(405.00)
Pest control	1,026.82	600.00	426.82	840.48	186.34
Cleaning consumables	162.56	750.00	(587.44)	670.26	(507.70)
<b>HARD SERVICES</b>					
<b>Mechanical and electrical services (M&amp;E)</b>					
M&E maintenance contract	7,368.80	6,500.00	868.80	7,068.43	(699.63)
M&E repairs	7,461.69	2,000.00	5,461.69	4,868.91	2,592.78
<b>Lift and escalators</b>					
Lift maintenance contract	1,848.01	1,370.00	478.01	1,388.10	459.91
Lift repairs and maintenance	28.14	2,000.00	(1,971.86)	440.00	(411.86)
<b>Fabric repairs and maintenance</b>					
Internal repairs and maintenance	6,530.74	8,000.00	(1,469.26)	2,814.70	3,716.04
External repairs and maintenance	2,315.83	500.00	1,815.83	-	2,315.83
Drainage repairs and maintenance	1,080.00	600.00	480.00	-	1,080.00
<b>SCHEDULE 1 - BUSINESS CENTRE COSTS TOTAL</b>	<b>78,391.81</b>	<b>68,784.00</b>	<b>9,607.81</b>	<b>56,983.99</b>	<b>21,407.82</b>



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**WING YIP & BROTHERS PROPERTY AND INVESTMENTS LTD**  
**BUSINESS CENTRE, 398 EDWARDS ROAD, CRICKLEWOOD**  
**SERVICE CHARGE EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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<b>Schedule 2 - Estate Costs</b>	<b>Actual 2023 £</b>	<b>Budget 2023 £</b>	<b>Budget Variance £</b>	<b>Prior Period £</b>	<b>Prior Variance £</b>
<b>UTILITIES</b>					
Electricity					
Electricity	2,758.87	3,000.00	(241.13)	4,256.40	(1,497.53)
<b>SOFT SERVICES</b>					
Security					
Security guarding	28,098.37	21,000.00	7,098.37	25,143.00	2,955.37
<b>HARD SERVICES</b>					
Fabric repairs and maintenance					
External repairs and maintenance	640.00	750.00	(110.00)	660.00	(20.00)
<b>SCHEDULE 2 - ESTATE COSTS TOTAL</b>	<b>31,497.24</b>	<b>24,750.00</b>	<b>6,747.24</b>	<b>30,079.40</b>	<b>1,177.84</b>



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**WING YIP & BROTHERS PROPERTY AND INVESTMENTS LTD**  
**BUSINESS CENTRE, 398 EDGWARE ROAD, CRICKLEWOOD**  
**SERVICE CHARGE EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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Schedule 3 - First Floor	Actual 2023 £	Budget 2023 £	Budget Variance £	Prior Period £	Prior Balance £
<b>SOFT SERVICES</b>					
Cleaning and environmental					
Waste management	1,429.93	1,400.00	29.93	1,153.76	276.17
<b>SCHEDULE 3 - FIRST FLOOR TOTAL</b>	<b>1,429.93</b>	<b>1,400.00</b>	<b>29.93</b>	<b>1,153.76</b>	<b>276.17</b>

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**WING YIP & BROTHERS PROPERTY AND INVESTMENTS LTD**  
**BUSINESS CENTRE, 395 EDGWARE ROAD, CRICKLEWOOD**  
**NOTES TO THE STATEMENT OF SERVICE CHARGE EXPENDITURE**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**1 Accounting policies**

The accounts are prepared in accordance with the provisions of the lease and on the accruals basis.

**2 Bank account**

Service charge money was held at HSBC Bank Plc in a client account under the title CBGA Robson LLP No1 Client Account. This is an interest bearing account. Any interest earned on the funds is credited to the service charge account net of any bank operating costs.

**3 VAT**

The property is elected for VAT purposes and therefore all service charge expenditure stated is exclusive of VAT.

**4 Management fees**

Johnson Fellows LLP are appointed to manage the common areas of the property. The management fee charged solely for the management of the service charge for the year ended 30 September 2023 was agreed at a fixed fee of £8,059.00. The management fee is reviewed annually. Asset management and rent collection costs are excluded from the service charge management fee.

Total employment costs of the on site manager and their assistant is included within the service charge expenditure.

Summary of all fees charged by the managing agent -

	<b>2023</b>
	<b>£</b>
Management fees	8,059.00

**5 Accruals**

The accruals included in the service charge expenditure relate to goods and services actually incurred within the year ended 30 September 2023, but no invoice had been received at the year end date.

<b>Sch Code</b>	<b>£</b>
01 Service charge accounts fee	650.00
01 Lift maintenance contract	77.56
02 Electricity	(93.81)
02 Security guarding	2,211.58
	<u><u>2,845.33</u></u>



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**WING YIP & BROTHERS PROPERTY AND INVESTMENTS LTD**  
**BUSINESS CENTRE, 395 EDGWARE ROAD, CRICKLEWOOD**  
**NOTES TO THE STATEMENT OF SERVICE CHARGE EXPENDITURE**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**6 Empty units and concessions granted to tenants**

Where appropriate, costs are apportioned on a daily basis and for the avoidance of doubt it is confirmed that the landlord bears an appropriate proportion of the service charge expenditure in respect of voids and vacant premises.

Likewise, if any tenant has any form of concession, whereby their contribution towards the service charge is capped, or is lower than the apportionment due, the landlord pays the difference.

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**WING YIP & BROTHERS PROPERTY AND INVESTMENTS LTD**  
**BUSINESS CENTRE, 395 EDGWARE ROAD, CRICKLEWOOD**  
**STATEMENT OF SERVICE CHARGE EXPENDITURE**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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bennett whitehouse

CHARTERED ACCOUNTANTS

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**WING YIP & BROTHERS PROPERTY AND INVESTMENTS LTD**  
**BUSINESS CENTRE, 395 EDGWARE ROAD, CRICKLEWOOD**  
**STATEMENT OF SERVICE CHARGE EXPENDITURE**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**INDEPENDENT ACCOUNTANTS' REPORT TO THE LANDLORD OF  
BUSINESS CENTRE, 395 EDGWARE ROAD, CRICKLEWOOD**

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We have reviewed the accompanying statement of service charge expenditure for Business Centre for the year ended 30 September 2023 and a summary of significant accounting policies and notes to the service charge expenditure report set out on page 7 to 8. The statement of service charge expenditure has been prepared by Johnson Fellows LLP in accordance with guidance issued by the RICS to supplement the RICS code of Practice, Service Charges in Commercial Property (the code).

**Managing Agent's responsibility for the statement of service charge expenditure**

Johnson Fellows LLP are responsible for the preparation of the statement of service charge expenditure and for such internal controls as they determine are necessary to determine the preparation of statements that are free from material misstatement, whether due to fraud or error.

**Reporting Accountants' 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 the 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 RICS. ISRE 2400 (Revised) also requires us to comply with relevant ethical requirements.

A review of statement of service charge expenditure in accordance with ISRE 2400 (Revised) is a limited assurance assignment. 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. As the reporting accountant we have performed the following procedures:

- checked whether entries in the accounting records are supported by invoices, receipts, other documentation or evidence
- made enquiries of management and others responsible for the services that comprise the service charge on this property
- applied analytical procedures.

The procedures do not include a review of the allocation or apportionment of service charge expenditure to occupiers.

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**INDEPENDENT ACCOUNTANTS' REPORT TO THE LANDLORD OF  
BUSINESS CENTRE, 395 EDGWARE ROAD, CRICKLEWOOD**

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**Conclusion**

Our report is made in accordance with the terms of our engagement and is intended solely for Johnson Fellows LLP for issue to current occupiers and the landlord. 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 Johnson Fellows LLP 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 Johnson Fellows LLP in connection with the report of this engagement.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that cause 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.

On the basis of information and explanations provided to us by Johnson Fellows LLP, in our opinion, the expenditure incurred and to be incurred by the Lessor for the year ended 30 September 2023 was £108,314.28 exclusive of VAT.



**BENNETT WHITEHOUSE SERVICE CHARGE LIMITED**  
Chartered Accountants  
1st Floor  
Waterfront One  
Waterfront Business Park  
Brierley Hill  
West Midlands  
DY5 1LX

**8 February 2024**

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WING YIP & BROTHERS PROPERTY AND INVESTMENTS LTD  
BUSINESS CENTRE, 395 EDGWARE ROAD, CRICKLEWOOD  
SERVICE CHARGE EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 30 SEPTEMBER 2023

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Total All Schedules	Actual 2023 £	Budget 2023 £	Budget Variance £	Prior Period £	Prior Variance £
Schedule 1	75,391.01	68,784.00	6,607.01	56,982.90	18,408.11
Schedule 2	31,493.34	24,750.00	6,743.34	30,379.00	1,114.34
Schedule 3	1,429.93	1,400.00	29.93	1,153.76	276.17
<b>TOTAL ALL SCHEDULES</b>	<b>108,314.28</b>	<b>94,934.00</b>	<b>13,380.28</b>	<b>88,515.66</b>	<b>19,798.62</b>

For breakdown of all schedules see pages 4 to 6

WING YIP & BROTHERS PROPERTY AND INVESTMENTS LTD  
BUSINESS CENTRE, 395 EDGWARE ROAD, CRICKLEWOOD  
SERVICE CHARGE EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 30 SEPTEMBER 2023

Schedule 1 - Business Centre Costs	Actual 2023 £	Budget 2023 £	Budget Variance £	Prior Period £	Prior Variance £
<b>MANAGEMENT</b>					
<b>Management fees</b>					
Management fees	8,059.00	8,059.00	-	7,603.00	456.00
<b>Accounting fees</b>					
Accountancy fees	650.00	700.00	(50.00)	650.00	-
<b>Site management resources</b>					
Staff costs	7,045.86	5,216.00	1,829.86	4,744.00	2,301.86
Helpdesk fees	500.00	500.00	-	-	500.00
Facilities management	4,579.00	4,579.00	-	4,320.00	259.00
<b>Health,safety and environmental</b>					
Health and safety	-	750.00	(750.00)	675.00	(675.00)
<b>UTILITIES</b>					
<b>Electricity</b>					
Electricity	9,478.63	7,500.00	1,978.63	3,587.86	5,890.77
<b>Gas</b>					
Gas	765.78	2,500.00	(1,734.22)	788.40	(22.62)
<b>Water</b>					
Water and sewerage charges	2,029.91	1,500.00	529.91	1,723.58	306.33
<b>SOFT SERVICES</b>					
<b>Security</b>					
Security equipment	-	300.00	(300.00)	-	-
<b>Cleaning and environmental</b>					
Cleaning	14,204.64	13,500.00	704.64	13,080.18	1,124.46
Window cleaning	255.00	700.00	(445.00)	660.00	(405.00)
Pest control	1,009.02	960.00	49.02	942.48	66.54
Cleaning consumables	162.96	750.00	(587.04)	670.26	(507.30)
<b>HARD SERVICES</b>					
<b>Mechanical and electrical services (M&amp;E)</b>					
M&E maintenance contract	7,366.80	6,500.00	866.80	7,998.43	(631.63)
M&E repairs	7,481.69	2,000.00	5,481.69	4,896.91	2,584.78
<b>Lift and escalators</b>					
Lift maintenance contract	1,846.01	1,370.00	476.01	1,388.10	457.91
Lift repairs and maintenance	28.14	2,000.00	(1,971.86)	440.00	(411.86)
<b>Fabric repairs and maintenance</b>					
Internal repairs and maintenance	6,532.74	8,000.00	(1,467.26)	2,814.70	3,718.04
External repairs and maintenance	2,315.83	500.00	1,815.83	-	2,315.83
Drainage repairs and maintenance	1,080.00	900.00	180.00	-	1,080.00
<b>SCHEDULE 1 - BUSINESS CENTRE COSTS TOTAL</b>	<b>75,391.01</b>	<b>68,784.00</b>	<b>6,607.01</b>	<b>56,982.90</b>	<b>18,408.11</b>

**WING YIP & BROTHERS PROPERTY AND INVESTMENTS LTD**  
**BUSINESS CENTRE, 395 EDGWARE ROAD, CRICKLEWOOD**  
**SERVICE CHARGE EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

<b>Schedule 2 - Estate Costs</b>	<b>Actual 2023 £</b>	<b>Budget 2023 £</b>	<b>Budget Variance £</b>	<b>Prior Period £</b>	<b>Prior Variance £</b>
<b>UTILITIES</b>					
<b>Electricity</b>					
Electricity	2,756.97	3,000.00	(243.03)	4,256.40	(1,499.43)
<b>SOFT SERVICES</b>					
<b>Security</b>					
Security guarding	28,096.37	21,000.00	7,096.37	25,142.60	2,953.77
<b>HARD SERVICES</b>					
<b>Fabric repairs and maintenance</b>					
External repairs and maintenance	640.00	750.00	(110.00)	980.00	(340.00)
<b>SCHEDULE 2 - ESTATE COSTS TOTAL</b>	<b>31,493.34</b>	<b>24,750.00</b>	<b>6,743.34</b>	<b>30,379.00</b>	<b>1,114.34</b>

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WING YIP & BROTHERS PROPERTY AND INVESTMENTS LTD  
BUSINESS CENTRE, 395 EDGWARE ROAD, CRICKLEWOOD  
SERVICE CHARGE EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 30 SEPTEMBER 2023

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Schedule 3 - First Floor	Actual 2023 £	Budget 2023 £	Budget Variance £	Prior Period £	Prior Variance £
<b>SOFT SERVICES</b>					
<b>Cleaning and environmental</b>					
Waste management	1,429.93	1,400.00	29.93	1,153.76	276.17
<b>SCHEDULE 3 - FIRST FLOOR TOTAL</b>	<b>1,429.93</b>	<b>1,400.00</b>	<b>29.93</b>	<b>1,153.76</b>	<b>276.17</b>

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**WING YIP & BROTHERS PROPERTY AND INVESTMENTS LTD**  
**BUSINESS CENTRE, 395 EDGWARE ROAD, CRICKLEWOOD**  
**NOTES TO THE STATEMENT OF SERVICE CHARGE EXPENDITURE**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**1 Accounting policies**

The accounts are prepared in accordance with the provisions of the lease and on the accruals basis.

**2 Bank account**

Service charge money was held at HSBC Bank Plc in a client account under the title CBGA Robson LLP No1 Client Account. This is an interest bearing account. Any interest earned on the funds is credited to the service charge account net of any bank operating costs.

**3 VAT**

The property is elected for VAT purposes and therefore all service charge expenditure stated is exclusive of VAT.

**4 Management fees**

Johnson Fellows LLP are appointed to manage the common areas of the property. The management fee charged solely for the management of the service charge for the year ended 30 September 2023 was agreed at a fixed fee of £8,059.00. The management fee is reviewed annually. Asset management and rent collection costs are excluded from the service charge management fee.

Total employment costs of the on site manager and their assistant is included within the service charge expenditure.

Summary of all fees charged by the managing agent -

	<b>2023</b>
	<b>£</b>
Management fees	8,059.00

**5 Accruals**

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**NOTES TO THE STATEMENT OF SERVICE CHARGE EXPENDITURE**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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Likewise, if any tenant has any form of concession, whereby their contribution towards the service charge is capped, or is lower than the apportionment due, the landlord pays the difference.