



**JOHNSON FELLOWS**  
CHARTERED SURVEYORS

**Boldmere Road Parade**

110 – 116 Boldmere Road

Sutton Coldfield

B73 5UB

**Service Charge Expenditure Report**

**1<sup>st</sup> August 2022 – 31<sup>st</sup> July 2023**



## **Contents**

Introduction

The Property

Service Charge Objectives

VAT

Voids and Concessions

Banking

Reserve Fund

Service Charge Apportionment

Management Team

Budget Commentary

Budget Approval

## **Appendices**

- A. Service Charge Apportionment Schedule
- B. Service Charge Variance Schedule



## **Introduction**

This report has been produced by Johnson Fellows on behalf of the Landlord, W Wing Yip & Brothers Foundation. It is intended to provide details of the expenditure for the service charge period 1<sup>st</sup> August 2022 to 31<sup>st</sup> July 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 Boldmere Road, at the end of the local shopping high street. It is approximately, 6 miles north of Birmingham City Centre and 1.3 miles south west of Sutton Town Centre

The parade is a purpose-built retail and office premises with brick facades under a pitched tiled roof. Part first floor has been converted to a restaurant and 3 of the retail units merged into a bar. The parade now has a mix of retail, bar and food offerings. To the rear is a communal car park.

## **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. 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.



### **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 net internal floor areas.

### **Reserve Fund**

There is currently £283.04 in an historic reserve fund.



## **Management Team**

### **Management Surveyor:**

Tina Hothi  
Johnson Fellows, Charter House, 163 Newhall Street, Birmingham, B3 1SW  
Mobile: 078594 089 316  
Email: Tina.Hothi@johnsonfellows.co.uk

Tina Hothi 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.



## Expenditure Commentary

*All figures are shown net of VAT*  
**SCHEDULE 1 - All Occupiers**

- **Management Fee** **£3,244.64**

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.

- **Building Manager (site manager)** **£3,945.96**

The cost in relation to the Site Manager for the property one day per week who is responsible for landscaping, minor items of repair and maintenance and tenant liaison.

- **Facilities Management** **£3,972.52**

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.

- **Health & Safety** **£0.00**

The cost of completing the health and safety audit, however, no costs have been applied for the year ending 2023.

- **Security Systems** **- £1,200.00**

This cost was previously accrued for the installation of a security system. However, as the works have not been undertaken the monies have now been returned.

- **Gritting** **£1,014.41**

Cost for gritting the shared areas in the service charge period.

- **Drainage** **£755.00**

Cost of supplying some guttering pipe.

- **External Repairs & Maintenance** **£5,439.00**

The cost of site repairs for the period, these included parking signage, tarmac, padlock replacement, weed killer, and gutter repairs.

- **Help Desk** **£250.00**

The cost for the implementation of a 24 hour help desk.

- **Reserve Fund** **£283.04**

This is an historic amount currently still sitting in the reserve fund.



**Total**

**£17,704.57**

Associate Partner



**Appendix A**

**110 - 116 Boldmere Road Boldmere Sutton Coldfield (02170)**

**Service Charge Budget Comparison**

**Reconciliation Period - 01/08/2022-31/07/2023**

<b>Description</b>	<b>Budget (07/2022)</b>	<b>Budget (07/2023)</b>	<b>Variance</b>	<b>%</b>
Schedule 1				
Management Fee	3,061.00	3,244.64	183.64	6.00%
Staff Costs	3,946.00	3,945.96	-0.04	0.00%
Facilities Manager	3,759.00	3,972.52	213.52	5.68%
Health & Safety	625.00	0.00	-625.00	-100.00%
Security systems	1,200.00	-1,200.00	-2,400.00	-200.00%
Snow clearance / Gritting	600.00	1,014.41	414.41	69.07%
Drainage	600.00	755.00	155.00	25.83%
External Repairs and maintenance	2,500.00	5,439.00	2,939.00	117.56%
Help Desk	0.00	250.00	250.00	#DIV/0!
Reserve Fund		283.04		
Schedule Total	16,291.00	17,704.57	0.00	



## Appendix B

Service Charge Unit Percentages Detail				
Recovery Group = sc				
Reconciliation Period = 01/08/2022-31/07/2023				
U	Tenant	Description	Version Applicable	%
1	<b>Amy J Humphries &amp; Shane F Alizadeh (Original)</b>	01/08/2022 - 31/07/2023 (365days)		
		Schedule 1 (Percentages)	01/08/2022 - 31/07/2023 (365days)	12.01
				<b>12.01</b>
2	<b>Secretary of State for Housing Communities &amp; Local Government (Original)</b>	01/08/2022 - 25/07/2023 (359days)		
		Schedule 1 (Percentages)	01/08/2022 - 25/07/2023 (359days)	15.83
				<b>15.83</b>
3	<b>Emeraj Miah (Original)</b>	01/08/2022 - 31/07/2023 (365days)		
		Schedule 1 (Percentages)	01/08/2022 - 31/07/2023 (365days)	33.81
				<b>33.81</b>
5	<b>The Pavilions Club Ltd (Original)</b>	01/08/2022 - 31/07/2023 (365days)		
		Schedule 1 (Percentages)	01/08/2022 - 31/07/2023 (365days)	38.35
				<b>38.35</b>
	<b>Total</b>			<b>100.00</b>