



JOHNSON FELLOWS
CHARTERED SURVEYORS

Newhall Street/Charlotte Street

Birmingham

B3 1SW

Service Charge Expenditure Report

1st January 2015 to

31st December 2015



Contents

Introduction
The Property
Voids and Concessions
VAT
Banking
Reserve Fund
Service Charge Objectives
Management Team
Service Charge Apportionment
Expenditure Commentary

Appendices

- A. Service Charge Apportionment Schedule
- B. Service Charge Variance Schedule
- C. Reserve Fund Statement



Introduction

This report has been produced by Johnson Fellows on behalf of the Management Company, Newhall Management Limited.

The Property

The property comprises a secure car park serving six self-contained office buildings on the corner of Newhall Street and Charlotte Street.

The communal areas to which the service charge relates comprise of a vehicle entrance from Charlotte Street, rear car park and associated service areas including a bin store.

The fabric of the office buildings including the roofs and external facades are the responsibility of the owners to maintain.

There are no internal common parts, or communal areas to the front of the buildings.

Voids & Concessions

There are none.

VAT

The property is not elected for VAT, so the expenditure is shown inclusive of VAT.

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.

Reserve Fund

It was agreed at the 2014 AGM the Reserve Fund was at an adequate level. During this service charge year no further payments have been made in to this fund. The Reserve Fund Statement is in Appendix C.

Service Charge Objectives

The object of this expenditure report is to provide clear explanation of the service charge expenditure incurred 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 service charge.

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

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

Management Surveyor:

Neil Wetherell

Johnson Fellows, Charter House, 163 Newhall Street, Birmingham, B3 1SW

Direct Dial: 0121 234 0406

Mobile: 07836 313 914

Email: neil.wetherell@johnsonfellows.co.uk

Neil Wetherell 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.



Service Charge Apportionment

The service charge expenditure is allocated to a single schedule.

All expenditure relates to the external common parts and for services which benefit all tenants.

The service charge apportionment percentages are based on the shareholdings in the Management Company of the long leasehold owners of the individual units.

An apportionment schedule for the property is attached at Appendix A.



Expenditure Commentary

SCHEDULE 1

All figures are shown inclusive of VAT

- **Cleaning** **£1,728**

The contract cost for the cleaning of the car park.

- **Pest Control** **£360**

Contracted cost for replenishing of bait boxes around the car park.

- **Refuse Collection** **£5,767**

Contracted provision of 2 refuse bins with regular collections, plus the removal of excess waste.

- **Car Park Maintenance** **£320**

Installation of designated car parking signs.

- **Drain Maintenance** **£0**

No works was undertaken to the drains during the year.

- **Landscaping** **£341**

Contracted cost for maintenance of the landscaped areas around the car park.

- **Repairs – External** **£1,135**

During the year the gates and railings were decorated, there was a small section of tarmac repaired and a padlock provided for the gate.

- **Entrance Gate Maintenance** **£760**

Contracted quarterly service of access gates to the car park and the repair of the manual control button.

- **Health & Safety** **£338**

A health and safety audit was carried out in October 2015.

- **Insurance** **£630**

This was the premium for public liability and directors' liability insurance cover in respect of the common parts of the property. It also includes the cost of the periodic insurance reinstatement valuation.



- **Audit Fees** **£1,050**

The fee for JW Hinks Chartered Accountants to complete the Management Company's year-end accounts.

- **Management Fee** **£2,354**

The management fee for the administration of the service charge and day to day management of the property. The budget did not include VAT.

Total

- Schedule 1** **£14,783**

The expenditure came in below budget, so there is a small credit allocated to individual leaseholder service charge accounts.

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Management Surveyor

Dated 1st December 2016



Appendix A

Newhall Street/Charlotte Street, Birmingham B3 1SW

Service Charge Apportionment Schedule

1st January 2015 to 31st December 2015

Unit	Percentage	Apportioned Amount	
Unit A	10.20%	£	1,507.87
Unit B	14.70%	£	2,173.10
Unit C	14.70%	£	2,173.10
Unit D	12.80%	£	1,892.22
Unit E	26.20%	£	3,873.15
Unit F	21.40%	£	3,163.56
Total	100.00%	£	14,783.00



Appendix B

Newhall Street/Charlotte Street, Birmingham B3 1SW

Service Charge Variance Schedule

1st January 2015 to 31st December 2015

The property is not VAT registered. Figures for Schedule 1 shown inclusive of VAT.

Service Charge Item	Schedule	Budget 2015	Actual 2015	Budget v Actual Variance %	Budget v Actual Variance £
Cleaning	1	£ 1,700	£ 1,728	1.65%	£ 28
Pest Control	1	£ 400	£ 360	-10.00%	-£ 40
Refuse Collection	1	£ 4,900	£ 5,767	17.69%	£ 867
Car Park Maintenance	1	£ -	£ 320	#DIV/0!	£ 320
Drain Maintenance	1	£ 200	£ -	-100.00%	-£ 200
Landscaping	1	£ 600	£ 341	-43.17%	-£ 259
Repairs External	1	£ 2,250	£ 1,135	-49.56%	-£ 1,115
Entrance Gate Maintenance	1	£ 1,000	£ 760	-24.00%	-£ 240
Health & Safety	1	£ 282	£ 338	19.86%	£ 56
Reserve Fund	1	£ 131	£ -	-100.00%	-£ 131
Insurance	1	£ 450	£ 630	40.00%	£ 180
Accountancy Fees	1	£ 1,125	£ 1,050	-6.67%	-£ 75
Management Fees	1	£ 1,962	£ 2,354	19.98%	£ 392
Grand Total		£ 15,000	£ 14,783	-1.45%	-£ 217



Appendix C

Newhall Street/Charlotte Street, Birmingham B3 1SW

Service Charge Reserve Fund

1st January 2015 to 31st December 2015

		Amount
Balance b/f	£	20,583.00
Transfer to/from Reserve Fund	£	-
Interest	£	8.00
Total c/f	£	20,591.00