JOHNSON FELLOWS

Campbells Meadow Business Park

Campbells Meadow

Kings Lynn

Norfolk

PE30 4NA

Service Charge Expenditure Report

1st January 2024 to 31st December 2024

JOHNSON FELLOWS

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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 1st January 2024 – 31st December 2024.

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 southeast of Kings Lynn town centre, behind Campbell's Meadow Retail Park and adjacent to Tesco Extra.

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 the former Dobbie's Garden Centre unit.

Voids and Concessions

The Landlord will assume responsibility for the service charge for vacant/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 service charge expenditure report is aimed at providing explanation of the expenditure incurred and is to promote clarity and transparency.

The service charge is administered having regard to Service Charges in Commercial Property; RICS Code of Practice.

Management Team

Facilities Manager:

Robert Scott
Johnson Fellows, Charter House, 180 Newhall Street, Birmingham, B3 1SJ
Mobile: 07540 732 602
Email: robert.scott@johnsonfellows.co.uk

Robert Scott is responsible for the repair and maintenance of the property and statutory compliance.

Assistant Property Manager:

Narinder Sira
Johnson Fellows, Charter House, 180 Newhall Street, Birmingham, B3 1SJ
Direct Dial: 0121 234 0463
Email: narinder.sira@johnsonfellows.co.uk

Narinder Sira assists with the management of the building, including the administration and collection of the service charge.

Management Surveyor:

Angela Lindop
Johnson Fellows, Charter House, 180 Newhall Street, Birmingham, B3 1SJ
Email: angela.lindop@johnsonfellows.co.uk

Angela Lindop is responsible for the overall management of the 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 No longer in use

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 and 3.

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

- **Management Fee** **£2,501**

  This figure represents the fixed annual fee for property management and administration of the service charge, which is index-linked to the annual Retail Price Index (RPI). This cost is shared between Schedules 1 and 3 and remained in line with the budget for the year.

- **Audit Fee** **£125**

  The actual expenditure incurred for the service charge accounts to be independently certified. This is a shared cost and split between Schedule 1 and Schedule 3.

- **Facilities Management** **£1,046**

  This is the fixed annual fee, index linked to the Retail Price Index (RPI) for the Facilities Manager contract management and compliance matters. This is a shared cost and split across Schedules 1 and 3. This cost was in line with the budget.

- **Health & Safety** **£243.27**

  The actual expenditure for provision of the Health and Safety Risk Assessment report for the site by RPS Consultants. This is a shared cost and split between Schedules 1 and Schedule 3.

- **Landscaping External** **£4,779.82**

  This is the actual expenditure cost of the ground's maintenance contract for external landscaping within the service charge managed area of the site. This is a shared cost and split between Schedule 1 and 3. The overall cost was 1.4% over budget for this service charge year due to marginal increase in contractor costs.

- **Gritting** **£2,040.87**

  The actual expenditure relating to the number of visits required for reactive winter gritting during the service charge year. This is a shared cost and split between the access road and the office/industrial units. Expenditure was over budget in this service charge year due to the number of winter gritting visits required.

- **Drainage** **£0**

  There were no reactive works relating to onsite drainage issues during this service charge year, therefore no expenditure was incurred under this cost heading.

- **Repairs - External** **£0**

  There is no expenditure incurred under this cost heading for this service charge year

- **Car Park Maintenance** **£1,497**

  This is the actual expenditure billed by the Borough Council of Kings Lynn & West Norfolk for the annual nondomestic rate demand for the car park area.

Total

Schedule 1
£12,232.96

SCHEDULE 3 – Access Road

All figures are shown net of VAT

- **Management Fee** **£5,400**

  This figure represents the fixed annual fee for property management and administration of the service charge, which is index-linked to the annual Retail Price Index (RPI). This cost is shared between Schedules 1 and 3 and remained in line with the budget for the year.

- **Audit Fee** **£250**

  The actual expenditure incurred for the service charge accounts to be independently certified. This is a shared cost and split between Schedule 1 and Schedule 3.

- **Facilities Management** **£1,317**

  This is the fixed annual fee, index linked to the Retail Price Index (RPI) for the Facilities Manager contract management and compliance matters. This is a shared cost and split across Schedules 1 and 3. This cost was in line with the budget.

- **Health & Safety** **£551.73**

  The actual expenditure for provision of the Health and Safety Risk Assessment report for the site by RPS Consultants. This is a shared cost and split between Schedules 1 and Schedule 3.

- **Electricity** **£0**

  There was no cost expenditure recharged under this heading during the service charge year.

- **Landscaping External** **£10,840.42**

  This is the actual expenditure cost of the ground's maintenance contract for external landscaping within the service charge managed area of the site. This is a shared cost and split between Schedule 1 and 3.

- **Gritting** **£2,764.23**

  The expenditure relating to winter gritting during the service charge year. This is a shared cost and split between the access road and the office/industrial units. Actual expenditure was over budget in this service charge year due to the number of winter gritting visits that were required.

- **Drain Maintenance** **£2,745.14**

  The actual expenditure incurred for tanker cleans, pump servicing, oil interceptor cleaning, and agricultural drainage rates levied by Norfolk Rivers Drainage board during the service charge year.

- **Road Maintenance** **£0**

  There was no expenditure under this cost heading during the service charge year.

- **Footpath Maintenance** **£0**

  There was no expenditure under this cost heading during the service charge year.

- **Electrical Repair** **£0**

  There was no expenditure incurred under this cost heading for this service charge year.

- **Reserve Funds** **£2,000**

  The amount contributed to the reserve fund in place to fund any major works required in the future on the site access road.

Total

Schedule 3 £25,868.52

Total expenditure Schedule 1 & Schedule 3

£38,101.48

A Lindop

…… Surveyor

R. Scott

..... Facilities Manager

APPENDIX A

Kings Lynn: S/C Campbells Meadow Business Park Campbell (01996)			
Service Charge Budget Comparison			
Recovery Group = sc			
Reconciliation Period = 01/01/2024-31/12/2024			
*Amounts in gbp			
Code	**Description**	**Actual (12/2024)**	**Budget (12/2024)**
1	**Schedule 1**		
5100-0101	Management Fee	2,501.00	2,501.00
5100-0203	S/C Audit Fees	125.00	138.00
5100-0309	Facilities Manager	1,046.00	1,046.00
5100-0402	Health & Safety	243.27	361.00
5300-0901	Security guarding	0.00	0.00
5300-1009	External Landscaping	4,779.82	4,712.00
5300-1010	Snow clearance / Gritting	2,040.87	1,000.00
5300-1016	Drainage	0.00	1,772.00
5400-1502	External Repairs and maintenance	0.00	500.00
5400-1505	Car Park Maintenance	1,497.00	1,500.00
5400-1535	Electrical Repair	0.00	1,000.00
5500-1601	Interest	0.00	0.00
5700-2202	Reserve fund	0.00	0.00
	Schedule Total	**12,232.96**	**14,530.00**
3	**Access Road**		
5100-0101	Management Fee	5,400.00	5,400.00
5100-0203	S/C Audit Fees	250.00	312.00
5100-0309	Facilities Manager	1,317.00	1,317.00
5100-0402	Health & Safety	551.73	819.00
5200-0501	Electricity	0.00	1,000.00
5300-1009	External Landscaping	10,840.42	10,688.00
5300-1010	Snow clearance / Gritting	2,764.23	1,700.00
5300-1016	Drainage	2,745.14	4,018.00
5400-1520	Road Maintenance	0.00	2,200.00
5400-1526	Footpath Maintenance	0.00	500.00
5400-1535	Electrical Repair	0.00	2,250.00
5500-1601	Interest	0.00	0.00
5700-2202	Reserve fund	2,000.00	2,000.00
	Schedule Total	**25,868.52**	**32,204.00**
	Total	**38,101.48**	**46,734.00**

APPENDIX B

Kings Lynn: S/C Campbells Meadow Business Park Campbell

Service Charge Unit Percentages

Reconciliation Period = 01/01/2024-31/12/2024

*Amounts in gbp

Unit	Tenant	Days	Schedule 1	Access Road
0001	**Norwich Freemens's Charity**	366.00	0.0000	7.4000
0002	**Timothy Faulkner**	366.00	14.8500	1.3700
0003	**PKS Developments Ltd**	366.00	14.8500	1.3700
0004	**Randall's Pension Scheme;Trustees of**	366.00	14.8500	1.3700
0005	**Randall; Elizabeth Anne Randall & Paul Johnathan**	366.00	14.8500	1.3700
0006	**McQueens Dairies Property Ltd**	366.00	14.8500	1.3700
0007	**Tesco Stores Ltd**	366.00	0.0000	26.1200
0008	**Vacant**	366.00	0.0000	15.1500
0009	**Steven Eagell Ltd**	366.00	0.0000	7.4000
0010	**Vacant**	366.00	0.0000	9.9400
0011	**Dobbies Garden Centres Ltd**	366.00	0.0000	24.7600
0012	**Mark Reeve & David Reeve as trustees of the Chalcroft Retirement Benefit Schem**	366.00	6.4375	0.5950
0013	**Mark Reeve & David Reeve as trustees of the Chalcroft Retirement Benefit Schem**	366.00	6.4375	0.5950
0014	**Mark Reeve & David Reeve as trustees of the Chalcroft Retirement Benefit Schem**	366.00	6.4375	0.5950
0015	**Mark Reeve & David Reeve as trustees of the Chalcroft Retirement Benefit Schem**	366.00	6.4375	0.5950
	Total		**100.0000**	**100.0000**

TESCO STORES LIMITED

CAMPBELLS MEADOW BUSINESS PARK, CAMPBELLS MEADOW, KINGS LYNN

SERVICE COSTS STATEMENT

INDEPENDENT REVIEW

YEAR ENDED 31ST DECEMBER 2024

Campbells Meadow Business Park
Campbells Meadow, Kings Lynn
Certificate of Service Costs for the year ended 31st December 2024

	2024	2023
Schedule 1		
Car Park Maintenance	1,497.00	1,497.00
Health and Safety	243.27	221.85
Landscape - External	4,779.82	3,457.44
Repairs - External	-	395.00
Drainage	-	1,230.00
Gritting	2,040.87	1,441.76
Audit Fees	125.00	50.00
Management Fees	2,501.00	2,298.00
Facilities Management	1,046.00	961.00
	12,232.96	11,552.05
Schedule 3		
Drain Maintenance	2,745.14	5,082.00
Landscape - External	10,840.42	7,841.30
Gritting	2,764.23	3,269.86
Electrical Repairs	-	2,250.00
Health & Safety	551.73	503.15
Road Maintenace	-	1,875.00
Reserve Fund	2,000.00	2,000.00
Audit Fees	250.00	100.00
Management Fees	5,400.00	4,960.00
Facilities Management	1,317.00	1,210.00
	25,868.52	29,091.31
Total Expenditure	**38,101.48**	**40,643.36**

Reserve fund:	
Balance @ 01.01.24	8,000.00
Reserved in the year	2,000.00
Interest in the year	76.10
Balance @ 31.12.24	10,076.10

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 2024. 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, 1st 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.

TC Group

TC Group
Sterling House
97 Lichfield Street
Tamworth
Staffordshire
B79 7QF