JOHNSON FELLOWS

1016 Kingsbury Road,

Erdington,

Birmingham,

B24 9PZ

Service Charge Expenditure Report

1st January 2025 to

31st December 2025

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Introduction

Johnson Fellows are appointed by AC Lloyd (Asset Management) Ltd to manage the communal areas and services of the property following their purchase of the property in August 2024.

A service charge is required to maintain the communal structures, services, and areas.

This service charge report provides details of the expenditure for the service charge year ending 31 December 2025.

The Property

The property comprises of two retail units, both benefit from external seating areas and one benefits from a drive through facility. Demised refuse compounds are to the rear southern side of the site.

To the front of the building are communal vehicle circulation roads with access points from Kingsbury Road and the roundabout, pathways and customer car parking with two disabled spaces. There are small areas of communal soft landscaping. On the front boundary of the site is a totem pole with individual tenant signage.

To the front of the site are two electric vehicle charging points serving four car spaces.

The structure and external parts of the building, exclusive plant and equipment are demised to the tenants and do not form part of the common parts.

Voids and Concessions

The service charge for any void lettable units or attributable to any service charge concessions is the responsibility of the Landlord.

VAT

The Landlord has elected the property for VAT.

The service charge has VAT charged at the standard rate.

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. Consequently, the service charge is not credited with any interest, neither are any bank charges allocated to the service charge.

Reserve Fund

A reserve fund is not established.

Service Charge Objectives

The object of this report is to provide clear explanation 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 leaseholders to budget accurately.

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 seeks to provide a high-quality management service to deliver a well-maintained environment with value for money for the service charge expenditure.

The service charge is administered having regard to the RICS professional statement, Service Charges in Commercial Property, 2nd Edition.

Management Team

Facilities Manager:

Robert Scott
Johnson Fellows, 180 Newhall Street, Birmingham, B3 1SJ
Direct Dial: 0121 234 0407
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.

Management Surveyor:

Maria Lazenbury
Johnson Fellows, 180 Newhall Street, Birmingham, B3 1SJ
Direct Dial: 0121 234 0454
Mobile: 07884 352576
Email: maria.lazenbury@johnsonfellows.co.uk
Maria Lazenbury is responsible for the overall management of the property.

Service Charge Apportionment

The service charge operates for the whole property as defined in the lease documents. Appendix A, Service Charge Apportionment details the apportionment percentages for each lessee.

The vehicle charging facility pays a fixed contribution to the service charge.

Commentary

SCHEDULE 1 – General

All figures are net of VAT.

- **Management Fee** **£2,200**

This figure represents the fee to manage the common parts and administer the service charge. It is a fixed fee indexed linked to RPI.

- **S/Charge Audit Fees** **£300**

This expenditure relates to the external accountant's fee to certify the service charge.

- **Facilities Manager** **£1,750**

The figure represents the facilities managers fee to administer the maintenance contracts and organise the repair and maintenance of the common parts. It is a fixed fee which is indexed linked annually to RPI.

- **Landlords risk assessments, audits & reviews** **£525**

This expenditure relates to the health and safety audit of the common parts of the property undertaken during the year.

- **Signage** **£0**

No costs were incurred to maintain the existing signs during the year.

- **External Cleaning** **£4,080**

This figure represents the expenditure in respect of the cleaning contract of the external communal areas.

- **Pest Control** **£0**

There has been no requirement for a contract to be implemented for pest control within this financial year.

- **External Landscaping** **£1,125**

This is the expenditure incurred in respect of the upkeep of the soft landscaping to include high level cutting back of the trees along rear boundary of the site.

- **Snow Clearance/ Gritting** **£952**

Expenditure incurred for the gritting of the car park and pedestrian walkways.

- **Drainage** **£1350**

This relates to expenditure incurred for maintenance required to the Aco drains.

- **External Repairs & Maintenance** **£1889.95**

This relates to expenditure incurred in respect of maintenance to the bollards, associated roadway signage and handrail system across the site.

- **Electrical Repair** **£0**

No costs were incurred in relation to the communal lighting within this financial year.

- **Other Income** **-£413.29**

The contribution to the service charge for the electric vehicle charging parking spaces and interest paid by tenants in respect of late payment of service charge.

Total Expenditure **£13,758.66**

Please note this expenditure is net of VAT at 20%.





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Management Surveyor Facilities Manager

Appendix A

1016 Kingsbury Road Erdington (p0000173)

Service Charge Unit Percentages

Recovery Group = sc

Reconciliation Period = 01/01/2025-31/12/2025

*Amounts in gbp

Unit	Tenant	Days	All
0001	**Greggs plc (Original)**	365.00	40.8000
0002	**Costa Ltd (Original)**	365.00	59.2000
	Total		**100.0000**

Appendix B

1016 Kingsbury Road Erdington (p0000173)

Service Charge Budget Comparison

Recovery Group = sc

Reconciliation Period = 01/01/2025-31/12/2025

*Amounts in gbp

Code	Description	Actual (12/2025)	Budget (12/2025)	variance
1	**All**			
5100-0101	Management Fee	2,200.00	2,200.00	0.00
5100-0203	S/C Audit Fees	300.00	300.00	0.00
5100-0309	Facilities Manager	1,750.00	1,750.00	0.00
5100-0401	Landlords risk assessments, audits	525.00	750.00	-225.00
5100-0408	Signage	0.00	500.00	-500.00
5200-0501	Electricity	0.00	0.00	0.00
5300-1002	External Cleaning	4,080.00	3,500.00	580.00
5300-1007	Pest control	0.00	700.00	-700.00
5300-1009	External Landscaping	1,125.00	500.00	625.00
5300-1010	Snow clearance / Gritting	952.00	1,500.00	-548.00
5300-1016	Drainage	1,350.00	750.00	600.00
5400-1502	External Repairs and maintenance	1,889.95	1,750.00	139.95
5400-1535	Electrical Repair	0.00	100.00	-100.00
5500-1601	Interest	-13.29	0.00	-13.29
5500-1703	Other income	-400.00	-400.00	0.00
	Schedule Total	**13,758.66**	**13,900.00**	**-141.34**

AC LLOYD (ASSET MANAGEMENT) Ltd

1016 KINGSBURY ROAD
ERDINGTON

SERVICE COST STATEMENT

INDEPENDENT REVIEW

YEAR ENDED 31ST DECEMBER 2025

TC GROUP BUSINESS ADVISORS & ACCOUNTANTS

1016 Kingsbury Road
Erdington
Certificate of Service Costs for the year ended 31st December 2025

	2025	2024
External Cleaning	4,080.00	920.00
Gritting	952.00	156.00
External Repairs and Maintenance	1,889.95	2,446.34
Drainage	1,350.00	-
Electrical Repairs	-	1,220.00
External Landscaping	1,125.00	-
Landlord Risk Assessment	525.00	-
Other Income	- 400.00	- 400.00
Interest	- 13.29	-
Management Fee	2,200.00	3,000.00
Audit Fee	300.00	300.00
Facilities Manager	1,750.00	1,000.00
Total expenditure	**13,758.66**	**8,642.34**

No reserve fund is held on this property.

Independent Accountant's Review Report

To the Manager, Erdington

We have reviewed the statement of service charge expenditure for the above property for the year ended 31 December 2025. 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

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