Monarch Drive & Martley Road

Henwick Park

Worcester

WR2 6EU

Service Charge Expenditure Report

24th June 2025 to 23rd June 2026

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Introduction

This report has been produced by Johnson Fellows on behalf of the Landlord, Robin N Johnson. It is intended to provide details of the expenditure incurred during the service charge year 24th June 2025 to 23rd June 2026.

The service charge is administered having regard to RICS Professional Statement; Service Charges in Commercial Property; 2nd Edition.

The Property

The property is located at the junction of Monarch Drive and Martley Road. It is situated approximately 2 miles to the west of Worcester City Centre. The premises consist of a parade of ground floor retail units, with residential flats above. There is a customer car park to the front of the property and a private service road providing vehicular access to the rear. Communal staircases lead to a walkway terrace, which provides access to the residential flats.

The new units of 28a, 28b & 38a Martley Road are held under a separate company name of Litein Estates. The service charge will continue to be operated on behalf of Robin N Johnson as the owner of all remaining units and the communal areas. Any costs associated with the physical structures of units 28a, 28b & 38a will be excluded from the service charge.

Service Charge Objectives

The objective of this 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.

Voids and Concessions

Where any void units exist, the responsibility for the payment of the service charge rests with the Landlord. The Landlord is also responsible for the payment of the service charge in respect of the residential flats that are let on an Assured Periodic Tenancy basis.

VAT

The property is not elected for VAT. Therefore, all expenditure stated within the report is gross of VAT.

Banking

Due to the general level of service charge funds, we do not maintain a discrete bank account for the service charge at this property. The funds are held within the Johnson Fellows Client Account, which is maintained by Barclays Bank plc. As a consequence, the service charge is not credited with any interest, nor 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.

There is no sinking fund or reserve fund.

Service Charge Apportionment

Two separate service charge schedules are adopted, following the construction of the units 28a, 28b & 38a Martley Road that are held under a separate company name. Whilst all units contribute towards the external communal areas, the physical structure of the new units will be excluded from the service charge. Any costs relating to these units will be dealt with separately between the owner and the relevant tenant.

Schedule 1: All Units

Schedule 2: All Units excluding 28a, 28b & 38a Martley Road

The apportionments are based on the gross internal floor area for each unit. Costs that are shared between the schedules such as the Management Fee are apportioned 76% / 24% based on the levels of other expenditure within the schedule.

An Apportionment Schedule is attached at Appendix A.

Management Team

Facilities Manager:

Daniel Blakeman
Johnson Fellows, 180 Newhall Street, Birmingham, B3 1SJ
Mobile: 07786 072 755
Email: daniel.blakeman@johnsonfellows.co.uk

Daniel Blakeman is responsible for the repair and maintenance of the property and statutory compliance.

Management Surveyor:

Angela Lindop
Johnson Fellows,180 Newhall Street, Birmingham, B3 1SJ
Mobile: 07919 949297
Email: angela.lindop@johnsonfellows.co.uk

Angela Lindop is responsible for the overall management of the property.

Service Charge Accountant:

Paul Evans
Johnson Fellows, 180 Newhall Street, Birmingham, B3 1SJ
Direct Dial: 0121 234 0405
Email: paul.evans@johnsonfellows.co.uk

Paul Evans is the client accountant responsible for this property.

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Expenditure Commentary

SCHEDULE 1

All figures are shown gross of VAT

- **Management Fee** **£3,307.00**

This cost represents the fee for the preparation and administration of the service charge budget and the management of the common areas during the accounting period. The management fee is charged at a fixed amount and is subject to annual review in line with the Retail Price Index (RPI). As the fee relates to both service charge schedules, it has been apportioned on a 76%/24% basis, reflecting the proportion of total budgeted expenditure attributable to each schedule for this service charge year.

- **Audit Fees** **£228.00**

The cost is for the service charge expenditure for the year to be certified by an independent accountant. The total cost of £255.00 is shared across both schedules on a 76%/24% basis.

- **Facilities Management Fee** **£629.00**

The actual cost of Facilities Management, the running of the contracts, site inspections and compliance. This is a fixed fee and is subject to annual review in line with the Retail Price Index (RPI). As the fee relates to both service charge schedules, it has been split between both schedules on a 76%/24% basis.

- **Health & Safety** **£540.00**

The actual cost of any required health and safety reports or reviews that are required during the service charge year. A general health and safety risk assessment was carried out in this service charge year for the communal areas.

- **Electrical Supply** **£468.30**

The expenditure relates to the cost of actual electricity consumption to the communal areas. This cost was under budget in this service charge year.

- **Cleaning** **£5,460.00**

The expenditure relates to the contract for the external cleaning of the communal areas. The expenditure was marginally under budget in this service charge year.

- **Landscaping** **£933.10**

The actual expenditure of the general upkeep of the landscaped communal areas of the property. This cost was under budget in this service charge year.

- **Gritting** **£1,516.80**

The actual cost of the reactive winter gritting service provided during the winter period. Expenditure was below the budget provision due to a lower number of qualifying weather events and, consequently, fewer gritting visits being required during the year.

- **External Repairs & Maintenance** **£3,972.17**

The cost heading allowed for reactive repairs to the external communal areas. Works included gutter cleaning the building, cleaning of surface water drains, Aco channels and gully clearance, painting of stairwells and roof repairs.

- **Electrical Repair** **£0**

The budget provides for reactive electrical repairs. There was no expenditure incurred during this service charge year.

Total

Schedule 1 £17,054.37

SCHEDULE 2

All figures are shown gross of VAT

- **Management Fee** **£1,044.00**

This cost represents the fee for the preparation and administration of the service charge budget and the management of the common areas during the accounting period. The management fee is charged at a fixed amount and is subject to annual review in line with the Retail Price Index (RPI). As the fee relates to both service charge schedules, it has been apportioned on a 76%/24% basis, reflecting the proportion of total budgeted expenditure attributable to each schedule for this service charge year.

- **Audit Fees** **£72.00**

The cost for the service charge expenditure for the year to be certified by an independent accountant as recommended by the RICS. The total cost of £300.00 is shared across both schedules on a 76%/24% basis.

- **Facilities Management Fee** **£198.00**

The actual cost of Facilities Management, the running of the contracts, site inspections and compliance. This is a fixed fee and is subject to annual review in line with the Retail Price Index (RPI). As the fee relates to both service charge schedules, it has been split between both schedules on a 76%/24% basis.

- **Building Repair** **£6,000.00**

The budget included a contingency provision for repairs to the main structure of the original units. Expenditure incurred during the year included repairs to mortar joints, external pipework, corroded sections of the metal staircase, and the provision of health and safety signage. A roof inspection was also undertaken.

An inspection of the pedestrian access route serving the first floor and roofs identified a requirement for improvements to the edge protection. The estimated cost of these works is between £6,000 and £7,000. As the works had been identified but not completed at the year end, an accrual of £3,351.57 has been included in the service charge accounts in respect of the anticipated expenditure.

Total

Schedule 2 £7,314.00

Expenditure Approval

Daniel Blakeman

A Lindop

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Facilities Manager Surveyor

2nd October 2026.

JOHNSON FELLOWS

Appendix A

Monarch Drive & Martley Road, Henwick Park, Worcester, WR2 6EU

Service Charge Apportionment Schedule

24th June 2025 to 23rd June 2026

Unit	Schedule	Percentage
20 Martley Rd	1	12.75%
22 Martley Rd	1	9.23%
24-28 Martley Rd	1	21.00%
28a Martley Rd	1	7.78%
28b Martley Rd	1	5.05%
138 Monarch Dr	1	9.14%
140 Monarch Dr	1	9.14%
142 Monarch Dr	1	9.13%
Flat 34	1	3.75%
Flat 36	1	3.75%
Flat 38	1	3.82%
Flat 38a	1	5.46%
	1 Total	**100.00%**
20 Martley Rd	2	15.60%
22 Martley Rd	2	11.30%
24-28 Martley Rd	2	25.70%
138 Monarch Dr	2	11.20%
140 Monarch Dr	2	11.20%
142 Monarch Dr	2	11.10%
Flat 34	2	4.60%
Flat 36	2	4.60%
Flat 38	2	4.70%
	2 Total	**100.00%**

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Appendix B

Henwick Park Martley Road Worcester (00557)

Service Charge Budget Comparison

Reconciliation Period = 24/06/2025-23/06/2026

*Amounts in gbp

Code	Description	Actual (06/2026)	Budget (06/2026)	Variance	%
1	**Common Parts**				
5100-0101	Management Fee	3,307.00	3,307.00	0.00	0.0000
5100-0203	S/C Audit Fees	228.00	228.00	0.00	0.0000
5100-0309	Facilities Manager	629.00	629.00	0.00	0.0000
5100-0402	Health & Safety	540.00	1,000.00	-460.00	-46.0000
5200-0501	Electricity	468.30	650.00	-181.70	-27.9538
5300-1001	Internal Cleaning	0.00	0.00	0.00	
5300-1002	External Cleaning	5,460.00	5,500.00	-40.00	-0.7273
5300-1009	External Landscaping	933.10	1,780.00	-846.90	-47.5787
5300-1010	Snow clearance / Gritting	1,516.80	2,200.00	-683.20	-31.0545
5400-1502	External Repairs and maintenanc	3,972.17	5,500.00	-1,527.83	-27.7787
5400-1506	External Maintenance	0.00	0.00	0.00	
5400-1530	Building Repair	0.00	0.00	0.00	
5400-1535	Electrical Repair	0.00	1,940.00	-1,940.00	-100.0000
5500-1601	Interest	0.00	0.00	0.00	
	Schedule Total	**17,054.37**	**22,734.00**	**-5,679.63**	**-24.9830**
2	**Building Repairs**				
5100-0101	Management Fee	1,044.00	1,044.00	0.00	0.0000
5100-0203	S/C Audit Fees	72.00	72.00	0.00	0.0000
5100-0309	Facilities Manager	198.00	198.00	0.00	0.0000
5300-1010	Snow clearance / Gritting	0.00	0.00	0.00	
5400-1530	Building Repair	6,000.00	6,000.00	0.00	0.0000
	Schedule Total	**7,314.00**	**7,314.00**	**0.00**	**0.0000**
	Total	**24,368.37**	**30,048.00**	**-5,679.63**	**-18.9019**

R N JOHNSON

HENWICK PARK
MARTLEY ROAD, WORCESTER

INDEPENDENT REVIEW

YEAR ENDED 23RD JUNE 2026

Henwick Park
Martley Road, Worcester
Certificate of Service Costs for the year ended 23rd June 2026

	2026	2025
Common Parts		
Cleaning	5,460.00	5,460.00
Landscape	933.10	874.80
Gritting	1,516.80	2,128.80
External Maintenance	3,972.17	2,712.00
Electrical supply	468.30	333.78
Health and Safety	540.00	1,414.80
Audit fees	228.00	249.00
Management fees	3,307.00	3,499.24
Facilities Management	629.00	664.80
	17,054.37	17,337.22
Building Repairs		
Building Repairs	6,000.00	-
Audit Fees	72.00	51.00
Management Fees	1,044.00	716.68
Facilities Management	198.00	136.12
	7,314.00	903.80
Total expenditure	**24,368.37**	**18,241.02**

No reserve fund is held for this property

Henwick Park
Martley Road, Worcester
Certificate of Service Costs for the year ended 23rd June 2026

No reserve fund is held for this property

Independent Accountant's Review Report

To the Manager, Henwick Park

We have reviewed the statement of service charge expenditure for the above property for the year ended 23 June 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.

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