

SERVICE CHARGE PRIMER

Purpose

A consequence of Regents House being a part of a much larger development is that many aspects of its service charge system are more complicated and opaque than if it were a standalone development.

The purpose of this document is to help residents better understand the somewhat arcane workings of the system.

Block Service Charge

The Block Service Charge is allocated to cover the routine operational expenses of the development, encompassing essential aspects like buildings insurance, maintenance, repairs, gardening, communal facilities, and salaries for any on-site employees. To calculate the estimate for the upcoming year, we rely on the actual costs incurred during the previous year and consider existing contractual commitments. Each expenditure line item is uniquely identified with a reference number (e.g., 1240 - Monitoring Service) in the system maintained by FirstPort.

The total expenditure estimate is apportioned across the 12 apartments based on each apartment's square footage. The percentage share due to each apartment is shown on the Statement of Anticipated Service Charge Expenditure document.

Estate Service Charge

In addition to the Block Service Charge, each apartment also contributes to the Estate Service Charge, which is detailed in the Statement of Anticipated Service Charge Expenditure document. The Estate Service Charge is uniform for all apartments and is calculated based on the number of occupied units within the site. Initially set at 0.1656%, the Estate Service Charge was subsequently increased to 0.1992% during the FY2022 period.

Surpluses/Deficits

Surpluses or Deficits in prior years are raised to each homeowner's account based on their respective portions, i.e. pro rata'd on an individual resident basis. As a result, homeowners will notice itemised transactions on their accounts, reflecting the deficit or surplus for the respective year. This approach ensures transparency and accuracy in accounting for each homeowner's share of the overall financial adjustments.