

Church Street (Maidstone) Management Company Limited, Company Number 06545435, O & A Hospital Maidstone
Notes of Explanation to Accompany Estimate of Service Charge Expenditure Year to December 2026

The Ophthalmic & Aural Hospital was first occupied in 2009 and Church Street (Maidstone) Management Company Limited, 'CSMC Ltd' took over as a Board of Directors in June 2014. In December 2017, CSMC Ltd became the Managing Agent to the freeholder of the development, Goring Place Limited.

The Board of CSMC Ltd comprises Olga D'Silva (Chair and Administrative Secretary), Fergus Poncia (Company Secretary) and David Berry (Operations Director). The Finance remit is supported by Ackland Webb Accountants based in Faversham, who are fully compliant with GDPR (General Data Protection Regulation) protocols. The Principal of Ackland Webb is David Muggridge, FCCA.

Contributions to the Service Charge Budget are apportioned to each leaseholder at the O & A Hospital as a percentage of the square footage of each apartment. Calculations have been made historically to take in a variety of other factors into consideration, to spread the cost of managing and maintaining the development more fairly and directly in relation to the costs incurred by individual blocks and consumption of services. Some blocks cost more to run from utility service consumption ie electricity, some take longer to clean, some have car parking spaces. In addition, there are one, two and three bedroom apartments which are taken into account when assessing service fees. These assessments are also affected by the maintenance of each and the work done to each block. Consideration is also given to the Grade 2 listing of some buildings, and accordingly a small premium is attached to reflect the increased costs associated with running and maintaining those blocks. Your contribution apportionment and the contribution payable are set out in your Lease, detailed in your Application for payment attached.

Under the terms of the lease, your service charge contribution is payable in two equal parts, and your payment is due within 30 days of 1st January and 1st July. Your contribution for annual buildings insurance is also payable once a year on 1st January, within 30 days. Please see the separate Note of Explanation on Page 2 'Buildings Insurance' for more information. As Managing Agent to the Freeholder, Goring Place Limited, CSMC Ltd is also responsible for the collection of ground rent, for whom ground rent is payable (ie those who do not own a freehold share/lease extension).

The Lease allows us to adopt a robust arrears collection procedure where payment is not made in time. Due to the amount of time spent on credit control, a £20 late payment administration charge per calendar month will continue to be applied for all late payments with regard to service charge, buildings insurance and ground rent fees. However, please contact us, should you have any queries or be unable to pay your contribution in a timely manner.

Methods of payment: **BACS transfer to CSMC bank account:** NatWest. Account Name: Church Street (Maidstone) Management Company Limited. Bank Account: **Sort Code: 60-60-08 Account No: 53032306** or by cheque payable to 'Church Street (Maidstone) Management Company Limited' and posted to **Church Street (Maidstone) Management Company Limited, Dudley House, Church Street, Maidstone, Kent, ME14 1BF.**

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Insurances	Costs	Note of Explanation
Buildings Insurance		<p>We have agreed a 12 month policy with our nominated insurers. Although we have undertaken minor damage repairs directly, forming part of the routine maintenance budget, we have not been able to keep a claims free policy due to a claim made directly against our insurers by a flat owner, contrary to our advice that the proposed claim lay outside the intended terms of cover.</p> <p>This has resulted in an uplift of circa 7.5% to the overall policy in addition to Index Linking of 3.8% Your contribution for annual buildings insurance is detailed on the attached invoice. You will see this as a separate line below the service charge line.</p>
Ground Rent		<p>The buildings insurance policy includes landlords' common parts fittings. Leaseholders are advised to insure the contents of their homes and all personal possessions. If you are subletting or intending to sub-let your apartment, you should seek professional advice regarding insurance for your apartment and your liabilities.</p> <p>Where ground rent is payable, whereby a leaseholder does not have a share/lease extension in the freehold of Goring Place Limited, CSMC are responsible for the collection of ground rent. A detailed invoice and Notice of Rent due for the period 1st January to 30th June 2026 are attached (as applicable).</p>
Directors and Officers Insurance		<p>When this Insurance is taken out, this is the cost of a development specific policy that protects Directors of the Management Company against personal financial loss resulting from any claim against them consequential to their office in company. Directors of the Management Company are leaseholders at the Property; their appointment is a legal requirement under Company Law. They are elected to take responsibility of the management services provided under the terms of the lease.</p>

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Sundries	Costs	Note of Explanation
Postage Copying and Consumables		Expenditure for items such as postage & copying, additional keys, secure documents archive storage, hire of venue for Directors & Leaseholder meetings, etc.
Reserves and Cyclical Repairs	Costs	Note of Explanation
Reserve Accumulation		This is the budgeted sum to accumulate each year to meet the cost of future major expenditure, as and when required. To put this in context, the oldest part of the development was built in 2009 and the NHBC (National House Building Council) Guarantee lasts 10 years. To accumulate realistic Reserve Funds, we will avoid the need to collect large sums of money in the form of additional contributions from leaseholders in the future for renewals and repairs, but excluding major works. CSMC Ltd have budgeted to add £7K to the reserve fund in 2026.

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Professional Fees	Costs	Note of Explanation
Management Fees		The annual Management Fees for the upkeep of the buildings and grounds to ensure compliance with the Lease in the management of the Estate is £13,370 per annum (2026). The Management Fees have been held since 2018.
Health & Safety Risk Assessment		The next Health & Safety Property Report for blocks is scheduled to take place in the second quarter of 2026 and will be updated on an ongoing basis. Fire extinguisher annual maintenance will take place in September 2026. Smoke vent maintenance is scheduled for March and September 2026. Communal fire doors, riser and meter cupboards and emergency light functional testing will be inspected quarterly. The full emergency light annual testing will take place in March 2026. Fire doors to individual flats will be inspected in the autumn of 2026 (owner legal obligation). A log of all fire door inspections and remedial works will be kept.
Accountancy Fees		The cost for an independent accountant to prepare annual income & expenditure accounts in accordance with Landlord & Tenant Law. The Accountant to prepare accounts is David Muggridge, Principal, Ackland Webb Accountants based in Faversham.
CoSec Fees		These fees are covered by the Management Fee and Accountancy fees payable to Ackland Webb. The management company must have a person or body to keep official records of its membership, share certificates and note any changes and report these to Companies House on an annual basis. This fee covers the secretariat costs for this service. In addition, the charge for the Annual Return Fee at Companies House for filing the above information is included in this head of expenditure.

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Services and Maintenance	Costs	Note of Explanation
Common Area Cleaning		<p>The contract provides for cleaning of the communal hallways to include the staircase, common area hallways, main entrance, common area glazing and carpets throughout. The estimated expenditure also provides for weekly upkeep of bin stores.</p> <p>In addition, where items of furniture and other goods are left within bin stores, the contractor will remove such items and charge accordingly for disposal at the Local Authority Waste Site. We continue to include an allowance in the service charge for bulky rubbish clearing, as, sadly, too many items that the Council Waste Services cannot collect, are left in bin stores.</p> <p>It is not possible to provide set dates and times for the contractor to attend, however Tuesday will be the normal day bar Bank Holidays and Easter or Christmas Festivals.</p>
Electricity Common Area		This provides for electricity consumed in respect of the common parts lighting, entry and access systems, water pump, CCTV and other communal installations.
General Repairs & Maintenance		In addition to weekly repair/maintenance of estate maintained property, repairs/maintenance to the front electric gate and private CCTV system. See letter dated January 2026 for overview of annual planned maintenance and repair.

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Door Entry Systems		This is for repairs and maintenance of the door entry systems.
Internal Redecoration		Internal block redecoration will continue to take place on a rotation basis.
Grounds Maintenance		<p>The annual cost of grounds, lawn cutting and maintenance. The specification includes the cleaning of block paving, pruning and pest controls together with the planting, weeding and feeding of specimen plants, as required. The cost is based on approximately 48 visits per annum.</p> <p>It is not possible to provide set dates and times for the contractor to attend, however Tuesday will be the normal day bar Bank Holidays and Easter or Christmas Festivals.</p>