

Appeal No. VA14/5/054

**AN BINSE LUACHÁLA
VALUATION TRIBUNAL
AN tACHT LUACHÁLA, 2001
VALUATION ACT, 2001**

International Sports Activities Ltd

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Property No. 2211072, Hospitality (Pub) at Floors 0, 1 Kilmore Big, Coolock, County Borough of Dublin.

**JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 6th OF NOVEMBER, 2015**

Barry Smyth – FRICS, FSCSI, MCI Arb

Deputy Chairperson

Michael Lyng – Valuer

Member

Rory Hanniffy - BL

Member

By Notice of Appeal received on the 1st day of September, 2014 the Appellant appealed against the determination of the Commissioner of Valuation in fixing a net annual value of €76,900 on the above described relevant property on the grounds as set out in the Notice of Appeal as follows:

"The Valuation is incorrect as it is excessive, inequitable and bad in law as it does not comply with the Valuation Act, 2001, most notably Section 48 of the Act."

"The property should be distinguished from a public bar and the valuation should reflect this. Other club houses in the locality are valued on a rate per SQ.M. basis and are therefore subject to much lower valuations than the subject, which is inequitable."

At hearing, the Appellant contended for a NAV of €49,250, the Respondent contending for a NAV of €66,300.

The Tribunal, having examined the particulars of the property the subject of this appeal; having confirmed its valuation history; having examined and considered the written evidence and having heard the oral evidence adduced before us on the 19th day of June, 2015 by Ms Siobhán Murphy of GVA Donal O Buachalla for the Appellant and by Mr Liam Hazel of the Valuation Office for the Respondent,

Finds as follows:

1. The parties are *ad idem* on the basis of valuing the sports facilities of the building at €40 per sq. m.
2. The difference between the parties relates to the treatment of the areas utilised as Licensed Premises. The Appellant argues for €40 per sq. metre plus a spot sum of €10,000 for the Licence as in supermarket off-licences whereas the Respondent argues for 9% of the drink fair maintainable trade.
3. The property has a full seven day Licence and is therefore different from Sports Clubs registered under the 1904 Registration of Clubs Act.
4. The parties were agreed that the gross internal area of the sports facility is 461 sq. metres excluding areas utilised in connection with the effective licensed area of the premises.
5. This is primarily a sports facility comprising as it does fourteen Astro turf pitches which are not rated but without which there would be a reduced demand for the bar and its facilities and thus a reduced turnover.
6. While producing a direct income to the proprietor, the sports facilities are the primary driver of the turnover. In this, it is not dissimilar to Licensed Premises that need to provide entertainment such as music to generate turnover.
7. It is appropriate to value the sports facility area of the building at the agreed €40 per sq. m. which is well supported by comparisons with other Clubs licensed under the 1904 Act.
8. As it is a fully Licensed Premises rather than a Club Licensed Premises it is appropriate to value the licensed element in comparison with Licensed Premises valued on a fair maintainable trade basis.
9. The range of percentages applied to the fair maintainable trade in Licensed Premises is 8-11%.
10. In assessing NAV it is a recognised practice to adjust the percentage applied to the fair maintainable trade to reflect costs over and above the norm.

- 11.. The Licensed Premises comparisons provided showing NAVs at 9% of fair maintainable trade are more traditional Licensed Premises than the subject property and are not dependent on any other facilities such as the Astro turf pitches to generate their turnover.
12. In this instance, because of the significant reliance of the turnover on the Astro turf facilities, albeit that these may be profitable in themselves, the Tribunal finds that 8% is the appropriate level to apply to the fair maintainable trade.

Thus the Tribunal determines the Net Annual Value at €58,440.

This is calculated as follows:

Gross area excluding licensed area and licence related areas		
461 sq. metres at €40 per sq. metre	=	€18,440.00
Drink fair maintainable trade €500,000 p.a. at 8%	=	<u>€40,000.00</u>
Total		€58,440.00