

Appeal No. VA93/2/063

AN BINSE LUACHÁLA
VALUATION TRIBUNAL
AN tACHT LUACHÁLA, 1988
VALUATION ACT, 1988

Jack Graham, Rathcoole Inn

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Licensed Shop at Map Ref: 78a, Village of Rathcoole, E.D. Rathcoole, R.D. Dublin -
Belgard, Co. Dublin
Quantum

B E F O R E

Paul Butler

S.C. (Acting Chairman)

Veronica Gates

Barrister

Joe Carey

P.C. M.I.A.V.I.

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 4TH DAY OF FEBRUARY, 1994

By Notice of Appeal dated the 25th May, 1993 the appellant appealed against the determination of the Commissioner of Valuation in fixing a Rateable Valuation of £245 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that the valuation is excessive in view of the open market value of the property and in comparison with valuations assessed on similar licensed premises by the Commissioner of Valuation in recent years.

The Property

The property comprises a two storey thatched pub premises. It is situated in the centre of Rathcoole and was purchased for £420,000 in October, 1989. The accommodation comprises a lounge/bar, office, kitchen, w.c., stores on the ground floor with 700 square feet of storage on the first floor. All main services are connected to the property.

Valuation History

Prior to 1991 revision the property was last revised in 1971 and valued at £70 with the description as 'Lic'd House, offs and land'. In 1991 a request was received from Dublin County Council to value all developments to include 'an extension'. The property was valued at £245 based on an estimated turnover of £450,000 net and a gross profit margin of 35%. The valuation was appealed and no change was made to the valuation at First Appeal.

Written Submissions

A written submission was received on the 22nd October, 1993 from Mr. Eamon O'Kennedy B.Comm M.I.A.V.I. of O'Kennedy & Company, Valuation and Rating Consultants on behalf of the Appellant. In the written submission Mr. O'Kennedy described the property and its location and said that it was an old property in fair structural and decorative condition. He said that it had been well maintained but had not undergone major refurbishment of the kind undertaken by other licensed premises in the village in recent years. He said that the premises had been well managed since purchased by the present owners in 1989 and this had resulted in a considerable increase in turnover. He estimated the open market rental value in comparison with other licensed premises as at 1st November, 1988 at £25,500. Mr. O'Kennedy set out a number of comparisons in the area and in Dublin in his written submission.

A written submission was received on the 1st November, 1993 from Mr. Colman Forkin a Chartered Valuation Surveyor with 12 years experience in the Valuation Office on behalf of the Respondent. In the written submission Mr. Forkin commented on the grounds of appeal at Tribunal stage and said that the valuation was based on an estimate of Net Annual Value arrived at by taking a percentage of the gross profit figure. He said that two of the comparisons had been agreed by Mr. O'Kennedy on the basis of a percentage of gross profit. He set out his calculation of the Rateable Valuation on the subject premises as follows:-

T/O Y/e December 1990: £420,530 @ 36.5% Gross Profit = £153,493

Gross Profit:	£153,493 @ 50% = Net Profit	=	£76,746
Net Profit:	£76,746 @ 50% = Est. N.A.V.	=	£38,373
Est. N.A.V.:	£38,373 X 0.63%	=	£241.75
	Say R.V.	=	£245.00

Oral Hearing

The oral hearing took place on 5th of November, 1993 when Mr. Eamon O'Kennedy of O'Kennedy & Company, Valuation & Rating Consultants, represented the appellant and Mr. Colman Forkin, Chartered Valuation Surveyor represented the respondent.

The appellant, Mr. Jack Graham proprietor of the Rathcoole Inn was also in attendance, to assist the Tribunal.

Evidence was adduced by Mr. O'Kennedy on behalf of the Appellant, that Rathcoole was essentially a rural village 6 miles from Dublin and dependent mainly on the local farming population for its trade. He said that there are three other licensed premises in the village, two of which are very similar to the subject hereditament and within 200 yards of it, namely The Village Inn, Rathcoole with an R.V. of £160 and Muldowneys, Rathcoole with an R.V. of £145. He also pointed out that because the subject premises had a thatched roof, the insurance premium for same had escalated from £3,000 to £13,000 per annum in recent times. He requested that the Tribunal also take into account the very considerable annual interest charges being borne by the appellant which affected Net Profit and that the appellant should not be penalised for his dedicated 'hands on' management of the business conducted at Rathcoole House.

Mr. Forkin on behalf of the Commissioner of Valuation produced a very comprehensive precis of evidence, with excellent survey maps and photographs of some of the premises in question, to assist the Tribunal. He objected to the appellant's introduction of new evidence, namely the insurance cost increase, and the interest costs affecting Net Profit at Tribunal stage which objection was noted. Mr. Forkin also emphasised that because of the price paid for the premises in 1989 and the excellent trade conducted in the premises, his estimation of N.A.V. was realistic.

Determination

The Tribunal took into account all the relevant aspects of the case and in the circumstances, took note of the added cost of trade being borne by the appellant and also having studied the various comparisons for similar rural type licensed premises, proposes that a fair and reasonable rateable valuation would be £195 and so determines.

