

4-9 Herschel Close RTM Company Ltd

Minutes of Annual General Meeting held on 13 December 2017

Present:

Matthew Prime - leaseholder and director

John R Morris FCMA CGMA MIRPM – Company Secretary and managing agent.

The meeting was held electronically with all leaseholders invited to attend.

It was confirmed that a quorum of at least 20% of members was in attendance.

1. Accounts to 31 December 2016.

These had previously been approved by Matthew Prime who is the sole director. The meeting resolved to receive the statutory accounts to 31 December 2016.

2. Current year to date (2017)

A copy of the accounts for the year to date together with previous years' figures, this year's budget and initial forecasts for 2018 and 2019 had been circulated to all leaseholders prior to the meeting.

During the year to date the largest item of expenditure had been £790 to fit a door access control system to the rear door. The window cleaners were changed to a different contractor saving £282pa, the electricity supplier was also changed saving about £200 a year and an interest bearing deposit account opened that will pay £30-£40 of interest a year. The emergency light checks previously costing £250 year are now carried out by the managing agent on a monthly basis as part of their service.

The overall outcome for 2017 is anticipated to be a small surplus of £400-£500.

3. Year to 31 December 2018

It was agreed that the following should be addressed in the year:

a) **Provision of "free" WiFi** to the residents in the building. The managing agents have installed this in a number of sites and as a result leaseholders who sub-let have benefited from shorter voids and slightly higher rents as the tenants do not have to meet this expense themselves. The installation cost will be approximately £500 with ongoing monthly fees of about £25. (Approximately £4 a month per flat). As an added benefit this will link to the door access control system and provide the ability to add CCTV at a later stage if felt desirable.

b) **Re-decoration of the exterior rendering** was discussed. Matthew Prime recommended that this should be undertaken in 1 or 2 years' time.

b) **Redecoration of the communal areas.** It was agreed that this looks to be in a reasonably good condition and will be reviewed again in 2019.

c) It was agreed that the **communal carpets** will be cleaned in late Spring 2018.

d) **Minor repairs** are ongoing (e.g. latch to garden gate currently needs fixing). Leaseholders were asked to let the managing agents know if there is anything specific that they feel needs to be addressed.

e) It was agreed to open a **charge-free bank account** with Lloyds Bank shortly and therefore the standing order details for payments may change during 2018. This change will save about £65 a year in bank charges. The savings in bank charges and electricity will be about the same as the cost of providing WiFi.

4. Debtors

One of the leaseholders (No 8) continues to only pay £50 a month and at the end of 2017 will owe £597.34. It was agreed that a Final Demand will be issued and in January 2018 this will be followed by a county court summon to include costs and interest if the debt remains unpaid.

5. Managing Agents Fee

The managing agents proposed an increase in their fee to £1,210 for 2018. This should be compared to the previous agent's charge of £900 + £256 (for emergency light checks) = £1,156. This is effectively an increase of only £54 from two years ago.

It was agreed to accept the fee increase for 2018.

6. 2018 Service Charge

The managing agent advised that there will inevitably be additional costs at some stage that are not anticipated and considered it essential that there is a reasonable reserve to meet unanticipated costs. There is only about £4,500 in the bank at present which might not stretch very far.

It was agreed to increase the service charges from £764 currently (which is close to break-even), to £862 and offer a £60 discount to a leaseholder who wishes to pay the full year in advance rather than over 10 months. This will put more money in the account earlier to meet any unanticipated expenditure. (The managing agent reported an example of a small site where the drains have unexpectedly collapsed that will cost about £18,000 to repair). It was agreed that it is important and prudent to maintain the reserves at about 2 years' worth of service charge income in order that this type of unexpected expenditure can be tackled as and when it occurs. Based on the small net increase in service charges of £38 per leaseholder this will produce a result for 2018 close to break-even.

There being no further business the meeting was closed.