

Applewood Court Residents (Swindon) Limited

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Minutes of Annual General Meeting of Applewood Court Residents (Swindon) Ltd held at Stanton House Hotel, The Avenue, Stanton Fitzwarren, Swindon at 7.00pm on 3 May 2005.

Present:

John Morris - Director (chairman)
Stuart Morgan - Director
Peter Hodrien
Georgina Scane
Mark Scott

In attendance:

Ian Campbell - resident

Apologies:

Andrew and Sylvia Hetherington - proxy to chairman
Philip Simpson - proxy to chairman
Serena Cant - proxy to chairman
Diana Morris - proxy to chairman
Jayne Inch - proxy to chairman
Karen Musty - proxy to Stuart Morgan
Catherine Wallace - proxy to chairman
John Grimwood - proxy to chairman
David Morris - proxy to chairman
Valarie Maguire - proxy to chairman
Sarah Maslin
David Starratt
Mark Simpson

John Morris opened the meeting and thanked owners present for attending and other owners for taking the trouble to return proxies and apologies. The combined total of owners present or represented totalled 24 out of the 36 properties.

The Director's report and Financial Statements had been issued on 11 April 2005 to members along with details of the expenditure for the previous year and a forecast for the current year and following year.

The directors advised that the lease calls for expenditure to be estimated for the new financial year before the Service Charge is agreed and invoices are issued. The Commonhold and Leasehold Reform Act of 2002 requires that Service Charge invoices are issued between 30 and 60 days before the payment due date of 25 June and the accounts for the year to 31 March must be issued to Members at least 28 days prior to an AGM (as determined by the Companies Act 1985) this gives very little time for owners to review and discuss the accounts prior to the issue of notice of Service Charges due on the 25th of June.

The directors therefore proposed that at this AGM the Service Charge be set for the current year to 31 March 2006 and also for the following year to 31 March 2007. At subsequent AGM's the Service Charge would be set for the year following. The members agreed this proposal as it was felt that all concerned would welcome advance notice of the Service Charge for the following year.

The directors advised that it was considered good practice to estimate Service Charges several years in advance and at the time of sale solicitors were increasingly asking for expenditure forecasts for several years in advance. It was agreed that the directors should provide an estimate of expenditure for at least three years following the agreed budget year.

Grounds Maintenance

Members agreed that Stratton Garden Contractors have continued to do an excellent job of looking after the grounds. The directors reported that the gardener had suggested that during the current year that some replanting be undertaken to replace plants that are now past their best or have died. In addition some of the smaller trees required cutting back or removing. In the last two years no additional expenditure over and above the basic garden maintenance had been incurred apart from planting spring bulbs. The directors therefore proposed that more be spent more in the current year to raise the standard of the grounds. A quotation from Stratton Garden Contractors was circulated and the meeting agreed that the additional work be carried out.

The gap in the hedge at the rear of the site was discussed. It was agreed that sufficient funds were now available for this to be blocked by installing a short section of railings. It was noticed however, that this might not be totally effective, as new gaps might be created further along in the hedge.

The site fencing was discussed and it was agreed that a start should be made on replacing this in the year to 31 March 2007 as the fence posts are rotting away. The meeting felt that railings would be more effective than fencing.

Numbering of car parking places was raised and differing opinions were aired as to whether this would create a security risk to residents who were absent when their vehicles were not on site. It was felt that parking was not a problem as there were a number of flats without vehicles and therefore quite a few empty spaces. It was agreed to review this again later. It was felt that it would be beneficial to paint white markings on the curbs to help identify individual spaces.

Abandoned cars continue to be a problem. It takes time to remove vehicles, as steps have to be taken to ensure that residents' vehicles are not removed in error.

The problem of rubbish being dumped on the site was discussed. Mr Hodrien noted that items had recently been dumped in the bin store. As the Council will not take this rubbish Mr Hodrien asked that all residents be reminded of the need to dispose of bulky items at the tip or make private arrangements with the Council.

Trees

No expenditure allowance has been made for costs in the year to 31 March 2006. In the following year provision has been made for arboricultural work on the large trees on site.

Paving

No specific expenditure allowance has been made for the forthcoming year. It was noted that some of the paving was uneven and would need to be re-laid soon.

TV Reception/upgrade

The directors reported that this upgrade is now complete: it was undertaken as the company is responsible under the terms of the lease for providing common TV reception for the site. All four block's common aerials were upgraded to digital and digital satellite dishes installed linked to new block amplifiers. (Users require their own individual decoders). Cable TV is not available on the site.

Ground rents

These are fixed at £25 per apartment. It was previously agreed by members that the company would make these payments direct to the freeholder on behalf of the leaseholders from the Service Charge.

Electricity for Lighting

Last year's charge was net of a credit brought forward from the previous year following inaccurate estimated readings.

Insurance

This had been renewed at a cost of £3,485 (against a budgeted figure of £3,500) for the year. Next year's premium is anticipated to be higher at about £3,800 as the directors will be required to take out a directors and officers policy.

Lighting Maintenance

Following requests by several members a start had been made at the far end of the site to improve the level of lighting. The budget for the current year provides for an additional three lampposts on the site. Members present agreed that this work should be undertaken in the year to 31 March 2006.

Timber treatment

The three areas are:-

a) fascias and soffits.

Work on these had commenced last year and had been completed early in the current year. This involved replacing all the fascias, soffits, guttering and down pipes with brown UPVc. The total cost over the two years worked out at £225 per flat.

b) woodwork other than window frames and front doors (bin store doors, at ground floor level).

It was agreed that as all owners require this work that all woodwork at ground floor level including bin store door (external side only) should be treated in the year to 31 March 2007.

c) window frames and front doors.

The window frames and front doors on the apartments will cost in the region of £150 per apartment to treat and paint. The majority of owners have replaced window and doorframes in brown UPVC as permitted by the freeholder and the company and these will not need treatment. Several owners questioned why after going to the expense of replacing doors and windows with UPVc that they should be asked to contribute to the maintenance of those owners who had not. It was agreed that as the company would be treating the bin store doors in the coming year that window frames and front doors would be deferred to the next AGM. Several members have asked about replacing windows and doors with UPVC. The directors confirmed that the company has no objection as long as this is brown UPVC and the windows and doors are of a similar design to number 15 or 16. Consent is not required from the freeholder. Where leaseholders have installed white UPVC external doors the leaseholders will be liable for the cost of restoring the original doors or replacing them with brown UPVC.

Roof repairs

No expenditure allowance has been made for the current year to 31 March 2006 however, the directors were aware that some expenditure would be required in future years in order to replace roofing felt close to the soffits. During the current year one small section had been replaced following a leak.

Parking

No expenditure allowance has been made in respect of future repairs to the surface of the car park

Window Cleaning

It is a condition of the lease that the company organise regular window cleaning – No expenditure allowance has been made for this.

Sinking Fund/Designated Reserve

The company has a Sinking Fund established in order to pay for the collective purchase of the Freehold of Applewood Court. This was initially set at £1,000 plus contributions from members choosing to defer payment and paying more by way of instalments. A total of £1,840 was transferred to the fund in the year to 31 March 2005 to bring the fund to £3,590. The directors proposed that the transfer remain at £1,000 plus money received in respect of transfers/assignments and instalment fees for the year to 31 March 2006 and be increased to £2,000 in the year to 31 March 2007 plus money received in respect of transfers/assignments and instalments. This was agreed by the meeting.

General Reserves

The company's general reserves increased by £570 in the year to £7,064 as at 31 March 2005. This is £6,000 less than at 31 March 2003 when the general reserve stood at £13,104. The directors proposed that the company's reserves are gradually increased over the coming years to a sum equal to the equivalent of one year's Service Charge income in order to meet unforeseen expenditure. This was agreed by the meeting.

Income

Consisted of 36 flats at £480 each less £60 where the members had paid in full by 24 June 2005. In addition assignment fees of £90 were received following the sale of two apartments during the year. The directors proposed that from this year £100 be charged to reply to specific solicitors questions at time of sale and £100 as an assignment fee. All income from this source will be used to increase the freehold fund. All members agreed this proposal.

At least one owner has previously purchased an apartment but has not transferred their share from the previous owner. This puts their ownership in some doubt as it breaches the terms of the lease. The company has recommended to the individual concerned that this matter be attended to.

Service Charge

Under the terms of the lease the company is required to set a Service Charge for the year to 31 March based on expenditure for the year and recommended transfer to reserves. The directors referred to the forecast budgets for the years to 31 March 2006 and 31 March 2007. It was proposed that the Service Charge be set at £510.00 including the ground rent of £25.00 for the year to 31 March 2006 and £530 including ground rent for the year to 31 March 2007. As previous years, where full payment is received by 24 June a reduction of £60.00 would be available. Members preferring to pay by instalment may pay by ten equal instalments on the 24th of each month from 24th June. Stuart Morgan advised that the service charge remained considerably less than that charged on similar developments. Members agreed to the proposed Service Charges for both years.

The meeting then moved to the formal agenda.

- 1. The Directors' Report and Financial Statements for the year to 31 March 2005 were duly received and approved unanimously by the meeting.*
- 2. Retirement of Directors – Under the Articles of Association the directors of the company retire by rotation every three years. Mr D Morris retired as a director by rotation and the directors proposed that he be re-elected. He was duly re-elected by all members present and represented by proxy.*

The meeting closed at 9.30pm