



IAN LAMING
Director

FORMOSA AMENITY
www.formosaamenity.co.uk

MINUTES OF MEETING HELD ON WEDNESDAY 25th MAY 2011

HELD AT St JOSEPHS SCHOOL, LANARK ROAD, LONDON W9

Board Members: Ian Laming (Chair) IL
Arabella van Niekerk AvN
Paul Charie PC
Susan Wright SW
Gill Pyrah GP

Attendees: Crispin Sampson-Bancroft, Westbourne Estates
Aaron Landeryou, Westbourne Estates
Jeffery Bonn, 3 Formosa Street
Clare Fanning, 153 Sutherland Avenue
Carole Ridnell, 28A Warrington Crescent
Cheryl Prax, 12A Castellain Road
Bernard Prax, 12A Castellain Road
Paul Greer, 28A Castellain Road
Ross Pye, 179A Sutherland Avenue
Fred Chauffier, 145 Sutherland Avenue
Henrik Lonberg, 56 Warrington Crescent

Apologies: Natalie Barb, Peter Cross

Introduction

IL: it has been a busy year for the Board, many of our activities are not visible at street level but a lot of hours and work are put in. The Board hold monthly meetings to discuss planning, social events, gardening, the ongoing budget review, our corporation tax matters, electricity refund, and all manner of other day to day issues which naturally arise from a large amenity shared by so many different people.

This year Crescent and Formosa Amenities have agreed to use the same legal advisors to share the cost of working on similar issues which affect each Amenity.

The Board have worked hard to set in place proper processes to provide the appropriate insurance cover for Directors & Officers liability and special policies for our social events.

We have carried out a review of the share register, set in place a health and safety policy co-ordinated by Natalie Barb. Planning guidelines are now available on the website and via the Agents to assist residents by setting out a clear and transparent trail explaining the procedures when renovating houses.

Communications: Susan Wright and Peter Cross have set up an excellent website complete with RSS feeds and a mailing list. We also have a large noticeboard in the Garden, and the Board members hand-deliver the newsletter to each house.

The Garden re-vamp continues, overseen by Gill Pyrah & Natalie Barb and Mike Stratford of Garden Renaissance. The Med-bed is progressing & the corner bed at the southern end is next to be rethought.

Summer fun day: should be amazing this year with more entertainment than ever, big thanks to Natalie Barb for organising everything.

Fireworks display: thanks to Paul Charie for arranging our fantastic annual display.

Trees: a huge amount of time and effort always goes into managing our trees. Modern Arboricultural Services will be pruning as usual and will undertake an annual survey of their health and age. The Board retained the services of Simon Jones Associates to survey each tree and estimate the likelihood of any of the trees causing subsidence. This survey forms the basis of the long-term plan for managing the lifespan and eventual replacement of the trees. Within the next 30 years a lot of the mature plane trees may have to be replaced.

Gate: the gate is now operated by an electric motor to allow disabled residents reasonable access & to date it has been a success.

The Board hope that Residents feel that their concerns and opinions are being addressed but there is always room for improvement – please let us know about how this can become even better.

Formal AGM Agenda

Accounts.

This year trade debtors were very low. Management fees for our Agents have risen but we are very satisfied with the value and service we receive.

Pollarding costs around £10,000 every 2 years but we are setting aside £10,000 per annum for trees as we are conscious that there will be very heavy costs in years to come and want to be prepared.

Electricity: last years' accounts showed a very large overpayment to EDF which has been refunded during the last financial year.

Insurance costs have risen to around £1600 and will probably continue to rise.

Structural enhancements and tree works over the coming years will necessarily drive the budget up from £65,000 this year to nearer £85,000 next year.

Paul Charie proposed to accept the annual accounts. Gill Pyrah seconded.

Mr & Mrs Prax and Carole Ridnell abstained, all others in favour of approving the accounts.

Appointment of the Auditor.

Nigel Pulver & Co are the current auditors and it is suggested that they continue.

Jeffrey Bonn asked whether the fee is representative of the market value for their work.

IL: I did call alternative firms and was quoted around £2000 from a leading firm, and £900 from a minor firm, we pay Nigel Pulver about £700.

Susan Wright proposed to reappoint Nigel Pulver. Jeffrey Bonn seconded.

Unanimous vote in favour of reappointing Nigel Pulver as auditor.

Directors.

No Directors will be retiring or seeking reappointment by rotation. There is no term of office after which a Director must resign.

Ross Pye: Does the Memorandum and Articles of Association prescribe a maximum number of Directors?

IL – there is no maximum number but a minimum of one.

Fred Chauffier – rotation is good but would you for example set a 4 year rotation?

IL – In principle yes but the challenge is then to find new Directors and the risk is that you won't get any new Directors at all.

Questions.

1) Fred Chauffier – is the share register correct & is there any bad debt?

IL – we believe the share register is largely accurate. Westbourne wrote to each Freeholder in March this year enquiring whether any information had changed and most of those who replied confirmed that our information is correct.

Debtors – virtually none at all and those couple are being dealt with in accordance with our recovery procedure.

2) Ross Pye – Should occupants of Katherine Court be allowed access to the Garden?

IL – Katherine Court is not listed in the Rentcharge Deed as part of the Amenity, therefore there can be no right of access.

Ross Pye – As we are going to have significant tree expenses the cash reserve looks to be valid but should the Board revisit the question of Katherine Court access in order to raise funds?

IL – Formosa is not an entrepreneurial company and an expansion of this nature may be fraught with problems. On balance we prefer not to unless shareholders really want it.

Fred Chauffier – expanding the access to such a large building with many residents is not a very attractive idea.

Gill Pyrah – I agree it would be very problematic and potentially messy legally.

3) Open Gardens Weekend

Should Formosa participate in the event?

IL – Westminster Council like the fact that we participate. We are unaware of any burglaries happening in the immediate aftermath of past weekends so it is hard to say whether or not there is a security issue over inviting non-residents into the Garden.

Gill Pyrah – Somewhere between 60 – 80 people turned up last year. Do we have to continue?
Allowing the public access to the Garden does come with risks.

Ross Pye – Generally speaking no problematic people turn up. It would be good to have a message on the Noticeboard to inform residents of the event and that non-residents will be in the Garden.

IL – there seems to be strong feeling to do it, so we will make arrangements to notify residents and continue to participate.

4) Formosa Street Rentcharge

Jeffrey Bonn commented that the Rentcharge for the Formosa St houses is rising and that the reserve policy should be clearly stated.

IL explained that the Variable Rentcharge is split between Company or General Expenses and Garden or Estate Expenses. The houses on Formosa Street are listed against Company but not Estate expenses. Nevertheless as the running costs of the Company increase so to does the Variable Rentcharge for the Formosa St houses.

Jeffrey Bonn – I do not have a wider issue over paying but as costs rise it seems unfair that we are contributing more while still receiving no practical benefit from the Amenity.

The Rentcharge Deed was used by the Church Commissioners to conserve the aesthetic nature of the area.

Perhaps if the Board considered splitting e.g. the managing agents' costs between General and Estate expenses the difference would not be as keenly felt by the larger houses but the saving for the Formosa Street houses would be significant?

IL – this is something which the Board will consider.

Fred Chauffier – should we consider offering access to Formosa Street houses?

Jeffrey Bonn – I have 3 tenants who may like access & would be willing to pay the increased costs?

IL – granted, but if we were to consider widening the access to include the smaller houses on Formosa Street the argument is weakened for not extending the same invitation to the Prince Alfred Pub and Colonnade Hotel. What is the opinion of the floor on whether we should consider granting access to customers of the Prince Alfred or visitors to the Hotel?

It was unanimously agreed by those present to resist granting access to the Prince Alfred or Colonnade Hotel.

Henrik Lonberg – the question of offering access to any 'new' buildings is very easy to defend in terms of entrenchment but once one is admitted it is much more difficult to resist the floodgates opening.

5) Upkeep of houses

Fred Chauffier – can the Amenity Company do more to ensure that Freeholders are redecorating their property in accordance with the Rentcharge Deed, for example at point of sale when there is some leverage? For example 143 Sutherland Avenue is falling apart but up for sale and the owner obviously has no interest in spending money at this stage.

Arabella Van Niekerk – we are writing to those Freeholders whose property we consider to be in a poor state of decoration but will be pleased to consider any feedback from residents.

IL – ultimately there are high legal costs associated with enforcing any obligation under the Rentcharge Deed but we are pursuing those Freeholders who we consider to be in breach and progress is being made.

6) Tidy Gardens

Carole Ridnell – can the Board act to encourage people to keep their private back gardens neat and tidy?

IL – technically under the Rentcharge we can but there are only so many hours in the day and we have chosen to focus firstly on ensuring that the houses are well kept.

End of meeting.

Meeting Closed at 20:48

Ross Pye gave a vote of thanks to the Board for their hard work.