

# HOLLY LODGE ESTATE PLOT-OWNERS' ANNUAL GENERAL MEETING

## TREASURER'S STATEMENT

### 2020 AGM

While the Treasurer presents the financial plan for approval at the half-yearly meeting, and provides the final accounts for the prior year at the AGM, it has not generally been the practice to provide a statement, but rather to make a short spoken presentation and answer questions. With the postponement of this year's AGM, it seems appropriate to provide a written update and I welcome any questions from residents, which I will consolidate and happily answer in a further summary.

#### **Financial overview**

Our final accounts for 2018/19 were in line with expectations as indicated at our half-yearly meeting and copies may be reviewed on the website. We have started to show the parking management costs as a clear line, as set out in the forecast at that meeting.

In summary, our income was £339,481, an increase of less than £3,000 on the prior year, due mainly to increased skip and contractor parking income. Our outgoings were £339,281, similarly slightly up on the prior year, with the main increases due to tree and pollarding costs which were heavier than previously, and the newly instituted parking management costs. These were offset by a reduced transfer to our maintenance fund, which nonetheless remains very healthy with reserves of just under £610,000.

Our financial position, therefore, continues to be strong and we have received the expected contributions from Camden and plot-owners in a timely manner. We have explained to Camden our intended use of reserves for limited major capital expenditures (vehicles, the yard groundworks, which will, therefore, be recharged in the estate contributions over a number of years, and developing electronic vehicle charging capability, which is expected to be recouped from users of the facilities) and received their support for this, as well as their recognition of our need to support parking management.

Our progress year-to-date is broadly in line with expectation but with the following caveats:

- While we have worked on all three major capital initiatives, progress has been interrupted by the lockdown and so no significant spending on any of them has yet occurred.

- We are in the fortunate position of having largely protected income and so your committee has taken the decision to maintain our excellent staff on full pay, even if they have more limited opportunity to work during the lockdown.

## **Financial management**

At the half-yearly meeting, I explained that we would prudently use our reserves to fund limited major capital expenditures and rebuild reserves from income from plot-owners over a longer period, smoothing those expenses. Since then, we have made other changes.

Our accountant, Daniel Virgili, who, over a number of years, helped my predecessors to build a robust framework and processes for our financial management, stepped down at the end of 2019. I would like to take this opportunity to record my thanks and for his considerable support in helping me as I took the reins last year and implemented the change noted above. I would also like, on behalf of my predecessors (if I may), the Committee, and the Estate as a whole, to record our appreciation of all of Daniel's efforts.

We have appointed Debbie Harries as our book-keeper. She has worked with Daniel who has supported her onboarding. She is already working well with Barbara to support our financial management.

Our independent accountant, who has reviewed our accounts (but not audited them as this is not required), Mike Gibson, retired at the end of last year. I would like, similarly, to record my thanks to him and propose that we appoint Russell Selwyn of Harris and Trotter as our independent accountant.

We have determined to move our accounts management from a locally installed accounting package to a cloud-based system that a number of us are familiar with, including Debbie Harries, Harris and Trotter, our chairman, Martin Narraway and me. This will allow us to integrate more readily our accounting, residents' management, car permits, and future EV charging processes, as well as making financial reporting and analysis more efficient.

Lastly, while I mentioned this in my half-yearly report, it bears repeating that I am grateful for the support and guidance of Peter Jacobs, my predecessor as treasurer in getting me closer to understanding our accounts and needs through the year!

***Justyn Trenner***

***Treasurer, HLEC, April 19, 2020***