

Report of Treasurer of HLEC November 2020

This has been a year of change in the organisation of our accounts. After many years of terrific service, as we have previously noted, Daniel Virgili, handed the reins on day-to-day accounting and bookkeeping to Debbie Harries, while our annual review accountant, Mike Gibson, retired and we have decided to appoint Harris & Trotter to provide our annual review. In addition, we moved our accounting records from a locally package to a cloud based package, enabling wider access and integration with billing, so that you will shortly receive your bills directly from this system, and we will be able more easily to track payments.

On an accounting treatment level, we also made a significant change, which explains the change in layout of the accounts presented to plot owners. We determined to use our reserves to manage substantial long-term investments in asset purchases, such as vehicles, major projects such as groundworks, and electrical vehicle charging facilities. The first two will be paid over time by our EMF contributions and the last will be funded over time by the users of that facility.

Given the substantial underspends this year owing to COVID, we have repaid the investments much faster than expected, as well as delaying a major work forecast, which will now take place in the coming months. The result is that we can return to reserves more than expected and use our reserves to fund further needed work to renew brickwork on one of our roundabouts, and other minor spends without needing to increase the provision for amortised repayments.

The investment in EV charging points has gone as expected and while there is already take-up, it is hard to forecast reliably the income. In the first couple of weeks of having only a handful of cars registered, we have netted about £50 per week, suggesting that an income of £100 per week (or £5,000pa) will be conservative. Rather than speculating, I have shown a notional amount of income, although we have modelled to pay off our investment over seven years. If take-up is strong, we will look to use income to reinvest in additional charging points - so if you wish to see availability grow, please make use of the points!

In terms of outturn against forecast for the year now closing, we have spent much less than expected, for obvious reasons, on all those headings that required contract staff (security, areas of maintenance and administration) while taking good care of and paying fully our directly employed team. We have spent more than forecast in improving our gardens and maintaining our trees. Additionally, our new accounting arrangements have overall reduced costs.

Going forward, there are two notable increases: we must provide for pollarding our trees and we have provided for an increased cost of parking management and estate security. This will allow us to act on whatever decisions seem appropriate in the light of the sounding to be taken from the whole community on this subject (please see the accompanying newsletter).

I am happy to reassure residents that I have walked our contracts contact at Camden through this budget at a high level and received support for our plans from him.

Therefore, it is with great pleasure that I would like to recommend this budget to you and ask you to provide confirmation of your approval by voting on the link emailed to you or ballot paper put through you door, where we do not have an email address.

Justyn Trenner
Treasurer
November 13 2020