

HOLLY LODGE ESTATE PLOT-OWNERS' HALF YEARLY GENERAL MEETING TREASURER'S STATEMENT

2023 Half Yearly GM

This is the Treasurer's report regarding the draft accounts for the Holly Lodge Estate. I will make some remarks and then I will take questions as necessary.

Financial overview and draft budget for 2023

While we have not yet had the final two months' accounts for the year, the expectation is that the estate will remain in a solid finance state although against a backdrop of continued inflation which has pushed up our costs across main areas. On the full last monthly numbers available at the time of writing this report (to the end of September with therefore two months to go), it is expected that total income will be over £376K vs a budget of £371K, with more income coming from interest receipts due to the higher rates on savings, and operating costs at £340K against a budgeted number of close to £346K with a number of items such as gardens and parking having a net lower effect. Our net cash financial position stands at just over £550K at the end of September.

Our financial position, therefore, continues to be strong. However, as I mentioned above, there remain clear inflationary pressures, particularly in areas that may be high-cost and / or with potentially low visibility (e.g. repairs, essential maintenance). We also had passed through wage increases – which is our single biggest line item - to staff last year of 10% in line with the relevant inflation rate at the time. This is a permanent effect that will continue in future years.

There are two additional factors to consider. The first is that we have significant expected cash outlays over the next 12 months, including hogging work, expected work to the Holly Lodge Gardens roundabout and the estate's 100th anniversary. The second is that the Committee feels it is prudent to maintain significant cash reserves in the case of unexpected / unforeseen events which may need a significant outlay of cash within a relatively short timeframe. Our intention is to keep a minimum of 12 months operating expenses.

As a result, the Committee is proposing a £30 increase in the EMF charge, which is both lower than last year's £40 rise and represents an increase of c. 4% which is lower than the current inflation rate.

Financial management

I would personally like to thank all Committee members for the help they have given me, including Martin and Nick as Trustees. I would also like to say thank you to all the employees, including Antonia the Estate Manager.

We have maintained Debbie Harries as our book-keeper and she has done very good work at keeping the accounts up to date. We continue to use our accountants, Russell Selwyn of Harris and Trotter, as our independent accountant and who have also provided good work.

Ian Whittaker

Treasurer, HLEC, November XX 2023