

# South Hermitage Management Company Limited

28 Stones Square, Belle Vue, Shrewsbury, SY3 7JA

email: [contact@southhermitagemc.com](mailto:contact@southhermitagemc.com)

**Annual General Meeting  
of the Shareholders  
Tuesday 19<sup>th</sup> March 2013  
The Methodist Church Hall, Belle Vue Road, Shrewsbury  
at 7.30p.m.**

## **Minutes**

**Present:** Pam Bonner, Tom Brown, Diana Buckle, Jan Childs, Chris Donaldson, Diane Elmes, Mary Fraser, Anne Hasnip, Mike Jones, Hilary Moorcroft, Lewis Moorcroft, Helen Morrison, Matthew Newens, David Palacio, Felicity Palacio, Margaret Parry, Stephen Parry, Alan Roberts, Tina Roberts, Lidia Soloszczak, June Walters, Mike Walters.

### **1. Welcome and Introduction of chairman and directors**

The chairman welcomed everyone to the meeting and gave brief housekeeping details including a request that no individual should electronically record the meeting. He introduced the directors and Alistair Brierley, the company solicitor.

Directors: Tom Brown (chairman)  
Mary Fraser (secretary)  
Jean Waterman (treasurer)  
Anne Hasnip (site manager)  
Pam Bonner

### **2. Apologies for absence:**

Steven Affleck, Hilary Affleck, Frances Barlow, Mike Nettleton, Verity Nettleton, Andrew Richards, Hilary Richards, Louise Donaldson, Michael Honeychurch, Kerrie Horton, Ron Turner.

### **3. Approval of the minutes 2012 AGM**

The minutes were accepted as a true record

Proposed: Tina Roberts

Seconded by Diana Buckle.

Carried unanimously.

#### **4. Matters arising from the minutes**

Attention was drawn to the discussion recorded; item 8a:

*"It was clear that the additional parking spaces were not required in Stones Square but it was agreed that the Committee would come up with options e.g. replicating the islands in Burlington Place. The Committee would make some proposals to the Stones Square Shareholders and once agreement reached to be put to the Directors reference spend commitments etc."*

There was an objection that this had not taken place.

Clarity was given that there are no proposals at this stage but the consultation is the process we are currently engaged in.

The company solicitor highlighted that people with views about what should happen in Stones Square can put their views forward to the Board but everyone is a shareholder and therefore has an equal view.

It was noted that when the minutes of the last meeting were re-circulated they did not come with the reports as an attachment. It was requested that copies of all reports go to all shareholders prior to the meeting. This was agreed.

#### **5. Adoption of 'Model Articles of Association 2008' – see company website**

This item refers to the change in Companies Act 2006 and that the company articles of association pre-date this. The Act provides new model articles and this was being brought to shareholders attention at the meeting for information. Some shareholders found this item misleading and it would have been better-entitled 'point of information'. An apology was made to people who found the wording of this item misleading.

The meeting agreed that any shareholder is free to express their views regarding whether it would be worth the time and expense of revising the current articles to the Board but otherwise the status quo remains.

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## **6. Chairman's report**

The chairman's report was given and is attached.

## **7. Finance Report**

The finance report was given and is attached.

## **Approval of accounts 2012**

The accounts were approved subject to three amendments:

- i. The dates and duration of the accounting year is clearly identified i.e January - December 2012;
- ii. To remove Diane Elmes' name and replace with the role titles Treasurer and Company Secretary; and
- iii. The Survey Report is itemised.

Proposed: Chris Donaldson

Seconded: Alan Roberts,

Carried unanimously

## **Reappointment of accountants DHH Accountants, Stourbridge**

Proposed: Diana Buckle

Seconded by Alan Roberts.

Carried unanimously

## **8. Gardening and site report**

The site report was given and is attached.

Shareholders wished to express their appreciation of the gardener, Nick Turner.

There was a question raised about hedges and whether we need 2 hedges. In discussion the main concern highlighted was the accumulation of leaves in particular areas. These leaves were identified as coming from elsewhere and not as a result of the existing beech hedges. It was agreed that removal of the leaves and prevention of their build up would be addressed with the gardener.

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## **9. Survey Report with option appraisal and recommendations**

Anne Hasnip & Pam Bonner presented the report and it is attached.

There was discussion regarding the options presented within the Survey and additional thoughts expressed regarding the options. Some felt that alternative configurations of the options might be considered to allow flexibility regarding time scales, costs and priorities. A number of people expressed their view that the car park at the rear of Stones Square was a priority and urged the directors to seek quotes and commence work there.

The survey report is on the company website for all to see and to comment. Directors welcome thoughts and comments, which will assist our decision making process.

It was noted that copies of the chairman's, treasurer's and site manager's reports be circulated with future AGM agendas. This was agreed.

## **10. Tabled Questions from shareholders**

Prepared answers to the questions were distributed on arrival and are attached. There was discussion regarding some of the questions. Discussion that led to changes and votes are recorded here or covered in the main agenda items.

### ***Question 5***

The company solicitor explained that the requirement of 21 days notice is for a notice of the meeting only.

### ***Question 7,8,9***

It was clarified that these questions related to lease section ii and not Part 11. The shareholder argued that the lease restricts company activity to tending common parts of the site. As the company currently undertakes to cut grass and hedge trimming to some privately owned frontages the argument was made that

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the cost of this work should be identified for each of those individuals and added to their service charge or the appropriate proportion deducted from the service charge of those shareholders who do not benefit directly from this service. If this was not acceptable then the shareholder argued the company should ask the gardener to cease that service for the uncommon parts.

Other shareholders contended that this practice had been instigated some time ago to prevent each household from needing a lawn mower, which was felt to be disproportionate for the amount of grass that needs cutting. They maintained that shareholders benefitted in common as the practice maintained an aesthetic value to the site and all the properties within the complex. Some shareholders were concerned that any change in the status quo would lead to a rapid deterioration of the site. They were further concerned that working out individual costs would be too complex to be considered.

The company solicitor explained the arguments concerning this matter and the possibilities of what would happen if a shareholder were to withhold payment of the service charge over the matter. He confirmed that the lease permits the service charge only to be used to provide services to common parts. He also pointed out that the two alternatives suggested would be unworkable and that an alternative option would be for each individual shareholder to pay the gardener privately for the work to be done on their own property.

A proposal to ask the gardener to break down the cost of the common parts was made by Mike Jones and seconded by Diane Elmes.

A show of hands indicated that 3 shareholders were in favour of this proposal and all other shareholders present were against.

## ***Question 10***

The shareholder at number 37 Burlington Place explained that questions 10 and 11 had not come from her as the initials heading these questions suggest. It was

explained these questions had been submitted on paper and the only indication of the source were those initials.

***Question 11***

There was a request to replace the words “are out of date” with “pre-date” to clarify that the articles of association were drawn up under the previous Companies Act rather than the current applicable act.

***Question 14***

There were further queries regarding whether there should be a members only secure section to the company website. Differing views were expressed. No decision was reached.

**11. Any other business**

- It was noted that agenda items should be clearly expressed & concise.
- A question was raised regarding the reason why the shareholder who withheld their service charge payments was passed into the hands of the company solicitor without any reminders being sent.

See *Question 17* for response.

- The freeholder has informed us that there are a number of shareholder accounts that are in arrears mainly with ground rent but some of them with building insurance. Shareholders were asked to check whether or not payment by them has been effected so that they are not embarrassed by any follow up action.
- A shareholder queried the position regarding responsibility in relation to guttering. He was advised that this should in the first instance be addressed through insurance avenues via the landlord.

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- **N.B.** The directors are aware that this was inaccurate advice and have in fact dealt with the communal gutters during the year.
- The board was thanked for all the work done over the past year and also Tim Devanney for the website, which he has set up and maintains at no cost to the company.
- It was noted that there are an increasing numbers of young children living in Stones Square and so drivers need to be particularly cautious when driving through the archway in and out of the Square.

**Meeting Closed: 10.10p.m.**

## **Attachments**

- I. [Chairman's report](#)
- II. [Finance report](#)
- III. [Approval of accounts 2012 \(amended\)](#)
- IV. [Gardening and site report](#)
- V. [Survey report with option appraisal and recommendations](#)
- VI. [Tabled questions from shareholders](#)

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## I Chairman's report

Annual General Meeting  
Tuesday 19<sup>th</sup> March 2013

### **Chairman's Report**

The company has had an eventful year. May I remind you that at the AGM this time last year we had no directors. 7 new directors were appointed at the EGM in May 2 of whom resigned, one in September and the other in October, and we saw changes in the appointment of Company Secretary and Treasurer. Since then work on the site was restarted to good effect – and this will be covered in the Site Management Report, which will follow shortly.

The company finances are in good shape. The Finance Report will follow. I will only add that we are very conscious of the fact that careful budgeting is necessary within the limits of our income in order to cater for necessary future improvement costs whilst, in the immediate term, not increasing the Service Charge..

We have produced a company website for the use of those who have access to the Internet and appreciate communications shared in this way. The minutes of directors meetings have been posted on this site for all to see as requested at the EGM last year. We have also established a successful email address; [contact@southhermitagemc.com](mailto:contact@southhermitagemc.com) which has been used by a number of shareholders to communicate with the directors of the company.

A surveyor's report was commissioned to help us move forward with renovations and improvements to the site over the next few years covering in particular Stones Square and its adjacent car park now that the Burlington Place work has been completed. The Report has been available for all to peruse on the website and we will be discussing it later on the agenda.

You need to know that Public Liability Insurance has now been organised in line with our duties and requirements.

Christmas saw the usual bright welcoming tree with lights at the entrance to the site and a number of you enjoyed sharing mince pies, Christmas pudding and carol singing. This was all at the expense of individual shareholders both financially and time wise and I emphasise at no cost to the Company. Thank you all for your community spirit and your support of we directors.

In conclusion I would like to thank my fellow directors for their loyalty and hard work during what has been a difficult period and also thank shareholders for your understanding and continued support. We are looking forward to another productive year working together.

Tom Brown (Chairman)

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## **II Finance report**

### Treasurers Report 2013

South Hermitage Management Company is a small limited Company. We do not trade in the same way as other companies and we are a non-profit organisation. The company has a registration at Companies House because of the requirements of the lease. All of the directors are volunteers who undertake to look after all common areas of the site on behalf of the residents. The secretary and treasurer continue to receive a nominal honorarium for the positions they hold.

Nick Webb of DHH Accountants in Stourbridge prepares the accounts. The full accounts are forwarded to Companies House. The abbreviated accounts approved by the directors are useful to prospective future purchasers. You should all have a summary of these accounts with the meeting agenda. The accounts, full and abbreviated are available for scrutiny by any of you, the shareholders.

You will also have a copy of the gardening expenditure since the present board took over in May last year. As you can see a large proportion of the costs have been spent on completing the Burlington Place parking bay project started by the previous board.

Everything else should be self-explanatory.

In 2013 we do not anticipate any changes to the present service charge, which I am sure you will agree is very reasonable. With this in mind we do have to build up the balance in preparation for some costly work necessary in Stones Square and the parking areas behind both Stones Square and Burlington Place.

The bank balance is healthy and will adequately cover the costs of the early stages of the work we have in mind to carry out. However, recently two shareholders have either withheld or paid a reduced amount towards the service charge we all pay. This has necessitated putting the matter into the hands of the company solicitor, which has incurred costs, but has resulted in these individuals resolving the shortfall.

We would like to thank all of you shareholders who have made regular and prompt payments of their service charge throughout the year.

Jean Waterman Treasurer

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## III Approval of accounts 2012 (amended)

With amendments follow AGM 2013

- i. The dates and duration of the accounting year is clearly identified i.e Jan- December 2012
- ii. To remove Diane Elms name and replace with the role titles Treasurer and Company Secretary
- iii. The Survey Report is itemised

### South Hermitage Management Company Ltd Report and Accounts 2012

<u>Income</u>	<u>Totals</u>	<u>Totals</u>
	2012	2011
Brought forward from previous year	£6,198.46	£15,486.02
Service Charge - Burlington Place	£10,870.00	£10,906.00
Service Charge - Stones Square	£7,109.00	£7,364.00
Additional Receipts	£773.00	£123.70
	<b>£18,752.00</b>	<b>£18,393.70</b>
<b>Total Assets</b>	<b>£24,950.46</b>	<b>£33,879.72</b>
<b>Expenses</b>		
Electricity		
NPower	£382.00	£307.00
Repairs	£167.00	
Site survey	£780.00	£3,001.40
Site maintenance	£268.80	
Hawk GS	£1,780.00	
Nick Turner	£6,594.39	
Equipment	£57.96	
Admin		£720.00
Data backup	£39.60	
fr Sec/Treas	£368.15	
Secretary	£147.66	
Treasurer	£38.01	
Projects - car park surface		£23,000.61
Refunds from overpayment	£125.00	£190.00
Shareholder mtgs - room hire	£148.50	£16.00
Fees - Solicitor, Acct., Co. House	£481.00	£422.89
Water	£34.43	£23.36
<b>Total expenditure</b>	<b>£11,412.50</b>	<b>£27,681.26</b>
Balance carried forward to next year	<b>£13,537.96</b>	<b>£6,198.46</b>

### Budget 2013

<b>Income</b>		
Income brought forward from 2012	£13,537.96	
Outstanding from 2012	£148.00	
Service fees (60*25*12)	<u>£18,000.00</u>	
		<b>£31,685.96</b>
<b>Expenditure</b>		
Refunds due from 2012	£27.00	
Barclays data back-up	£40.00	
Garden & Maintenance	£6,000.00	
Utilities (Electricity & Water)	£450.00	
Admin(Honoraria/office supplies	£900.00	
Fees(Solicitor/Accountant/Co House	£500.00	
Shareholder meetings	£50.00	
Available for Projects	<u>£10,000.00</u>	
Sub-total	£17,967.00	<b>£17,967.00</b>
Estimated balance c/f to 2014		<b>£13,718.96</b>

#### **IV Gardening and site report**

##### Site Manager's Report

The Directors of SHMC had two main aims for the site when they assumed office after last year's AGM and the two subsequent EGMs.

1) To complete the work in Burlington Place which had been left unfinished when the previous board resigned in November 2011.

2) To improve the overall appearance of the site, which had deteriorated significantly during the period of time, when there was no gardener in situ and therefore no routine gardening work was being undertaken.

Our first task was to appoint a gardener who would complete the work in Burlington Place and also assume responsibility for the maintenance of the whole site on a regular basis. In September 2012 we were pleased to appoint Mr Nick Turner to the position.

The completion of the work in Burlington Place involved laying new turf, replacing the trees as promised, replanting the lavender flower beds with a variety of bulbs, shrubs and decorative trees, cutting and trimming the box and beech hedges, planting bulbs and clearing and replacing with bark the area adjacent to number 39. Also some small wooden bollards have been positioned in the two main flowerbeds to prevent cars and particularly refuse lorries taking a short cut over them. In addition new numbers have been attached to each of the individual parking bays and visitors' parking areas.

General maintenance work throughout the site involved mowing all the grassed areas on a regular basis, cutting all hedges as and when necessary, treating and removing moss from the paths, keeping the weeds at bay, clearing leaves and care of the planters in Stones Square etc.

I am sure you will agree that there has been a significant improvement in the appearance of the whole site and in particular Burlington Place. The directors wish to thank Mr Turner for his commitment and hard work and look forward to working with him in the future to maintain the environment in which we all live to a high standard.

Having completed the work in Burlington Place the directors have been considering other areas of the site that require significant development. To this end they commissioned a detailed survey of Stones Square and the car parking area to the rear of Stones Square adjacent to the Drs' surgery to outline possible options for future development and the financial implications of each of them.

Anne Hasnip Site Manager

**V Survey report with option appraisal and recommendations**

**A Presentation Summarising the Survey Report & Outlining SHMC Thoughts and Ideas**

When the present board came into being our priority was to complete the work, which had been budgeted for and started in Burlington Place.

After completion of this work we turned our attention to other areas of the site to ascertain what was required in the short/medium/longer term. To this end the company commissioned a survey report of Stones Square and the car parking area between Stones Square and the GP surgery.

Following some discussion and receiving guidance as to the type of survey that would be most useful Andrew Rowson from Johnson Fellows completed a survey on behalf of the company in November 2012 and his report has been made available for shareholders to read in advance of this AGM.

**Stones Square:**

The survey report outlines 4 possible options for Stones Square.

***Option 1 – Do nothing***

The company has the option of not investing in the short term. If the short term is only 1-2 years then it is possible that the pressed concrete surfacing will not deteriorate significantly during this period.

**Estimated cost £0.00**

***Option 2 – Minimal Maintenance***

This option allows for low-level maintenance of the concrete surface of Stones Square including the drainage channels, reinstating a defective bollard and recoating the whole of the square with a suitable waterproof material. This should last for 3 – 5years.

**Estimated cost £500.00 plus VAT**

***Option 3 – Medium Term***

The report recommends that the sunken area of the pressed concrete surface should be broken up and replaced including the raising of the surface water drainage channel. At the same time the depressed concrete around the manhole in Bay 1 should be broken up and replaced. It was suggested that

this work should be undertaken within 5 years. At the same time as this work is carried out recoating of the surface will also be done.

**Estimated cost £3,000.00 plus VAT (excluding recoating)**

***Option 4 – Long Term***

This is dependent on the extent to which work is carried out in the short to medium term as described above.

One option would be to break up the concrete surface to the central common area and to provide an appropriate hard core base and black top surfacing comprising dense bitumen macadam base course and wearing course.

**Estimated cost £15,000 plus VAT**

It must be borne in mind that the estimated costs of repair as highlighted within the various options are specific at the time of preparing the report and will be subject to annual increases in line with inflation due to labour and materials. The costs are subject to obtaining competitive quotations.

In addition to looking at Stones Square the company asked the surveyor to look at the planters in the square and to provide us with possible options for them.

**Raised Planters:**

With regard to the planters the report concludes that they should remain in concept but that in the short term all the planters are in need of essential maintenance in the form of cutting out and replacing spalled/perished bricks, isolated repointing and in one instance partial rebuilding. It was felt that these repairs would prevent further deterioration.

To some extent investment in the short term does not seem to be cost effective as it was felt that in any case the planters should be totally rebuilt within the medium term, that is to say all of the brickwork should be removed and reconstructed in engineering quality brickwork which is more durable and the brickwork should only extend to approximately 3 courses as opposed to the current height of approximately 5 courses.

**Estimated Cost: £6,000.00 plus VAT**

## **The car park behind Stones Square:**

### **Short Term**

The report suggests thoroughly cleaning the access road, repairing the potholes and boundaries and removing the overgrowth to the surface of the car park at the lower end.

**Estimated Cost £1,500.00 plus VAT**

### **Medium to Long Term**

Over a period of time funds should be accrued to excavate to reduce levels and provide suitable bases of dense bitumen macadam. At the same time pre-cast concrete kerbs would be introduced to the perimeter ensuring that drop kerbs are provided to the access pathways and the vehicular access points to the applicable dwellings.

Also included in this plan is the provision of soakaways to the lower end of the car park for suitable surface water drainage; the relocation of the street lamp at the lower end; and the addition of a bollard type lamp to be positioned close to the recess at the bottom end of the car park.

**Estimated cost £35,000 plus VAT**

## **SHMC Ltd. Thoughts and Ideas**

The directors found the survey both interesting and worthwhile and having studied it in depth would like to put forward their thoughts and ideas about the future development of the site to the meeting, taking into consideration budgetary constraints.

## **Stones Square including the raised planters.**

With regard to Stones Square, in the short term i.e. 1-2 years, we are minded to implement **option 3** as outlined in the survey report. ( Briefly this option recommends that the sunken area to the square should be broken up and

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replaced, work on the drainage channels and other essential maintenance undertaken and the new surface re-coated ) At the same time it was felt that the planters should be rebuilt in the manner outlined in the survey report.

**Estimated cost £3,500 + £6,000 + VAT**

## **Car parking areas behind Stones Square and to the rear of Burlington Place**

Whilst considering the car parking area at the back of Stones Square it was also thought prudent to include, at the same time, the car parking area at the back of Burlington Place.

To this end it was felt that the short-term plan to improve the condition of both these car parks and their approaches should be implemented as soon

**Low-level** maintenance to improve the condition of both these car parks and their approaches.

**Estimated cost: £2,000.00. Plus VAT**

When considering the longer term plan (3 to 7/10 years) the company wishes to accrue the necessary funds to enable the Stones Square/Burlington Place car-parking areas to be brought up to an acceptable standard in line with the rest of the complex.

**An estimate of £35,000** has been suggested as the cost for this work in Stones Square car park and therefore we envisage a similar sum being required for the Burlington Place car park.

The company will thus need to accrue the necessary money to fund these projects whilst at the same time have funding available for maintaining the whole site to the present high standard that has been achieved.

## **Conclusion**

These are at the present time our thoughts regarding the way forward. They are not proposals. We would welcome any questions, comments or suggestions either now or following this AGM in order that the Board can make an informed decision on the future development of the site.

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## VI Tabled questions from shareholders (amended)

This document was produced prior to the AGM and should be read in conjunction with the record of the meeting as some of the pre-printed answers were debated and changed by the meeting. The relevant information can be found in the minute of the meeting. There was one specific amendment agreed during the AGM 2013: -to replace the words "are out of date" with "predate" Question 11. That amendment is recorded within the text here.

### Collated Questions with answers AGM 2013

#### Elaine Reeves

1. Is the car park at the front of Burlington Place/behind Stones Square going to be tarmacked/re-surfaced? It is not really fair that we pay the same ground rent & service charge but have such a poor car park area. In the recent bad weather particularly this area has been dangerous due to ice, mud and water puddles/flooding.
  - *The short answer is yes. As reported previously we will be undertaking low level maintenance as soon as possible with a longer term aim of making significant improvements within the financial constraints of the company.*
2. Is there a confirmed contract now for a landscaping/garden team
  - *Yes. We asked a number of contractors to quote for the work and we employ Mr Nick Turner who was considered to be the best value for money.*

#### Diane Elmes

3. Why hasn't the financial report been published on the web after every meeting which the directors (as agreed at EGM)
  - *At the last General Meeting (EGM 17 July) "Shareholders expressed a wish for the current board to work together for at least the next 6 months and to provide copies of minutes highlighting the decisions made." Also "The need to set up a company email account and dedicated website was noted." The company accounts have been audited, filed at companies' house and are here for shareholders to scrutinise.*
4. Can you please identify the difference between the current AofA and the Model AofA? Can you explain what the directors' recommendation is for the vote?
  - *This is an item that we want to introduce for shareholders consideration. We would like shareholders to start to think about whether we should*

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*update the articles of association to come into line with the changes in company law that came into effect with the 2006 Companies Act. This act provides model articles of association as well as opportunity for the company to become a right to manage company. We would like shareholders to read and think about this with a view to making determinate resolution at the next AGM.*

5. Why have the directors not sent out a copy of the accounts, survey and 2012 AGM minutes as required by Company Law 21 days prior to the AGM to all shareholders including those with no internet access?
  - *The minutes of the AGM were distributed by D Elmes 10/4/12 following the meeting. The minutes of the last 2 Extraordinary General Meetings were distributed/posted on website following the meetings. The accounts are presented and the survey has been available on request and published on the web site since 1<sup>st</sup> March.*
  - *Please can you site the company law you are making reference to?*
6. When is the visitors' car park going to be tidied up? The gravel and stones have been there since the gardener put in the trees and no one has cleared it up?
  - *Thank you for raising this. We will ask the gardener to clear any mess remaining in the car park. Please feel free to raise these types of issues at any time; you do not need to wait for an AGM.*

## Mike Jones

7. Will SHMC abide by this definition and its obligation to all tenants and ensure that any work that is funded from the service charge is only carried out on 'common parts' of the estate unless specified in Part 11 of the First Schedule?
  - *First Schedule Part 1.10 "The management company may withhold add to extend vary or make any alteration in the rendering of the Services or any of them from time to time if the Management Company in its absolute discretion deems it desirable to do so." Thereby authorising the company's discretion.*
  - *Part1.11 "If at any time during the term the total number of Houses and Flats enjoying or capable of enjoying the benefit of any of the Services is increased or decreased otherwise than on a temporary basis or if some other event occurs as a result of which the Service Charge Percentage is no longer appropriate to the Premises and the Service Charge Percentage shall be varied with effect from the end of the Financial Year*

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*following such event by agreement between the parties or in default of agreement within 3 months of the first proposal for variation made by the Management Company in such a manner as shall be determined to be fair and reasonable in the light of the event in question by the surveyor."*

- *This section applies when the total number of Houses and flats changes, that has not happened.*
8. If not has the Company Solicitor given SHMC differing advice to that outlined above? If so, what advice has been given?
- *Not applicable*
9. If the advice differs from that stated in the various leases and SHMC propose not to abide by its obligations as specified in Part 11 of the First Schedule of the Lease – what is their legal position to do so?
- *See information provided above.*

HM/BP

10. When will you be tidying up the area behind 37 Burlington Place as the ivy is growing over the path and looks a mess?
- *We will ask the Gardener to attend to this. Thank you for raising this point.*
11. Why has Mary Fraser become Company Secretary when at the AGM she stated that SHMC did not need one?
- *Because our AofA **predate**, this is one of the unnecessary requirements we still have to abide by. Companies House therefore changed the status of secretary to company secretary when the annual return was submitted.*

**Jan Childs**

12. When will SHMC provide a full and coherent response to my message of 14.11.12?
- *The message of 14.11.12 was a stated objection to the use of shareholder money for festive decoration and community gathering. This is something that did not happen and was never planned to happen. The correspondence was duly acknowledged but no further action deemed necessary.*

# South Hermitage Management Company Limited

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13. How will SHMC ensure that all future company expenditure and activities relate only to the company's obligations as defined in SHMC's Memorandum of Association?

- *By not spending money on anything that cannot be interpreted to meet the company objects.*

14. Why is the SHMC website available to anyone searching the web, rather than accessible only to shareholders?

- *The decision was made to maintain a website open to all as the most cost effective and accessible means of open communication.*

15. What will SHMC do to ensure that Data Protection is adhered to in all company activities? What rationale was used to make the decision to choose to distribute the survey report to shareholders on request only?

- *Thank you for drawing our attention to your name being on a document that you had written and requested to be published in its entirety. This has now been removed. We have made every attempt not to disclose identifying information regarding individuals on the website and apologise that your identity was disclosed. We will continue to be as vigilant as we can but we do appreciate it if people raise questions promptly when they are aware of errors in this regard.*
- *The Survey is available to anyone accessing the website. It is also available in hard copy to anyone requesting it so as to minimise waste and expense.*

16. What considerations are in place for future site developments and what are the timescales and costs of these?

- *Please refer to the survey report and share your own ideas with the AGM so that they can be heard and discussed by all.*

17. Why did SHMC choose a formal and expensive route to follow up on service charge shortfalls via the company solicitor rather than an informal approach to deal with these?

- *Service charge short falls have involved the company solicitor only in cases where the respondent has sited objection & refusal to pay. In cases where there is the possibility of omission or ambiguity as to the cause of underpayment then an informal approach was seen as appropriate and employed.*