Newport Road Maintenance Limited

MINUTES OF THE ANNUAL GENERAL MEETING

Mercure Holland House Hotel, Cardiff
Monday 14th September 2015 (commenced 6.33pm)

In attendance:

Directors (in alphabetical order)

Emrys Davies	ED (Chair)
Graeme Garrard	GG
Nasir Jarjis	NJ
Phil Parry	PP

Leaseholders

Sian Davies	SD
Arthur Munday	AM

Apologies:

Richard Battrick	RB
Matthew Currie	MC

Western Permanent Property & AH Staff

Neil Gregory	NG
Angela Morgan-Rose	AMR
Karl Ashton	KA

Votes by Proxy:

Ms J Morgan
Mr G Herendi
Mr R Battrick
Mr A Wilson
Mr K Morgan

1 Chair's welcome and summary of the last year

ED opened the meeting as Chair and both introduced and thanked his fellow directors, the WPP staff, Karl Ashton the Head Concierge the associated staff for their continued and valued input since the last AGM both on his behalf and on behalf of members in general.

Topics mentioned included;

- The Board and WPP closely monitored the financial workings of the management company to ensure costs incurred were as competitive as possible.
- That the Board had gelled into an effective team
- That this year two of the Directors would retire on rotation and if applicable be reappointed
- That Admiral House continued to improve both maintenance wise and its image
- That the standing orders had been reviewed and updated

Additional points raised included;

- AHRL (the resourcing company) had closed yet the accounts for this year included its expenditure for comparison purposes.
- The 2014 balancing charge and the aim to mitigate such charges in future
- The request for members details – Conflicting Acts (Data protection & Companies)
- Church access rights across Admiral House land
- Car parking space negotiations with the previous Ground Landlords – that approximately 6 spaces remained yet they could neither be sold nor sublet without agreement of NRML
- Long term scheduled maintenance plan and sinking funds
- Managing Agents tendering process
- The Admiral House logo had been finalised and rolled out

2 Apologies

Apologies were recorded (as noted earlier in the minutes).

3 Acceptance of Minutes relating to the previous AGM

The minutes to the 2014 AGM were accepted upon ED's recommendation confirming a full Board review of their content and accuracy at an earlier date had taken place.

(Votes include proxies)

Proposed: ED
Seconded: PP
For: 10
Against: -
Abstain -

Carried unanimously

4 Presentation of Annual Accounts and Auditors Report

ED read aloud a summary of the financial position as reported upon by MC, as follows:

2014
The Directors are pleased to report that the 2014 accounts have been produced for both Newport Road Maintenance Limited (NRML) and Admiral House Resource Limited (AHRL) for the financial year ended 31st December 2014. This should be the final year that we have to prepare accounts for two companies because AHRL will be wound up in the near future.

Expenditure
When the 2 companies accounts are combined and compared with the accounts for 2013 these show that in 2014 we managed to reduce the total expenditure by £18k (5%) from £357k to £338k.

This has been achieved because we were able to reduce spending on the car park by £18k now that the lifts are working as intended and do not currently require as much maintenance as they did in the past. Combined with this we were able to manage our costs and obtain better value for money on some of our main outgoings for the building. This has offset inflationary increases in other areas and in the end we spent £316k on the building which is approximately the same as we did in 2013 (£317k).

This overall reduction of costs is especially pleasing because it furthers the good work that was done to reduce the total costs to run Admiral House by £58k during 2013 when compared to 2012. This shows that we continue to move in the right direction whilst in a sustainable manner.

Service charge income

We set a challenging budget for 2014 to try to reduce costs and therefore reduce the service charge even lower than it was in 2013. We did not manage to achieve all of these reductions which was largely due to the number of leaks that had to be repaired. This means that we did not actually collect enough via the first two service charge installments to cover all of the costs of the building for 2014. This is why balancing charge invoices were issued in June 2015 along with the 2015 service charge invoices. It is important to note that even with this balancing charge, we paid less in total service charge in 2014 than in 2013 (£338k in 2014 vs £357k in 2013)

As we continue to work with WPP and gain a better understanding of the running costs of the building, we hope to minimise the value of any balancing charges in future years. We have made this one of our key performance indicators and now monitor our year to date spend at each directors meeting to try to achieve this.

2015

For 2015, we have set a budget with the aim to keep our total spend at the same level as 2014. The total budget is therefore £338k.

As of the 31st July 2015 we are currently performing better than our budget and are under spent by approximately £19k. However, this is due to the fact that we have budgeted to repair a number of small cracks in the building's walls which are causing leaks and we have not started this work yet. We are awaiting the final insurance sign off to allow us to use the repaired cradle before we can begin this work which should be done before winter. We currently anticipate that we will meet our budget for 2015 and any balancing charge (or refund) will be small.

Additional Actions during 2015

WPP have worked hard to help us collect a number of the historic service charge balances that have been outstanding for some time. This has improved our balance sheet and boosted the cash that we have available to run the company.

Also during 2015, we have undertaken work to check the appropriateness of the allocation of costs to the car park. Based on an exercise monitoring staff time spent dealing with car park related tasks, we consider that the current 10% allocation continues to be appropriate. We will continue to review this on a periodic basis.

As a part of this review we also considered which types of spend should have this 10% allocation to the car park. From review of the invoices that we have paid during 2013 and 2014, we have concluded that from 2015 onwards we will also begin to allocate 10% of the total cost of fire alarm testing/maintenance, professional fees and general maintenance to the car park. We have also seen a significant increase in total electricity costs since the car lifts became operational again and so we consider it to be appropriate to allocate 20% of the total electricity costs to the car park rather than 10%. This is expected to increase the car park service charge by £6,750 or £68 per space (based on 100 spaces). This is considered to be a fairer allocation of costs than we currently have and is supported by the evidence that we collected.

During 2015 we have also begun an exercise to benchmark the contribution that we make to the reserve (sinking) fund each year to ensure that the amount that we all contribute each year is fair and comparable with other similar buildings. We have also begun to develop a Planned Maintenance Program for Admiral House to assess when major refurbishments and repairs will be required and ensure that we will have enough in the reserve fund to cover these when they become necessary.

AM raised some queries which, following the meeting, have been answered by WPP.

5 Re-appointment of the Accountant

(Votes include proxies)

Proposed: GG
Seconded: PP
For: 10
Against: -
Abstain -

Carried unanimously

6 Re-appointment of the Managing Agents

(Votes include proxies)

Proposed: ED
Seconded: PP
For: 10
Against: -
Abstain -

Carried unanimously

7. Re-appointment of Emrys Davies to the Board

NG took chair
(Votes include proxies)

Proposed:	GG
Seconded:	NJ
For:	10
Against:	-
Abstain	-

Carried unanimously

8 Re-appointment of Phil Parry to the Board

(Votes include proxies)

Proposed:	GG
Seconded:	NJ
For:	10
Against:	-
Abstain	-

Carried unanimously

9 Response to Members written communications

ED returned to Chair meeting.

No written communications had been received.

10 Any other business

ED invited the floor to raise queries or comments. No points were raised.

There being no further business the meeting closed at 7.14 P.M.