Admiral House, Cardiff

Directors Report – June 2019

It has been another challenging year for the Board working hard on the issues relating to the condition of the render of the building.

Notwithstanding focus and best endeavours to move forward progress has been further protracted notably connected to Project Manager and Principal Designer appointment (to comply with CDM regulations), also the agreed specification of work needs to be finalised for onward tender. That said some localised repair work to the render was undertaken earlier in the year which has mitigated the immediate related concerns.

Financial

Included within this communication are NRML's 2018 Financial Statements. These show that financially, NRML is in a healthy position with reserves of £166,447. A large element of this is held within the bank account as cash and will be used to part-fund the repairs to the building's render that are being planned as part of the ongoing section 20 consultation with leaseholders.

In 2018, NRML spent £35,842 (9.77%) more than budgeted. This was mostly due to:

• An increase in water charges after the faulty water meter was replaced by Welsh Water and the building's water consumption now being more accurately recorded;
• Initial professional fees being spent to investigate the best way to resolve the building's render issues; and
• More repairs to the car lifts being necessary than originally budgeted.

At this time, we would also advise of an identified error. For 2017, the incorrect version of the accounts were sent out to leaseholders (human error); rather than the final version, an earlier draft was sent. The main difference between these versions is that the amounts that they show as being funded from reserves to cover major works are mis-allocated between the residential and car-park reserves. The difference is £6,900. However, and most importantly, all of the correct amounts (based upon the final accounts) were invoiced to leaseholders and subsequently collected so this was purely a mix-up in the documents issued and not in the service charge itself. Accordingly, please also find attached updated 2017 Annual Accounts.

Referring back to the 2018 financial year; you will have received balancing charge invoices for your share of this amount as part of this communication. Please ensure that you pay these along with the 2nd instalment of the 2019 service charge.

So far in 2019, NRML's spending is currently on budget with no major issues to report. No balancing charge is currently expected for 2019.

The Board of Directors

The Board meet regularly with WPP and perform their duties on a voluntary basis.

The NRML Board currently comprises:

Emrys Davies, Chair
Nasir Jarjis
Matt Currie
Susan Morris

Company Secretary is Neil Gregory of WPP

It is understood Graeme Garrard is to formally resign from the Board on 1st July. The Board takes this opportunity to thank Graeme for his input over the last few years and wish him well for the future. The Board would be pleased to consider any leaseholder applications to become a new director; Resident members are underrepresented on the Board and will have priority to ensure balanced representation. Should you be interested in this post please contact Neil Gregory of WPP neil@wppmc.com for further information.