

**LONDON YARD MANAGEMENT COMPANY LIMITED
ANNUAL GENERAL MEETING 28TH MAY 2008**

**ANSWERS TO QUESTIONS RAISED ON THE QUESTIONNAIRE SENT TO
SHAREHOLDERS AND THOSE PRE-NOTIFIED FOR THE MEETING.**

QUESTIONNAIRE

- 1. Car parking opposite the car park entrances in Amsterdam Road.** The Board has set up a sub-committee to review car parking on the estate and the present car parking scheme which was set up in 1997. The sub-committee is expected to report in three months.
- 2. When will work commence on the 14-96 Amsterdam Road block.** Work will start in the next few months and the costs are included in this year's budget.
- 3. Mail boxes for flats in 14-96 Amsterdam Road block.** Mail boxes for this block are being produced now and will be fitted as soon as they are manufactured.
- 4. 24 hour security.** The cost of 24 hour security would increase security costs by three-fold. Surveys of residents in the past have indicated that this would not be acceptable. We are conducting a review and will have recommendations ready in 3 months.
- 5. Improved lighting on the estate.** After advice from a Crime Prevention Officer, additional spotlights were added to lamp-posts some years ago. However, the Board will consider any suggestions from residents to improve the estate lighting in areas that it may be deficient.
- 6. Monthly newsletter.** The production of a monthly newsletter to residents is impractical and expensive. There is also no-one prepared to produce one. Any newsletter content would be scooped by the London Yard website which is produced and updated at no cost to the estate service charges. The Board considers that the website is the best means of communicating with residents.
- 7. Three years since the Board was last reformed – what has been its achievements?** Most of the present Board were not involved at this time. Achievements since 2005, such as all the major works undertaken, are recorded on the website and some mentioned elsewhere in this document.
- 8. Was it a mistake to remove Clive Hawkes et al from the Board in 2005?** The present Board was not involved at that time but our understanding is that Clive Hawkes was not removed. He chose not to stand for re-election at the AGM in 2005. Change is often good. Estates need different types of Board at different times. In the early days of the estate the Board was required to regulate expenditure, arrange maintenance for smaller items and maintain a watching brief. Later on, it needed a Board to do the first two still but its main constituent had to be attention to major works. This was achieved much later than it should have been which resulted in major repairs with the attendant high financial costs that have been seen in recent years. A financial cost that was indeed far higher than it should have been due to little or no provision for the required works being made in earlier years. Today we need a Board that reviews all aspects of the Estate management, finances for the current year + 5, third party contracts et al. We need to look forward, not back. Anything else is counterproductive to the ongoing welfare of the Estate.

QUESTIONS ON THE AGENDA OF THE MEETING

Minutes of the last meeting.

- 9. Lists of attendees at AGMs included with the minutes.** Although this was done some years ago, the Board has decided that, in view of the prevalence of identity theft, it would not be wise to publish the names and addresses of shareholders. There is no requirement in the Companies Act to do so.
- 10. Status of the London Yard website.** The status of the website is set out in detail in the Frequently Asked Questions section of the website. The Board supports the arrangement.

- 11. Company Solicitor.** At the last meeting James Rimmer said that he intended to resign as Company Solicitor. Following the meeting, however, he reconsidered his decision and decided to remain as the Company Solicitor. It is quite normal for a director of a company to be the company's solicitor and there is no conflict of interest.
- 12. Statutory Accounts – rise in the amount of debtors.** It is quite normal that the debtors amount indicated in the Statutory Accounts reflects the amount of work being done on the Estate on any 31st March. This is because as soon as the work, and its cost, is included in the budget and service charge bills issued it becomes a debt owed to the company even when it is collected throughout the following financial year. The managing agent has instructions to instigate legal action against any person who is two quarters in arrears of service charge. The current amount of service charge arrears in this category totals £55,569.
- 13. Publication of questions for the March 2007 AGM.** It was intended to publish answers to questions notified for the 2007 AGM on the website. However, the director designated to compile the answers and who had the questions became ill and unavailable. It was not, therefore, possible to do so. As a result of that experience, the questions for this AGM are being published in this document. This year we are both publishing for the meeting and a copy of these answers will be available on the website when the Minutes of the AGM are published there, which usually occurs a few days after the AGM date.
- 14. External painting of block 14-96 Amsterdam Road.** See 2. Above.
- 15. Location of Recycling bins.** A meeting took place with Tower Hamlets Council representatives last week and it was agreed that four more recycling bins would be provided and others re-located. At the moment the location changes are: one bin behind the security hut: one bin in the Memsahab bin store for use by the properties above; one in the Frans Hals Court bin store with a normal bin being taken away as unnecessary and one in the Vermeer Court bin store. Two of the four recycling bins at present in Amsterdam Road will be moved to the two bin areas behind the shops. They will replace two refuse bins in those positions. This will leave us with two bins in Amsterdam Road which will be monitored and, in the not too distant future, they may be either repositioned or enclosed.
- 16. Garage Audit.** The planned garage audit has not taken place because the Board has concentrated its efforts on the refurbishment of the blocks. It is still intended to carry out the audit when time permits.
- 17. LDDC Endowment.** Following the last AGM, the auditor was contacted and asked to itemise the LDDC Endowment as a separate item in future accounts. He confirmed that he would do so and reported that the original £50,000 was now (April 2007) worth £79,000. However, when he produced the current Statutory Accounts he had failed to do so. Because he had produced the accounts late, there was no time to insist on a change being made.

Chairman's Report.

- 18. Debtors have increased.** See Statutory Accounts question above for the true position on debtors.
- 19. Continuity of Directors.** See "Turnover of Directors" below. The Board are in the process of recruiting more directors and the Board is also being supported by a number of "Board Advisers". These are residents who do not wish to be Board members but have an expertise of use to the Board and are prepared to advise the Board when asked to do so.
- 20. Accounts are 14 months old.** The accounts are always behind when they are presented to shareholders. Last year they were twelve months old. However, during the year, the budget versus actual is monitored, although not quite as proactively as this new Board would like. Further measures will be introduced to strengthen the internal controls on finance both at Board and managing agent levels.
- 21. Managing Agents parent company is in Administration.** The Board are taking constant advice regarding this situation. Interestingly, the service has actually improved marginally since the administration was filed. Prior to the administration being filed we

arranged for an independent accountant to assess our accounting and financial practises as handled by the managing agent on our behalf. A report was submitted to the Board on the day that the parent company file for administration. We, therefore, had a very clear picture of what monies were held and where those accounts were. We also contacted the bank holding our funds to ascertain their protection and were comforted by them. At the same time we contacted the auditors acting on the administration, KPMG, and discussed the relevance of it on Wood Management. From this conversation we learned that they were not, and are not, involved in the administration and we understand subsequently that their parent company, RMG, have been acquired by another group.

22. **The service charge bills are late.** Agreed. A large part of the delay was caused by the ongoing building work reviews which highlighted that the work on 14-96 Amsterdam Road had to be brought into this financial year. These matters are now settled and the bills will be sent out shortly.
23. **Internal Redecoration is behind schedule.** Agreed. Because of past neglect, the Board has concentrated on the major external works required. We are still playing catch-up. Internal redecoration will have high priority in the coming year.
24. **We have eyesores around the estate.** These will be attended to.
25. **Promises of previous Boards.** Decisions of previous Boards are discussed elsewhere in this document.
26. **Upkeep of the gardens.** The upkeep of the grounds has been severely hampered by certain residents. We have recently had extensive discussions with the gardeners around this and have an agreed way forward. Tree pruning is already underway.
27. **Service Charges are going up, why?** Service charges tend to be higher year-on-year, just like other household bills, especially, as in this case, they were set too low in previous years. The Board does try to keep increases on routine expenditure to inflation levels. The Board are overseeing, and individually approving, all non-standard expenditure such as major repairs and additional legislative Health and Safety measures. The more stringent financial controls that are being introduced will ensure that we spend no more than we need to and will enable us to closely review expenditure against plan. We believe that this will result in service charge levels being correctly set.
28. **Consultation with leaseholders.** In the last three years there have been consultation meetings held for all blocks facing major repair work. This was never done previously. However, at the last consultation meeting for the repairs to Vermeer Court only three residents attended. Given the huge financial outlay this represented, it would seem to represent a satisfactory level of trust that the Board has acted in their best interests.

Adoption of the Accounts.

29. **Lack of signature on the Statutory Accounts sent to shareholders.** The Statutory Accounts were signed and lodged with Companies House as required under the Companies Act. The Act does not require that the accounts issued to shareholder contain a facsimile signature.

30. Accruals and Creditors

Accruals: The accruals figures is made up as follows :

Based on Woods block accounts	88,532
Adjustment re the Estate	(13,212)
Suspense account balance	2,516

	77,836

31. All monies are held in HBOS Client Trust Accounts, with regards to the larger cash balances. I can only assume that the lessee is referring to the other funds which are held in a separate (Standard Life) account from the service charges.
32. This is a surplus that the Directors will consider to transfer to the reserve fund.
33. **Security & Caretaker** - The costs increased because it was the Boards intention to remove Static Guarding and replace with CCTV, this wasn't implemented and the Budget

