

Columbus Point (Management Company) Limited

Annual General Meeting Minutes

Held on Friday 26th June 2015 at 7.00 pm

In The Sovereign Harbour Yacht Club

Board Members in Attendance

Ray Blunden (RB)	Director & Chairman
Christine Allan (CA)	Director
Richard Moakes (RM)	Director
Bruno Di Lieto (BDL)	Director

Also in attendance were Roddy Baker (RDB) Company Secretary and David Browne (DB) Property Manager from Fell Reynolds.

Members' Attendance

The following properties were represented either in person or by proxy:

Anguilla Close

Numbers: 7, 8, 12, 20, 22.

Dominica Court

Numbers: 8, 9, 12, 17, 22, 33, 47, 52, 57, 67, 73, 74, 77, 81, 82, 88.

Grenada Close

Numbers: 3, 8, 14, 18.

Martinique Way

Numbers: 4, 8, 14, 17, 25, 31, 38.

Montserrat Villas

No.11

San Juan Court

Numbers: 2, 6, 8, 14, 19, 21, 26, 33, 34, 37, 40, 42, 53, 54, 56, 59, 60, 63, 64, 65, 66, 71.

Santa Cruz Drive

Block 2 Flat 4
Block 6 Flat 1
No.28 Santa Cruz Drive

St Kitts Drive

Numbers: 2, 11, 12, 17, 19, 36, 39, 40, 42, 44, 53.

1. To open the Meeting

RB said he was currently a co-opted director and would not be standing for re-election. The Directors asked if RB would chair the meeting and all agreed in favour.

RB explained that in accordance with the Memorandum & Articles of Association and Table A of the Companies Act, volunteer directors had been co-opted to the Board by the Persimmon directors and they now had to stand down and seek formal election by the members of the Company. He said that only voting members may ask questions as there was only one vote per property owned.

RB formally opened the meeting and said the purpose of the meeting was to vote on agenda items 3, 4 and 5. Voting would be via ballot with voting slips to be deposited in the Ballot Box. The meeting would then be followed by an unminuted open discussion on any matters which members wished to discuss.

2. Apologies for absence

Apologies for absence were received in respect of the following properties.

86 Dominica Court
89 Dominica Court
21 St Kitts Drive

3. To receive Director's Report

RB said as the Director's Report had been circulated, he did not propose to read this at the meeting. He did however highlight a number of issues raised, namely that the Columbus Point Resident's Association (CPRA) had joined together to form the Owner's Committee and the legal dispute with Aria and Persimmon had eventually been overcome.

RB explained the Owner's Committee went on to put forward the Interim Director's Designate (IDDs), who in turn became the co-opted directors working with Persimmon since July 2014. The result of these negotiation meant that 99% of owners had signed a new Deed of Covenant, all charges were waived up to the 1st May 2014 and £200,000 was paid into the service charge account which will show in the service charge accounts as at 30th April 2015. There now remained the final remedial works and O & M Manual, which Persimmon were funding.

The Director's Policy for 2015 is to uphold the contract with members to keep and maintain the Water Feature and members have an obligation to pay the service charges. If the service charges are not paid, CPMCL will instruct their agents to pursue debtors and they have appointed Fell Reynolds to manage the Water Feature on a day to day basis. RB said that David Browne (a property manager at Fell Reynolds) was to be the main point of contact.

RB said that the future was now brighter. The Company was fully accountable to its members (there was no 'them and us') and its objective was to obtain best value.

RB said that the IDD's had worked closely with Clarke Willmott and BDL had worked tirelessly to achieve handover. RB gave a tribute to Stephen Lloyd (the former MP), he said he was an important member of the community who did not live on the Estate, but who had brought Persimmon to the negotiating table giving a lot of his personal time to the cause. RB asked Stephen Lloyd (SL), who was present at the meeting to address the members.

SL said that it had been a long journey but he had supported the committee by bringing Aria, the lawyers and Persimmon to the negotiating table. He congratulated the members and said he would be willing to attend the final 'wash up' meeting to help address the outstanding issues. He offered to chair that meeting but said that as he was no longer an MP he might not have quite the same power following the election. SL said it was important to get Caroline Ansell on board as the MP. He said that the journey had taken so long because of the different covenants with some refusing to sign up to the new covenants and Eastbourne Borough Council who were initially being difficult. As a result, some had sold and move on.

SL re-endorsed RB's comment that it was not a 'them and us' but 'we'. He said it was a pleasure to help bring a complicated situation to conclusion and that now members have a water feature, it is up to them now to decide its future.

There were no questions resulting from the Director's Report.

4. To approve Director's expenses

RB said, in accordance with Article 5.5 of the Company's Articles of Association, the payment of Director's expenses had to be approved by the members at a General Meeting. He said that all directors were volunteers who received no remuneration as such, however they had in the past and would continue to incur out of pocket expenses for ink cartridges, paper, payment for parking at meetings etc and that the likely cost would be under £400. The motion therefore was to approve both past and future director's expenses. RB said the director's would be submitting the expense claims to the Company Secretary to approve and he would be accountable at the next AGM.

A question was raised regarding liability insurance. RDB confirmed that Director's & Officer's Insurance is paid from the service charge and provides protection to both directors and the Company.

5. To review nominations received

RB said that there had been 4 nominations for directors, the nominees were all present and he invited each to stand up and give a biography. The Biographies had previously been circulated and the comments contained therein were reinforced by Christine Allan (CA), Sandra Cheesman (SC), Bruno Di Lieto (BDL) and Richard Moakes (RM).

To consider items 3, 4 and 5

RB said that the voting forms contained an anti-duplication code but the results were not recorded. The votes would be entirely anonymous and RB explained that each member had one vote per line. He invited each to make their mark on the voting slips. More than one mark per line would be counted as a spoiled vote and the result would be rejected.

Concerning proxy votes, each member carrying proxy votes would have a ballot paper for both themselves and each member they are carrying proxy votes for.

Whilst ballot papers were collected and counted, RB invited the Company Secretary, Roddy Baker (RDB) to provide a financial report for CPMCL.

6. Financial Report from Managing Agent

RDB said the Company had in effect two accounts,

(i) Company Account

The Company Account, which by nature of the management covenants, was effectively dormant because monies collected by way of the service charges belonged to the members and any surplus of income over expenditure was not a trading profit of the Company but money which was available to members to carry forward to the following year's budget. As the Company generated no income of its own eg rents etc, it had no income.

(ii) Service Charge Account

RDB explained that the Company funded its obligations by raising service charges based on a budget at the start of each financial year and when the budget for 2014/15 was drawn up it was on the assumption that the feature would be complete and handed over the residents during the course of that year. Although some expenditure was incurred in terms of maintenance, when the maintenance was put on hold following the drain down and the works being undertaken by Persimmon, the service charge expenditure stopped and this left a credit in the account, part of which was used to reduce the budget for the 2015/16 financial year.

RDB said he would normally have presented the service charge accounts to the AGM, but as the AGM was so close to the end of the financial year, these would be circulated under separate cover.

RDB said the policy would be to draw up a budget for consideration by the directors at the beginning of each financial year. This would then be circulated to members together with demands for the forthcoming year. RDB explained that demands in accordance with the Deed of Covenants were one charge per year but the directors had agreed to allow contributors to pay by way of two half yearly instalments providing the demands were paid promptly.

RDB said that the monies held on account currently stood at £231,400 as a result of monies paid to Columbus Point (previously referred to in the Director's Report) and £142,866.09 in the service charge account. RDB explained that due to the directors allowing payments to be made by way of 2 half yearly payments, a further £44,452 as at the date of the AGM was due from members.

RDB said that no debt was acceptable and pointed out that the arrears at the end of the 2014/15 year stood at £6,549 and that Fell Reynolds had instructions to instruct debt collectors for any sums not paid.

Questions & Answers

Q1. A member asked if the Sinking Fund was ring-fenced.

A1. RDB said that the use of the Sinking Fund would be at the discretion of the directors who would no doubt consult with members; however the annual budget was set at a level to cover the day to day running costs of the Water Feature. He explained that all monies in Fell Reynolds accounts were client accounts which were protected by the RICS Member's Accounts Deposit Scheme and that approximately 2/3 of the monies were held with the RBS group and 1/3 with HSBC.

RDB also said that the monies were further protected by the Government backed Bank Deposit Protection Scheme, which was currently £85,000 per member but would include any monies they might have with RBS and or HSBC.

Q2. Elaine Levy (Anguilla Close) also sought reassurance that it would not be used against repairs.

A2. RDB confirmed this was a lump non-allocated sum for the future which will be subject to a further discussion at a later date.

Q3. Ron Hunt (Grenada Close) asked how much the directors could spend?

A3. RB said that the Deed provided the authority for the directors to spend what it costs to maintain the Water Feature and each home owner had the obligation to pay a 1/369th share of the cost. However, he confirmed that it was the director's stated aim to keep the costs down.

Q4. Anton Levy (Anguilla Close) said that £239,000 was a lot of money. Could it not do better than 0.7%?

A4. RDB explained that all monies held in Chartered Surveyor's client accounts had to be instant access, could not be tied up in bonds etc and corporate accounts offered considerably less interest than private depositors.

Q5. Anton Levy also said that he felt that a 1/369th share was unfair and it would be more equitable if more people who benefitted from overlooking the Water Feature paid a higher share.

Q6. Ian Newson (Martinique Way) was concerned at the quality of the recoating for the Water Feature for which a replacement cost had been budgeted at £80,000 as he felt that the true cost would be nearer £20,000.

A6. RDB said that now that the Company was in the control of the resident directors it would be policy to obtain formal specifications unlike in the past where works were undertaken by Persimmon and CPS. Consultation would take place with directors concerning the specification and the price. The cost will be decided by way of formal tender but the budget is used to generate sufficient funds to cover this eventuality and is based on the actual cost that was expended last time.

Voting Results - Resolutions 3, 4, 5 & 6

Resolution	For	Against	Withheld
3 Election of Christine Allan	65	1	5
4 Election of Sandra Cheesman	68	0	5
5 Election of Bruno Di Lieto	66	1	4
6 Election of Richard Moakes	64	1	6

7. Confirmation of new Board of Directors

RB said the directors had duly been elected however, they would be looking for volunteers and they would welcome offers of help.

In closing, as RB was not standing, BDL gave a personal message of thanks for his assistance in the negotiations, being available on Skype when abroad and dealing with numerous matters. He asked members to show their appreciation in the usual way.

There being no further company business, the meeting closed at 8.15pm

RDB