

**POSOL RESIDENTS MANAGEMENT COMPANY LIMITED**  
**Registered in England No. 22793323**

**ANNUAL GENERAL MEETING HELD AT**  
**PORTCHESTER COMMUNITY CENTRE, WESTLANDS GROVE, PORTCHESTER, FAREHAM, PO16 9AD**  
**ON FRIDAY 24<sup>th</sup> NOVEMBER 2017 AT 8.00PM**

**Present:** Mr Julian Shaw (Chairman)  
Mr Ian Currie (Director & Company Secretary)  
Mr Mark Abrams  
Mr Reg Silence  
Mr Paul LeMaistre  
Mr Darron August  
Mr Nigel Padbury

**27 Members in person** (As per the attendance register)

**In Attendance:** Ruth Hoff (SDL Property Management)  
Jane Ashford (SDL Property Management)

**The Chairman declared the meeting open, welcoming all present.**

**Apologies were received from Mr G Figgins, Mr Lorkin & Ms E K Ooi, Mr & Mrs Golds, Mr & Mrs Jeffrey, Mrs J Birtwhistle**

**1. Notice of Meeting and Quorum**

The Chairman noted that a quorum was present and that the meeting could proceed. It was agreed by the meeting that the Notice of the Meeting be taken as read.

**2. To receive and adopt the Directors' Report and Accounts for the year ended 31/03/2017 and the Auditor's Report thereon.**

The Chairman informed the meeting that Mr Graham Figgins was not present and it was agreed that the Report of the Auditors, set out on pages 5 and 6 of the 2017 Annual Accounts, be taken as read.

Before proceeding to the adoption of the Report and Accounts, the Chairman invited Mr Currie to say a few words and take questions from the floor.

Mr Currie stated that to 31/03/2017 there was overspending against budget on legal costs which left a small surplus of £12,372 which was transferred to sinking fund reserves. Total sinking fund reserves now amounted to £250,039. Consideration needs to be given to increasing the legal costs budget in future. He added that in the current year we had to change gardeners and that, together with higher than budgeted legal costs on covenant disputes, meant that whilst we were working within overall budget, we needed to postpone the majority of the planned rejuvenation project until the next financial year.

Mr Albert had five questions:

**1. The transfer made to the sinking fund was approximately twice that made in previous years – why is this?**

In response, it was stated that this calculation of this amount is set by the directors at the beginning of the financial year. The surplus arising for both the past two years did not even cover this requirement. In recent years only 3% of expenditure was budgeted (the Articles allow up to 6%). When doing the budget for next year, the board will need to consider if 3% is enough, and may decide a bigger buffer is required.

**2. Lock gate: there's a risk of costs increasing.**

In response, it was explained that one of POSOL's major expenditure items is paying a service charge to Premier Marinas, and the lock gate costs form part of this. However, the lock gate expenditure is amortised over a period of years so that it's not all paid in one year.

**3. The level of debtors has tripled.**

In response, it was pointed out that the service charge arrears had been in an exceptionally good position as at 31/3/16. Indebtedness has gone up this year to £14,991. POSOL must rely on the managing agents to pressure non-payers, and some slippage took place when Countryside was replaced by SDL.

**4. pontoons**

Pontoons didn't appear to have a lot of work done to them - £34,000 seems a lot of money for this. In response, it was explained that no major repairs have been done in 20 years so this amount was to catch up on the maintenance and was charged direct to sinking fund reserves accordingly.

**5. Sinking Fund**

Was the sinking fund used only for pontoon repairs?

Mr Currie explained that a few years ago the shareholders approved the use of up to £100,000 to take serious breaches of covenants to court if necessary.

Mr England had two questions:

**1. £13842k has been spent on covenant issues, why was this not taken from this £100k referred to by Mr Currie?**

In response, the chairman explained that the £14k covered routine legal issues. The £100,000 would be used only when a matter had to go to court which would cost a minimum of £20k and losing a case could cost at least £40k, or as much as £100k. £100k was the amount we were advised to keep in reserve for potential court actions.

**2. £13,842: what was this spent on?**

In response, the chairman commented that if someone becomes difficult, POSOL will ask a solicitor to write to them. We don't want to go to court if we can help it. Sending a letter usually resolves the situation.

Question from Dr Morris

**After 30 years as a company, surely the problems should be known, and therefore the board did not need solicitors to be involved?**

Chairman replied that POSOL is a very unusual estate and the shareholders tend to be wealthier than most house owners and thus believe that they should always have their own way regarding what they wish to do to their houses or pontoons. Shareholders can be quite innovative as to how they will challenge covenants and the board has no option other than to seek independent legal advice.

It was proposed by the Chairman, seconded by Mr Michael Slack, and RESOLVED:

“That the Directors’ Report and Accounts for the year ended 31 March 2017 be and are hereby received and adopted”.

### **3. Election of Directors**

The Chairman advised the meeting that two Directors, Mr M Abrams and Mr Julian Shaw were retiring by rotation and seeking re-election.

Furthermore, Mr Darron August & Mr Nigel Padbury were standing for election following their appointment to the board during the year. Two directors had resigned during the year, namely Mr Mel Farndell Mr John Palmer and the chairman expressed his thanks for the contribution they had both made to the board.

***It was proposed by the Chairman and seconded by Mr Cresswell that Mr Mark Abrams be re-elected as a Director.***

At this point in the meeting Dr Morris formally requested a poll on all elections.

This motion was subsequently carried with 39 votes FOR, 4 votes AGAINST.

***It was proposed by Mr Currie and seconded by Mrs Watson that Mr Julian Shaw be elected as a Director.***

This motion was subsequently carried with 41 votes FOR, 2 votes AGAINST.

***It was proposed by the Chairman and seconded by Mr Michael that Mr Darron August be elected as a Director.*** This motion was subsequently carried with 41 votes FOR, 2 votes AGAINST.

***It was proposed by the Chairman and seconded by Mr R Rundle that Mr Nigel Padbury be elected as a Director.*** This motion was subsequently carried with 41 votes FOR, 2 votes AGAINST.

It was therefore RESOLVED that Mr M Abrams & Mr Julian Shaw be re-elected as a Directors.

It was also RESOLVED that Mr Darron August & Mr Nigel Padbury be elected as Directors.

#### 4. Re-appointment of Auditors

It was proposed by the Chairman, seconded by Mr R Michael that the Auditors taylorcocks be re-appointed for the following year and that the Directors be authorised to fix their remuneration.

Mr Tim England objected to the resolution on the grounds that 10% of members are to be present to re-elect Auditors. He was advised by Mr Currie that the 10% figure referred to the minimum level of shareholders that could demand auditors be appointed. This did not prevent the board putting its own resolution. He explained that the directors were all volunteers, that the day to day finances and bank accounts were handled by SDL, the manging agents, and in such circumstances, he strongly advised the shareholders to vote in favour of appointing auditors. He was supported by Mr Slack who said that he would not wish to own property in Port Solent if auditors were not appointed to look after the shareholders' interests.

The resolution having been voted on, 41 votes FOR and 2 AGAINST, it was RESOLVED that taylorcocks be re-appointed for the following year and that the Directors be authorised to fix their remuneration.

There being no further business the Chairman closed the Annual General Meeting of Shareholders at 21:30pm.

Signed by Chairman .....