

## **Treasurer's Report to 2018 AGM**

### **Service charges, forecasts and budget**

1. The financial position of the company remains strong. I recommend holding the service charge at £130 per month in 2018-19.
2. I have forecasted balances based on the following assumptions:
  - service charge of £130 per month until 2019-20 and rising in line with inflation of 3.5% per year thereafter
  - next painting in 2020 then three yearly painting with fascias rubbed down in 2020 and every 6 years thereafter.
  - Painting costs in line with 2017 + inflation
  - resurfacing the access road at a cost of £37,000 (2012 prices) in 2019-20 and again after 25 years
  - resurfacing the circular path after 40 years at a cost of £13,000 (2014 prices)
3. Under these assumptions balances rise to 9 times normal annual expenditure just before the 2019-20 resurfacing of the access road, fall to 5 times normal expenditure just afterwards, and rise to a maximum of 13 times normal expenditure just before the next resurfacing after 25 years. I believe this is ample to meet most unexpected events without recourse to a one off special levy on owners.
4. A budget for 2018-19 is annexed to this report.

### **2017-18 Out-turn**

5. The company had a surplus of £24,214 on ordinary activities for 2017-18, leaving it with cash balances of £111,475 at year end made up as follows:

• Lloyds	£17,982
• Co-Operative Bank	£56,361
• Hampshire Trust Bank 1 Year Bond	£37,132
5. These balances are after paying all bills for the 2017 painting with the exception of £840 to Roger Barron for contract oversight and £918 retention owed to Glews.

David Howes (No 7) Treasurer

# **Annex – 2017-18 Out-turn and 2018-19 Budget (Excl Painting)**

	2017-18 Budget	2017-18 Out-turn	2018-19 Budget
<b>Income</b>			
Maintenance contributions	35880	35880	35880
Gross Interest	738	449	465
Right of Way receipts	795	805	835
Other Income	0	0	0
<b>Total income</b>	<b>37413</b>	<b>37134</b>	<b>37180</b>
<b>Expenditure</b>			
Water rates	152	66	115
Electricity	925	663	750
Insurance	785	778	807
Trees and shrubs	470	546	566
Grounds maintenance	7679	6145	6375
General repairs	504	344	500
Road and path resurfacing	0	0	0
Rewiring	0	0	0
Cator Estate Charges	3442	3372	3498
Other Asphalt Work	2231	0	500
Administration	114	9	120
Audit and accountancy fees	906	912	946
<b>Total expenditure</b>	<b>17208</b>	<b>12835</b>	<b>14177</b>
<b>Surplus on ordinary activities</b>	<b>20205</b>	<b>24299</b>	<b>23003</b>
<b>Tax</b>	<b>148</b>	<b>85</b>	<b>88</b>
<b>Surplus on ordinary activities after tax</b>	<b>20057</b>	<b>24214</b>	<b>22915</b>