



MANORism

Issue No. 5 - March 1999

Newsletter of the Manor Farm (Seer Green) Management Company Limited

Warning - This is a Company Political Publication

While talking to a number of shareholders it has become apparent that not everybody understands the accounts prepared by the company. This Newsletter will therefore try to shed some light on financial matters for those interested.

The previous board of directors had to manage the difficult period after the transfer of the company from the developers Perfect Homes with all its obstacles and perils. When the current board was elected in April 1997, they reviewed all aspects of the company's affairs with the objective to streamline the organisation and to provide improved **value for money** to its shareholders. David Matthews of the "old" board agreed to stay on as Chair and ensured that the transitional period was as smooth as possible. His insight was most valuable when the directors drew up a new strategy for the 21st century.

Perfect planning prevents pathetic performance!

Accounts for Dummies (adopted from a popular book series)

When studying the accounts, the directors found that most of shareholders' funds are used for:

- maintenance of the estate
- administrative costs

Year ending 31 March ...	1999 est.	1998	1997	1996	1995	1994	1993	1992	1991	1990
Maintenance contract	4,120	3,900	5,200	3,640						
Additional maintenance	300	417	829	2,369						
Projects Greens/Trees	1,100	1,493	1,810	3,198						
Irrecoverable VAT Greens/Trees	0	96	0	0						
Maintenance Hard Tops	0	4,874	0	0						
Irrecoverable VAT Hard Tops	0	853	0	0						
Total Maintenance of the Estate	5,520	11,633	7,839	9,207	5,160	5,481	5,180	4,945	3,420	1,800
% change versus previous year	-52.5%	48.4%	-14.9%	78.4%	-5.9%	5.8%	4.8%	44.6%	90.0%	
Administrative costs	3,600	5,500	5,510	4,400	3,980	3,780	2,700	3,400	2,880	1,500
% change versus previous year	-34.5%	-0.2%	25.2%	10.6%	5.3%	40.0%	-20.6%	18.1%	92.0%	

The new layout for **maintenance costs** will be adopted in the next annual accounts. Jennie Guerin, in charge of greens' maintenance, has worked hard and reduced the costs (1997 from April to December only, for the previous gardener) for the annual maintenance contract. She found a new gardener, and Derek and Larry Bennett drew up a professional maintenance agreement. Here is a brief history of some one-off projects: landscaping of Village Green 1995-97; resurfacing of garage forecourts Stable Lane/Farmers Way (David Matthews took charge), landscaping of Green Meadow bank and tree felling at the corner of Farmers Way and Barrards Way in 1997/98. Charles Guerin kept you informed in your **MANORism**.

Administration is now perfectly adequate; **administrative costs** have come down due to "new levels of efficiency that

our Company Secretary (Ronald Anlauf, Ed.) has achieved" reported the Chair in his address to the AGM in November 1998 when members voted with overwhelming majority to abandon the need for **audited accounts**, thus reducing expenses further. Six company directors agree on budgets for the coming year, they ensure that they are adhered to and control finances.

Previously, shareholders incurred bank charges, funds hardly earned any interest, and inflation eroded the capital base. In October 1997, the directors put new banking arrangements in place; **bank charges** were eliminated; interest is more than 2x the rate of inflation.

The directors also persuaded the taxman to wave tax on interest earned. The company is now totally exempt from **corporation tax** for at least the next 5 years.

The new directors inherited the following **arrears**:

21-4-97: £13,538 (of which 17 properties from previous years)
 31-5-97: £ 4,036 (of which 12 properties from previous years)
 31-5-98: £578; now £280 (1 property related to previous years)

This means that arrears from all but one property have been collected thus enabling the directors to keep annual service charges unchanged since April 1995.

Since there are no major projects for which additional funds are required in the near future, the directors plan to reduce the bank balance to a level satisfactory for emergency measures. Therefore, a 15% one-off **special discount** has been granted on the enclosed invoice. This discount does exactly "what it says on the invoice", sharing the benefits of re-organisation with the company's shareholders. All directors are shareholders of the company and are working hard on your behalf. Please **pay the bill immediately** and avoid an embarrassing visit from the Company Secretary which only wastes time and shareholders' money.