

Manor Fields Estate Limited (MFEL)

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26 September 2023

Dear Leaseholders,

The Lessor's Income and Expenditure Account for the year ending 31 March 2023 and the Projected Trustee Reserve Movements for the service charge years 2023-2033 are enclosed.

The Company Accounts and the Trustee Reserve Accounts will be shared with the AGM Notice around the beginning of November.

The directors will hold the **2023 MFEL AGM on Monday 27 November 2023 as an evening meeting at 7pm** at a local venue (attendance in person). We have reverted to an in person AGM this year based on guidance provided by MFEL's Company Secretary (KinLeigh Ltd). The local venue will be confirmed with the AGM notice.

Directly following the AGM the directors and KFH Senior Property Manager will hold a **Leaseholder meeting** to provide an update on current plans/priorities and to answer any key questions that Leaseholders may have.

Overview of Financial Statements

1. Lessor's Income and Expenditure Accounts and Surveyor's Estimate

1.1. The Principal and Garage Service Accounts with their Surveyors Estimates cover only regular ongoing expenditure (regular / routine maintenance spend) and the contribution to the Trustee Account which holds reserves for future expenditure.

1.2. Movement to and from the reserves is shown in the Projected Trustee Reserve Movements schedule, also attached.

1.3. As communicated last year (27 September 2022), the directors took advice from MFEL's Company Secretary (KinLeigh Ltd) and this approach is consistent with current best practice for how these and future expenditure estimates are presented for estates such as MFEL.

2. Annual and Long-Term Expenditure

2.1. Phase 3 of the current cycle of block refurbishment works is now fully complete, with the final blocks – Bede and Keble completing in early 2023. There is a final inspection for these blocks, 12 months after works completed and then the retention fee to be paid. The next cycle of major refurbishment is currently planned to start in 2026/27.

2.2. The project to overhaul and refurbish our aged lifts on a phased basis is proceeding. The tender process for the first two lifts in greatest need (11-20 Girton and 11-20 Glenalmond) is close to complete and refurbishment works are due to start for these two lifts in early 2024 (avoiding the Christmas and New Year period). There will be targeted communications to leaseholders and residents in these blocks nearer the time. As each lift is overhauled it is expected that the number of callouts will reduce.

2.3. Routine maintenance continues, including drain maintenance and repair, storage tank maintenance, damp issues and footpaths repairs.

2.4. Energy costs over the last period have been subject to significant increases as we are all aware. With support from KFH Senior Property and our Electricity broker we have negotiated a more favourable electricity rate/estimate from 01 November 2023 (contract renewal date).

2.5. Key priority for directors for the next three months is to jointly review the long term plan in conjunction with our KFH Senior Property manager.

3. Principal Service Charge 23/24

3.1. The board approved a 5% increase for the Principal Service Charge for 2023/24 balancing increased running costs against the projected contribution to the Reserve Fund, and keeping in mind wider cost of living pressures.

4. Garage Service Charge 23/24

4.1. Garage service charge for this year is reduced by 60% as we scale back on rebuilding the reserve after the renovation of the underground garage roof.

5. Update on new KFH Arrangements (from 01 September 2023)

5.1. As we communicated to Leaseholders on 18 August 2023, we have extended our arrangements with KFH to include Property Management Services and these arrangements started on 01 September 2023 as planned.

5.2. We are now in the three month period of transition/stabilisation (September to November 2023). Stephen Britton – KFH Senior Property Manager – is on site twice a week and we welcome him to the team. Any day to day operational activities that were previously with individual directors are being handed over to Stephen to manage going forward. Stephen is also starting a review of our key contracts prioritising by contract value / date of renewal.

5.3. The KFH management agreement for Manor Fields is a standard ARMA (Association of Residential Managing Agents) contract in line with industry good practice and for transparency, is available for leaseholders to view on the Manor Fields KFH Portal.

5.4. The Manor Fields KFH Portal can also be used to pay your service charge and view your service charge history.

6. Sustainability

6.1. As a board we are very much committed to Manor Fields being an energy efficient estate with an aspiration to achieve net zero by 2030.

6.2. Current focus is on data collection as a baseline so we can set interim realistic targets to inform our long term planning for the estate with the objective of maintaining the value of the estate and reducing costs for the residents.

7. On Site Manor Fields team

7.1. Personnel costs for the year ending March 2023 align with the Surveyor's Estimate for that year.

7.2. We thank all the estate office staff and the gardening team for their continued hard work and commitment to the estate.

8. Chair of Board

8.1. As of 05 September 2023, Clare Morton has agreed to chair the board meetings going forward for a period of six months and this was approved by the board.

9. New Directors

9.1. As we move to a new chapter for the Manor Fields estate, we are actively looking for new directors to join the board. We invite leaseholders who are interested in joining the board to get in touch, including those who may have recently moved to the estate. We will be holding a 'drop in' at 7pm on Wed 04 October 23 in the bunker for those who are interested to learn more.

Yours sincerely,

The Board