

St George's Fields w2

AGM - 2020 Financial Presentation

Agenda

- The Four Accounts
- Major Work Summary
- Capital works cost and progress

The Four Accounts

St George's Fields Ltd (Freeholder of St. George's Fields)

St George's Field (No.2) Ltd (Sales and Lettings business)

Service Charge Account (Day to day running of the estate)

Reserve Fund (Pays for major works and was budgeted to collect £255,000 per year to rebuild reserves)

St George's Fields Ltd

- Freehold company owned by shareholders. (You)
- Income is from licence fees, small amount of administration fees, rental income and dividends from SGF2

	2020	2019
Income	£92,421	£73,324
Expenditure	£133,047	£81,175
Trading Outcome	£-40,626	-£7,851
Property Revaluation	-£130,000	+£10,000
Profit (Loss) before Tax	(£145,626)	£1,790
Tax	-£82,123	£-1,900
Loss after Tax	£-63,503	£-110

St George's Fields Ltd continued

Summary

- Trading loss over all
- Better performance in SGF2 meant a dividend of £25,000 (No dividend in 2019)
- Owned rental properties decrease in value £130,000 (£10,000 increase in 2019)
- Expenditure higher due to increased costs of estate improvement works and professional fees for the examination of the external wall system (EWS1 certification).
- EWS1 certification was introduced in 2020 to ensure flats in blocks are mortgageable.

SGF (No2) Ltd

- Sales and Lettings business owned by SGF

	2020	2019	Change
Income	£180,021	£164,156	+10%
Expenditure	£144,130	£157,836	-9%
Profit (Before Tax)	£35,891	£6,320	+460%
Profit (After tax)	£29,460	£5,169	+470%

Summary

- 2020 saw a 10% increase in revenue made up of a 7% increase from lettings and a 93% increase in sales commissions.
- Reduction in overall expenditure due largely in a reduction of advertising costs.
- 25k dividend to SGF Ltd for 2020, nil in 2019

Service Charge Account

- The money collected used to run the estate

	2020	2019	Notes
Income	944,519	904,497	
Lifts	17,215	25,538	Less repair costs than 2019
Gardens	88,771	86,388	
Cleaning	114,009	105,031	Agency cover for illness
Decorating	40,737	31,626	Summer decorator employed
Security	6,647	12,879	
Insurance	92,104	86,488	
Legal and Professional	30,208	24,040	Rebuilding Cost assesment for insurance and EV study
Electrical Lighting	29,631	29,261	
Repairs and renewals	111,736	101,828	Higher cost of repairs generally
Office Admin	127,909	119,656	IT improvements to facilitate home working
Total	659,208	622,972	
Transfer to Reserve fund	285,458	284,941	

Summary

Costs increased as a result of repairs, professional and insurance costs but under the sums budgeted.

Reserve Fund (Major works fund)

- This fund pays for major works. Most of which was highlighted in the independent asset management reviews.

	2020	2019	Change
Transferred in	£285,458	£284,942	No real change
Major Works	£106,616	£776,720	-628%
Balance	£899,168	£720,326	+25%

Summary

- Major works in 2020 included South Rise external decorations plus concrete repairs and the release of the 12 month retention for the electrical works.
- The amount transferred into reserves is to replenish funds for future major works

How much?

£2,518,000

Spent on major works, 2009-2020

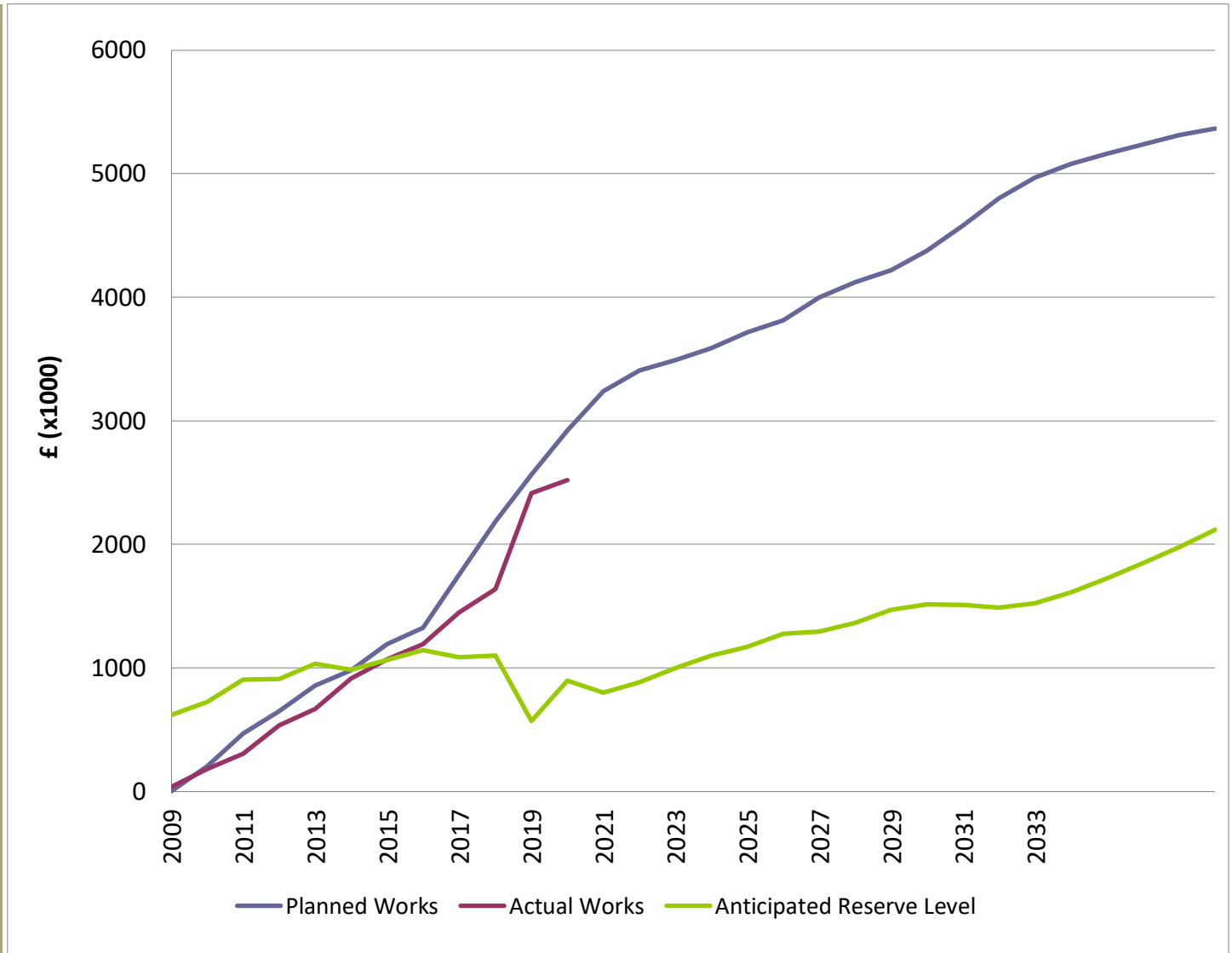
On What? And what's Planned

So far, many projects have been completed including:

- Rewiring from substation to flats
- Structural concrete repairs (cyclical),
- Lift replacements
- High level decorations to the penthouse apartments
- Other cyclical high-level external decorations

2021 will see improvements to the tunnel areas, better signage for visitors and delivery drivers and the usual cyclical decorations and concrete repairs. Better quantity and quality of cycle storage already installed.

Progress and budget, compared to the Asset Review



Reserves as of
£31/12/2020

£899,168

SGF₂ Sales and Lettings

- Preferential Commission Rates
- Access to global advertising via advertising portals
- Database of ready and willing tenants and buyers
- Unrivalled knowledge of the estate
- Landlords guarantee of rent option.
- Record sales prices compared with other agents
- Profits are reinvested into improving the estate and offsetting running costs



SGF SALES &
LETTINGS