

EIVT MINUTES

Location: Harston Drive, Enfield Island Village

Date: 09 April 2014

Present:

Abhay Shah (Chair)
Iveta Nemcova (Secretary)
Dinesh Varsani
Vladimir Ioannou (Treasurer)

Apologies:

Daniel Campos - away on vacation, proxy received for Chair
Trevor Gibson - away on business, proxy received for Chair
Demetris Cosma - away on personal grounds, proxy received for Treasurer
Carmen Wallace - other commitments, proxy received for Chair by telephone
Luke Harding - other commitments, no proxy

The agenda is:

- 1. Approval of previous minutes dated 12th and 16th January, 2014.**

Approved.

- 2. To appoint Devereaux Solicitors to defend aggressive lawsuits by Amber Management.**

The two cases to defend are:

- 1. Breach of contract by Amber Management**

Amber are trying to claim 3 years fees + 3 months notice totalling £242,341.08. The background to this is that Amber were dismissed as managing agent on behalf of the Trust for breaching terms of their contract. The reason they are claiming for the above amount is that a former Trustee, Richard Palczynski, Chairman of the Board at the time, signed a contract which in effect means that the contract can never be broken without paying three years fees. The only way to break the contract without having to pay the fees is for breach of contract which is the reason why they were dismissed by the current Board.

One of the Counsel advised that the former Trustee should not have signed contract as:

- (a) it is heavily prejudicial and unfairly weighted against the Trust
- (b) it was not properly authorised by the board
- (c) no independent legal advice was sought prior to signing such a substantial contract.

The evidenced minutes were that the Trustee was only authorised to sign a temporary contract. There is no other minute authorising the contract and therefore it is not valid as it was not properly authorised by the Board.

In terms of the breach of contract there is an overwhelming body of auditable evidence supporting this as most of the duties Amber was contractual obligated to perform were of a financial nature, which as

evidenced by a chartered certified accountant and an Independent Examiner of the Accounts they were derelict in their duty. Examples are

- (i) unable to produce a trial balance of current year books
- (ii) no double entry bookkeeping was kept
- (iii) no bank reconciliations made or kept
- (iv) no supplier ledger accounts kept
- (v) adjusting prior year balances by changing the figures after the accounts were finalised and in absence of double entries been made and
- (vi) no audit trail

The Board is considering a damages claim against Amber.

2. Defamation letter from Amber asking for retraction

The Trust will not retract any of its statement as it made “Fair Comment” of the facts

Other Evidence of breach of contract:

1. Independent Examiners report for year ending 31.3.14 published on the trust’s website <http://www.eiv.org.uk/examiners-enquiry>
2. Amber contract states that accounts are to be maintained in accordance with Royal Institute of Chartered Surveyors Guidelines. The accounts were not maintained in accordance with the guidelines as evidenced above.

Both these Board decisions were approved.

3. Whistleblowing policy

The Board has issued a Whistleblowing policy and published it on the Trust’s website.

<http://www.eiv.org.uk/whistleblowing-policy>

Approved.

4. AOB

No other business discussed.

Signed:



Abhay Shah, EIVT Chairman

For and on behalf of Enfield Island Village Trust

10 April, 2014