



13 January 2016

Dear Enfield Island Village member/owner

We are writing to you in response to a letter we all received from the Enfield Island Village Trust dated 21 December 2015 signed by the interim managers Paul Ridout and Con Alexander of Veale Wasbrough Vizards Solicitors.

As many of you are aware since taking over the management of the Trust we have been harassed, intimidated and slandered by a group of individuals who we believe harbour a hidden agenda of their own, possibly an intention to replace us with Amber.

As a result of the constant allegations made to our Member of Parliament. both current and previous, as well as to the Charities Commission by this group presenting themselves as the "Save the island group" in particular **Gary Archer, Vincent Green, Mark Turner, Jay Paramanathan, and Andrew Colledge**, the Charities Commission on 9 September 2015 appointed the above named interim managers to investigate the following three activity areas of EIVT:

1. Mismanagement by the Trustees
2. The current litigation the Enfield Island Village Trust is engaged with
3. The validity of our elections

We believe having found nothing of a negative nature on these three areas, the interim managers should have concluded their investigations in days rather than months. It is now 18 weeks later and there is no sign of any report, whether positive or negative.

The first act of the Charities Commission was to freeze the Trust's accounts. However they froze an account at Metro Bank which was already closed with only £1,000 balance in the process to be transferred to the new Trust bank account and a term deposit account with £52,000 balance with Close Brothers.

On 10 September 2015 Paul Ridout arrived at the village unannounced and having received a call I immediately attended at the Community Centre to offer my assistance. I spent about 3 to 4 hours during which time I discussed the operation of the Trust and showed Mr Ridout the accounting records as well as the bank accounts which were reconciled and agreed with the funds in those bank accounts. His comment was that he was pleasantly surprised with the transparency and impeccable record keeping. I offered to transfer all the funds to the Interim managers' client account immediately as we had enough of the ongoing harassment Iveta and I personally endured during the past two years. To this he commented that he was happy for us to continue to be in control of the Trust's funds. We then drove around the village and I showed him all the areas we are responsible and maintained and we compared these with the areas Amber is still maintaining. He again commented positively on how much cleaner our areas are compared to those of Amber and said, **"I don't understand why they are complaining . It is cheaper and better."** He also commented positively on the transparency and confirmed that he is happy with the accounting and that he would be happy to leave the funds where they were subject to being informed of all expenditure and payments.

We understood that the interim manager's appointment was for 6 weeks and the charge to the Trust which the Charities Commission agreed with the interim manager, without reference to you the

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members, was £35,000 plus VAT (£42,000 inclusive of VAT). We explained to the IM that our contract was varied and as a result they would be in breach of contract however as it would be for 6 weeks only we were confident they would rectify any breaches of our contract accordingly.

As time went by, apart from the fact that the IM never again visited the village we realised that they continued to breach the terms of our contract and that their intention was to stay as interim managers for at least 6 months. We therefore wrote to them on 16 November 2015 as follows:

***As I have set out in my previous communication with you, the Management Company considers that you have acted in breach of the written contract that was entered between the parties on 24<sup>th</sup> October 2014.***

***As you are aware, clause 2.1 of the Contract stipulates that "The Client appoints the Manager to be its exclusive Manager for the provision of the Services in relation to the Property and the Manager accepts such appointment." However, it has become clear since your appointment that you have attempted to carry out some of the functions of the Management Company and that the effect and operation of your appointment has acted so as to breach the terms of this clause and that of clause 2.5.***

***We also note that your actions have led to the Management Company being required to carry out a number of actions outside of the scope of the agreement. Clause 2.7 sets out that "Nothing in this agreement shall entitle or require the Manager to do anything outside the scope of the objects and powers of the Client".***

***Turning to clause 4 of the Agreement, wherein the obligations of the client are adumbrated, the fundamental obligations of the Trust are set out in clause 4.5 which states that:***

***"The Client must not hamper in any way or interfere in the performance of the manager's duties and obligations or give instructions to any of the manager's or the Client's personnel without the prior written agreement of the manager"***

***The Management Company understands and accepts that you have assumed the responsibility of the Trustees in running the Trust. However, as set out below, your actions since your appointment are such as to provide a clear breach of clause 4 of the Management Agreement.***

***Further, you were shown the purchase and the income ledgers and it was demonstrated that these too were meticulously kept and reconciled.***

***Your conduct has in fact effected a breach of the Management Contract for the following reasons:***

- 1. The Management Company can no longer keep proper books of accounts as your actions have denied it internet access. Internet access is needed in order to interrogate the accounts and print statements and reconcile the bank accounts.***
- 2. The work of the Management Company been disrupted to such a degree that it is impossible for us to perform our duties other than that of an advisory nature to the staff of the Trust and their supervision.***
- 3. You cancelled the spend limit on the Management Contract and thereby restricted the Management Company's ability to carry out its functions effectively.***
- 4. You instructed the Management Company to discontinue with debt recovery knowing that proceedings have already been issued and that all costs are recoverable and had already been charged to the defaulting debtors accounts.***
- 5. You discontinued the planning application at the ecology site which firstly was to erect the fence to protect the Trust's assets stored in a container, putting at risk of theft the Trust assets stored therein. If by your actions the container is broken into and the gardening equipment is stolen the Management Company will not be able to maintain the gardens.***
- 6. In the circumstances, you have hindered the Management Company's ability to act in the best interest of the residents of Enfield Island Village.***

7. ***You have disregarded the Management Company's calls to instruct Xylem to maintain of the pumping stations which by your inaction you are tacitly disregarding the health and safety of the residents.***
8. ***You have disregarded the Management Company's emails to maintain the playgrounds of which you previously agreed were repairs of a serious nature that needed to be done as a matter of urgency to alleviate the risk to children's safety. To this date you ignored our calls to act despite being provided with 3 quotes.***
9. ***The outstanding rent charges due to the Trust, up until the time the accounts were frozen was £275,347.54. However taking away the amounts prepaid the actual amounts outstanding are £293,286.29. Upon your appointment you instructed the Management Company to cease with the collecting process and this instruction led to an inability of the Management Company to maintain the financial viability of the Trust's income.***

***In the circumstances, I make it clear that the Management Company considers that you have acted in breach of the clear terms of the written contract which persisted with the Management Company.***

***Further or alternatively, you have clearly shown an intention to abandon and altogether refuse to perform the agreement (per Eminence Property Developments Ltd v Heaney [2010] EWCA Civ 1168, [2011] 2 All E.R. (Comm) 223).***

The essence of the previous paragraph is that by terminating the contract forthwith, the interim managers did not give the required notice, as we have given them, to correct any possible breach. In either case our contract was breached by the interim managers.

The fact remains that at this moment we exercised a lien over all the records of the Trust and as result the interim managers do not know who owes what to the Trust nor can they keep proper accounting records due to the lien. I can disclose to all of you that the outstanding Rentcharges currently are **£293,286.29** and unless they settle our account we cannot see a way for them to know exactly who owes what to the Trust.

In addition the funds are still in our accounts and even though we expect to be paid in full for our contract we made an unprecedented offer that if they pay the balance outstanding to us we would sign up to a new contract **for £1 per year for the next 4 years** so that you, the owners, do not suffer due to their actions. **They refused to take up our offer and as you can see from their letter they are looking for a management company to take up the management of the village!**

You should ask yourselves the following questions:

1. Why would the interim managers refuse such an offer considering they are convinced that we did our job competently, impeccably and better than Amber has ever done it?
2. If it would cost £42,000 for a 6 week appointment of the interim manager, how much will it cost all of us for a 26 week appointment and possibly more? I estimate this to be prorata £182,000 for 26 weeks and 364,000 for 12 months appointment and the Trust does not have enough money to pay for all of these.
3. If the IM have not breached our contract why have they not taken legal action to recover the Trust's funds from us? After all they are a firm of solicitors themselves and their duty is to safeguard the Trust's assets.
4. As we have already saved the village £338,696 in the last 2 years of our management why would they want to find someone else with no experience of the village to do a job that has previously, for the last 20 years, been done to a low standard?
5. Why is the Charities Commission so incessant to invalidate your vote? After all you voted to stop being a charity and you voted for the current Trustees.
6. Why is the Charities Commission so incessant to remove our company from managing the infrastructure of the village?

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7. Who other than us has the inherent knowledge to provide the defence to fend off Amber's current action for £242,000 against the Trust?
8. Who other than us has the inherent knowledge to prosecute the recovery of £32,000 owed to the Trust by the previous Community Centre worker, Martine Eni?
9. Why are all these illogically wrong decisions being made?
10. Why would the Charities Commission get involved so vigorously and ignore your democratic vote, tacitly pushing for the opposing group (**Gary Archer, Vincent Green, Mark Turner, Jay Paramanathan and their group**) should take over as trustees even though you voted otherwise?

**The answer is simple:**

Some time ago we enquired in correspondence from an employee at the Charities Commission, Mr John Lewis, as to his scholastic competence to offer legal opinion and in particular an opinion which was in contradiction to the advice of 2 firms of solicitors and a leading barrister all 3 acting for the Trust. Needless to say a reply was not offered. Unfortunately our enquiry did not go down well to say the least. Since that day we cannot understand why the Charities Commission has sought to remove the existing trustees. Remember we already had two independently supervised elections by Electoral Reform Services, both of which were rejected by Mr Lewis of the Charities Commission giving no valid reason other than the Trustees should not have communicated their manifestoes.

**Who ever heard of elections invalidated because the candidates communicated what they stood for?** In contrast the Charities Commission did not seem to be perturbed or in any way interfere with those improperly held elections in the street under the arches at Harston Drive in April 2012. No checks were made then if the people who voted were owners, tenants or passersby or if the votes were one vote one household and whether any of us had outstanding amounts due to the Trust which invalidates the vote. We know this because we were both there and unbeknown to us we thought we could both vote even though we only owned one property at the time.

As we are also owners and gravely concerned we intend to forward this letter and other correspondence to the following:

1. Our local Member of Parliament
2. The Chairperson of the Charities Commission
3. The CEO of the Charities Commission
4. The press

In addition we are in the process of creating [www.eivt.org](http://www.eivt.org), a website whereby we can keep you informed and you can view documents and correspondence relating to the current state of affairs.

Collectively we are over 1300 properties at the village and a major development in anyone's mind; we believe that a **Judicial Enquiry** should be setup to examine exactly why all these things are happening to us and why the Charities Commission interfering so robustly when in the past they ignored calls to investigate major matters of mismanagement, misappropriations and harassment of Trustees as well as improper elections and non compliant accounts filed. Matters such as spending of £120,000 in legal fees defending an action brought against the Trust for a debt of £2,000, (a case which the Trust lost) and which was previously ignored by the Charities Commission while saving the Trust £338,696 in 2 years alone since we took over the management is now considered by the Charities Commission as possible mismanagement commensurate to spend at least £42,000 and possibly £182,000 of our money to investigate.

**We suggest that if you care what happens to your home you should all write, as we will, to the above people and request that someone should intervene before the Trust is bankrupted.**

We will also create a petition page on the above mentioned website [www.eivt.org](http://www.eivt.org) which you can download, complete and email to us so that we can present it in the hope that a Judicial Enquiry to be setup to investigate goings on at the village.

The Enfield Island Village Trust has been a cash cow for many in the past and when we took over we put a stop to it. We reduced the cost from £450,000 p.a. to £250,000 p.a. It now seems that we are the only persons willing to do something about it.

**It's time you should too!**

Yours faithfully

Vladimir Ioannou & Iveta Nemcova  
EIVT Management Ltd