



ROYAL LYMINGTON YACHT CLUB

Minutes of the Annual General Meeting held on Saturday 10th February 2018

In the Chair: The Commodore, Dunlop Stewart

In the Chair for the informal part of the meeting: The new Commodore, Roger Garlick

Present: 5 Flag Officers, 3 Trustees, 120 Full Members and 43 Family Members.

Introduction: The Commodore welcomed Members to the Annual General Meeting and declared that a clear quorum of Members was present. He informed the meeting that Ordinary Resolutions would be carried by a straight majority, while Special Resolutions would require a 75%/25% majority.

He would be inviting members to vote by holding up a green card for 'yes', or a red card for 'no' for all Resolutions requiring a vote.

The Commodore undertook to lead attendees through the agenda and speakers would be asked to wait for a microphone and announce their name.

Apologies: Apologies had been received from Jeremy and Maxine Vines, Nigel Lang, Alastair Wilson and Jane Corden.

The Commodore welcomed Dan Tout, representing our Auditors, PKF Francis Clark.

ORDINARY RESOLUTIONS

Item 1: To Approve The Minutes of the Annual General Meeting held on 11th February 2017.

The Commodore invited comments on the Minutes. There were none.

James McGill proposed, and Simon Van de Byl seconded that the minutes be confirmed as a correct record, and they were accepted unanimously; whereupon the Commodore signed them.

Item 2: To receive the report of the General Committee and the auditors' report for the Year ended 30th September 2017.

The Commodore invited the Meeting to receive the Annual Report of the General Committee and the report of the Auditors. The Reports were noted by Members without a vote.

The Commodore thanked Dan Tout for his attendance, whereupon he took his leave.

Item 3: To receive and approve the Club's annual accounts for the financial year ended 30th September 2017.

The Commodore invited Rear Commodore Finance (RC-F) to brief the meeting on the Members Report and Accounts for the 12-month period ended 30th September 2017, which he duly did with the aid of several slides. In particular he commented on the variances from budget in the year, and the effect of the exceptional redundancy costs that occurred approximately half way

through the year and which resulted in improved results in the second half year. There were no questions on the accounts.

Nick Ryley proposed, and Allan Hill seconded the adoption of the accounts. They were approved by a majority vote via a show of hands.

Item 4: To receive an estimate of receipts and expenditure for the current financial year.

The Commodore invited RC-F to present the estimated of receipts and expenditure for the current financial year.

With the aid of his budget slide, RC-F presented his estimate forecast of retained surplus of approx. £50,000 for this year. The management accounts for the first quarter show a favourable position to achieve this as overall results were ahead of budget which has provided a good start to the financial year. For the three months the actual net surplus was £4,390 compared with a budgeted net deficit of £6,456 giving a favourable variance of £10,846.

RC-F reaffirmed the aim of ensuring the Club continues to re-generate its cash reserves back towards £300,000.

The Commodore invited questions; whereupon Peter Mills asked if there were provisions in the current year's finances to allow for the risk factor of the moving sea wall. The Commodore confirmed that the seawall does not belong to us, it belongs to the New Forest District Council (NFDC). In that respect our Underwriters and Loss Management Company have engaged with NFDC and assured the Club that they do not expect a financial hit as it is covered by our insurances.

David Monks, raised his concerns over forecasting changes in circumstances. Although the first quarter results show a positive surplus, catering was under par against budget therefore what changes are being adopted to ensure the remaining three quarters don't follow the same pattern? RC-F explained that the second half of the Club's financial year is known to be the busier season as supported by last year's financials. Consequently the Club is confident that with a quick reaction to cost management, gross margin now being achieved and an increase in sales due to a busier sailing season that we should be in a strong position to achieve the proposed retained surplus.

Item 5: To receive an estimate of receipts and expenditure for the year commencing 1st October 2018.

RC-F continued his presentation and displayed the indicative budget for 2018/19 which showed a retained surplus of £51,000.

The Commodore invited questions on the indicative budget, to which there were none.

The estimates of receipts and expenditure for the current financial year and for the year commencing 1st October 2018 were accepted, with no vote required.

Item 6: To approve the entrance fees and subscriptions for the year commencing 1st October 2018.

RC-F reiterated the Club's policy of increasing subscriptions by a small amount each year. To that end, he proposed an overall average increase of 3%, rounded for each category. As a result the annual subscription for a Full Member would increase by £12, from £388 to £400, and for a Family Member, by £6 per year. All Members would be able to opt to pay their membership subscriptions quarterly or monthly by Direct Debit.

There being no questions, the resolution was proposed by John Tudor and seconded by Neil Eccles and passed by a show of hands with one vote recorded against.

Item 7: To appoint professionally qualified auditors to hold office from the conclusion of the meeting to the conclusion of the next meeting at which accounts are laid before the Club at a remuneration to be determined by the directors.

The Commodore briefed the meeting as follows: PKF Francis Clark (previously known as Princecroft Willis) have just completed their twelfth year as our auditors. It is recommended that PKF Francis Clark be appointed, as they are judged to be best placed to deliver the optimum balance of experience, understanding of our requirements, professional approach and value for money to meet our needs.

There being no questions, the Resolution was proposed by Rod Perry and seconded by Bob Woolley. The Commodore called for a vote, which was almost unanimously in favour.

SPECIAL RESOLUTIONS (Requiring a 75% majority)

Item 8: Special Resolutions

8.1 Delete from "Definitions and Interpretations" the Company Secretary (A Private Limited Company does not need a Company Secretary) and to substitute in the "Definition and Interpretations" General Manager(s) means General Manager(s) Finance and Administration and General Manager Operations both from time to time appointed by the General Committee.

8.2 Change all references to "Club Secretary" and "Company Secretary" to General Manager(s) in the Articles of Association. Amendments will be made to the following articles:

1.1 Definitions and Interpretation – Spouse and Partner reference to Club Secretary. References in Articles 4.4, 4.5, 5.8.1, 6.10, 7.1, 8.1, 8.2, 8.3 (3 references), 11.1.6, 11.1.7.2; 11.1.8.1, 11.1.9, 11.2.3 (2 references), 11.8.4.3, 11.10, 22.3, 25.4, 26.2, 27.2 (2 references), 35, 41.1(4 references).

8.3 Article 17 "Appointment of Company Secretary and Club Secretary" to "of General Manager(s)." References in Articles 17.1, 17.2 and 17.3.

The Commodore invited the Vice-Commodore (V-C) to present the rationale for the above changes.

The V-C confirmed that Items 8.1 – 8.3 have been grouped together; as they all need changing to reflect the Club's new management structure. There are twenty-seven references to Company Secretary in the articles which will be replaced with General Manager(s)

James McGill proposed the Resolutions and John Tudor seconded them. The vote was called which was unanimously in favour. The V-C then moved to Item 8.4

8.4 Change the accountancy terminology in Article 11.1.2.2 from “receipts” to “income”.

The V-C explained that in accounting parlance the word “Receipts” normally signifies actual bank and cash receipts not adjusted for accruals or prepayments. By changing this term to “Income” the Article reflects the basis on which the Club’s budgets and accounts are prepared, i.e. on an Accruals basis. The Members’ Accounts have always referred specifically to the Income and Expenditure Account.

The V-C called for a proposer, David Monks and a seconder Roger Garlick. The vote was called, all were in favour.

8.5 Change the age reference in Article 5.3 to “An entrance fee shall be paid by a Full Member and a Family Member aged “35 years or over” to “40 years or over”.

The V-C detailed that whilst the membership agreed by Ordinary Resolution at the 2017 AGM to increase the age from 35 to 40 that an Entrance Fee should be paid, with effect from 1 October 2017, there was no formal Special Resolution proposed at that meeting to actually change the relevant Article. This now regularises that situation.

Andrew Eady proposed this Resolution and it was seconded by John Cobring. The vote was called with 100% in favour.

ORDINARY RESOLUTIONS

Item 9: To receive the result of the elections to fill four vacancies on the General Committee caused by the retirement of Rachel Nuding, Allan Hill, Nick Ryley and Vince Sutherland, and to fill any further vacancies caused by the elections to fill the appointments fo Flag Officers.

The Commodore announced that Stephen Crates, Puddy Draycott, Malcolm McKeag, Dick Moore and John Tudor had been elected to the General Committee and as Directors. He thanked Rachel Nuding, Allan Hill, Nick Ryley and Vince Sutherland for the time and energy they had put into the role over the last 3 years.

The Commodore congratulated the elected candidates and asked them to stand to identify themselves.

Item 10: To receive the result of the election to fill the appointment of Rear Commodore Sailing caused by the retirement of Stuart Duffin.

Item 11: To receive the result of the election to fill the appointment of Vice-Commodore caused by the retirement of Clive Sparrow.

Item 12: To receive the result of the election to fill the appointment of Commodore caused by the retirement of Dunlop Stewart.

Item 13: To receive the result of the election to fill a vacancy for Trustee caused by the retirement of Phil Batten.

The Commodore thanked Stuart Duffin, Clive Sparrow and Phil Batten respectively for all their efforts over the last three years. The Commodore is also standing down due to the completion of his term and as such, they are succeeded in their roles by Perrin Towler (RC-S), Robin Taunt (V-C), Roger Garlick (Commodore) and Geoff Holmes (Trustee).

The Commodore thanked the three new Flag Officers & Trustee for standing, congratulated them and asked them to stand to identify themselves.

The incoming Flag Officers were presented with their corresponding burgees and Roger Garlick presented Dunlop Stewart with a Past Commodore's Burgee.

The Commodore then invited the Senior Trustee, John Bence to speak.

On behalf of the Trustees and all Members, John Bence thanked the Commodore, Flag Officers and members of the General Committee for the contribution made by them and by all of the committees, sub-committees and volunteers to the Club in the last year. Without them, the high standards, on and off the water, for which we are renowned, would not have been maintained. He endorsed the Commodore's remarks about the retiring Flag Officers, wishing them a well-deserved rest, and thanked the retiring General Committee members for their council and fellowship.

He welcomed the new Flag Officers who are all bringing a wealth of experience from their previous roles within the Club, which will stand us in good stead as we continue to go from strength to strength under their leadership.

John highlighted a year of substantive change in the Management of the Club and thanked the staff who have worked diligently and effectively to make considerable improvements to our first floor performance and operating cash flow.

He also paid particular tribute to retiring trustee Phil Batten who is standing down after four years as a trustee. Phil has made a significant contribution over these years of change, and his knowledge of, and attention to the rule book and past precedents has been remarkable. John also welcomed new trustee Geoff Holmes.

Finally, Commodore, my thanks, and the thanks of all the Members go to you Dunlop, for your leadership and fellowship during your years in office and to Diana for the support she has given you and the friendship she has extended to us all.

Commodore's Closing Remarks.

The Commodore concluded the formal business by thanking John for his words and the Members for attending and showing such a healthy interest in the affairs of the Club. The meeting was closed at 11:45.

Roger Garlick
Commodore

~

The meeting was followed by an informal Q & A session

Nick Ryley: The Annual Sailing & Club review focused on the introduction of the new business plan, how are the introduction of more sailing and corporate events coming along?

GM-O confirmed that both Vicky & Gillian had a busy first quarter in terms of securing both corporate and sailing events for the forthcoming year. Vicky has extended our sailing season by introducing two new events in February and March and Gillian has had a busy October & November for corporate activity. She has already achieved 50% of the annual income target.

Neil Eccles: The suggestion was raised to give family members the vote.

The Commodore confirmed that this matter would be considered at the Membership Sub-Committee as more thought need to be given to a change of this nature. For example, children under the age of 18 are also classed as family members so would they get the vote too? Findings will then be reported at General Committee in due course.

Robert Burney: Following the movement of the electronic AGM documents, RB raised his concerns over the amount of electronic communication the Club sends out, as it could get overlooked or misinterpreted and so documents of importance such as the “AGM papers” should be sent via post.

The Commodore explained how we had received a 34% increase in the number of returned ballot papers since moving the papers online. This could lead to the conclusion that the Membership were more engaged with the electronic system. Further work will be done over the next 12 months to try and create a complete online ballot system. Members without email would continue to receive the AGM papers by post.

Michael Derrick: MD generated an enthused debate about the lax social and membership responsibility exhibited by the members. He highlighted an example of the lecture night on Wednesday 31st January when we had 153 people signed up for the lecture, 96 signed up to stay for dinner, but only 63 actually stayed. 34% of the membership who signed up were no shows.

RC-H confirmed that this was a regular problem affecting other suppers and not just lectures. RC-H explained how a system had been implemented two years ago which required a pre-payment & pre-booking but the numbers of those who stayed to eat then dwindled. Sally Muir suggested re-initiating this deposit system.

David Hayles suggested putting the list of those members who signed up to stay for supper but then didn't on the notice board. The Commodore confirmed that alternative solutions would be considered first.

David Ridout enquired about a process to automatically top up Member's card balances if they drop below a certain amount as this would speed up bar services and efficiency.

GM-O's explained how there were three projects in the pipeline to try and resolve this problem. The first is the introduction of online Member's Card Top up. This is currently being tested with the General Committee, once testing has been completed a full member roll out will follow. The second is building on the first project to introduce a Member's Card Top Up “ATM” system which will be available in the reception and finally the third is the setup of an automated direct debit Member's Card Top Up. The reason auto top-up is last in the three projects is that the system will require a member of staff setting a process in motion on a daily basis. The original two are automated so the GM-O's preference is to move forward with the technology as opposed to staff interaction.

George Trevelyan queried why the PotterShip magazine had not been sent out in January's mailing as usual.

GM-O explained that the PotterShip delivery had been postponed to March as the January Mailing which originally included the publication and the AGM papers had moved to e-mail. This is a cost saving of multiple thousands for the Club. The PotterShip magazine is available for collection from Reception and was advertised in ePN.

Dick Moore asked the committee for an update on the platform repair project.

RC-S explained how the platform repair team are looking into various repair options as the platform is deteriorating quicker than originally expected. Malcolm McKeag is running a study alongside the team to make sure we have properly defined what we would like the starting platform to do. RC-S did raise his concerns over replacing or renewing the platform as it could be a lot of money for a fix which may not fit our requirements, should advances in technology change our race procedures. No definitive answer has been made yet but £40,000 has been included in the indicative budget for 2018/19.

Mark Carrol questioned why the Club doesn't use the money held in its accounts on Member's levy cards to offset any overdraft borrowings that the Club may have.

The Commodore confirmed that we do not operate an overdraft as we are always in credit and the majority of our funds are held on various deposit accounts to maximise the interest that we can earn, with just a small credit balance held on our current account for our day to day requirements.

Peter Mills wondered what wastage through catering or regular level of food provision there was.

RC-H confirmed that the quality and consistency with the Club's food offering was still not there yet and as such changes in staffing and suppliers have been implemented.

Richard Jenner commented on the membership numbers as detailed in the AGM papers. He explained how it is perceived that the Club appears to have lost more members in 2017 as opposed to the last 10 years and enquired about what we were going to do, to change this?

Past Vice Commodore, Clive Sparrow confirmed that although the membership numbers for 2017 are lower, the figures don't take into account membership retention. Post subs run in 2016 we had 153 resignations which resulted in these low figures but we have already reduced the number of resignations by 40% for 2017.

The membership sub-committee have also introduced some new initiatives including monthly direct debits and better links with the two local marinas to try and encourage more members.

The Commodore also commented that in fact our membership total at 30 September 2017 was 2,391 which is just 13 less than 4 years earlier.