

Minutes of AGM of Queen Mary Reservoir Sailing Club Limited

held at the Clubhouse and by video conferencing Zoom meeting on 16th December 2020 at 19:30

1. Apologies for Absence

There were no apologies

2. Minutes of previous meeting

The minutes of the previous meeting were accepted as being a true record and were signed by the Commodore.

Proposed by Bob Joce and seconded by Paul Johnson and passed unanimously.

3. Matters arising

There were no matters arising.

4. Commodore's Report (Richard Steele)

Initial Comments & Introduction:

The Commodore's Report followed a warm AGM welcome to members, Staff & Volunteers. 2020 has been an exceptionally difficult year for our club. However, by many standards it was ultimately successful, bearing in mind two lockdowns, closing our club for some three months. Heartfelt thanks must go to our members, staff, volunteers & supporters for their forbearance and endless enthusiasm for QMSC and sailing as a whole. As a result QMSC became a centre of earnest endeavor, most weekends. Whatever the social distancing and restrictions, particularly with a lack of facilities, such as no showers, no changing rooms, no catering & regular 30-35kts winds to contend with, sailing continued. On a more positive note, new club trends and growth areas emerged, most notably expanding Windsurfing, Select Membership, Junior Courses and Personal Tuition Coaching. The Pandemic also has noticeably brought our club closer together as a community, whether it was our racing fleets, Saturday Club, Sailability, Race Officers, together with our 9 professional staff, 40-50 seasonal staff, and our 100 or so dedicated volunteers. However, the restriction to predominantly single handed sailing and same households or bubbles for our double handed club & boat owning members this season, did inevitably restrict our sailing options.

Special thanks to Staff, Volunteers and Supporters:

Queen Mary SC is a large professionally run sailing club, with many dedicated staff and volunteers. Particular thanks must go to our frontline staff, who kept the club going through this year's pandemic:

Paul Adams, Qualified Instructors & Staff: Kept us safe on the water and particularly from all reports, Covid-19. Not forgetting managing the 4 phases and huge logistical

complexity that went with this daily dedication and commitment. Thank you all very much

Caroline Fitzwater and Janet Hawkins: Who completely re-booked & re-scheduled all our summer courses, our Covid safe Junior courses and produced very happy parents too. Also expanding Pay & Play, Wind Surfing, Select Membership and Personal Tuition offerings

David Bithell, Petra Ramsden & now Valerie Cooper: for managing our liquidity, tracking the complexities of the Furlough scheme, Grants, Leases, Rates breaks and our annual accounts.

GM Tony Bishop: For Running the whole organisation, and studiously driving and tracking positive cash flows every month all through 2020, this is an incredible achievement

Wayne Albrecht & his crew of engineers: for keeping our winches, lifts, Club boats, Committee boats, RIB power boats going, as well as building Marquees and shelters.

Our Staff: Also made good progress in modernising our booking procedures - The paper office 365 is just a few clicks away now. Putting it simply, without all our staff and volunteer efforts, Queen Mary Sailing Club would no longer be here. Heartfelt thanks indeed.

Review of the Racing Fleets and Interest Groups:

Whilst the Club was closed for 3 months, most members and staff joined in online Apps and Zoom meetings such as: Virtual Regatta Racing, Group Zoom Video Calls, Theory and Practice sessions with our QM professional Instructors, Quizzes, Zoom Wine Bars, WhatsApp groups etc. Virtual Regatta & Protest Games were courtesy of David Casale & Andrew Craig, which were very competitive, with lots of laughs too. From the end of May 2020 Sailing started to slowly get underway again, moving through a four phase restart programme, until November:

Lasers - Captain Tony Woods: The QM Laser fleet continued to thrive, despite the pandemic and everything associated. Starting with Sunday informal training sessions, gate starts, then racing with huge turnouts of 20-30 lasers. There were few National Laser events this year, but QM Laser sailors always putting in a good showing. Mark Lyttle top sailor Nationals, Orlando Gledhill 1st Masters, Tony Woods 4th, Mike Hicks 6th. In QM Club Racing: Frost Bite Series 2019/20, 1st Chris Elyatt. Summer 1st Roger O'Gorman. Winter Series, 1st Tony Woods. Big Sunday Series 1st Tony Woods

RS200's - Captain Julie Harrison: 2020 was a really good year when 3 more RS200s joined the club bring the fleet total up to 20. RS200s on the water were increasingly dominant in the windward/leeward fleet results. Andy Peters led a full day of training, on land & water with 17 RS200 sailors attending the Inlands: Matt Thornton & Laura Bevan top, Alex Curtis & Raffi Gracie 6th, Campbell Manzoni & Amy Sanderson 13th. Island Barn Open: Andy & Jill Peters top. In QM Club Racing: Fast Handicap W/L Series: 1st Andy & Jill Peters, Winter W/L Series: 1st Julie Harrison & Liz Birtles, RS200 Series: 1st Julie Harrison & Liz Birtles.

RS400's Captain - Andrew Cole: Returning to racing, the RS400s joined the Fast Windward/Leeward fleet, with some good tussles with the RS200s. They welcomed 2 new members to the fleet, Richard Thorpe new to QM and James Witts. Also Christopher Eames & crew Rachel Tilly, Paul and Katy Engelmann back for winter season at QM. In QM Club Racing: The season started with the usual suspects taking the Frostbite Series: Paul Browning and Sel Shah 1st, Paul Stainsby and Jackie Wand-Tetley 2nd and Griff Tanner 3rd. Late Summer W/L Series - 3rd Paul Stainsby and Helen/Jackie Wand-Tetley, Summer Evenings - 11th Paul Stainsby and Jackie Wand-Tetley, Winter W/L Series: Paul Browning and Sel 2nd

Exotica - Flying Fifteens & Tasars: Social distancing restrictions meant limited qualification by these classes. In QM Club Racing: Summer Fast Handicap 1st Roger and Liz Pescod - Tasar, 2nd Steve Bell and Charles Wand-Tetley - Flying Fifteen, 3rd Sergio Battaglia and Sue Preston - Flying Fifteen, Winter Fast Handicap Series: 1st Steve Bell & Charles W-Tetley

Topper - Exploits: Only two Nationals were run this year, the rest cancelled. Bjorn Handley - 26th in the National Schools Regatta 2020/21 in Sept. In QM Club Racing: Slow Handicap: 1st Jadon Brockdorf-Kennedy, well done Jadon. Further Topper exploits are on hold until next year now

Saturday Club Flourishes - Andrew Craig: Saturday Club is a Social Sailing & Racing Club every Saturday in the summer months and often in winter too. There are 61 members, up from 52 last year, 587 attendances this year in total, 30 regular Sailors up from 23 last year. Themed Events were: The Joker Series, Mid Summer Madness, Sausage Sandwich, Shackleton Expedition. Instructor led zoom skills sessions were also a big success. Greek Holiday & Weymouth trips were sadly cancelled this year, but the next Greek Summer Holiday is planned for June 2021, Weymouth Weekend racing and training is also already in plan for July 2021.

Wind Surfing - Captain Chris Parry: Members are now enjoying a real club environment, welcoming an increasing number of day-sailors, fun time on the water. Foiling is on the increase, the social element is good, with QM building on this to ensure our facilities match the demand. Captain, Chris Perry will be joining council in 2021. The QM staff team are focused on plans to repair & maintain the rigging area, storage, and water access as well. Better vehicle management for safe kit drop-off and a refresh for our very well-attended demos. Select membership is also increasing, with the opportunity to build towards QM being the windsurfing venue of choice in the UK.

T15 Junior Wind Surfing: Captain - Paul & Karen Stainsby, with Teresa Mayer: Had a good and fresh turnout of participants, with 6-8 able to make it most Saturdays. With a rota of Club instructors, they brought on their skills in board handling, freestyle and rigging. Because of restrictions they were less able to tow upwind, so T15's were coached on DIY returns too. Development squad training weekends and opens were sadly cancelled, this was Iona's, Electra's & Ashi's last year with technos. However, T-15 has been doing a lot of foiling recently - easy peasy! T-15 also joined the Techno Regional's at Datchet, QM sailors Petra Barr 3rd in 4.5's, Jonny Barr 6th in 5.8's, Jack Lugton 5th in 7.8's, Iona Shefford 2nd in 7.8's.

Sailability Made it Happen - Andrew Craig: QMS Sailability normally runs with 65-75 students, volunteers and carers every week in the summer months. 2020 with the pandemic and Social Distancing involved detailed planning and very complex logistical procedures. 13 Sailors attended this year, 11 as regulars, 9 adults and 4 from Eagle House School. Zoom sessions held - Quizzes, skills sessions, re-calibrations in strong winds, and AGM in November. Hansa Racing: John Draper 1st Place, Most Race Officer Duties: Liz and Roger Pescod. Safety Award: For Longboat Maintenance: David Jillings. Endeavour Award for most attendances: Prof Michael Gresty. Long Service Award: Dee Crewdson. The Sports and Recreation Alliance Emeritus Award presented to Alan Woolford for 50yrs service to Queen Mary Sailing Club, Sailability and the RYA. Alan is now Sailability President.

The Wonderful Summer Courses & Trends: New club trends and new growth areas: Windsurfing Select membership booming, as Select bounced back with 12% growth in September. Day sail booking now online, club is now paperless. Junior courses re-built to hit 704 Half-Day, courses. Over 800 hours of Personal Tuition delivered in 5 months. All this success was by taking advantage of our good fortune to trade in the peak summer months.

Introduction to David Bithell - Hon Treasurer: As you can imagine, maximum work & complexity all comes together in our Finance Department. maximising liquidity, multiple flexible Furlough entries, Grants applications, Lease breaks, & now AGM accounts. David particularly, has put in many hours to produce these approved Accounts. Rather than expose you to too much complexity, we have sought to simplify where we can. You just have to listen and the sun eventually comes out. For your approval David presents our accounts to 31st March 2020, a view of this season and a future outlook.

5. Treasurer's Report (David Bithell)

David thanked Richard for his review the Club's year

The principal financial business of the AGM is to approve the Club's Accounts for the year ended 31st March 2020.

Balance Sheet

The balance sheet shows us a snapshot of the Club's financial position at 31st March 2020, with the previous year also shown for comparison. Overall, it showed a healthy picture with net assets of £445k at its year-end and cash in the bank of £31k.

The further good news is that the Club continued to repay its bank loans and ended the year with just under £10k owed to the bank. If we were to go back just 7 years to 2013, the loans stood at £113k, so the Club has done well in recent years to almost eliminate its previous borrowings.

In its creditors the Club had £158k due within one year and £52k longer-term, a total of £210k. The two major items in the creditors were £47k of unreleased grants, financing fixed asset purchases, and £125k of income received in advance, £58k of which was membership fees received before the 1st April 2020 due date and £67k of which was advance sales of training courses to be delivered during the 2020 summer season. The key point to note about the creditors is that, for the most part, they were not loans, nor amounts owing to our suppliers.

The biggest number in the Balance Sheet is the fixed assets and these went up from £545k to £569k, a net increase of £24k. There were some asset disposals in the year and most of the assets get written off through

depreciation at 10% pa but the reason for the net increase is the money spent on new assets.

The Club reinvested the VAT monies recovered in early 2019 predominantly in the following:-

- Balance of the Balcony Refurbishment and upgrade £17k
- Clubhouse Flooring £19k
- Extension to the Black Pontoon £4k
- Sailability Hoist £3k
- 6 New Hartley 10 Dinghies to replace the old Oppies £14k
- 8 new replacement Picos £16k
- An RS Quest, RS Aero and 2 RS Cat 16s £16k
- New windsurfing kit £10k
- Foiling kit for dinghies £4k

Profit & Loss Account

The Club's net assets fell from £524k to £445k because the Club made a loss of £79,104 during the year.

Compared to the previous year the total turnover, the Club's income, was down £215k and total Administrative Expenses were down £41k. Most of the categories of Income and Expenditure are pretty much in line with the previous year.

The accounts show a significant reduction in the Training Income, down by £220k, but the bulk of this reduction was caused by a couple of exceptional items:-

- Firstly, the previous year included the 4 years of back-dated VAT refund received in early 2019, the Training Income part of which was £167k.
- Secondly, there's been an adjustment in the 2019/20 Accounts to the way we calculate deferred training income which had the effect of artificially removing £51k of Training Income from the year. Had that same adjustment been made in previous years, it would have reduced 2018/19's profit by £28k and the two previous years' profits by a cumulative £23k.

If we take out the effect of those two exceptional items, underlying Training Income went up by £26k from £340k to £366k

Operating Expenditure, the regular running costs of the Club, increased overall by 5%, but within that, the Club's biggest cost line, Wages & Pensions, went up by 12%. There were three principal reasons for this increase:-

1. The Club recruited in 2019 to restore a complete full-time water-sports team under the then new Sailing Principal, Paul Adams.
2. There was an average 4.5% increase in National Minimum Wage from 1st April 2019 which rippled through the hourly rates of all the casual instructors the Club employs during the summer months.

3. The Club ran more courses in the summer of 2019 and that required more casual instructors.

In the prior year's Administrative Expenses we have another exceptional item, which was the expenditure side of the 4 year back-dated VAT adjustment, £75k. If we look at total Administrative Expenses excluding the exceptional VAT adjustment and depreciation of fixed assets, they increased by £31k

In summary, of the overall loss of £79k, £51k was exceptional items, leaving a £28k underlying loss and, if we exclude the exceptional items from the 2019 £99k reported profit, the underlying result for that year would have been a £25k loss.

The modest £3k increase in the underlying loss for 2019/20 was caused by the underlying Club Income growing by a little over 4% but the underlying Operating Expenditure growing by almost 5% and a big factor in the higher expenditure growth was the 4.5% average increase in National Minimum Wage in April 2019.

2020/21 and the Coronavirus Pandemic

The Club was required to close from mid-March until mid-May and again for November so there is some loss of membership income. We also lost all training courses booked for Easter, from mid-March until late June and (for weather-related reasons) much of the October half-term.

However, the Club reopened just as soon as Government regulations allowed in late May and was quick to get everyone able to sail, windsurf and race again at the earliest opportunities. Tony Bishop, Paul Adams and their teams worked extremely hard to make the Club as Covid-secure as possible, to save every possible cost and to salvage a large proportion of the main summer Junior Courses programme.

They were also innovative, creating temporary outdoor covered training rooms, re-booking all the juniors onto half-day courses and then re-selling the remaining half-days released, and re-booking customers for cancelled adult courses onto 1 to 1 personal tuition sessions. The team sold and delivered £30k of personal tuition between reopening in late May and 30th September.

To preserve cash flow as much as possible, the Club has taken advantage of the following Government Assistance and other concessions:-

- A £25k government grant given to all small businesses in the sport and leisure sector
- £66k so far under the Coronavirus Job Retention (Furlough) Scheme
- A one-year holiday from Business Rates, saving £9k
- A 6-month rent concession from Thames Water, saving £11k

- A Coronavirus Bounce Back Loan of £50k, interest-free for the first year and at 2.5% for the following 5 years

Taking everything into account and assuming no further forced closures, we forecast that the Club will make a loss of around £24k for this year, which is much less than we feared when we first had to close in March. More encouragingly, our current cash in the bank position is £93k, including the £50k loan, which means that the Club is in a strong position to get through this winter

The Longer-Term Perspective

If we look at the picture over the past three years and the current year with all the exceptional items smoothed out we see a pattern of steady operating profit before deducting depreciation of fixed assets, but losses after deducting depreciation. This tells us that we have a viable and financially stable Club in the short-term.

However, the level of operating profits is consistently insufficient to cover the depreciation of the fixed assets which indicates that our Club will not, in the longer term, generate sufficient cash to replace its fixed assets as they wear out, let alone have funds to make the sorts of improvements to the Club which many members would like to see. The Club also has a stated policy to create and then maintain a cash contingency reserve equivalent to 7.5% of its annual turnover, i.e. a reserve of approximately £52k at each year end. The Club will be unable to achieve this unless positive cash flow is enhanced.

The Club needs to look for additional forms of income and funding from memberships, from course sales and from available grants and donations. The Club has recently formed a Finance Sub-Committee of Council Members to look at the possible sources of further income and cash and the sub-committee's work will continue throughout this winter.

The Hon Treasurer concluded by thanking the Club's Bookkeeper, Valerie Cooper, and her predecessor, Petra Ramsden, for all their hard work during the year and a very smooth handover of responsibilities; thanking Tony Bishop and the whole QMSC staff team for supporting Club Members with their sailing, and for selling and delivering the training programme; thanking the outgoing Commodore, Richard Steele, for his leadership and support over the last three years; and thanking Martin Hunt and Helen Hadfield of Amersham Accountancy for their assistance with preparing the year-end Financial Statements and for keeping an independent watchful eye over the Club's finances.

Questions from Members on the Accounts:-

- Why is the stock value the same at both year ends? (Chris Simon)

- It was not possible to perform the stock take on 31st March as the club was closed due to the pandemic.
- What sort of savings to expenses have been made during the last 9 months? (Neil Beaton)
 - As mentioned in the report costs in all areas of the business were reviewed at the start of the pandemic and have been kept under review. These included taking advantage of the Business Rates and rent concessions, controlling all operational costs, by suspending contracts during the closure periods, like the cleaning contract. Controlling staff costs has been the main focus, taking advantage of furlough scheme.

Resolution to Approve the Accounts

David Bithell proposed that the AGM accepts the 2019-20 Annual Club Accounts of Queen Mary Reservoir Sailing Club Ltd and approves these for signature by the Commodore and Hon Treasurer, and by Martin Hunt (independent accountant of Amersham Accountancy)

The motion was seconded by Ian Paczek and passed unanimously

6. Appointment of Amersham Accountancy as Reporting Accountant

David Bithell proposed that Amersham Accountancy be reappointed as Reporting Accountants.

The motion was seconded by Russell Akester and passed unanimously.

7. Election of Officers - Richard Steele - Commodore

The recruitment objective for 2021 is broadening QMSC council representation, to include more Laser Fleet members and Windsurfing members, and in depth business and financial experience. Re-doubling our business & Financial focus ready for the pandemic legacy years ahead. In turn, reducing our risks as a business, building more reserves and a plan for the longer term. The Council mix will be 12 club members, of which 6 Officers/Flags including GM and Club Secretary Tony Bishop.

The Commodore then read out the list of those standing for election as Council Members, Flag Officers and also re-confirmed those members remaining on Council.

Standing down

Richard Steele - Commodore
 Chris Stanton - Vice Commodore
 Bob Joce - Rear Commodore
 Steven Fowles - Rear Commodore
 Max Tosetti - Council Member

Standing for election as Officers

Andrew Craig - Commodore
Bob Joce - Vice Commodore
Paul Johnson - Rear Commodore
James Baxter - Rear Commodore
David Bithell - Hon Treasurer

Standing for election and re-election

Mark Handley - Council Member
Chris Perry - Council Member
Michael Pryer - Council Member

Remaining on Council

Tony Bishop - Club Secretary
Martin Pue - Council Member
David Casale - Council Member
Peter Caselton - Council Member
Angus Davies - Council Member

The proposal to elect all Officers and Council members was carried unanimously

The Commodore welcomed the new members to Council and said a special thank you to retiring members:

Chris Stanton - Boat owning membership supporter, 365 Office Pioneer,
Steven Fowles - Laser Fleet Support, project managed fabulous Balcony,
Max Tosetti - Much respected statesman of our club and valued member

The retiring Commodore Richard Steele was thanked by Club Secretary Tony Bishop and presented with a picture and an engraved decanter. Richard responded with grateful thanks. Richard also went on to mention his great debt of gratitude to council for advising and supporting him through his 3yrs and some very tough times this year. He mentioned, while QMSC has historically been a diverse community of fleets, Interest Groups, Staff and Volunteers, the club was now much more of a community of purpose for the better. QMSC, whilst being a large and proud sailing club, still needs to further modernise our processes & procedures to become stronger for the future. We are broadening our council membership, to plan longer term, next season being the key to our future success. The new council under Commodore Andrew Craig will be well equipped to do this. Andrew's in depth experience of almost every facet of Queen Mary's operations means the club is in safe hands. Richard went on to mention he had enjoyed being Commodore immensely, which had been totally enthralling and an education. Together with a lot of hard work, it's been a true journey of endeavor, which he will always cherish.

Richard's future plans include more sailing, both inshore and offshore. Escargot Marine - project work around the club. Chairman of Sailability and associated fund raiser. Also continue as a Saturday Club leader and still be a mover and shaker on occasion, as required. Finally, Richard thanked Council, members, staff & volunteers and wished everyone success and prosperity in 2021 and beyond.

The new Commodore Andrew Craig then said a few words of introduction and encouragement for the year ahead asking for ideas to increase membership and for new ways of funding the investments needed.

8. Presentation of the B&S Trophy

Richard Steele took great pleasure in announcing the award of the B&S Trophy to Stephen Bailey of Sailability for his engineering work, creating four splendid racing buoys for adult racing, and converting both Sailability and QM club wheelchairs to be covid-19 safe. This work allowed Sailability adult sailors to continue to race through the summer months. Stephen as a 'completer finisher' of the first order, works with the minimum of guidance, to produce industrial strength engineering solutions over and over again and as such a valuable asset to Queen Mary Sailing Club.

9. Any Other Business

There was no AOB.

The Commodore thanked everybody present and declared the meeting closed, at 20:58