

THE HOLBROOK CLUB

MINUTES OF THE ANNUAL GENERAL MEETING HELD AT THE CLUB ON THURSDAY 16TH MAY 2013 COMMENCED AT 7.00 PM

Those Present: Simon Charman, Paul Finn, Lorraine Heather, Rod Woodhatch, Barry Wright, Brian Shaw, Bernard Owen, Diane Sutton, Paddy Connors, Carole Charman, Ray Sutton, Rob Pearce, Mike Shelton, Dave Scaman, Tom Chapman, Tony Matthews, Angela Wright, Christine Phillips, John Phillips, Simon Cossons, Nigel Coleman, Jan Turner, Paul Greenstreet, John Maher, Adrian Phillips, Neil Morrison, Renny Phillips, Dean Lewis, Chris Lewis, Will Cowley & Michael Whitfield (31 eligible voting Members in all).

1. Apologies For Absence

These were received from: Alan Ruby, Jean Ruby, Keith Reed, Ken Wilmer, Peter Merryweather & Paul Williams (6 in all).

2. Minutes of Last Year's AGM

The minutes of the last AGM held on 17th May 2012 were accepted by those present as accurate & correct & were duly signed off by the Club Chairman, Simon Charman.

3. Club Chairman's Report

There was one question from the floor regarding the Club Chairman's Report (copies of which were distributed to Members prior to the meeting).

Is the cost of the marketing company going to be covered by the increase in the membership numbers? Yes, they are only to be remunerated for the number of new members they introduce.

4. Presentation of the 2012 Club Accounts

The 2012 Club Accounts (copies of which were distributed to Members prior to the meeting) were presented by Lorraine Heather (the retiring Club Treasurer).

The key points from the accounts were:

- The Club made a small loss in 2012 of £12k
- Turnover increased by a modest amount of £7k, reflecting flat social membership income, an additional £15k from Gym membership and a small reduction of £5k in bar income
- Cost of sales increased by £15k, driven by increased bar costs
- Administrative expenses increased by £30k, driven by the loss of our rates rebate from Horsham District Council, costing the Club an additional £17k, together with additional staff costs of £16k following vacancies in the previous year
- Operating income reflects rental from the flats and interest receivable remains low due to market conditions
- The Club has £460k in the bank, which we are careful to ensure we invest in the Club to secure membership going forward
- We have invested £30k during 2012 in:
 - i. the Gym, purchasing weights, air conditioning, rubber matting, a TV and cardio equipment.
 - ii. refurbishing the lounge bar
 - iii. improving the patio area and
 - iv. upgrading some bar and kitchen equipment
- As noted in the Chairman's Report, we have also approved some pitch drainage work to be undertaken in 2013.

Questions raised:

Q What was the reason to refurbish the lounge bar.? It is not comfortable.

A The furniture was threadbare in some places, it was long overdue. We understand that the result is not to everyone's taste, but we have also received good feedback about the refurbishment.

Q Why is marketing costs so high, was it a conscious decision?

A Yes, we knew we need to increase our profile to the general public to increase our Gym membership, particularly in response to the high level of advertising by our competitors.

Q Are you still monitoring bar wastage?

A Yes, monthly by an independent 3rd party.

Q Still running out of certain crisps and some drinks. The vending machine on a Sunday is half empty.

A Matt Russell will speak to the staff responsible for stock ordering. **ACTION: Club Office**

The accounts were adopted unanimously. Proposed by Paul Finn & seconded by Simon Charman

5. Approval of the Two General Committee Representatives who have been elected to serve on the Executive Committee

In accordance with Rule 9.1(b), Mr Ray Sutton and Mr Tom Chapman were elected by the General Committee to serve on the Executive Committee. There were no other nominations. The AGM approved their election.

6. Election to the Executive Committee

In accordance with Rule 9.1(a), the Club Chairman, Mr Simon Charman, the Club Deputy Chairman, Mr Paul Finn, the Club Treasurer, Mrs Lorraine Heather and four Members' Representatives, Mr Bernard Owen, Mr John Maher, Mrs Carole Charman & Mr Adrian Phillips, all retired from office.

Mrs Lorraine Heather did not offer herself for re-election. The Club will continue to look for a replacement Club Treasurer.

Mr Simon Charman and Mr Paul Finn were proposed to remain on the Executive Committee by Carole Charman and seconded by Simon Cossons.

The other 4 Committee Members offered themselves for re-election to the positions shown above. Neil Morrison was the only new nomination from the general membership to serve on the Executive Committee. A private ballot took place to vote for 4 out of the 5 nominations.

The result was that Carole Charman, John Maher, Neil Morrison and Adrian Phillips were elected to serve on the Executive Committee.

Thanks were given to Bernard Owen for his time spent on the Executive Committee.

The appointment of these 4 was proposed "en bloc" by Paul Greenstreet & seconded by Paul Finn.

7. Appointment of Club Accountants

The Executive Committee explained that they want to seek approval to formally appoint Spofforths to replace our current accountants Morris Palmer, as accountants for the 2013 financial year as they have a specialist team that look after Clubs and they have given us good advice of how savings can be made.

Proposed by Diane Sutton & seconded by Paul Finn.

8. Any Other Business

8.1 audited accounts vs Independent Assurance report

Spofforths have advised that there is no legal need for our accounts to be audited as we are not big enough to qualify for a mandatory audit. Instead of an audit we could have an Independent Assurance (IA) Report. This is better than just accounts preparation (which is the minimum that we have to produce legally), but provides more comfort to our members that our accounts have been independently examined. Having an IA would save circa £2500 pa in costs. Proposed by Simon Charman & seconded by Paul Greenstreet.

The following amendments to the Constitution will now be made:

a) **9.2 Particular Powers of the Executive Committee**

To remove the word "audited" from paragraph (d). The new wording will be:

(d) To approve the Club's annual accounts (including Revenue, Expenditure and Capital) for submission to the membership at Annual General Meetings.

b) **12. Annual General Meeting (A.G.M.)**

To amend all references to "Auditors" to "Accountants" in paragraphs (a) and (f). The new wording will be:

(a) To receive from the Officers of the Club, the Executive Committee and Accountants, the Chairman's Report, the Club Financial Accounts and a summary of such other reports or operational statements relating to the previous calendar year's business as appropriate and to propose the approval and adoption of such reports, accounts and statements.

(f) To appoint Accountants.

c) **18. Accounts and Audit**

i) To remove the words "audited and" from paragraph (e). The new wording will be:

(e) After the end of the Club Financial Year, the Club Treasurer will be responsible to the Executive Committee for the preparation of a balance sheet for the year ended 31 December and an Income and Expenditure Account for the same 12 month period. These accounts will be submitted to the Club Members at the Annual General Meeting for adoption.

ii) To amend reference to "Auditors" to "Accountants" in paragraph (h). The new wording will be:

(h) The Accountants of the Club shall be those approved by the membership at the Annual General Meeting.

8.2 Junior Category. This is being proposed as some Sections wanting to encourage junior members to join. The proposal is that 16 & 17 year olds can join the Club on their own and pay the same subscription rate as a New Club Family Member. They will be able to sign in guests. This new category may not be implemented straight away, but this is the time to get approval from the membership so that we can amend the Constitution in preparation. Proposed by Tom Chapman & seconded by Diane Sutton.

The following amendments to the Constitution will now be made:

A) 5. **Membership**

The paragraph is to be replaced with the following:

A **Club Member** is defined as any person elected to Club membership under one of the Membership Categories detailed in Sections 5.1 (a) to (i).

B) 5.1 **Membership Categories:**

The following is to be added after **(h) New Club 60+ Member**
(i) Junior 16 & 17 Year Old Member

C) 5.2 **Eligibility and Rights:**

(f) New Club Member

The 2nd bullet point, shown below, shall be deleted

- By exception, an application for membership may be considered from a young person aged 16 or 17 but, if elected, they will not be permitted to vote at any General Meeting of the Club until they have attained the age of 18 and a period of at least 6 months has elapsed since the date of their election.

D) The following is to be added after

(h) New Club 60+ Member, being any person aged 60 or over who applies for Club membership after 30th September 2003 and is elected by the Membership Committee whose rights shall be:

- The same as those of a New Club Member

(i) Junior 16 & 17 Year Old Member, being any person aged 16 or 17 who applies for Club membership without being linked to another Club Member and is elected by the Membership Committee whose rights shall be:

- The same as those of a New Club Member, they will not be permitted to vote at any General Meeting of the Club until they have attained the age of 18 and a period of at least 6 months has elapsed since the date of their election.

8.3 Update on the Club's lease situation with Horsham Football Club (our landlords).

The key areas that we have agreed with HFC are:

- A 25 year lease
- £60k Annual rent (currently £61k pa). Note: At the beginning of negotiations HFC wanted £120k pa rent
- 5 year rent reviews. Note: At the beginning of negotiations HFC wanted 3 year rent reviews
- A Maintenance Fund of £200k has been agreed as a one-off payment
- Roughly half the field will be sold to Croudace (by HFC) for housing development, to fund their development plans at Hop Oast. The remaining site will be protected from further development / sale.

This new lease will come into effect if and when HFC receive planning permission for housing (circa 55 dwellings) at the Holbrook site, and when HFC conclude the sale of land to Croudace.

The Directors believe this is a good deal for The Holbrook Club, securing our future for the next 25 years.

If HFC don't achieve planning permission the new lease will not be valid, and we will restart lease negotiations with HFC. HFC may find it hard to find a buyer if they don't get planning permission.

Q Now the lease has been signed will that enable the Club to borrow for capital expenditure?

A Yes, there are various grants that could be available. E.G. from LTA for floodlights. Also, there is potential for “soft loans” which are interest free. The downside is that we are seen as cash rich, so may not qualify for grants. Spending some of our funds on development may increase our chances of getting grants.

Adrian Phillips asked that we formally recognize the hard work from Simon Charman, Paul Finn and John Maher in these negotiations.

8.4 Potential capital-spend

A) Pitch drainage for the two pitches nearest the Clubhouse. The current drainage is (very old) farm drainage, not sports-field quality drainage. We have lost a lot of money due to cancelled sports over the past 2 years, so improving the drainage is a priority. The work will be completed ready for the 2013/14 season. If/when Croudace finally take ownership of the two bottom pitches for housing development, we will need to look at alternative pitches (locally) for use by our football teams.

B) Our plan for the future is to enlarge the Gym. We believe this will attract more members and therefore income.

C) We would like to increase the bar in the main hall to allow more bar staff to serve at any one time and therefore reduce waiting time for customers (& increase sales).

D) The Ladies toilets (not changing room or shower room) are to be re-furbished in August. Jan Turner asked if she could volunteer in that project. **ACTION: Club Office to liaise with Jan**

Now that we have secured our future, we have employed a surveyor to provide us with a 10 year maintenance plan. This will guide us on how to use the £200k maintenance fund.

A suggestion from Jan Turner is to add a steam room, sauna and/or Jacuzzi, when increasing the Gym. This will be considered, as part of the overall development.

It was mentioned that the reception area needs redesigning. We have plans from a design company which encompass gym extension, a new reception, and separate wet and dry changing rooms. Whilst nothing has been agreed yet, these plans are being considered as part of the overall development plan for the Club.

It was mentioned that the rifle range when it was built had sufficient foundations to support a second storey. This is very interesting and once verified will be considered in the development plans.

All structural changes need HFC approval. Internal decoration we can do without approval of HFC.

It was pointed out that the Gents shower area is in need of a deep clean. **ACTION: Club Office**

8.5 Questions from the floor of the A.G.M. were taken by the Executive Committee.

a) Are we looking at BT as a provider of Sports TV at the Club? Yes, we are.

b) The large screen in the main hall needs focusing and the image needs to be adjusted so that it fits the whole screen. **ACTION: Club Office**

c) A member questioned the quality of our bitters, especially Horsham. He believes that the Club is giving too much choice / stocking too many bitters, which means they don't get drunk quickly enough & the quality deteriorates. Can this be addressed? **ACTION: Club Office**

- d) With the new marketing drive, what is the target membership number? We aim to increase from 2300 to 2500
- e) Do we ask members that leave why they have left? Yes we do. Responses are often “moving away”, “financial”, “don’t use the Club”
- f) Are we aware that there is a new bowling facility nearby and so potential competition? We do keep an eye on the competition – fees, offers, refurb etc
- g) It was commented from the floor that the price of the coffee from the machine - £1.50 was high. A response from the floor was that it is excellent coffee and the price is ok.
- h) Paul Greenstreet expressed thanks to the Executive Committee

Meeting closed at 8.15pm.

Signed by..... (Simon Charman, Club Chairman)

Dated.....