

**DRAFT**

**MINUTES OF THE 95<sup>th</sup> ANNUAL GENERAL MEETING  
OF SUSSEX YACHT CLUB LTD  
HELD SATURDAY 30<sup>th</sup> JANUARY 2021  
Virtual Live Event via Microsoft Teams**

The meeting commenced at 10.00 hours

The Commodore, Kevin Headon (KH), advised that due to technical difficulties the meeting would be adjourned and recommence at 11.00 hours. The Commodore apologised and advised that only 24 attendees had joined the current meeting. KH advised a new link for the 11.00 meeting had been sent.

The meeting recommenced at 11.00 hours

Tim Leigh (TL) welcomed everyone to the recommenced meeting and thanked all attendees for their forbearance and apologised for the technical issues experienced. TL showcased photographs of the new clubhouse taken by Ian Bush.

TL advised of the virtual meeting structure and the meeting was being broadcast from the first floor of the old clubhouse. TL advised that the Minute Secretary, Agnes Bristow (AB), was logged in and recording the meeting remotely and making a note of maximum attendee logins but advised of the inaccuracy as more could be listening in on one device. TL advised the Commodore and Vice Commodore, Terry Kinch (TK), were present for the meeting and confirmed TK as the Returning Officer supervising the virtual election and voting. TL advised Hon Treasurer David Nunn (DN) was logged in remotely. TL advised questions should be submitted via the Q&A Chat facility to be read aloud and answered by either KH, TK or DN and noted the 20 second time lag. TL advised any unanswered questions will be transcribed to the Minutes, answered and published.

TL summarised the Agenda and noted a few changes such as the Vice Commodore's address with an update on the new Clubhouse. TL also advised that the nominee for Hon Treasurer had withdrawn. TL advised DN had agreed to continue to monitor the accounts, but Dave Ramus, the current SYC President and newly elected Director, will now chair the Finance Committee and report to the Board. TL advised the Commodore requested the AGM will focus on Company Business and Club matters addressed at a separate meeting be held in the new clubhouse when restrictions are lifted. He advised the presentation of trophies and questions regarding Club Business will then be addressed. TL advised of matters requiring a vote which have been done in advance.

TL formally opened the meeting open and noted any apologies received.

**Present in propria persona:** Kevin Headon (KH), Commodore, Terry Kinch (TK), Vice Commodore, Tim Leigh (TL), Company Secretary & Ex-Officio

**Present virtually:** David Nunn (DN), Hon. Treasurer & Rear Commodore, Agnes Bristow (AB), Minute Secretary & Ex-Officio, and 168 Attendees recorded as joining the meeting via Microsoft Teams

**Apologies:** Rory Dryden, Chris Scriven, Chris Knight, Maggie Knight, Dicky Jackson, Sharon Jackson, Peter Stimpson, Diedre Tessa Ball, Tim Worsfield, Jenny Worsfield, Graham Roberts, John Bates, Irene Bates

**1. COMMODORE'S ADDRESS**

Kevin Headon (KH), Commodore, welcomed attendees who had joined the meeting.

KH acknowledged that the year had been difficult and although it had been challenging, work had continued. KH advised TK will be providing an update later in the meeting on the construction of the Clubhouse which was close to completion. KH noted that many had been involved in the project over the years and offered thanks and congratulations to Terry Kinch, Tony Curtis, Derek Copeman and Tim Leigh for their time and effort. KH advised that their work will continue with management of the flood defence construction in conjunction with the Council. KH advised of the Southwick Marina project, managed by Mark Sharp and more recently by Kevin Knight, and gave his thanks and noted the team's efforts for making the project cost effective.

KH advised that between lockdowns SYC had managed to get back on the water with the introduction of Stand Up Paddleboarding, headed by Alan Fry, with many members and families enjoying being on the river under Joc's, SUP Instructor, tuition. KH also noted the Club Sonars meaning members had the opportunity to sail. KH noted the highlight of the sunset sail to Palace Pier. KH hoped to introduce match racing this year to continue to encourage non-boat owners to sail.

KH advised Robin Stevenson and the Keelboat Team had organised popular and well supported Summer and Autumn Races along with a rally to Eastbourne.

KH advised Natalie Stansell, Steward, and her team had ensured everyone's safety in the Bar and Restaurant when it was possible to open with reduced staff, table service and following social distancing guidelines, and preparations were being made for the new clubhouse by Natalie and Sue Large with the House Committee. KH advised all would be kept informed of potential opening but noted this was difficult to predict. KH noted the challenges of adjusting to virtual meetings, staff furlough and changes in restrictions and guidelines.

KH noted the cancellation of the Royal Escape Race in 2020, the possibility of cancellation in 2021 and the lack of clarity regarding the impact of Brexit. KH advised Steve Vyse, RER Race Director, would launch the website shortly for registration of interest. KH hoped the event would proceed and took the opportunity to give thanks to volunteers, Steve and Tracey Thomas, for managing the entries, handicapping and results and Gary Gathergood for heading the finishing team and ensuring everyone's safety.

KH gave his thanks to the Directors for their hard work and for adapting to the ever-changing demands of 2020. KH noted the tough times the last year had faced. KH also gave thanks to the staff for their hard work and flexibility and hoped normality would return soon.

KH also offered his congratulations to TL for reaching 20 years at SYC and hoped to celebrate when possible.

## **2. VICE COMMODORE'S ADDRESS**

TK delivered the following report:

“Writing this update in the days leading up to this rather extra ordinary AGM we are waiting with bated breath for the hand-over of our new club house – at four o'clock yesterday afternoon we were advised that it would be another week and so I cannot give you the announcement I had hoped to today.

It is no secret that the build has been delayed by both the COVID 19 situation throughout the past year and by other contractual factors around the design and delivery of the project.

The building is now essentially complete following a final, successful air test this week but we will not take possession until the remaining weathering details are fitted and the 'defects-list' has been compiled to our agreement.

Anyone visiting the Shoreham site in the past few weeks will have noticed that the access ramps and outside areas to the North side of the new club house remain unfinished.

This has been a deliberate move on the part of SYC in response to the best advice from our professional team in conjunction with an undertaking from Derek Copeman (our incoming Vice Commodore) to project manage the construction of these elements with a separate contractor. This arrangement will enable us the control and risk manage these works which will start within a short time of us gaining possession of the site.

In terms of budget, I'm pleased to report that the project will be completed within the approved funds release from Main Committee and as it stands there will be a significant under-spend but this must be confirmed in the wash-up rather than counted now. Our Honorary Treasurer has included all known figures within the club accounts and forecasts for your further information.

With regard to the function and operation of the new building, this has been handed to the Main Committee and its standing sub-committees and is not a matter for SDP.

We have given notice to AWDC that we will vacate our old clubhouse completely in accordance with the original contract deadlines and we are now discussing details of the program for construction of the flood wall and associated works.

Final design of the new wall is not yet complete so we cannot accurately report to you on timings, design, finishes or operation of the flood barriers but once AWDC's design team have finished their work and agreed the necessary details with us we will pass on this information. I would add that the final details are unlikely to be presented and agreed much before the summer of this year.

So, for now I must say watch this space. As soon as we have access to the new building we will put up more images and video of the interior for you to see and will push on to complete the access and open the doors to you all as quickly as lock-downs, access ramps and stairs will permit."

**3. ADOPTION OF THE MINUTES OF THE 94<sup>th</sup> ANNUAL GENERAL MEETING HELD ON 29<sup>th</sup> FEBRUARY 2020**

A vote was taken in advance for the adoption of the Minutes of the Annual General Meeting (AGM) of Sussex Yacht Club.

Proposed: Commodore

In Favour: 116; Against: 0; Abstention: 5.

Carried.

**4. MATTERS ARISING FROM THE 94<sup>th</sup> ANNUAL GENERAL MEETING**

KH asked if there were any questions from the 94<sup>th</sup> AGM on 29 February 2020. None were received.

**5. REPORT AND ADOPTION OF SYC ANNUAL REPORT AND ACCOUNTS**

DN advised he hoped that all were able to see and hear him and should there be any difficulties, notify using the Q&A chat and TL would assist. DN acknowledged the difficult circumstances and advised that he was logging in from home rather than joining KH, TK and TL. DN advised that the Club had been prepared for flexible working in many ways such as the online systems for accounting (Xero and Harbour Assist) along with the introduction of Microsoft Teams. DN advised that whilst we have lost in person interaction, we have not lost control of our information or power to use it. DN hoped all had read through the report and accounts and advised he would not be repeating the report but build upon it and address any questions raised by members and update numbers where possible.

See Appendix 1 for the Treasurer's Address regarding the SYC Annual Report and Accounts.

Questions:

Spencer Neal asked if the Club's CASC status was confirmed and DN advised that the Club's CASC status had been in place for many years and once confirmed it stands.

Proposal for the adoption of the Sussex Yacht Club Annual Report and Accounts

Proposed: Commodore;

In favour: 103; Against: 1; Abstained: 9.

Carried.

**6. ADOPTION OF ANNUAL REPORT AND ACCOUNTS FOR SYC OPERATIONS LTD**

See Appendix 2 for the Treasurer's Address regarding the SYC Operations Annual Report and Accounts.

Questions:

None were received via the Q&A chat.

Proposal for the adoption of the Annual Report and Accounts for SYC Operations Ltd

Proposed: Commodore

In favour: 101; Against: 2; Abstained: 10.

Carried.

DN confirmed that Zoe Fry had withdrawn her nomination for position of Hon Treasurer and as this was after the closing date for nominations there will be no formal treasurer for the next year. DN advised Dave Ramus has offered to represent the position of Treasurer and Chair the Finance Committee and DN will continue to contribute as a member. DN advised that he would not remain as an Officer but has offered to work with the office to ensure SYC's accounts and other financial reports continue to be produced in a timely and accurate fashion and would also remain part of the SDP Team until completed.

DN also thanked the Secretary and the office team for their hard work, forbearance and support in the three years he has been Hon Treasurer.

**7. ELECTION OF COMMODORE**

TK as the Returning Officer advised that the following elected positions for Flag Officers and Directors, whether by ballot or due to there being no other nominations, have all been nominated and second in accordance with the company's Articles of Association.

The following has offered himself for election:

Commodore: Kevin Headon

KH expressed his thanks.

**8. ELECTION OF VICE COMMODORE**

The following has offered himself for election:

Vice Commodore: Derek Copeman

There being no other nominations, as per the Company's Articles, the nominee was deemed to be elected

**9. ELECTION OF REAR COMMODORES**

The following have offered themselves for election:

Rear Commodore: Sue Large

Rear Commodore: Mark Sharp

Rear Commodore: Robin Stevenson

A ballot was undertaken and TK, Vice President and Returning Officer, oversaw the count of votes following the club protocol.

The result:

Sue Large elected

Robin Stevenson elected

A clear vote was achieved, and the procedures were fair and valid

#### **10. ELECTION OF DIRECTORS**

There have been seven resignations (Nicola Besag, David Carroll, Alan Fry, Zoe Fry, Sue Large, Ann Macey, Tim Stevenson) and six nominations received from: Stefan Bishop, Patricia Hill, David Lee, David Ramus, Graham Roberts, Steve Vyse

As vacancies exceed nominees, per the Company's Articles, the nominees were deemed to be elected and welcomed as Directors.

#### **11. ELECTION OF PRESIDENT AND VICE PRESIDENTS**

TK advised the election of President and Vice Presidents had been voted for in advance of the meeting.

David Ramus has been proposed by the Board and has agreed to offer his services as President

Proposed: Commodore.

In favour: 114; Against: 7; Abstention: 7.

Carried.

Alan Saunders, Steve Vyse and Terry Kinch have been proposed by the Board and have agreed to offer their services as Vice Presidents

Proposed: Commodore.

In favour: 113; Against: 4; Abstention: 11.

Carried.

#### **12. ELECTION OF HONORARY MEMBERS**

The Honorary members listed in the Annual Report are proposed by the Board to be elected en bloc and were voted for in advance.

Proposed: Commodore.

In favour: 109; Against: 1; Abstention: 7.

Carried.

#### **13. APPOINTMENT OF AUDITORS**

The Board proposed that Clark Brownscombe be appointed as Auditors for Sussex Yacht Club for a further year and was voted for in advance.

Proposed: Commodore.

In favour: 105; Against: 8; Abstention: 4.  
Carried.

#### **14. PRESENTATION OF RACING PRIZES**

The Commodore advised due to the situation there would be no trophies presented.

KH advised that consideration of the recipient of the Percy Ludgate Trophy had taken place and noted its prestige as the recipient is nominated by the membership and open to all members from all sections not in office for outstanding contribution, activity and participation. KH noted there had been years when the Percy Ludgate had not been presented. KH advised the recipient this year is a longstanding member, Ex-Commodore, Ex-President and contributed to the biggest project undertaken by SYC. KH advised following the agreement to sell land and construction of clubhouse, it was required that 2 committees were formed, one being the upper house made of respected members overseeing affairs, support and challenge the working committees and protect members' interests. This year's recipient agreed to take on the role leading the upper house.

The Commodore was pleased to virtually present the Percy Ludgate Trophy to Tony Curtis.

KH noted his outstanding contribution to SYC over the years of membership. KH congratulated Tony Curtis and he looked forward to giving the award as soon as we are able.

#### **15. ANY OTHER BUSINESS**

The Commodore advised of the slight time lag and paused whilst any questions were submitted via the Q&A Chat facility on Microsoft Teams.

KH confirmed with TL that none were received and invited any questions for submission which will receive a response. Some questions had been presented prior to the meeting which were noted below:

##### Questions:

1. Michael and Sue Large - The latest figures I have seen for the total build cost in an email from Terry in July 2019 was £4.260m. So, it would be interesting for the members to know how much we have spent to date on our astonishing new Clubhouse as I can't identify which figure in the accounts represents this amount. And of course, how much still to spend? If the latest budget figures still apply there is some £850,000 still to spend...which is almost exactly what we had as a cash balance as at September. Though the December minutes forecast says we will now have a cash balance of only £200k. So how much does the final amount compare with what we were told variously as £1.8m in 2016 and £4.2m in 2019 and what cash might we have left to operate with this year?

Reply from DN: The major project funding comes from the sale of land (for the flood wall) to Adur DC for £3,300,000. We had anticipated receiving sponsorship

to support the extensive planned disabled access facilities which were not forthcoming and resulted in the removal of some features. The balance was to be funded from SYC's reserves. The project budgets were all authorised by the Main Committee both before the Members voted to sell the land and afterwards as the project stages progressed. The current forecasts shown that the project should be completed within these authorisations. The asset (shown as Assets under Construction) is on the balance sheet at £3,410,757, this has since increased to £3,693,420 by 31/12/20. The cost of the final stages is not certain, but we are confident they will come in under £500,000. This will increase the asset value to about £4,193,000. We forecast that our cash reserves after contractual payments and repayment of the bounce back loan will be about £180k at the end of June.

2. Michael and Sue Large - Re the Southwick project. Where are we? I can see that David values the Southwick pontoons at £345k but I can't find any reference either in your report or in the balance sheet as to the total cost of this project...ie. what we have spent to date and what continuing commitments we may have?

Reply from DN: The project was substantially completed by the end of the last financial year, the total cost was £345,040 and is shown as an addition under the Vessels, pontoons, buoys and jetties heading of Fixed Assets. The project is now under the control of the Maintenance and Moorings Committee who are developing a plan to finish off certain areas and possibly make some additions, subject to Main Committee agreement. The delivery and control of the project was reviewed in some detail by the Main Committee and there are no remaining actions from their review.

3. Michael and Sue Large - Directors Remunerations - not shown in the accounts as far as I can identify but were noted by David at the October Main Committee – It may now be routine to pay Directors for working for the Club (It never used to be). And they may indeed have appropriate skills, knowledge and professional expertise – but this presents a massive conflict of interest. E.g. MC approve a project and then a few months later some of those who participated in that meeting and decision are invited to work on said project and remunerated. Have the numerous pitfalls of this not occurred to the Board?

Reply from Commodore: No Directors receive any remuneration for carrying out their role as a Director of SYC. Some Directors do contract professionally with SYC for their products or services and this is accepted practice and always has been to my knowledge. The transparency of these professional services is advised and reported including auditors with on related party transactions declarations. Any conflict of interest is required to be declared before agreement.

4. David Parry - Is there any financial support available for members with a boat stuck in the yard who did have a launch booked and cancelled due to the current lockdown? There are members who are now paying mooring fees, harbour dues and yard fees.



Reply from Commodore: I am going to ask my Board of Directors to revisit this matter. When it was debated last summer we had had one lockdown and had effectively been closed for three months. We have now had three lockdowns and longer closures and we should ensure that the policy agreed then, remains valid today. I should advise that I have received quite a lot of emails suggesting that we should not revisit this decision. We are a club of its members and many members consider that they should be helping to ensure the long term viability of SYC .

5. Marie Waterhouse - Will the yearly subscription payment be delayed by at least 3 months if not more, due to the actual situation? Access has been limited for too long now, parking has been difficult and COVID 19 has even pushed us out altogether.

Reply from Commodore: Please refer to the answer on the previous question which is pertinent to this one also.

6. David Carroll - Last April we received a grant from the Peter Harrison Foundation of £50k to be used in building a ramp for disabled sailors and furnishings for the changing rooms. What progress, if any, has been made toward installing this ramp.

Reply from Commodore: This work has been removed from our current contractors and placed with new contractors who will start on site as soon as the current ones leave (this month hopefully). The work is expected to be completed within three months of arrival on site subject to weather and possible Covid delays.

7. Chris West – Why no progress on the groundworks at Shoreham construction site in recent weeks?

Reply from Commodore: All remaining groundworks have been removed from our current contractors and placed with new contractors who will start on site as soon as the current ones leave (this month hopefully). The work is expected to be completed within three months of arrival on site subject to weather and possible Covid delays.

The Commodore thanked everyone for their forbearance during these trying times and looked forward to meeting face-to-face at some point in the future.

There being no further questions the meeting closed at 11.44 hours

## Appendix 1

### **TREASURER'S REPORT AND ADOPTION OF SYC ANNUAL REPORT AND ACCOUNTS**

The Club is a Members club and has a variety of income streams so making it inherently less vulnerable to serious financial losses due to Covid. Key income is made up of members subscriptions, boat moorings, layup and yard storage, whilst these will be affected to some extent, to date they are holding up reasonably well.

Government support for the effects of Covid on our business was referred to in the accounts but I will give you a little more detail. Last year SYC received £31,224 in Furlough support, two £25,000 property grants and a reduction in business rates of £3,257. So, in total £84,481, plus we applied for and received a £50,000 repayable bounce back loan. The loan was drawn down as a prudent measure in the circumstances and I fully expect it can be repaid before interest starts to become due. As we all know the Covid situation is far from over yet and the Club has claimed further Government support this year but this situation is being kept under ongoing review by the Main Committee.

Some questions have been raised about the Southwick moorings project and I am happy to clarify where I can. The project was substantially completed by the end of the last financial year, the total cost was £345,040 and is shown as an addition under the Vessels, pontoons, buoys and jetties heading of Fixed Assets. The project is now under the control of the Maintenance and Moorings Committee who are developing a plan to finish off certain areas and possibly make some additions, subject to Main Committee agreement. The delivery and control of the project was reviewed in some detail by the Main Committee and there are no remaining actions from their review.

I will now try to clarify the financial situation in respect of the new clubhouse project (SDP) and again hopefully address some member's questions. There are a number of separate parts to the financial model and I will attempt to show how they relate one to the other.

The costs are made up of the fixed price construction contract which is only amended where necessary through our building consultants RLF. To this is added the cost of the various consultants, legal etc required to design, ensure we haven't missed anything, gain permissions, control expenditure and ensure we are able to take delivery of the clubhouse we expected. Then Vat is added at 20% to the totals.

This gross cost was then planned to be reduced by some Vat recovery under HMRC's Capital Goods scheme. The percentage recoverable is based on the proportion of our Vat Group (SYC plus SYC Operations) standard rated turnover to total turnover. We originally estimated this to be 32%, of the Vat, but is likely to be finalised at a higher figure which will reduce our end costs.

The major project funding comes from the sale of land (for the flood wall) to Adur DC for £3,300,000. We had anticipated receiving significant sponsorship to support the extensive planned disabled access facilities. As the project progressed it became clear that much of this would not be forthcoming. Sadly, this resulted in us having to remove some features from the building to try to close the funding gap. The balance was to be funded from SYC's reserves.

The project budgets were all authorised by the Main Committee both before the Members voted to sell the land and afterwards as the project stages progressed. The current forecasts shown that the project should be completed within these authorisations. The asset (shown as Assets under Construction) is on the balance sheet at £3,410,757, this has since increased to £3,693,420 by 31/12/20.

The cost of the final stages, about which Terry has already spoken, are not certain but we are confident they will come in under £500,000. This will increase the asset value to about £4,193,000. We forecast that our cash reserves after contractual payments and repayment of the bounce back loan will be about £180k at the end of June. I'm sure some eagle-eyed member will spot that last year I forecast the final asset value as £3,963,000, unfortunately our lack of sponsorship has caused this to increase.

Just to clarify the situation on loans or borrowing. Apart from the £50,000 bounce back loan, which I hope will be repaid shortly, the Club has no other borrowing. A bank facility was obtained for up to £300,000 as a prudent contingency in respect of the new clubhouse project. None of this has been drawn down and I do not expect that the Club will require any of it.

## Appendix 2

### **TREASURERS' REPORT AND ADOPTION OF SYC OPERATIONS ANNUAL REPORT AND ACCOUNTS**

The first thing to say is that we changed the name of the company from SYC (Bar & Catering) Ltd to SYC Operations Limited during the year. This was to give us greater freedom in how we organise Club activities in the future. The company remains a 100% owned subsidiary of SYC and currently the only business remains the Bar and Restaurant.

The Bar and Restaurant was already suffering from the disruptive side effects of the Clubhouse construction then, as you will be aware the second half of the year suffered massively from the effects of Covid. This was totally beyond our control but the company did get some Government support to the tune of £31,447 to help with Furlough.

We also applied for and received a £50,000 repayable bounce back loan. The loan was drawn down as a prudent measure but in this case, it looks like it may be required to support the re-establishment of the business in due course.

The Bar and Restaurant will benefit from a superb new clubhouse and as soon as we are clear from Covid we can start to rebuild the business and have it providing the service and facilities that members rightly expect whilst making a financial contribution to the club.