

**Minutes of the 38th Annual General Meeting of the  
KEW COMMUNITY TRUST  
held at St Luke's in The Avenue on Monday 28th September 2020**

***Welcome and Apologies.***

**TRUSTEES**

***Present:*** Jeff Harris (Chair), Janet Chesterton (Treasurer), John Armitstead, Lucinda Evans, Angela Holt, Bernie Jackman, Margaret Marshall, Diana Ormond, Stephen Robinson, Bridget Towers, Shiona Williams

***Apologies:*** Mark Boyle and Rory McPherson

**STAFF**

***Present:***, Philippa Anderson, Patrick Boateng, Siobhan Clegg, Lisa Gardner-McTaggart, Caroline Hart, Vicky O'Neill

**OTHER TRUST MEMBERS**

***Present:***, Valerie Booth, Bill Cottle, Sally Durant, Stephen Eagleton, Celia Evans, Caroline Jackson, Mark Jackson, Ellie Kinnear, Michael Lowe

***Apologies:*** Leslie Foreman, Diana Guy, Robert Guy, Teresa Hartley

**WELCOME:** The Chair, Jeff Harris, extended a warm welcome to everyone present. He thanked everyone for braving the worries of lockdown, and coming to support KCT. It was an unusual AGM for KCT as it had been necessary to restrict attendance to only Trust members because of the limit on numbers who could safely be in attendance in the Hall. There would be no guest speaker and it was not even possible to offer attendees a cup of tea.

***1. To receive and approve the Minutes of the AGM held on 7th October 2019.***  
The Minutes were agreed to be correct. ***Approval proposed by Sally Durant and seconded by Diana Ormond. Approved unanimously.*** Minutes signed by the Chairman.

***2. To receive the Report of the Trustees from the Chair***

The Chair presented the Report of the Trustees:

“It has been a most unusual year! For the first half of the year we were achieving so much. The Avenue Club was developing new activities, very well supported by its Members, well run by our stable and experienced staff team. Lettings of the Avenue Halls were going well, following some recent refurbishment.

And then on 17<sup>th</sup> March everything stopped.

The Covid virus and the resulting Government regulations, forced us to close the Centre and cease all activities. Trustees reacted quickly to the highly restricted role of the charity and the total loss of all activity or lettings income.

We asked three of our staff team to go onto furlough, with KCT topping up their income in full. We gave financial assistance to our class tutors and teachers to help them cope with their loss of income. And we agreed with Nicola Patel, our chief executive, that she should leave the charity, following the new, restricted activity of the charity. We thank her for her contribution to the charity.

Our Trustee team has been relatively stable, although Georgy Evans retired as a Trustee during the period. We thank her for her excellent advice to the Board.

Those were the negatives. The positive action was the huge effort immediately made by Lisa, Caroline, Vicky and Siobhan to contact as many of the Club Members as we could; on a regular basis; by phone, e-mail and newsletter, to keep in touch, and be a point of contact. And that has continued, for which we are most grateful although we recognise that it has put a lot of pressure on the Avenue Club team. But that contact has been so appreciated by so many Club Members.

Special thanks to Lisa for all her work on this and a special tribute to her for having completed 20 years of great service to our charity. The Covid crisis put paid to any party to celebrate, but we did all get together on Zoom to thank her.

What has been a big positive has been the development of a number of classes using Zoom technology. Several class tutors and leaders have shown real versatility: several Members have shown outstanding skills in learning new technology.

Now, things are starting to get even better. Some ten classes have restarted, some still through Zoom, ranging from chiropody, through exercise classes and language classes through to the popular Walking Group.

We have brought back staff from furlough, most noticeably our 'site supervisor extraordinaire Patrick. I mentioned Lisa's long service but this is eclipsed by Patrick who has served this charity so well for 30 years! Great service and very much appreciated, Patrick.

Let us hope that we can continue with the re-opening program for the Centre. Of course, everything depends upon the control of the virus. And I must say a special thanks to Vicky, who has stepped up to Acting Centre Manager following Nicola's departure, and has made a great success of the role.

My fellow Trustees have been superbly supportive during the last half year. Trustees are leading committees working on several themes.

We have carried out a huge amount of work to ensure that our disciplines in these premises meet all regulations to protect all visitors.

John Armitstead has led a team looking at signage, cleaning procedures, social distancing arrangements, and has directed our new procedures. We have sought appropriate legal guidance and passed a visit by the Borough Principal Environmental Health Officer. We have even bought a new electrostatic cleaning sprayer – expertly wielded by Patrick!

Don't underestimate just how much effort has to be put into cleaning every room, every surface, every object handled after each meeting.

Steve Robinson leads the Technology committee looking at substantial revisions to our website, new telephones, new broadband. These are big projects, probably long overdue but which will hugely help the charity and our staff team in the future.

Our longstanding committees have been equally busy. Finance Committee carefully monitoring our financial position during this period of loss of income. Personnel Committee revising our staff contracts and conditions. And a newly formed Fundraising Committee looking into how we can reduce the loss of income and cash during this period of restricted opening.

Those of you who know us, also know that we are hugely fortunate to be well endowed through the tremendous generosity of the Sheila Marwood Bequest. But maintaining the charity at its current level eats into our reserves and our cash. Trustees are acutely aware that we have a responsibility to maintain those reserves for the long term, for future generations. We shall be looking to the Community and to our many loyal supporters to see how we can work to this end.

So, to end, thanks to all of you who support this great charity – our Members, our Staff and our Trustees. A lot has been achieved but we still need your support going forward, perhaps now more than ever!

Thank you.”

There were no questions on the Report of the Trustees from the Chair.

***3.To receive and approve the Accounts for the year ending 31 March 2020 and the Report of the Management Committee and Accountants thereon.***

The Treasurer was very pleased to present her report as Treasurer to the members of the Trust:

“I hope you have managed to access the accounts for the year to March 2020. They are available to review online via a link on the KCT website and also on the Companies House website.

I’m going to start with a review of the financial year ending 31 March 2020. I will go on to discuss the Investment review and conclude with an outline of the financial impact of Covid-19 on KCT in the current financial year.

**So, to begin with the financial year ending 31 March 2020, headline results were as follows:**

- Income was £320,000 (-12%)
- Expenditure £373,000 (+9%)
- Net expenditure before loss on investments (operating deficit) (£52,000)
- The unrealised loss on revaluation of investments (£91,000)
- Reduction in funds for the year (£143,000)
- Total funds at year end were £3.46m (2019: £3.60m) of which £2.93m (2019: £3.06m) comprised the general fund.

Trustees had budgeted an operating deficit for the year taking into account surpluses generated in recent years.

Let’s look at the reasons for the overall reduction in funds.

**Looking first at the income for the year:**

There are three main reasons for the reduction in income:

1. No fundraising event was held during the year whereas the Masquerade Ball generated £18k of income in 2019.
2. Lettings income reduced by 16% to £84,000. This result is still a substantial increase in lettings income compared with years before the Marwood Room and increased staff capacity but less than the previous year due to fewer large value events such as wedding receptions. Furthermore, the closure of the Centre on March 17<sup>th</sup> due to Covid-19 meant the loss of two weeks’ income.
3. Avenue Club grant income from the Community Independent Living Scheme (CILS) contract fell by some £12,000. This new contract with Age UK Richmond took effect in November 2019 and the full year impact of the reduction in funding (amounting to £29,000) will be seen in the 2021 financial year.

Two other points of note regarding income:

KCT continues to benefit from the ongoing support of its ‘Community Supporters’ who commit to making regular donations and have been doing so for many years. Indeed, many are also KCT members and some are with us today. However, over time, the number of supporters has been declining and building new support within the community will be one aim of the newly formed Fundraising Sub Committee. The Avenue Club received legacies from two former members, William Timmis and Lenore Thomson which were used towards the costs of supporting some more vulnerable members who attend the Monday Club or Transport and Carer Day. All these contributions are very much appreciated.

The investment in CCLA’s Charities Investment Fund produced income of £97,000 in the year, a yield of 3.45%, compared with income of £95,000 the previous year.

### **Moving on to the costs for the year:**

The most significant increase in costs relates to staff costs. The Trust incurred a three-month duplication in Chief Executive costs as Nicola Patel returned from maternity leave and both she and the Interim Chief Executive, Judi Braddock, took annual leave (covered by each other) and shared a handover period. KCT has also taken on a part time Finance Manager, Bernadette Bird, who is now able to take on much of the operational work previously fulfilled by volunteer Treasurers. The increased Avenue Club membership meant more work for the Avenue Club team and overtime increased.

The building refurbishment plan progressed during the year with the Alexandra Hall refurbishment and the adjoining toilet was split to create two new and updated facilities. As with major refurbishments in previous years, these works were funded from cumulative surpluses generated since receipt of the Marwood Bequest in 2017.

### **Review of CCLA Investment**

The Finance Sub Committee reviewed the performance of the investment in CCLA's Charities Investment Fund in January 2020. Rory McPherson (one of our Trustees) produced a comparison of CCLA's performance since 2017 against four comparators (Ruffer Investment Funds, Newton, Jupiter and Saracen) as well as Emerging markets index and the Bond market index. CCLA has outperformed each of these and Rory's assessment is that the Fund's performance has been excellent. Total return over the three years since investment was 36.78%

Based on the strong performance of the investment over the last three years, given that KCT's investment objectives are unchanged and CCLA's costs are low, the committee concluded that there was no reason at this stage to consider alternative fund managers.

As we all know the global pandemic has seriously affected global stock markets. The depreciation in the Investment Fund at 31 March 2020 is reflected in the unrealised loss of £91,000 shown in these accounts. However, since then, the Investment Fund has shown a strong recovery. The latest valuation at 24 September is: £3.24m which is an appreciation of £440k on the year end position. Heather Lamont from CCLA addressed Trustees at our April meeting and reassured us about the strategy of the fund and CCLA's intention to retain this year's dividends at the same level as last year which they have done so far this year.

The Trust has had sufficient cash to cover costs in the current year despite the fall in income so the investment has not yet been depleted. However, with the uncertain economic outlook and major roof repairs due in the next few years, it is likely that the Trust will need to realise some investment units to cover the expenditure and this will impact future investment income.

### **Now, an outline of the financial impact of Covid-19 on KCT in the current year:**

- The main financial impact of Covid-19 has been the loss of lettings income which comprises some 25% of income. About a third of regular hirers will have restarted by early October but with some at reduced hours and with no ad hoc hirers, lettings income will be minimal this year.
- A new Fundraising Sub Committee has been set up to consider alternative ways of generating income.

- KCT's Chief Executive, Nicola Patel left the Trust at the end of May. Her work is being covered at present by the staff team, some of whom are working increased hours, and by Trustees until the Trust's future staffing requirements become clearer.
- Three staff were furloughed when the Centre closed and KCT was able to claim the Job Retention Scheme Grant to cover a portion of their wages. The Cook, Blake Borland, left in June and has not been replaced as no meals are being served yet.
- In recognition of their service and value to the Avenue Club, Trustees agreed to support Avenue Club Service Providers at 50% of their normal fees to the end of July even though few were able to provide classes online. The net cost to the Trust was some £10,000.
- An extensive review of overheads has been done with several contracts renegotiated at favourable rates.
- Additional costs, such as cleaning costs and legal fees to update lettings contracts, have been incurred to reopen the Centre safely. In addition, Trustees agreed a budget to rebuild the website to facilitate easier updates about activities and ultimately to enable online class bookings and payments.
- Further refurbishment of the building has been postponed until sufficient surpluses are available to justify the work. However, the Trust continues to fulfil its lease obligation to maintain the building. A drone survey of the roof was conducted recently and architects advise that significant work on the roof will be required in the next 5-10 years. Trustees are currently working with the PCC to determine when this work will be commissioned and how it will be funded.
- Overall, I anticipate a significant operating deficit in the current financial year which Trustees have agreed to fund from reserves.

### **To conclude:**

Like all of us, KCT faces an uncertain time ahead. However, the Trust is adapting to changing times and new ways of working. Whilst the Trust benefits from significant reserves, Trustees are also mindful of the longer-term effect of reducing this capital base and will work towards preserving them as best we can. The Trust is committed to continuing to support Avenue Club members and the wider community whilst prioritising the safety of Staff, Club members and Hall users and managing resources to do so.

### **I would like to thank:**

- Bernadette Bird, KCT's Finance Manager, for all her help since joining in June 2019 and particularly for preparing this latest set of accounts
- The Trust's landlord, for their ongoing co-operation
- And finally, Lisa, Vicky and all the staff for their help in the last rather turbulent year."

There were no questions on the Report and Accounts.

***Approval of the Report and Accounts was proposed by Shiona Williams and seconded by John Armitstead. Approved unanimously.***

**4. The Meeting was then asked to authorise the Management Committee to appoint P K Group as the Trust's reporting accountants and to agree their remuneration.**

***This was proposed by Bridget Towers and seconded by Shiona Williams. Approved unanimously.***

#### **5. Re-election of Trustees**

The Chair explained that John Armitstead, Rita Kamat, Margaret Marshall, Steve Robinson and Shiona Williams were retiring by rotation and offered themselves for re-election,

The Chairman asked that the re-election of Trustees should be approved under one proposal: ***this was proposed by Angela Holt and seconded by Diana Ormond. Approved unanimously.***

#### **6. Any Other Business**

There were no further questions. The Chair declared the formal part of the Meeting finished. The Chair thanked everyone for attending and sincerely hoped that the next meeting would be in safer and more auspicious circumstances. The Meeting was declared closed.