

DRAFT MINUTES OF THE THIRTY EIGHTH ANNUAL GENERAL MEETING OF BRITISH ROWING held on Monday 8 November 2021 at 7.00pm.

Owing to the COVID-19 pandemic this meeting was held electronically under the provisions of the Corporate Insolvency and Governance Act 2020.

PRESENT

Regional Chairs & Representatives (Members): S. Aitken, C. Anton, C. Armstrong, B. Bader, A. Blit, P. Brett, C. Briegal, J. Cary, L. Curtis-Green, L. Dillon, S. Drury, C. Eales, S. Edwards, G. Coates, H. Hackett, C. Hickson, A. Hock, R. Hooper, S. Isaac, P. Jackson, P. Knowles, M. Laing, J. Macdonald, H. Middleton, R. Miller, G. Moore, T. Morris, V.J. Perry, E. Phillips, K. Phillips, S. Walker, W. Sardar, M. Williams, J. Wishart

Board Directors: M. Davies (Chair), A. Marks (Interim CEO), K. O'Sullivan (Deputy Chair), P. Milhofer, Tina Kokkinos, N. Hubble, S. Reeves, L. Lion, M. Claxton, and K. Vleck.

Also Present: B. Wilson (Deputy Chair Sport Committee) K. Baillie, T. Doncaster, R. Stock, S. Lightman.

Apologies: Liz Behnke

I. CHAIRMAN'S STATEMENT

M. Davies welcomed everyone to the online meeting. M. Davies introduced the Board, highlighting the new Board members P. Milhofer, T. Kokkinos and M. Claxton. He thanked the Board for the significant amount of time and input they gave to the sport. He asked the group to take a moment to remember and commemorate all the friends and colleagues of British Rowing lost over the past year.

ORDINARY BUSINESS

2. Apologies for Absence

Noted and recorded above. Under Article 62 fifty per cent (50%) of the Members in person, which included those present electronically, was a quorum. The meeting was confirmed to be quorate.

3. To approve the Minutes of the Thirty-seventh Annual General Meeting held on Monday, 28 September 2020.

The minutes were agreed to be an accurate record of the meeting and were approved.

4. To receive the accounts of the Company for the year ended 31 March 2021 together with the reports of the Directors and Auditors

The Directors' Report and Financial Statements were presented to the meeting by T. Kokkinos as Chair of the Finance Committee. T. Doncaster, British Rowing Director of Finance was also present. T. Kokkinos explained that 2020 had been an unprecedented year due to COVID-19, lack of income

due to no competitions and a delay in UK Sport funding. The organisation had received no furlough payments under the government's scheme due to most roles being publicly funded. The organisation's investment portfolio had given an excellent return of 13.2%. British Rowing continued to have a low risk, cautious investment policy but had steered away from holding cash which realised no material return. The audit had gone very smoothly with a positive result and a strong performance. British Rowing had finished the financial year with a very small net surplus, mainly due to the financial investment gains. Broadly speaking, a positive result, but the balanced budget that was hoped for at the beginning of the financial year was not achieved. Again, this was mainly due to income dropping and cuts to expenditure not being felt immediately. The reserve funds had been used for the Club Emergency fund when needed to prevent clubs closing. Going forward, the aim remained to ensure a balanced budget. This was a strategic aim of the Board who continued to streamline the accounts.

The Chair invited any questions. C. Anton asked why other income for the year showed as negative in the accounts. T. Kokkinos answered that this was explained by a timing difference, year on year and was due to one off small items.

A. Blit asked S. Lightman whether the process whereby the new auditors Buzzacott were appointed was in line with the terms of the articles and in general accordance with good practice. S. Lightman assured him that they the appointment was made in line with both. P. Milhofer pointed out that the previous auditors *hayesmacintyre* had resigned and that it was up to the Board under the terms of the articles to fill this vacancy which they did through a formal tender process.

S. Drury expressed an acute concern felt by himself and his own club that the organisation was operating in an unsustainable way. The monies received by regatta fees and club affiliations was not covering the expenditure being made. He felt concern that there were not sufficient reserves to ensure an orderly wind down process if needed and that the positive position held was only due to an investment return. T. Kokkinos answered that the organisation was fully confident that they held sufficient reserves and that these were managed proactively and regularly. They were currently reviewing their reserves policy. T. Kokkinos reiterated that British Rowing did not want to spend more than earned and the 77K depletion last year was a positive result. M. Davies said that that he was acutely aware of the issue and that a return to financial stability was a fundamental aim and one he expressed on joining as Chair three years ago. He noted that steps had been made, namely i) they had agreed a balanced budget going into this year albeit they had not achieved it, ii) British Rowing had recognised it needed to grow its top line significantly otherwise it would need to scale back and iii) a lot of work had been done over the last 2/3 months and that a very clear strategy had been published and they had asked the sport for a clear direction on this.

M. Williams asked why the auditors resigned. P. Milhofer answered the question. One of the things flagged up by the BDO Governance Review was that *hayesmacintyre* had been the auditors for 17 years which was considered too long. Considering this *hayesmacintyre* had resigned allowing British Rowing to appoint a new audit partner. His second question involved the Reserves Policy, he asked if it was being reviewed due to it not being compliant. T. Kokkinos answered the question saying as a new Chair of the Finance Committee she recognised the need to refresh the policy and bring it in line with current thinking. It was fully compliant as it stood, however. M. Davies commented that there were stakeholders who would consider their reserves too large and as such would not feel that they had to fund things that that the organisation wanted them to, there was benefit in not having them too large, therefore.

J. Wishart said that since 2014 the reserves had gone down by over 3 million pounds and there was a pressing need to balance the books and live within means. Without substantial sponsorship there needed to be substantial cuts in costs. M. Davies assured J. Wishart that they were very conscious

of the importance of the situation, that they had made significant cuts and had laid out a strategy to grow British Rowing out of this position. J. Wishart commented that we should not assume that rowing will be an Olympic sport after 2028. M. Davies noted that the intention was to make the finances of the organisation sustainable irrespective of government or GBRT sponsorship support.

The Report and Financial Statements were received by the meeting.

5. That Buzzacott be appointed as auditors of the Company to hold office until conclusion of the next General Meeting at which Accounts are laid before the Company and to authorise the Directors to fix their remuneration.

Buzzacott were approved to be appointed auditors of the Company and to hold office until conclusion of the next General Meeting at which Accounts are laid before the Company and to authorise the Directors to fix their remuneration.

6.A.O.B

No other business was discussed.

All were thanked for attending by M. Davies.

The meeting ended at 7.43pm