



Annual General Meeting of the Suffolk Agricultural Association Meeting held on Monday 25th February 2019 at 11.30 am at Trinity Park

Present: 80 Members attended.

Officers in Attendance - Phillip Ainsworth (CE), Ian Liddell, Chloe Annison, Margie Morris (minutes).

Others in Attendance - Sarah Chambers (EADT)

The President and Chairman of the meeting Baroness Byford welcomed all to the Association's 188th Annual General Meeting, reported that a quorum was present and declared the meeting open. She began by asking all to stand and observe one minute's silence in remembrance of Vice Presidents and Members who had died since the last AGM, particularly remembering: David Allerton, Alastair Anderson, Christopher Bacon, Guy Hayward, Giles Langton, Angela Miles, Peter Morton, John Paton-Philip, John Potter, Lady Somerleyton, Christopher Rankin, Robert Tomlinson and Michael Tollemache.

The Company Secretary, Loudon Greenlees then explained the way in which proxy votes would be introduced during the meeting as Members voted.

1. Apologies for Absence

36 apologies were received.

2. Adoption of the Minutes of the 2018 AGM

The President noted that minutes of the 2018 AGM had been approved by the Trustee Board. The meeting confirmed that all present accepted the Minutes as approved by the Trustee Board. The President therefore declared the motion to adopt the minutes.

3. Ordinary Resolution 1 - To Receive and Adopt the Trustees' Report and Audited Financial Statements for the year ended 30 September 2018.

a) Trustees' Report for the year

The President called upon the Chairman, David Nunn (DN) to comment and report on the Association's activities in the year.

DN reported on the activities that had taken place at Trinity Park throughout the year and presented a slide show highlighting many of them.

DN reported that the Association had had another good year particularly congratulating Bee Kemball, Show Director and her team of volunteers as well as all the staff and key contractors on another wonderful show.

TPEL had another busy year with over 430 commercial events. Christmas parties continued to be very popular with some 3,900 guests over 13 nights. That said, the financial statements will show a slight loss mainly due to a large outdoor event being cancelled very near to the event date.

The School Farm & Country Fair (SF&CF) attracted around 4,500 pupils. Other events included, Tractors in Schools, the Schools Garden Competition, Suffolk Farming School of the Year, Grow your own Potatoes and the Student Day. DN particularly thanked Mr John Taylor who had been Chairman of the SF&CF committee since 2013 and Mr Brian Barker who had taken up the role.

Repairs to the estate had been ongoing during the year, irrigation piping to all the main rings had been laid making it easier to water the rings. The heating system in the Trinity Rooms and offices had been renewed, extensive road repairs had been carried out, new fencing installed and the lighting in the Events Centre and Trinity Rooms transferred to LED which should be more economic to run.

One of DN's concerns had been a lack of young people coming onto the Council, but this had started to be put right with several new young members joining this year. DN advised that he is leading a team working to clarify the role of Council which had changed following the governance reorganisation in 2014. This work will continue in 2019 and DN will further update on this at the next AGM.

Regarding the Trustee Board, Simon Tucker will take over from Loudon Greenlees as Treasurer. Loudon has been Treasurer for 10 years and DN thanked him for all the time he has given us. He will not be lost completely as he will continue to chair the Investment, Audit and Risk committees for another year. Chris Clarke also stands down from the Board having been associated with the SAA for over 40 years. His help with property and planning matters have been invaluable.

DN informed that two new members welcomed onto the Board, Sally Bendall who will be known to many of you, will lead on education, the other being Karen Sharpe. She has been a visitor to the Show, comes from the world of finance and will strengthen the Board's knowledge of risk, investment and governance.

Alex Paul will be joining the Board as an additional TPEL Director whose strengths lie in the world of tourism, catering and events.

Eric Morton has agreed another three year term as a Trustee.

DN thanked the members of the Board and all volunteers that gave their time throughout the year as well as Phillip Ainsworth and all his staff.

b) Audited Financial Statements for the year ended 30 September 2018 - Loudon Greenlees (LIG)

The Treasurer opened by noting that financial statements for the year ended 30 September 2018 received a clean audit opinion from the auditors Price Bailey and were approved by the Association's audit committee and by the full Trustee Board in December.

He then started by explaining that in late 2017, the Trustee Board resolved to draw £200,000 out of the investment portfolio to spend on several items of strategic capital expenditure. This was

prompted by the fact that a few areas of the estate needed rather more than just annual patching up.

It transpired that only half of this allocation was spent during the year, but other projects are being undertaken in the 2019 year. The completed projects in 2018 include:

- a) £66k spent on the upgrading of the roads at Trinity Park which had deteriorated beyond basic repair
- b) £19k spent on installing a new underground irrigation system enabling the estates team to water most of the show rings more efficiently and without having to move pipes around the showground
- c) £13k spent on Replacing, rather than repairing, stretches of the boundary fences

Looking at the overall results Membership income rose by £8k to £162k. Member numbers fell 10% in the year to 925 but Vice President numbers recovered most of the 2017 fall, rising 2% to 907. It is also encouraging that Young Farmers and "Under 25" member numbers rose by a third to 195. With a price increase for VP's and members' badges of between 3.5% and 4.0% overall membership income increased by 5.2%.

The Show Contribution before indirect costs at £581k was mostly unchanged from the 2017 contribution.

Net income from education activities fell to £2k compared to £4k in 2017. The very successful biennial Gardening Conference created a profit of £5k but the overall education contribution fell as a result of the non-recurrence of the £7k donation from the triennial Show Ball received in 2017.

Net rental income on the houses at the Showground rose to by 7% to £14.6k in the year. This was due to regular rent increases with no large increase in costs.

The Association's Total General Expenditure increased by £104k (13.7%) to £861k.

Sadly, the combination of unchanged income and cost increases meant that the Association's Total Operating deficit before investment income rose by £94k from £7k in 2017 to £101k this year.

Bank interest paid fell by £3k (7%) as a result of continuing repayments of loans.

Investment income in the year rose by 4.5% to £161k. The relative weakness of the pound combined with the increased value of the Association's portfolio, served to bolster dividend income in sterling terms. We also realised a small capital gain in the year (£2k) on the sale of two pieces of equipment.

Thus, the Association achieved an Operating Surplus including investment income in the year of £19k compared to the 2017 surplus of £101k.

Following an improved result in 2017, Trinity Park Events Ltd suffered a trading loss in the year of (£9,339) compared to a profit of £36k in 2017.

Thus, the group achieved a Consolidated Operating surplus of just under £10k.

Turning to the capital effect of the investment portfolio movements. The Treasurer reminded the meeting that 86% of the portfolio was invested in one open-ended fund, similar to a unit trust, but

managed by Sarasin exclusively for charities; of the remainder, 8% was in invested two Schroder private equity funds. These two funds were in the process of being liquidated and £206k was realised from them during the year. The final 6% of the portfolio was invested in an absolute return fund managed by Ruffer Asset Management as a diversification of risk.

The Sarasin Fund had a total value of £1.7 billion at the end of September and achieved positive performance during the year of 6.5%. In the six years since the Association moved the management of its portfolio to Sarasin, the value has grown by 65%, substantially exceeding the 36.8% return of the Association's long-term target of inflation (CPI) plus 3.5%. The two private equity funds grew in value by 3% in the year.

The Ruffer Total Return Fund had a total value of £3.2 billion at 30 September. It is currently intended that the future cash raised from the redemption of the Schroder funds will be invested in the Ruffer Fund until the holding represents around 10% of the total portfolio or about £0.5million. The Ruffer holding fell in value by just under 1% in the year and at the year end, the Association's holding was worth £148k.

Despite the rather volatile market conditions during the financial year, the Association achieved further Net Unrealised gains on the portfolio of £171k being mostly due to the increase in value of the holding in the Sarasin Fund and achieved realised gains of £2k in respect of the sales of the Schroder funds.

Thus, the Association achieved a Net Consolidated Surplus including capital return for the year of £183k.

Turning to the Association's balance sheet, the total assets increased in the year by the £183k I have just mentioned to £11.5 million. Total Assets consist of: Land of £2.77m which is shown at cost, and Buildings of £3.79m which are depreciated. Giving a Total for Land & buildings of £6.56m. Other fixed assets of £150k mainly represent office and showground equipment including trophies and vehicles.

The Investment Portfolio is valued at £5.8m and net current liabilities of £190k which includes £107k of overdraft and loans repayable in the next 12 months. Finally, the balance sheet includes the long term portion of the bank loan obtained to finance the Events Centre at £796k.

Moving on to the detail of the accounts and starting with the Suffolk Show Income.

- Show admission income at £559k was very much in line with 2017. Although very mixed weather forecasts during the week before the Show resulted in a 17% fall in online sales, the weather stayed fine and gate takings on the Thursday made up for the shortfall.
- Car Park fees at £65k rose by 4% from 2017 levels and income from tradestands was very much in line with 2017 at £590k.
- Livestock entry fees grew by 18% year on year to £75k. This was mainly due to a combination of an increase in the numbers of light horses entered and an increase in entry fees to allow an increase in prize money.
- Sponsorship grew yet again by 25% to a new record of £245k.

Thus, total Show income at £1.58m was £61k (4%) higher than in 2017.

Looking at the Show's Direct Costs.

- Contractors, equipment hire and outside labour (60% of total) increased by £19k (3.4%) to £586k. This primarily arose from an increase in the cost of providing additional marquees for cattle and providing more grandstands; and also, the increase in the cost of security and first aid services.
- Advertising, printing & stationery costs fell by 1.7% year on year to £84k mostly from the reduced use of the PR agency and Show advertising which had been increased in 2017 to cover staff departures in advance of the 2017 Show.
- The cost of Displays grew by £21k to £81k (36%) primarily as a result of additional cost of free visitor activities around the Showground.
- The cost of prize money, cups and engraving grew to £106k, £7k above 2017 mainly as a result of increases in equine competition prize money.
- The cost of Officials' expenses and accommodation which includes travel & hotels for judges and catering for stewards & sponsors, grew by £21k (17%) to £144k. This mostly reflects the cost of entertaining increased numbers of sponsors and their guests;

Thus, total direct costs rose by £58k (6.2%) to just over £1.0 million; and the Show contribution for the year at £581k was very much in line with 2017.

Turning to the Association's General Expenditure. Total costs increased by £104k (14%) to £861k (2017: £757k). While there were savings in some areas, increases in the following areas were of significance:

- Staff costs (which are 40% of total) rose to £343k. This primarily arose as result of staff salary increases.
- After achieving substantial savings in 2017, Maintenance costs rose by 34% (£33k) to £129k. This increase was split almost equally between an increase in Events Centre repairs and in showground repairs.
- The premium for Show cancellation insurance rose by £16k to £41k to cover the increased risk of the Show having to be cancelled if it clashed with the funeral of the Monarch.
- Depreciation costs rose by £24k to £224k (15%) - a large proportion of this relates the new strategic capital expenditure.

Moving now to Trinity Park Events Ltd -the trading loss for the year was £9,339 compared to the 2017 profit of £36k. After a good start to the year, the increasingly difficult retail environment reduced gross profit margins and in the fourth quarter the business suffered the cancellation of significant events with insufficient notice to book replacements. Specifically:

- Letting income, net of costs, matched 2017's figure of £235k
- Catering Gross Profit fell by 32% to £123k due to a combination of: clients cutting back on expenditure, food and temporary labour cost inflation, much of which arose as a result of the fall in the exchange rate of the pound between prices being quoted and costs being incurred.
- Bar Gross Profit grew by 8% to £176k as a result of the increased level of activities.
- Total administration costs in TPEL rose by £9k (which is less than 1%) to £593k mostly due to increased charges paid to the Association.
- Encouragingly despite the weakening retail environment no provision for bad debts was required in the year

The overall result for the year was a net loss of (£9,339) which was disappointing after the strong start to the year.

LIG then proposed adoption of the accounts which was seconded by Sir Michael Bunbury.

The President then declared the motion carried as voted by those present and by the unanimous proxy votes with two abstentions.

4. Ordinary Resolution 2 - To elect Mr Stephen Miles, currently President-Elect of the Suffolk Agricultural Association, President of the Association 2019 Suffolk Show.

The current President Baroness Byford proposed that he be elected as President. Baroness Byford stated it was a great thrill to introduce Stephen as President, starting as a steward since 1973 he joined Council in 1996, was Show Director 2006-2008, now recently retired Flower show Senior Steward and the High Sherriff 2011/12.

The proposal was seconded by Mr John Wall.

The President declared the motion carried as unanimously voted by those present and by proxy votes.

Stephen replied that it was a great honour having made many friends down the years through the Association. Whilst President and as Patron of the Rural Coffee Caravan and a Trustee of RABI, he will raise awareness of these organisations. Stephen particularly thanked John Dyter who is organising a Chelsea-standard woodland garden exhibit for the 2019 Show.

5. Ordinary Resolution 3 - To elect Mr William Kemball as President Elect of the Suffolk Agricultural Society for the 2019 Suffolk Show.

Stephen Miles proposed William Kemball as President Elect for 2019. He continued that it gave him great pleasure to invite William to take on this role. Baroness Byford seconded the proposal.

The President declared the motion carried as unanimously voted by those present and by proxy votes.

William Kemball thanked all those present for voting him in as President Elect. Very proud and flattered he mentioned that he first stewarded in 1959 and had had a lot of fun and made many friends. Also, proud to be following in his father's footsteps and proud of his family, particularly Bee, for what they have achieved and contributed to the Association.

6. Ordinary Resolution 4 - To approve Council's proposal to increase the number of elected members of Council from 45 to 60 in accordance with Article 10.1 to accommodate a number of new younger members.

In order to increase the number of young people participating in the future of the Association, the Nominations Committee have proposed, and Council have approved that nine younger members be invited to join Council. This therefore requires Council to amend the maximum number of its elected members as defined in Article 10.1 of the Articles of Association from the current 45 to 60. This increase also requires the approval of the members of the Association.

The President declared the motion carried as voted by those present and by proxy were in favour. The Company Secretary confirmed that the proxy votes received for this resolution were in favour with two abstentions and one vote against.

7. Ordinary Resolution 5 - To re-elect the following retiring members of Council who have been nominated for re-election; in accordance with Article 11.1.

David Barker, Trevor Hubbard and William Kendall.

The following members of the Association have also been nominated as newly elected members of Council: Christopher Clarke, Loudon Greenlees, Karen Sharpe, Kevin Gooding, Victoria Lugsden, Brian Barker, Jenny Binder, Fenella Blyth, Rebecca Inch, Bella Jolly, James Nunn and Thomas Over.

Chairman was delighted to advise that Baroness Byford had also agreed to stand for election to join Council and is therefore also included in this resolution.

Although the proxy forms required this Ordinary Resolution to be voted on in many parts, there is such a strong majority of proxy votes in favour of the election of each individual, and to keep the process moving along, it was proposed that, as in previous years, the meeting should vote on all the candidates as one resolution.

The President declared the motion carried as voted by those present and by proxy in favour. The Company Secretary confirmed that the proxy votes received for this resolution were in favour with ten abstentions.

8. To note the Council's appointment of Honorary Life Vice-President Awards.

Chairman delighted to advise that at a recent meeting, Council approved the award of Honorary Life Vice President status to Christopher Clarke and Loudon Greenlees.

The President then presented Loudon Greenlees with a certificate (framed picture was later presented), Christopher Clarke will be presented his at a later date as he was unable to attend. Loudon thanked all present.

9. Ordinary Resolution 6 - To re-appoint Price Bailey LLP as auditors of the Association for the 2018 financial year to take office with immediate effect, to hold office until the conclusion of the next Annual General Meeting and to authorise the Trustee Board to fix their remuneration.

The Treasurer proposed the re-appointment of Price Bailey LLP as auditors and James Black seconded the proposal.

The President declared the motion carried as voted by those present and by proxy were in favour. The Company Secretary confirmed that of the proxy votes received there was one abstention.

10. To propose a vote of thanks to the 2018 Honorary Show Director and Honorary Deputy Show Director.

The Chairman proposed a vote of thanks to the Show Director Bee Kemball. He then asked Andrew Fairs, Deputy Show Director for 2018, to step forward to be presented by the President with a tankard and thanked him for all his hard work. Bee Kemball thanked the chairman for her award.

11. To receive a report on the arrangements for the 2019 Suffolk Show.

Bee Kemball, Show Director reflected on 2018 and the arrangements for the 2019 Suffolk Show. She thanked all, particularly Andrew Fairs her deputy and reported that in 2018 over 90,000 visitors came to the Show over the two days. Looking forward to the 2019 Show with her new Deputy Director Bruce Kerr and listed the notable arrangements as follows:

- Tradestands 95% sold to date Agricultural area sold out and Commercial side going well.
- Displays all booked and the Red Devils Parachute Display team dropping in on Wednesday

- More interactive displays
- Pig Racing
- Dog Agility – Police Dogs – Dog Walk/Dog Nutrition
- Donkeys
- Lifestyle Area bigger & better
- Working machine demonstration, Oil seeds 'Journey of Food'
- Courtyard area to be used as a quiet area with Suffolk Libraries and the Rural Coffee caravan
- Art has grown and this year A-level students will exhibit
- Bigger and better ringside clubs – added value for members which will continue to grow
- Livestock – Goat/Sheep rings, new post and rail fencing to show case the area
- Cattle building to have new ventilation system installed
- New viewing area for the Farriery
- New Supreme Ridden Class
- Queen's Groom to speak at the Director's Dinner
- Marketing PR – All schedules in place
- Show to be more interactive and will develop more year on year
- Thanks to John Dyter for arranging a Chelsea-standard Woodland Display
- Sponsorship on target with £190,000 achieved to date
- New re-useable plastic cups with SAA logo
- Tickets sales up on previous years
- Cocktail Party Sunday 26 May
- Directors' Dinner – Photo of all Stewards

Bee thanked the working party that had been on site recently for all their work, the Doctors and Vets, Volunteers, Stewards, Trustee Board, Show Committee, Sponsors, SAA Team, Estates the President, Baroness Byford.

The President thanked Bee for her outstanding efforts and hard work.

12. Any Other Business

Jenny Maskell introduced herself to all present as the new representative from the Suffolk Young Farmers.

Loudon Greenlees again thanked all for his time at the Association and the many people he had met.

The Chairman announced that Stephen Cobbold had also decided to step down from Council, notification coming after the papers had been finalised.

Finally, the Chairman thanked the President, Baroness Byford, for all her support and passion for the Association wishing her and her family best wishes for the future and presented her with a bouquet of flowers.

Baroness Byford thanked all saying what a joy it had been working with the Association and all those involved with it.

The meeting closed at 13.05.