

MINUTES of the ANNUAL GENERAL MEETING
of DANIEL STEWART'S AND MELVILLE COLLEGE CLUB
held at Inverleith on 16th October 2018

Important Notice

The President's Letter, which accompanied the Membership Letters, referred to work that the Development Office has been undertaking to encompass the different strands of the ESMS community. I, unfortunately, "jumped the gun" with my announcement and I have offered to put the record straight by including the Development Office's Press Notice in the Minutes of the Annual General Meeting:-

"The Development Office wish to be representative of all the different strands of the ESMS community and to that end they have developed a new one-stop website – www.community.esms.org.uk – which was launched at the end of October and is already receiving very positive feedback. Another development will be the launch of eNewsletter, a regular publication which will feature stories of FPs and their career development as well as news and developments around the schools. We anticipate the newsletter to be launched in summer 2019".

Charles S Wilson, President

Present: Charles Wilson (President), Laura McIntosh (Treasurer), John Archer, George Bee, Ken Richards, Bobby Clark. Finlay Marshall, Ian Hastie, Hugh Cowan, Robert Young, Bob Young, Denise Mitchell, Alistair Napier, Chris Anderson, James (Hamish) Muirhead, Jim Hall, Harry Waugh, Bert Barclay, Lindsey Geddes (Secretary).

1. Welcome by President

President, Charles Wilson welcomed everyone to the meeting.

Prior to the meeting commencing President Charles Wilson asked for a short silence in memory of those who passed away in the last year including past Presidents Drew Lyburn and Alan Mowat.

2. Apologies for absence

Alastair Mather; Dr JL Graeme Wight; Lennox John; Tony Kelly; Laurie Brown; David Graham; Grant Macrae; The Master of the Merchant Company; Lindsay Trotter; Fred McLeod.

3. Minutes of the Annual General Meeting held on 17th October 2017

Copies of the minutes were available at the meeting and upon request, prior to the meeting, from the Secretary.

Charles Wilson asked the meeting if approval could be sought for last year's minutes. Approved by Bobby Clark and seconded by George Bee.

Matters arising:.

Charles Wilson invited any matters arising from last year's minutes to which there were none.

4. President's Report

Charles Wilson read out an abridged version of his report.

At times it feels like only yesterday but in fact twelve months have passed since I received the Chain of Office and a lot has happened in that time.

At the start of 2018, the Club Management Team assumed a normal structure with the combined role of Club Treasurer/Secretary being dissolved and the roles of Club Treasurer and Club Secretary being re-instated. Since inception, the workload of the combined role had been growing steadily and, even with the introduction of a new accounting package and streamlining aspects of the secretarial work, for the last quarter of 2107 a working week of 40/45 hours had become the norm; obviously something had to be done, or we would lose a valuable member of the Management Team. The solution was to separate the roles and appoint a new secretary; Lindsey Geddes was approached and agreed to accept the position, new job descriptions were prepared and agreed, contracts were signed and ESMS Finance Department were advised of the relevant salaries. I would like to take this opportunity to thank Laura for her professional approach and devotion to the combined role and to wish both Lindsey and Laura well in their current roles.

In June, we said goodbye to David Gray, who was retiring as Principal of ESMS at the end of the month. To mark the occasion, we invited Past Presidents and former Council members, current Council members, representatives of the affiliated sports clubs, representatives of the Inverleith bar and ground staff and the Principal's wife to a drinks and nibbles evening at which we presented him with a framed engraving of the Clubhouse. The Club also bestowed on him Honorary Membership for Life to recognise his contribution to the Club over the past eighteen years and sealed it by presenting him with an FP tie and a set of FP cuff-links. As this evening had been planned in secret, the Principal arrived at Inverleith expecting to attend a quarterly Council meeting and was rendered speechless, probably for the first time ever, on being ushered in to the upstairs bar – it didn't last long.

Following the restructure, the Management Team meets regularly to discuss the day-to-day running of the Club and maintaining/improving the Clubhouse.

As some of you are aware, for the safety of the staff and as an additional security measure, we have installed CCTV to cover sensitive areas within the Clubhouse. To further beef up our security, the front door will be upgraded to include an electro-magnetic lock and we are having the glass doors in the function room checked to ensure they are fit for purpose – this work is being undertaken in conjunction with the school. We have had talks with FMS regarding an upgrade to the intruder alarm system, which will see all staff and key-holders being issued with fobs, rather than 4-digit access codes, and the users of the function room, who enter via the glass door with a fob, being issued with new dual function fobs. Each new fob will be programmed with that person's access rights be it by the function room glass door, or by the back-door. We have met with ESMS Estates Department to discuss planned and future maintenance of the Clubhouse, some of which will be paid for by the school and some of which will fall to the Club to finance. Replacement lighting in the upstairs bar and repairs to the car park surface, which have been on the planned maintenance schedule for some time, are scheduled to be completed this month.

The Clubhouse continues to attract external lets; it has been used as a venue for two Corporate Events this year, for christening parties, hen nights and the number of funeral teas held have increased over the last twelve months to cite a few examples. I understand that we are now on the list of venues offered by Funeral Directors, which is testament in part to the standard of the venue and in part to the catering provided. The fact that we enjoy the level of external lets that we do is due to the service provided by the bar and catering staff under the guidance of Denise Mitchell and Joyce Waterston respectively and I acknowledge the contribution they both make to the Club. However, we can't afford to be complacent; there are still gaps in the letting calendar which we should strive to plug, so spread the word among your friends and colleagues that Inverleith is the place to hold your event.

As well as our own annual dinner last month, branch club dinners were held in Glasgow, Aberdeen, London and the Borders. These dinners tend to appeal to a certain age group but I am pleased to

announce that this year the Aberdeen dinner attracted three first-year FPs, the London dinner had two tables under the age of 40, and our own dinner one first-year FP – steps in the right direction, which hopefully can be built on. Our dinner was well attended with 60 sitting down to dinner, including the new ESMS Principal Linda Moule. Each dinner was addressed either by the Head Boy, or one of his deputies, as well as the Principal.

I have also represented the FP Club at dinners held by the Merchant Company, the Watsonian Club and Stewart's Melville Rugby and Cricket Clubs. Unfortunately, the Heriots and the Mary Erskine FP Guild dinners were both cancelled this year due to lack of interest. I have also attended the End-of-Month lunches, the Rugby Club lunches, the Christmas Lunch and the September EROS lunch in a private capacity but it still shows that the Club is taking an interest in and has a presence at these events.

I have also had the pleasure of attending the school's annual sports day and the Founders and Prizegiving Day – the latter is quite remarkable; not only does it commemorate the lives and benevolence of Robert Cunningham and Daniel Stewart, it also entertains with a musical interlude and recognises the remarkable academic and leadership achievements of S4 to S6 pupils – I had a minor role in the proceedings; presenting the leavers with their FP Club ties. The Leavers Function, that evening, was well attended by former pupils of both SMC and MES, with around 192 persons enjoying the BBQ food prepared – by the caterers and served by us – and a welcome drink served by the bar staff.

The annual SMC Remembrance Service was, once again a very poignant and moving occasion with pupils and an honour guard drawn up on three sides around the War Memorial in total silence while the wreaths were laid and the two minutes silence was observed. During the short service that followed in the TFC, the Principal recalled the ultimate sacrifice made by several young FPs following action in France. The address also referred to the fact that out of a relatively small school population a total of 434 former pupils of Daniel Stewart's and Melville College lost their lives in the Great War.

I attended the third annual debate, which took the form of a "Mace Debate" in which two teams – the Proposition and the Opposition – took part. Each team consisted of two members – in this case, a Former Pupil and a Current Pupil – and the motion that they were debating was "The Fat Tax". The Proposition and the Opposition both put forward well researched and thought-out arguments, answered questions from the floor adequately and competently summed-up. In the end, the Opposition won the debate following a show of hands by the audience. The evening was very well organised by Iain Major (Master-in-Charge of Debating) and his team of helpers and was well attended by young and old.

The President's life is not all eating, drinking and being entertained; business meetings have the habit of getting in the way. I have attended the Melville College Trust Annual General Meeting and the Boarding Houses Executive Committee Meeting. Both meetings are informative; at the former you learn how the MCT has disbursed funds to either enable pupils to be educated at SMC, or to provide equipment for school activities; at the latter you discover what it takes to run a Boarding House and it is not all plain sailing. I have also attended meetings with the Bursar and the Finance Manager regarding the Clubhouse Rent Review; with Brewin Dolphin regarding the Club's Investment Portfolio; with the Bursar to discuss what the Club had to do to comply with GDPR and the effect GDPR would have on the Club.

As President, I am invited to attend the quarterly meetings of the ESMS Governing Council, which are always interesting and enlightening. They provide an insight into what goes on behind the scenes that result in the well-oiled machine that is in the public eye. The school community has been very fortunate in having had Mike Sims and David Gray leading it and I am sure that under Ken Pritchard and Linda Moule, their successors, the governing of the school will continue to be in safe hands.

The FP News – with Bob Young as editor – continues to be a “good read”. It contains, without fail, articles from all over the world telling us of the exploits and achievements of former pupils both young and old. Bob is obviously adept at sourcing untold stories which reflect well on the school, the individual and the Club. I am looking forward to the next edition which should be available in the New Year.

Inverleith remains home to the affiliated rugby, hockey and cricket clubs. All participate in increasingly competitive environments but the rugby club will also face the additional hurdle imposed by Agenda 3 and the Super 6 franchises this season and next. All three clubs are in great heart and heavily involved in providing competition and practice to school pupils out with their normal school fixtures. I am sure that the affiliated club reports will provide a much more detailed account of their activities and fortunes over the past year.

Finally, may I thank, once again, Laura McIntosh, Lindsey Geddes and Denise Mitchell and the Council for their work and help during the past year and, along with Joyce Waterston, for ensuring the success of the many activities and events that are held in the Clubhouse.

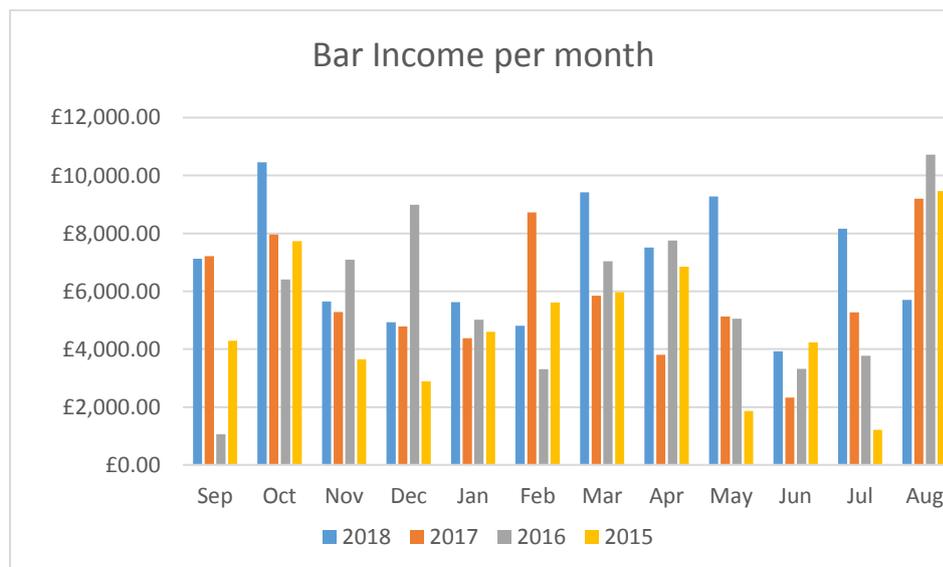
5. Treasurer’s Report and Financial Statement

Laura McIntosh presented the following report (to be read alongside Accounts 2018)

House Account (page 1)

Bar Income

I am delighted to report that our bar sales have increased by 18% on last year. This year we were particularly busy with record monthly sales in October 2017 and from March to July 2018. See graph below. The graph also shows that it is not any one month, year on year, which has high sales. I would also highlight that we have not necessarily had many more functions but the amount sold over the bar per function has been higher.



Bar Gross Profit

We have also increased our Gross Profit percentage for the year to 31st August 2018 from 57%, last year, to almost 61%. Sales of craft bottled beers, wine and prosecco have increased and each of these yield a higher gross profit. In August the sales of spirits (vodka and gin) were up on previous months and we had luckily just increased the prices of these.

Catering Income

This represents the 15% of club catering in lieu of rent from Joyce Waterston. Joyce continues to provide an excellent service to the Club.

Hire Income

This includes rent from funerals, our regular users and room hire fees for functions. The latter two had price increases during the year resulting in the annual increase on last year.

Bar Payroll and Wages

Bar Payroll includes Denise's salary (and related NI and PAYE) and wages are the casual bar staff. Bar staff costs are higher as a result of busier functions. Both categories were given pay rises in line with the School's rate.

Rent

This is monies paid to the school agreed at a joint meeting of the FP Club and the Finance department at ESMS. Our annual rent review is scheduled for 12 November 2018.

TV package

This was upgraded during the year and we also hired in TV's to allow the Lions and parents to watch the Internationals.

Sundries

This is the cost of items around the bar such as cleaning products, the Stock taker costs and bar licences.

Reserves

£12,950 has been transferred to the Clubhouse Maintenance Reserve to boost the balance back up to cover improvements next year. As a result of our increased bar sales we intend, with approval, to distribute £9,500 to our affiliated sports clubs.

Clubhouse Maintenance Fund and Reserve (page 2)

We continue to make improvements to The Clubhouse.

We have installed CCTV to increase the security of the building and the safety of our members and staff. We are in the process of upgrading the alarm system and new fobs will be issued for the back door and the glass door. We therefore have more control over who accesses the building. Carpets have been cleaned and replacements for the broken blinds ordered.

Every year we carry out a stocktake of the crockery and cutlery and the cost of replenishing stocks is shared 50:50 with the Caterer.

Reserves have been replenished from the House Account funds.

Income and Expenditure Account (page 3)

Income

Member charges

As more members choose to receive communications by email, for which there is no charge, the amount we receive reduces. I am currently calculating the projected income from members and the costs of their "mail" with a view to considering an increase in annual members' charges from 2019.

Life Subscriptions (collected by ESMS)

The actual amount received from ESMS remains at a similar level but the VAT element deducted for the accounts is higher. I am happy to explain the VAT calculation after the meeting, should anyone wish.

Investment Income

An increase was made to our investment in May. See also page 4. There is not a full year of increased income to compare as yet.

Expenditure

Secretary and Treasurer

As of January the Club employed Lindsey Geddes as the Club Secretary and I stepped down from the double role and became "just" the Treasurer again. The amount in the accounts is the two salaries combined (along NI and PAYE) and an amount where Lindsey and I both worked together for a handover.

Collegian and FP News

The Collegian is produced by the school (cost marginally up on last year) and is distributed, by the Club, to first year leavers. The cost of the production of the FP News reduced slightly from last year, due to members choosing to receive by email rather than hard copy.

Other mailings

This is the cost of the other mailings which include the AGM notifications, Christmas lunches etc. We had one more event than last year resulting in the increased cost.

Postage

The cost of this is reducing, as anticipated, due to members choosing communications via email.

FP events and expenses

Includes the cost (and in some cases a small profit) of hosting events, tickets to dinners, gifts etc. Increases from last year include the cost of hosting David Gray's presentation and his retirement gift.

Accountancy package cover and maintenance

This year I introduced a new accountancy package to replace the old cash book (albeit held on a spreadsheet) method of recording our finances. The first year has been a bit of a learning curve especially preparing the accounts in this format. The cost in the accounts covers the costs of setting up, the helpdesk facility and upgrades as necessary.

Deferred Income

This is the amount by which the Deferred Income in the Balance sheet reduces. See page 4.

Balance Sheet (page 4)

Investment Portfolio

During the year we increased our portfolio from £165,000 to £200,000.

The Market Value is currently £236,897.

Our annual review meeting will be scheduled for 5th November 2018.

Cash at bank and in hand

The reduction is the equivalent amount which was transferred to our Investments.

Deferred Income

This is the monies collected under the Decadal Scheme. As the amount the boys now pay in S1-3 is for "life" membership the amount of deferred income we need to account for reduces. In 2031 the last boy, who paid into the decadal scheme, will have left school for over 10 years and we no longer have a liability, the balance will be zero.

I would like to thank Ian Hastie, our Independent Examiner, for reviewing the Club's accounts.

Laura McIntosh ran through the accounts giving detailed information on each of the sections above. She finished off by saying the accounts are in good shape and she is confident that if we keep the bar sales going we will be in similar position for the coming year.

Questions were invited from the floor:

Bob Young remarked that the £88K in the bank account as of August was extremely high. Laura explained the reason this is high is that we had received the subscriptions (from S1's to S3's) collected by the school in August. Laura was aware that that £88k is over the recommended amount to have in one bank account but the balance reduces considerably shortly thereafter and is currently sitting at £65K today.

Bob Young asked for clarification on the deferred subscription income and that each year we transfer £10K to the Club account and had we not made such a transfer then the Club Account would have made a loss. Laura confirmed this was the case but in order to reduce the creditor an amount must be transferred equal to the number of years remaining. Laura confirmed that this is not physical cash but a book transaction. The deferred subscription income is monies received from the “old Decadal system” whereby a schoolboy’s parents paid monies, as they do now, for membership of the Club but at that time it was only for ten years, unlike for life membership now. So, any boy having paid money in S1 had the right to claim membership of the Club for the 5 years at school and another ten thereafter. There was (conveniently) £150,000 in the pot and 15 years left, hence the £10,000 book transfer every year to reduce the creditor. There is no more money involved. It is held in our investments and cash at bank. After 12 years the money will be available to be used, should we wish, in the club. Also, any transfer does not necessarily need to go the club account, it could go to the maintenance account as an example.

Ken Richards questioned why £35K was put into the investments. Laura explained that it was to reduce the balance in the account to below the £85,000 recommended to be held in one account, as mentioned earlier.

Bob Young also requested clarification on subscription charges and do we still have the ability to apply membership charges which currently stands at zero, for email communications. This was confirmed that charges could be implemented as set out in the Constitution and the charge, currently zero, could be changed. Laura is currently working on projections, considering the differing numbers in each membership category and the likely income receivable versus the estimated costs of the production of all the mailings, including “e-mails” to establish if the annual charge should be increased next year and to what level. Bob asked if this was under review which Laura confirmed that this was the case.

Ken Richards proposed we adopt the accounts, and to congratulate the Club on the earnings over the bar. He further enquired as to how many reunions were held at the Clubhouse during the year, to which Lindsey Geddes confirmed that these were minimal.

John Archer seconded the accounts.

6. Associated and Branch Club Reports

These have been tabled for you to read. Charles Wilson invited any questions from the floor. Reports are available, in full, on the website.

Ken Richards raised the issue of the London club dinner clashing with the golf club dinner and asked that we look at dates to avoid these clashes in the future as some people would like to go to both. Charles confirmed that London Club and Golf Club have sorted their dates for next year and have avoided this clash. Charles also advised that the Carol Service clashes with a Merchant Company dinner. An approach will be made to the school to request that we hold the reception on the Thursday rather than the Friday.

7. Members Charges

It is proposed that there be no alteration to the charge for issuing correspondence other than electronically.

8. Election of Office Bearers

The Club constitution states that the President, Treasurer and Secretary should be re-elected every 12 months. Charles Wilson asked for and received agreement from the floor that the people currently holding these posts should remain in position for the coming 12 months.

The Vice-President post remains vacant however, the President is hopeful that this will be filled in the coming months.

9. Election of Council

Bert Barclay has agreed to serve on the Council with specific duties for the website.

CJ Anderson and Al Napier have been co-opted during the year. Charles Wilson asked for approval for these appointments which was duly given.

Charles Wilson stated that 8 ordinary members can serve on the Council. He asked permission from the members that the President can co-opt new members during the year. This request was granted.

10. Ratification of Honorary Membership

Prior to David Gray's departure, the FP Club held a presentation whereby he was awarded honorary membership for his commitment to the Club. Retrospective approval was sought of the Council for this honorary membership – which was unanimously given.

11. Any Other Competent Business

The Melville College Trust Constitution states that any new Governor appointments must be approved at the following FP Club AGM. There was only one appointment made at their last AGM. It was for Malcolm MacColl as a Governor. FP Club approval was given.

Hamish Muirhead asked whether taking account of the current discussions surrounding Charities had any consideration been given to the possible adverse implications for the Club should the outcome of the discussions be disadvantageous for the School? Charles Wilson confirmed that the school are considering implications for them, but the FP Club has not considered how it would affect the Club. Hamish asked if it would not be prudent to give this some consideration? The President, Treasurer and Secretary are due to meet with the Bursar and Finance Manager on 12 November and this question will be raised at that meeting.

Ken Richards asked why there was only one Associated Club report. He noted that the Golf Club team that played in the Queen Elizabeth Trophy at Royal Burgess Golf Club won the competition for the fourth year running. This means a new record for this competition and it also means the Golf Club have won it for five out of the last six years. The team consisted of Kevin Cattenach, Stuart McLaren, Alan Anderson, Drew McIntosh, Ali Ritchie and Stuart Cochrane.

Only one report had been received for the AGM. However, John Archer gave approval that the Cricket Club submission to the FP Council meeting in September could be issued with the minutes. Lindsey Geddes will chase the relevant Associated and Branch Clubs for their submission and issue retrospectively.

The meeting closed at 8.00 pm

Lindsey Geddes 17/10/18