

Trustees Report AGM Jan 12th 2019

In 2018 Colin Turfus and Terry Sweeney stood down, and Andy Johnson and Joanna Hartl became new trustees. The trustees board now consists of:

Tim Read (chair since January 2018), Eddie Hartley (Treasurer, standing down in January), Gillian Schroder (secretary), Andy Johnson, Joanna Hartl. Huey Er Fisher is taking on Eddie Hartley's role as Treasurer in January.

Financial summary from 2017 accounts:

During 2017 the charity raised funds totalling £1,109,794 (2016: £1,377,487), expenditure totalled £1,105,681 (2016: £1,209,445). There was an overall surplus of just £4,113 (2016: £168,042).

A reserve policy exists which details the main reserves the trustees have decided on holding:

- A) A core reserve of 2 months income for HQ which equates to about £75,000
- B) A property repairs and renewals, and investment, fund for the properties covered by HQ of up to £150,000

2018 figures will be similar.

Liquidity: one key job of a trustee, the Treasurer, is to ensure good liquidity of the charity, in our case HQ since the regions and properties are self-sufficient. Since HQ finances are not as strong as they need to be, a programme will be launched from early 2019 (see later) to generate a lot more funds for HQ to use through better use of our properties.

Trustees work during 2018

We had seven board meetings and covered these topics:

Farm management

There were some problems which arose due to property and land issues overlapping. Initially, we didn't handle these well, but we have learnt from our mistakes.

Safeguarding

Due to national directives from the Charity Commission, we have been putting safeguarding policies into practise through 2018.

Joanna is responsible for Overseeing Safeguarding, and is working with our General Affairs director, Tom O'Connell, and our HR manager Sylvia Lau.

General Data Protection Regulations

Our General Affairs office has been working since before May to comply to the GDPR requirements for HQ and all the regions, and this is an ongoing project.

Salary review for all staff

Our finance director and HR manager have created a salary scale for our staff, which we will implement in a staged process over the next few years. The goal is to meet normal charity salary scales as soon as we are able to increase our income levels. We are currently employing 24 staff and pastors, mostly on a part-time basis. We pay them £271,000 which is at 61% of the current national standard.

Properties:

Lancaster Gate and Wontner Road management

We found that the occupancy rate was lower than anticipated and that some figures were not being recorded correctly, giving us a shortfall of around £50,000. Terry invested himself for six months in sorting this out, together with Sylvia, who is working with the lettings manager and the property manager.

In Wontner Rd. there have been issues with some of our tenants; with property repairs and with one of the tenants not paying for many months . These are still ongoing.

Cleeve House

Work has been underway since 2017 for Cleeve House to be leased to a business being run out of the house. However, on bringing surveyors to assess the state of Cleeve House before the lease was agreed on, it was found out that a substantial volume of repairs need to be made over a five year period; indeed the amount of repairs that need to be done has impacted on the business. Any safety critical repairs are being done now. Serious consideration has to be made now about the use of Cleeve House, and indeed our other properties. To this end a special meeting is being held in January of key Movement leaders to decide on targeted uses of our properties for our charitable purposes and whether we can use our assets and the value in them more effectively.

Livingstone House

Is currently undergoing repairs to the roof and masonry of £50,000.

Farm property enquiries

We were approached by Persimmons at the end of last summer 2017 to make an option agreement for 5 acres of land west of Trenchard Road, and 34 acres South of Owl Copse (the copse by the Weon Jeon).

We can't simply sell land or property, and the law tells us that we also need to fulfil due diligence to make sure we don't get a bad deal in anything we do decide to do.

We considered asking for some of the houses built in lieu of some payment, so that we could increase our property portfolio and gain more rent for the movement, however, when we did some research we found that Persimmons are not a very reputable company.

So, as we realised that there was some interest in the land, we asked the Finance Committee (currently Simon Rosselli, Chris Jones and Terry Sweeney) to research other development companies. Chris Frith, our land manager at the farm, did that for them and asked 9 other companies if they were interested.

Out of those, only one was interested. They seemed to be good people and were interested in developing 100 acres to the south of Owl Copse.

The trustees thought about that, but around the same time, the company that developed the Beech farm area for the current 17-acre Solar farm asked us if we would consider leasing out around 200 acres in the area of Beech farm and North farm for solar farm use for 30 years with an option to increase to 40 years at an income 4 times that from letting it to a tenant farmer.

We felt that this was much more preferable than an outright sale, and are entering into an agreement with them.

Please note that this project may or may not happen, as they still need to get all sorts of planning and other permissions. If it does, at the end of 30 or 40 years, the land would be reinstated to its original state as farmland.

As for the 100 acres to the south of Owl Copse , we haven't decided what to do yet, although one option we are looking into is retaining our land ownership and building some properties there ourselves.

Need for Operations/Business manager

It has become apparent that our properties are not being managed as well as they could be, and that there is a need for a business manager to take care of this aspect of our operations. We are currently undergoing a search for someone to fill such a position.

Incorporation of the Trustees

We are working to incorporate the trustees, so that when documents need to be signed, they do not have to be signed each time by all trustees, and, in particular, when trustees are changed, the Land Registry does not have to change its records each time with new trustee's names.

Corporate Charity Statuts

We are working on a long term project to incorporate the charity as an charitable incorporated organisation (CIO) instead of as a trust. Trusts are used for holding properties and financial legacies (as was the original purpose of the old SMMF). A CIO would much better suit our needs as a membership organisation, and it would also give us the opportunity to give our Governance document legal status by using it to create a charter for the charity membership.