



## **Annual General Meeting of the Suffolk Agricultural Association Meeting held on Monday 19<sup>th</sup> February 2018 at 11.30 am at Trinity Park**

**Present:** 95 Members attended.

**Others in Attendance** - Jenny Cousins (MEAL), Sarah Chambers (EADT), Teresa Rous (wife of Robert Rous).

**Officers in Attendance** - Phillip Ainsworth (CE) Ian Liddell, Abi Southworth, Margie Morris (minutes).

The President and Chairman of the meeting Lord Iveagh, reported that a quorum was present and declared the meeting open. He began by asking all to stand and observe one minute's silence in remembrance of VPs and members who had died since the last AGM, particularly remembering: Josh Gilbert, Tom Rand, Michael Spear, Roger Blyth, Len Tuckwell, Norman Waspe, Fred Gittus and Brian Capon.

The President asked the Company Secretary, Loudon Greenlees, to report on the voting procedures for the meeting and the proxy votes.

**1. 35 Apologies were received.**

**2. To Adopt the Minutes of the 2017 AGM**

The minutes of the 2017 AGM were approved at a meeting of the Trustee Board and had been posted on the Association's website for the benefit of members. The President asked if all present were happy with the Minutes posted. The Minutes were adopted.

**3. Ordinary Resolution1 - To Receive and Adopt the Trustees' Report and Audited Financial Statements for the year ended 30 September 2017.**

**a) Trustees' Report for the year - David Nunn**

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

DN presented a snapshot of what goes on at Trinity Park throughout the year. (During the Chairman's report a slide show was run, highlighting many of the events).

'Last year we held 431 commercial events at the showground compared with 350 the previous year. Here are some examples.

**The Copdock Bike Show** - Probably the largest event held on our show ground other than the Suffolk Show. It is one of the largest one day motorbike shows held in the UK and attracts

visitors from Europe as well as the UK. As well as being a great day out it raises a lot of money for charity.

**The Skills Show** - Over 4,000 teenagers attended the day to meet up with over 200 employers and colleges to discuss career opportunities.

**Santa Run** - These events are held all over the country for fun and to raise money for charity. The numbers of Father Christmases at our event ran into thousands.

**Christmas Parties** - This has grown into the main income earning event for Trinity Park Events Ltd. This year over 3,600 people attended. These nights are themed, in 2016 it was 'Moulin Rouge', this Christmas was 'Fire and Ice' and for 2018 will be 'Cirque de la Saison' and this year we will be extending the number of party nights. To date over 2,500 have already booked.

**Conference and Business Events** play an important role in our calendar with 144 bookings in the 2016/17 year. Special thanks should go out to the companies that support us by choosing to use our facilities.

**Cycling** has become a very popular sport and the showground hosts some very large events, with competitors travelling from all over Europe.

As well as the commercial activities we undertake a number of core activities related to our charitable objectives and the following are some of those:

**Tractors into Schools** continues to be a successful event with over 70 primary schools welcoming farmers and their tractors into the school for a morning or afternoon. As well as seeing the farmer and the equipment, the children learn about the science and maths applied in farming as well as learning about the crops and what they are used for.

**Potato Day** is part of our educational programme, children plant their potatoes in May and then come back and weigh them spending a day with us exploring the story behind the potato. The heaviest root weight being the winner.

**School Farm and Country Fair** still remains our flagship educational event with over 4,500 7 to 9 year olds attending. This year will be the 18<sup>th</sup> event with the first one held in 2001. It is important to thank the sponsors, 80 exhibitors and the 220 stewards who give up their time to support us.

**The Suffolk Show** you all will know. Last year's show will go down as one of the shows to remember. With over 90,000 visitors and fine weather we congratulate Bee Kemball and her committee for an outstanding two days.

Whether we are planning the Suffolk Show, an event at Trinity Park or putting on an educational event, the success of the day is down to team work. I have to say that everyone involved should be congratulated for their efforts throughout the last year'.

DN then invited Robert Rous (RR), former Chairman, to come forward and presented him with a picture as a thank you from the SAA for his period as Chairman in recent years and noted that when RR stood down he left the SAA in a much stronger position than when he had taken up the office.

DN then thanked Lord Iveagh, on behalf of the SAA, for chairing the meeting and for his year as President.

**b) Audited Financial Statements for the year ended 30 September 2017 - Loudon Greenlees (LIG)**

LIG presented the audited financial statements for the year ended 30 September 2017. The accounts 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.

In presenting these accounts LIG started with an overview of the results, covering both the trading performance and the balance sheet and then followed this with a more detailed review of the Suffolk Show and Trinity Park Events Limited.

The key points in the financial statements were:

- Membership income fell by £4k to £154k. There was a fall in Vice Presidents (4% to 892) and Member numbers (7% to 1,018) but Young Farmers and "Under 25" members remained unchanged (147).
- The Show Contribution before indirect costs rose by 11% to £578k from the 2016 level of £520k.
- Net income from education activities (which includes conferences) fell to £4k compared to £12k in 2016. Despite the receipt of the charitable donation of £7k from the 2017 Show Ball, the income in the year fell because the Gardening Conference is only held every other year.
- Net rental income on the houses at the Showground rose to £13.6k in the year compared to £8.2 in 2016. This was due to a fall in the cost of repairs to the houses in the year following substantial investment in 2016.
- Total General Expenditure was reduced by £102k (12%) to £757k.
- The combination of improved income and cost savings meant that the Association's total operating deficit before investment income fell by £154k (96%) from £161k in 2016 to only seven thousand pounds this year. This represents a major achievement by the management team as an operating profit before investment income has been one of the SAA's longer-term goals for some time. LIG cautioned that this may not be achieved every year because the outdoor activities are, by definition, very weather dependent.
- Investment income in the year rose by 13% to £154k. The relative weakness of the pound combined with the increased value of the Association's portfolio, served to bolster dividend income in sterling terms.
- The gain of £66k on the sale a small piece of land on the edge of the Showground in 2016 was not repeated this year.

The Association achieved an operating surplus including investment income in the year of £101k compared to the 2016 surplus of £42k. This represents an increase of £59k but considering that the 2016 result included the non-recurring capital gain on the sale of the land meant a real turn-around of trading income of £125k in the year.

Trinity Park Events also made a substantial recovery from 2016 and achieved a profit in the year of £36k compared to a loss of £86k in 2016.

In summary the group achieved a consolidated operating surplus of £137k compared to a deficit in 2016 of £44k and has had a very positive knock on effect on cash balances.

### **Investment portfolio**

88% of the portfolio is invested in one open-ended fund, similar to a unit trust, but managed by Sarasin exclusively for charities; and the remaining 12% is in two private equity funds managed by Schroder. These two funds are in the process of being liquidated.

The Sarasin fund had a total value of £1.76 billion at the end of September and achieved positive performance during the year of 9.5%. In the four years since the Association moved its portfolio to Sarasin, the value has grown by 55%, substantially exceeding the 40.8% return of the Association's long-term target of inflation (RPI) plus 4.5%. The two private equity funds grew in value by 22% in the year and a further £170k was redeemed and paid to Sarasin.

In this financial year, the Association achieved further unrealised gains on the portfolio of £404k being mostly the increase in value of the holding in the Sarasin Fund and achieved realised gains of £13k in respect of the sales of the Schroder funds.

Thus there was a net consolidated surplus including capital return for the year of £554k very much in line with 2016.

In October, after the end of the financial year, the Trustees, on the advice of the Investment Committee, made two decisions relating to the investment portfolio. The first was to reduce the long-term investment target from 4.5% to 3.5% above inflation. This was made in light of the decision of the major central banks to discontinue and even to wind down the effects of global economic stimulus created since 2008 by Quantitative Easing. In the medium term this is expected to reduce the rate of growth in investment values and income.

The significance of this change will be further exaggerated by the fact that the Retail Price Index is being phased out as the standard measure of inflation to be replaced by the Consumer Price Index which is itself just under 1% lower than RPI.

The second decision was to diversify the management of the portfolio by allocating the future redemption proceeds from the Schroder funds to Ruffer Asset Management, an absolute return manager. This decision will be reviewed when the Ruffer assets represent around 10% of the total assets or about £0.5million.

### **Balance Sheet**

Turning to the Association's balance sheet. Total Assets increased in the year by the £554k and consist of land of £2.77m which is shown at cost, and buildings of £3.61m which are depreciated; thus giving a total for Land & buildings of £6.38m.

Other fixed assets of £401k (2016: £392k) mainly represent office and showground equipment, including vehicles.

The Investment Portfolio is valued at £5.7m (2016: £5.2m)

Net current liabilities of £290k which includes £214k of overdraft and loans repayable in the next 12 months (and finally the balance sheet includes the long term portion of the bank loans at £877k.

### **Detail of the accounts and starting with the Suffolk Show Income**

Wonderful weather for both days of the Show resulted in income from gate takings, and indeed nearly all areas, recovering from a relatively poor year in 2016 when the weather was less kind. Show admissions rose by £64k (12.9%) to £558k. Online sales in particular yet again broke their own record with sales rising by 24% to £405k. This represents 55% of all gate sales. Car Park fees at £62k also rose by 9% almost in line with gate sales.

Income from tradestands grew to £592k, also up 9% over 2016 – this was due to a combination of increased catering concession income and increased rates in all areas. Livestock entry fees however were the only significant faller as income fell by 15% to £63k. This arose because we resolved to enforce the entry date deadlines this year very strictly which resulted in fewer equine entries and a slight fall in the level of cattle entries.

Sponsorship grew by 2% to a new record of £195k.

The total Show income grew by £117k (8.3%) to £1.53m compared to £1.40m in 2016.

### **Show Direct Costs:**

Contractors, equipment hire and outside labour (60% of total costs) increased by 4.2% to £557k. This primarily arose from an increase in the cost of providing marquees for the Members' club complex as a new supplier had to be found at short notice when the previous supplier ceased trading. There was also the addition of a canvas roof to join the two parts of the sheep centre. Advertising, printing & stationery costs grew by 16% year on year to £86k mainly from the increased use of the PR agency due to staff changes ahead of the Show. Show advertising also increased with greater use of digital marketing and more roadside boards.

The cost of Judges & Sponsors grew by £10k (9%) to £124k mostly reflecting the cost of entertaining of increased numbers of sponsors and their guests.

The total Direct Costs rose by £59k (6.7%) from £889k to £948k.

### **General Expenditure**

Total SAA costs were reduced by £102k (12%) to £757k (2016: £859k). The reduction applied to nearly all areas. Of particular significance were:

- Staff costs (which are 41% of total) remained unchanged at £310k
- Maintenance costs fell by £46k to £96k (33%) as higher costs in 2016 did not need to be repeated this year
- Depreciation costs fell by £36k to £199k (15%) due to some reallocation of cost to TPEL

- Professional fees fell by £22k (40%) to £31k Most of this reduction related to non-recurring staff recruitment costs ( £11k) and technical accounting advice (£6k) paid for in 2016

### **Trinity Park Events Ltd**

The profit for the year was £35.8k compared to the 2016 loss of £85.8k when we saw very competitive trading conditions.

Turnover rose by £205k (18.5%) to £1.3m from £1.1m. 2017 saw a 23% increase in levels of activity with 431 events occurring in the year compared to 350 in 2016.

In conjunction with the increase in activity levels, gross profits also rose by 19% (£99k) to £620k mainly due to improved gross profit margins particularly in the catering area.

Letting income net of costs rose by 1.7% to £234k. Greater flexibility on letting fees resulted in an overall increase in business volumes.

Catering gross profit rose by 63% to £181k due to a combination of increased levels of events and gross profit margins returning to pre-2016 levels.

Bar gross profit also grew by 6% to £163k mostly due to increased activity levels.

The total administration costs in TPEL were reduced by £23k (4%) to £584k from £607k and matched the fall in the charges paid to the Association with the relatively small changes to all other costs offsetting each other.

Encouragingly no provision for bad debts was required in the year.

The overall result was a very encouraging resulting in a net profit for the year of £35,800.

For the future, the 2017 Christmas party season achieved a new record number of covers of 3,522 a 9.5% increase and have more than 2,000 bookings for the 2018 Christmas season.

With no questions the Treasurer proposed that the meeting adopt the Report of the Trustees and the audited financial statements for the year ended 30 September 2017 and this was seconded by Sir Michael Bunbury and on a unanimous vote by a show of hands.

### **c) Ordinary Resolution 2 – Election and Council Members**

To approve the election of the following who have been nominated as members of Council:

**Robert Rous, Stephen Miles, Bruce Kerr**

All three of these sit on the Nominations Committee and as such are required to be members of Council.

Although the proxy forms required this Ordinary resolution to be voted on in three parts, there was 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 candidates as one resolution.

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

**d) Ordinary Resolution 3 - To Elect Baroness Byford currently President Elect, as the President for the 2018 Suffolk Show**

The current president Lord Iveagh proposed that Baroness Byford be elected as President. Lord Iveagh noted that he first met Baroness Byford in 1990 when their paths crossed in the House of Lords. The proposal was seconded by Mr John Wall

The President declared the motion carried as votes by those present and by proxy unanimously (with one abstention) in favour.

Baroness Byford replied that she was deeply touched to be elected as President this year. Her family goes back a long way with the SAA. The Byford family, whose connection with Suffolk Horses goes back to 1870s, were looking forward to coming to the Suffolk Show.

**e) Ordinary Resolution 4 – To elect Stephen Miles as President Elect of the Suffolk Agricultural Society for the 2018 Suffolk Show**

Baroness Byford proposed Stephen Miles as President Elect for 2018. She continued that it gave her great pleasure to invite Stephen Miles. Lord Iveagh seconded the proposal.

The President declared the motion carried as votes by those present and by proxy unanimously (with one abstention) in favour.

Stephen Miles thanked all those present for voting him as President Elect.

**f) To note Council's recent appointment of Honorary Life Vice-President Awards**

The President was delighted to announce Council's recent appointment of Honorary Life Vice President Awards to:

Robert Rous, Stephen Fletcher and John Wall.

The President then presented each with a certificate.

**g) Ordinary Resolution 5 - To re-appoint Price Bailey LLP as auditors of the Association for 2018 to take office with immediate effect**

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

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

**h) To propose a vote of thanks to the 2016 Show Directors and the 2017 Deputy Honorary Show Director**

The Chairman, DN, asked Bill Baker to come forward and proposed a vote of thanks following his three-year term of office as Honorary Show Director (2014 – 2016) and he was presented a gift by the President. Bill thanked all the volunteers and particularly those on the Show Committee. He wished the Association good luck for the future.

Bill then asked Bee Kemball to come forward and the President presented her with a tankard thanking her for her tremendous support as his Deputy Show Director in 2016.

Bee Kemball then asked James Blyth, Deputy Show Director for 2017, to step forward and the President presented him with a tankard. Bee then thanked him for all his hard work.

**i) To receive a report on the arrangements for the 2018 Suffolk Show**

Bee Kemball, the 2018 Honorary Show Director, reported on arrangements for the 2018 Suffolk Show which included:

- A new area to celebrate WW1 'Looking Back - Looking Forward', not just history – but what is happening in our country
- Suffolk Punch Mare & Foal used for advertising – Horses in War
- Show Mobile App – Trails – Information – Interaction
- Andrew Fairs, the Deputy Director had been wonderful helping out so far
- Investment during the year in new irrigation systems to make maintenance easier
- Investment during the year roadway improvements
- The South Devon National Sheep Show here this year

A particular mention for the Show sponsors and a big thank you to all committee members and stewards.

Bee thanked the Trustee Board for their leadership and support and Phillip Ainsworth and all the Staff.

**j) Any Other Business**

Finally the Chairman thanked the President, Lord Iveagh, for all his support and passion for the Association wishing him and Lady Iveagh and their family best wishes for the future.

Lord Iveagh thanked all saying it had been a huge privilege and very enjoyable year. He thanked the Board, Stewards, Volunteers and the many others who support the Association and all its activities.

**The meeting closed at 12.55**