

MINUTES OF THE ANNUAL GENERAL MEETING
OF COTSWOLD WATER SKI CLUB LIMITED
HELD AT THE CLUBHOUSE ON SUNDAY 5th MARCH 2006

The Meeting commenced at 11.15 a.m.

A quorum of members was present. Lawrence Doyle chaired the meeting and welcomed all those present.

1. Apologies

A considerable number of apologies were received, including Carly & Mally Reade, Mick Whittle, John Hudson, Stuart Large, Sam Neill, Rachel Taylor, Helen Jones, J Goundry, Charlie and Candy Stott, Ian Walsh, Dot Ward, Barry Fogg, Dawn Walsh, Barney and Yvonne Gibson

2. Previous Minutes

The minutes of the previous AGM from 2005 were distributed. They were proposed by Richard Entract and seconded by Red Hocken. No member present had any comments on the previous minutes. They were therefore approved as drawn with one abstention.

3. Chairman's Report – Review of 2005

Lawrence Doyle as Chairman confirmed that there were only 10 directors sitting on the Board of Directors in 2005 with various co-opted members. The Directors accepted collective responsibility. Carly & Mally Reade had run the Clubhouse bar in 2005. There had been two EGM's during 2005. The capital projects undertaken were highlighted along with confirmation of the redundancy of the Club Steward in 2005 and the installation of a new accounts (Sage) system which had been purchased and installed to assist with accounting matters.

CWSC Ltd had suffered a loss of approximately £3000 in 2005. There had been a reduction in turnover which could be identified by reference to there being no bar income. There was a £2000 drop in membership fees and there had been no donation from the 200 Club. Using the screen and powerpoint, comparisons for bar figures in

2004 and 2005 were shown to members present. Taking into account overheads, purchase of stock and so on, the loss sustained by the bar was almost identical in 2004 and 2005, namely £9.00 (as against a loss of £10 in the previous year). The Directors had been obliged to appoint Carly & Mally Reade to run the bar because no member had wanted to run it voluntarily. Carly & Mally Reade (as well as Rob Attrill in the early part of the 2005 season) had taken control of the bar but there has been no loss of revenue to the Club as such.

Accounts for 2004 show that the Club had made a profit of £3348.00 in 2004 and a loss of £3281.00 in 2005. Some of these losses could be attributable to rising costs of cleaning (including effluent skips and cleaning materials), electricity usage and increases in the depreciation allowance which had risen from £8000 in 2004 to £12000 in 2005.

Ian Thompson queried why the membership income was down. The Directors felt that this was attributable to some members who had second shares taking fees holidays.

4. Ratification of Capital Expenditure

Capital that had been expended in 2005 on the Club roof, the Clubhouse itself, jetties, children's play area, shower block, tables and chairs, picnic tables and flooring in the Clubhouse. In 2004, the capital expenditure had been £31,537.00 and in 2005, £11,632.00. In the two years 2004 and 2005, we had therefore spent £43,169.00 in capital. Previous budgets had not taken into account this capital expenditure when the budgets were set.

David Jones queried capital expenditure figures and Lawrence Doyle explained that the 2004 figures reflected the expenditure that had been approved by the Board of Directors in 2004. Lawrence Doyle also confirmed that there had been some rule changes in 2005 which required approval from membership today including 1.00 a.m. curfew and allowing members to have larger storage facilities around their caravans. In addition, the Board of Directors felt it was appropriate to incorporate the old member club rules into CWSC Ltd and approval will be sought for that as well today. On those issues including ratification of capital expenditure, rule changes and

adoption of the old member club rules, membership approved this with only one vote against.

5. Report on the Aqua System – Chris Budd

Chris Budd provided an update on how the Aqua system to deal with lake algae had proceeded. He had distributed a written report to all present today. To deal adequately with the whole lake, three or four Aquasonic units would be required. We presently only have one installed. In 2006, the Aquasonic unit that we have at present, is to be moved over to the slalom course, for a further extended trial period before any recommendation was brought to the membership to buy any more units. The results of the Aquasonic units in 2005 were thus far inconclusive.

Alan Dawson queried whether there was any other method of treating algae in the main lake. He was advised that the cold winter may have helped suppression of lake algae. The barley bales had proved to be ineffective and we would not be purchasing any more of those. Contingencies are to be put into place and investigated and advice will be sought, free of charge, through the Environment Agency. Viv Coughlan commented that she felt that the system worked during the one week in 2005 when we had any real issues with lake algae.

Expressions of Thanks

Lawrence Doyle highlighted the following ought to be thanked for their efforts in 2005, including Carly & Mally Reade (Bar), Viv & Arlene (juniors), Richard Entract (competition/Fun Week), Gerald Shepherd, Wes Wright and Owen Card and others (Clubhouse roof), Dave Baber (children's play area), the Board of Directors and many others. Also thanks to Mick Whittle for his efforts on the Board over the years.

6. Resignation/Appointment of New Directors to CWSC Ltd

In accordance with Club Rules, all 2005 Directors retired. All Directors in 2005 including co-opted members on the Board of Directors were seeking re-election. Lawrence Doyle's position as Chairman of the Board of Directors was approved unanimously by a show of hands (save for one abstention).

A secret ballot of the remaining applicants for Directorship in 2006 was undertaken. The following (in no particular order) were elected as Directors of the Club in 2006 :- Dave Baber; Carl Bentley; Viv Coughlan; Alan Dawson; Richard Entract; Martyn Green; Red Hocken; Chris Lomas; Terry Slater; Charlie Stott; Ian Walsh
Mick Whittle, Stuart Large and Mally Reade had not been successful but would be invited to join the Board of Directors as co-opted members

7. Budgets/Service Charge supplementary levy

Projected turnover (after taking into account costs of sales of boat gas) indicated that we would have a gross income of £76,594.00. Overheads were projected to be £80,000 and we were therefore likely to suffer a shortfall on the basis of the budgets prepared for 2006.

A number of members having two shares were seeking fees holidays resulting in a budget deficit of about £3000 for 2006 potentially. The cost of purchasing boat gas would be covered by incorporating a 10% margin from the cost of purchasing that by the Club. It was to be noted that only 15% of overheads in 2006 were likely to be controllable, with the remaining 85% beyond the control of the Club. Since the budget had been prepared, early indications were that utility charges were likely to increase higher than had been allowed for (from 15% to 25%). Other concerns were increased usage of the Club facilities and during school holidays by more members attending and some people choosing to be permanent residents during the season. Depreciation was calculated on a set formula. The Board of Directors were seeking to enter into a maintenance contract for the electric gate to the entrance to the lake itself.

The Club Steward was now to be placed on a fixed term 8 month contract. His primary duties would be cleaning 5 days a week, guest fee collection, jetty duties and minor maintenance which is grass cutting, painting and so on. The Directors had investigated contracting some of this out but there were no takers and therefore, adoption of the Club Steward for 2006 seemed to be the most appropriate way forward. Anticipated shortfall between projected expenditure and projected income was about £4,000 and therefore, the Directors felt that the shortfall could best be covered by way of a supplemental levy on boat owning members and their associates

and a figure of £25.00 was suggested, which was likely to realise between £3500 and £4000.

Laurence Doyle also suggested that Club income could be increased by banding the GML discount and duty day discounts, installation of electrical meters and the installation possibly of septic tanks, therefore reducing the cost of removal of effluent from the toilet blocks. It was suggested that the GML discount might be a GML issue for the GML AGM but members agreed that a start had to be made somewhere and that was why it was being raised today. It was proposed to put the levy on membership fees rather than on caravan plots, as this will save VAT. Various suggested savings described could save the Club some £10,000.

Richard Entract suggested that considerable long term benefits could be made with the installation of electricity meters, even though there would be an initial cost to install them.

Members voted in favour of approval of the budgets for 2006 (subject to matters referred to below regarding the proposed levy-see below).

8. Membership fees holidays.

In terms of membership fee holidays, there were some 20 people seeking holidays in respect of fees in 2006 (as opposed to 16 in 2005). Mick Coote indicated his support to the abolition of fees holidays with a suggestion that unpaid fees would accrue against memberships and be recoverable, either when a member returned from a fee holiday or sold on their share. It was an appropriate idea but members felt that we needed to charge interest in addition. The proposals to abolish and apply recovery charges for any unpaid fees during fees holidays found favour amongst those present. The proposal adopted was that membership fees holidays should be abolished. Those not utilising the facilities will be charged fees at the normal charging rate and any default should attract a 10% penalty after year one. This was unanimously approved.

9. Boat Owning member rights/ Temporary members fees

Laurence Doyle reminded those present that only boat owning members can put a boat on the lake. That is to say, they must be a shareholder and primary user of the

boat concerned. There are 100 shares and we have at present 59 shareholding members who are putting boats on the lake. A recent problem has come to light where associates of boat owning members are putting their boat on the lake if the boat owning member doesn't use his or her right in that regard. It was felt that if a boat owning member doesn't want to put a boat on the lake and his/her associate does, the associate must become a temporary boat owning member. The question then arose as to what rate we apply. There was concern that if we allowed expansion of associates/temporary boating members, the Club could lose control of the number of boats being allowed on the lake. In 2005, we had four temporary members, one of whom has subsequently bought a share. In 2006, we had two persons seeking temporary membership and four associates.

Mick Coote felt it was appropriate to set a maximum number of temporary members. Fees in that regard should be set at £1000 and that there should be a limit for temporary boat owning members of no more than 2 years. It was also felt that Ski Club members should have priority on caravan plots ahead of temporary members. After further discussion, it was felt that only boat owning members should put boats on the lake. If non-boat owning members want to put a boat on the lake, they must become a temporary boat owning member and the rate for that would be £900.00 and the maximum number of temporary boat owning members for 2006 will be set at 6 – this being subject to change annually at each AGM.

A vote was taken on what to do with regards to fees of the four current associates who had already paid on the current charges as invoiced. Those that had paid should not pay more for this year but that in the future from 2007, the associates' fees would increase to the higher rate of £900.00. There were six against the proposal, three abstentions and the majority voted in favour and that proposal was carried.

As far as the remaining temporary boat owning members were concerned, members voted on capping the limit of associates/temporary boat owning members at six in total, including the four associates referred to above. The rate to be applied to them (excluding associates who had paid this years fees already) was the higher figure of £900.00. There was only two votes against and this proposal was also carried.

10. Service Charge supplement

After due consideration to the matters described above, a proposal was put to the members that there should be an across the board increase for all categories of members, save social, and that the levy for 2006 should be £25.00 per member (rather than simply applying the levy to BOM's). This was proposed by Laurence Doyle, seconded by Mick Cooke and carried with two against and two abstentions.

11. Duty Day discounts

The proposal to cancel duty day discounts (proposed by Red Hocken and seconded by Carl Bentley) was not accepted by the membership. Accordingly, the Directors will have to keep strict records of what members have carried out what duties on their duty days so that the appropriate discounts could be applied in future years.

12 Caravan Plot Usage

In respect of caravan plots, the Directors felt that a boat owning member should be the prime user of such plots. If temporary members obtain a caravan plot, temporary member rates apply to caravan plots. The proposal that only boat owning members and their immediate family must own the caravan and be insured in the BOM name was carried (with 4 abstentions and 0 votes against)

13 Club Bar

In respect of the Club bar, it was proposed that Mally & Carly Reade run the bar as they had done last year with no costs or profits to or for the Club as there had been no other volunteers. This was agreed by the membership subject to the Board of Directors approving pricings.

14. Membership fees

Carl Bentley indicated that we were hoping to install on-line membership forms, which would enable members to go online and calculate what fees were due. The proposal for fees to be paid via the standing order basis also merited further investigation and approval for Carl Bentley along with Claire and Matt to investigate this further was agreed. It was felt that if that proposal was felt appropriate, it needs to be put in place in time for 2007 and approval of this would be sought at the next AGM

15. 200 Club

Dave Jones explained to members that the 200 Club had been formed so that the monies collected are raised to assist development of the Club and amenities for its members. Of the income from people who had joined the 200 Club, approximately 50% was spent on prizes monthly. There was some £4000 in the 200 Club account at present. Any person having ideas as to what the surplus from the 200 Club could be spent on should be made to the Committee who would then approach Dave Jones. The March 2006 200 Club was drawn at the meeting. A note of thanks to Dave Jones for his efforts with this was recorded appropriately.

16. Date Changes for AGM

There was some discussion about whether we should change our accounting year and AGM date. The reason behind this suggestion was that we may get greater attendance if we move AGM's whilst the majority were still on site before the end of the season. However, gathering together adequate financial information in time for say October of each year, preparing accounts and convening a meeting was felt to be difficult and therefore, members voted to continue holding the AGM as at present without change to the accounting year. The next AGM would be first Sunday in March 2007.

17. Storage Units

A proposal was put forward to allow members with caravans on site to have proprietary uPVC external storage units. There was little or no comment from the floor and the new proposed rule adopted by unanimous consent was as follows :-

A number of proprietary uPVC external storage units are permitted, provided there is sufficient space directly adjacent to the member's caravan and that no objection is received in writing by the Planning Committee from the immediate neighbours. Storage units may not exceed 2.1 metres high x 1.5 metres wide x 1 metre deep. Such storage units are to be removed by 31st October each year.

18. AOB

The proposal that we revert to half day fees for guests attending site on Monday to Thursday only) was agreed in principle.

Richard Entract reminded individuals that if they were having problems getting caravan insurance, he had established contact with a broker who was prepared to give a more than competitive rate for existing and new business and details of this will be circulated in a forthcoming newsletter

Belatedly, the accounts and budgets were approved by substantial majority, with two against and two abstentions.

There being no other business, the meeting closed at 3.15 p.m.