

## **Notes Taken at the KSSC EGM Held 12:00 Sunday March 19<sup>th</sup>**

Copy of the Attendees signatory List is attached

Alan Hill, KSSC Chairman welcomed and thanked attendees for attending the EGM. Alan introduced Roy Harris who would document the EGM, Morgan Powell who led the process and discussions that led to the proposals that would be presented at the EGM, Committee members Huw Rees, Clive Rickman, Brian Lloyd, Dave Skelding and Haydn Dunant.

Alan explained that the EGM would provide information on why the EGM was called and why there were two specific proposals relating to the Constitution and Membership Classes that required verification from the membership before they could be implemented.

On a point of order Brian Weston stated that the day and timing of the EGM was wrong because the Football team had a match and could not attend. Alan explained that this was an error on the part of the Committee and apologies had been made to the Football Team representatives.

Alan explained that KSSC was a registered CASC (Community Amateur Sports Club) which was administered by HMRC and being a member gave KSSC significant tax saving benefits. New rules introduced at the beginning of the 2016/2017 Tax year were tougher and we needed to make changes to remain compliant, failure to be compliant could lead to significant losses if we were audited by HMRC. We had taken professional advice and looked at other CASC registered Clubs before deciding on the way to proceed.

### **The Meeting discussed the proposal to set up a Subsidiary and changes to Membership Classes and Subscriptions**

Alan summarised the proposed changes as follows:

KSSC would set up a wholly owned Subsidiary, income from the bar, fruit machines, events (KMF, Sealed Knot etc.) would be channelled through the subsidiary and any profits would be donated back to the main Club. The membership renewal process starts on 01/04/2017 and on that day our membership would only consist of Life, Associate and a small number of Football players). As members renewed they would be split into CASC members who participated in sports (participation being defined by HMRC CASC rules), Full Social Membership (Social Members who did not participate in sports and were members as of 31/03/2017 and these would be included in the up to the allowable 50% of CASC that is non sporting) and Affiliated Members (members who join the Subsidiary on or after 01/04/2017). Affiliate membership would enjoy the benefits of the Club but would not be allowed to vote at either an AGM's or an EGM. There would be no increases in subscription charges.

In response from a question from Kim Strong, Morgan explained that participation in sport meant you had to either play or train at least 12 times in your required sport or support it in other ways including coaching or administering, parents of Juniors who drove their children to matches or training were not deemed by HMRC to be participating.

In response to a question from Robert Townsend Alan explained that the number of allowable sports that were allowed under CASC was very broad. Brian Lloyd explained that at KSSC we split sports into Field (Football, Cricket and Bowls) and Other (Darts, Snooker, Badminton, Cycling) and Membership totals for 2016/2017 showed we had 329 'Participants' and 441 Social.

In response to a question from Mick Gillam, Morgan explained that under the Committee's proposal retired Sports members would be included in CASC Membership and not transferred to Affiliate Membership.

In response to questions from the attendees Morgan explained that the Subsidiary would be known as Kineton Sports and Social Supporters Club. It would be a company limited by shares, and these would be owned by the Trustees of the CASC. It would be managed by directors who would also be the main Committee managing the CASC, it would run the bar under the control of the CASC and the Clubs Licence would belong to the Main Club. It would employ staff. All profits would be donated to KSSC. Morgan explained the financial benefits of CASC and the savings available to the Club in the areas of Business Rates, Qualifying and Non-Qualifying income.

Full Members of the CASC will automatically hold membership in the Subsidiary and would be able to participate in activities such as dominoes and card games promoted by the Subsidiary

Neil Weston asked whether it would be simpler just to withdraw from CASC and repay whatever was owed to HMRC. Alan and Morgan explained that we currently save over £4000 annually on Business rates and pay no tax on our profits (£5000 declared in 2015/2016). Also, the rule is once a CASC always a CASC and HMRC could request repayment of our allowances going back over a number of years, this could be crippling for the Club.

Les Male asked whether we could still vet New Membership applications and Dave Chambers asked if we could refuse a Membership Application. Morgan explained that although HMRC say membership must be open to all on a non-discriminatory basis we could still refuse an application for good cause and this is stated in the Constitution.

Marilyn Gabb asked about Badminton and why they did not pay the full sports membership. Brian explained that Field Sports required more money to provide and maintain their facilities hence the £40 Membership Fee, Minor sports took less money to maintain and hence paid the standard £12. Sue Skelding explained that most Badminton players voluntarily pay the full £40 fee others make a donation to Club funds to cover the difference.

Mary Petit asked whether the meeting was quorate, Alan explained that we needed a minimum of 25 members to be present at an EGM and there were over 40 in attendance.

Terry Welch asked if it would be advantageous to establish a wider range of CASC compliant sports. Alan agreed that this was a positive way forward and we were in the process of setting up a Table Tennis Section, other eligible Sports would be positively considered..

Alan asked the meeting to vote on the proposal to establish a Subsidiary and to split the membership as defined in the Membership Classes and Subscriptions Operating Schedule.

**The voting was 34 in favour, 4 against, there were no abstentions.**

**The EGM then went on to consider the changes that were proposed to the Constitution.**

Morgan presented each attendee with a copy of the New Constitution and an Operating Schedule with the proposed Classes of Membership, and a separate document that summarised the changes to the existing Constitution. Morgan summarised the changes that were proposed :

Clause 2 Object of the Club : Carol Hooper suggested that Committee Liability should be covered by Insurance, Morgan explained that although the Club did hold such insurances it was felt that there was no need to make this a requirement under the Constitution.

Clause 3 Admission of Members: Les Male pointed out that as time progressed Full Social Membership would diminish and Affiliate increase, would it be possible for Affiliates to become Full Social. Morgan explained the Affiliates who took up a CASC participating sport or supporting role would become CASC Members. Allowing Social Affiliates to become Full Social members could be contemplated in the future if it did not lead to a breach of CASC rules but the Committee would need to amend the Membership Classes defined in the Operating Schedule.

Sue Skelding asked if the Subsidiary would have its own Constitution. Morgan said it would have its own rules in the form of Articles of Association and that further management arrangements would need to be developed.

Kim Strong asked how we would differentiate between CASC and Non CASC Members, Brian explained that this would be done through the Membership process and the way members were recorded.

Clause 27 Safeguarding : Mary Petit asked about the qualities expected of a Welfare Officer. Morgan explained that there were already 4 qualified people within the KSSC membership but the Committee would need to assign, document and introduce the role.

Ann Humphries asked about facilities for Disabled members and Guests. Alan explained that we have approved plans and identified a contractor to install disabled toilet and child changing facilities and we were waiting for feedback from grant applications. We hope to begin installation in late Autumn.

Clause 28 Section of the Club: In response to a question from Sue Skelding Morgan explained that having agreed to set up a Subsidiary we now need to develop the way it operates within the organisations.

Alan asked the meeting to vote on the proposed changes to the Constitution.

**The voting was 31 in favour, 1 against and 1 abstention.**

Morgan said that if anyone had any questions and wanted further clarification about what had been proposed and agreed then he would be available to answer their queries.

Alan closed the EGM by thanking Morgan for all his efforts in getting the Club to a position where it could rapidly move towards CASC compliance, thanking those who had assisted Morgan and to all those who had attended the EGM. Ann Humphries thanked the Committee for all its efforts and hard work.