



ANNUAL GENERAL MEETING

DRAFT MINUTES OF THE THIRTYSIXTH ANNUAL GENERAL MEETING OF BRITISH ROWING held on Saturday 12th October 2019, at 1.30pm in the Hilda Clarke Suite at Friends House, 173 – 177 Euston Road, London NW1 2BJ.

PRESENT –

Regional Reps (Members): P. Knowles, N. Hubble, A. Weekes, D. Samanjoul, G. Coates, C. Eales (Proxy for J (V.J). Perry), A. Hock, C. Anton, A. Blit, H. Middleton, P. Brett, R. Miller.

In attendance: F. Ljubicic (proxy for L. Dillon), P. Clements (Wycliffe Heads), R. Murray (Proxy for K. Phillips and S. Gourevitch), Leigh Curtis-Green (Proxy for C. Harrison), C. Briegal (Chair for North West Region, Proxy for R. Hooper and H. Hackett), A. Robinson (Walbrook Rowing Club), P. Clements (Wycliffe Heads), N. Haskins (Reading Amateur Regatta Committee), M. Williams (Honorary Life Vice-President), J. Turnball (Chair, Recreational Rowing Committee).

Directors in attendance: M. Davies (Chair), A. Parkinson (CEO), A. Crawford, K. O’Sullivan (Deputy Chair), J. Hinnigan, S. Reeves, L. Behnke, L. Lion and K. Vleck.

British Rowing Staff in attendance: H. Mosienko (Company Secretary), W. Kewley and C. Trenter (Minute Secretary).

Apologies: J. Cary, L. Dillon, S. Gourevitch, C. Harrison, G. Houston, K. Phillips, M. Laing, J. Perry, R. Hooper and H. Hackett.

I. CHAIRMAN’S STATEMENT

The Chair asked for all to take a minute to recognize everyone we have lost over the past 12 months.

Ian Baldwin (Weybridge RC), Kevin Hall (Cape Cornwall Gig Club), Martin Pride (Weybridge RC), Erik Whiteley (Durham boat builder, Browns Boathouse Ltd), Karol Jozef Braun (Henley RC), David Hudson (Thames Valley Skiff Club, Weybridge RC & Tideway Scullers School), Silvia Breu (Cambridge University Lightweight RC), Graham ‘Barney’ Frith (Cygnet RC), Adrian ‘Ade’ Bishop (Derby RC), Hugh Davy (Quintin RC), Arthur ‘Phillip’ Rothbart (Reading School BC), Pete Bullard (Star Club), Brian Foster (Star Club & GBRT Supporters Club), Anthony Ross (Thames RC), John Ash (Trent RC), John Goldhawk (Weybridge RC), Margaret O’Byrne (Yarm School BC), Barbara Edwards (Bradford Amateur Rowing Club), Jeff Hammond (Mayflower Offshore Rowing

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Club), Barrie Hanley (Cambois Rowing Club), Stuart Denlegh-Maxwell (Worcester Rowing Club), Simon Gifford-Mead (Dart Totnes Amateur Rowing Club), John Shore (Weybridge RC), John Sutcliffe (Wallingford Rowing Club), John Russell (Molesey BC & Leander Club), Keith Yates (Durham Amateur RC), Dennis Ashton (London RC), Brian Fentiman (Quintin BC & London RC), AJ Johnson (Tyne RC), Allan Pratt (Newark RC formally Durham Amateur RC), Peter Pearce (Kingston RC), Tony Hall (London RC).

The Chair welcomed and thanked everyone for attending and delivered his Annual report as follows:

Good afternoon everyone and welcome formally to the AGM of British Rowing for 2019.

Most of you were here before lunch, and will have seen from Andy's presentation that there is a lot going on. During my ten minutes or so, I'd like to tell you why I think the future could be very bright, but I can only do so if I address some of the glaring issues that I am sure many of you have come today with a view to discussing.

I stood here last year for the first time and talked about what had been a year of considerable change. This year, I stand here not so new, and not having effected nearly as much change over the last twelve months as I would have liked. But I do believe that things are now on the move, and I am confident that twelve months from now we will be talking about a very different picture from the one that you see today.

Let me begin with the hardest bit – the deficit that you will have seen in the financial statements, and which the chair of our Finance Committee John Hinnigan will talk about in more detail in a moment. It is huge, unsustainable, and being addressed.

I am conscious that the vast majority of you in this room have heard my view on this already, and for those who haven't, the soon-to-be-published minutes of our most recent board meeting lay it out. But for the record today let me make clear that I am in no doubt that unless we address the fact that the cost of running the sport today is higher than our income by some considerable margin, we are going to be in trouble. We therefore are addressing it. I have said to Andy that I can stand here today and defend our financial statements on the basis that they are largely the result of a legacy strategy, but the same will not be true next year. We have dipped below our minimum reserves and can simply no longer afford to pursue initiatives that do not pay back in very short order. There are no prizes for running a loss-making business or for churning out programmes that don't deliver revenue before you have driven the car over the cliff.

I talked last year about how we would soon be making a big drive for membership. I am disappointed to be standing here saying that we have not yet started it, but on the bright side, we are now in a position where we will be launching it properly by year end. We launched Clubhub (thanks to the 18 clubs who tested the pilot) and made changes to the



membership package with the four new categories of membership, but our coming focus to address our financial position will not be on active members, because if we were to double their number, we would need a commensurate increase in boats and facilities, and costs would increase accordingly. Instead, it will be on people who think of rowing as their sport, and the plan is to explain to them how their support allows us to protect it. It requires us to change mind sets, from the current perception of British Rowing as an unlovable taxman and regulator, to a Trustee of the sport, whose job is to pass the sport on to the next generation in as good as or a better condition than we inherited it, which means that we are here not only to facilitate the present, but to protect the past and safeguard the future.

The Friends of British Rowing membership that we have soft-launched will explain to people how their signing up for £30 a year (the price of a cup of coffee a month) will help us to do that. Our aim is to get from our current 31,000 members to 100,000 members within three years. Getting there will require some significant improvements to the user experience of the draft Friends Of webpage, broad and effective communication, and a lot of help from our existing members. But I believe that it is entirely realistic to believe that we can get there, with the first 8,000 members wiping out the structural deficit, and every incremental sign-up providing us with headroom that will allow us to do so many of the things that I think will make an enormous positive difference to our sport.

Moving on to other things, something else I said last year that I am saying again, I am much happier about. Last year's line was that "Our GB under 23s had their best-ever result at a World Championships, returning home with eight medals – including three golds!" This year I can say that "Our GB under 23s had their best-ever result at a World Championships, returning home with eight medals – including six golds, and two silvers to boot". It was an extraordinary performance in brutal conditions – I could barely walk half-way up the course without turning into a sweaty heap – and they and their head coach Pete Sheppard deserve our warmest congratulations. Our senior team bettered their 2018 performance at the 2019 World Champs, with two golds and two bronzes, although that was still a weaker result than we had hoped for. The members of the para team that brought home both golds deserve a particular mention, though – and on a very positive note, we qualified ten boats for Tokyo, which was a result equalled only by the Dutch. You'd have to have no eye for a boat, though, not to have realised that we have work to do to find a couple of boat lengths across the board if we are to be competitive there.

The Junior GB Rowing Team claimed two medals in Tokyo, while at the Coupe de la Jeunesse in Italy we came second, and in the GB France match we won for the eighth time in the last nine. Junior rowing would appear to be thriving, with a record entry at the Junior Champs in Nottingham, where Gloucester Hartbury won the Victor Ludorum.

Turning to our commercial partnerships, we have added Eve Sleep (who launch formally this month) to our existing partnerships of SAS, who took the naming rights of the Ranking Points Index, and Mizuno, who became the headline sponsor at BRIC for the first time, and



also launched our Inspired By range, in April. By this time next year, projections suggest that kit sales on the High Street in Korea will be adding £80K a year to our coffers, which is very welcome. Less positively, I mentioned last year that we were launching a new sales campaign in a bid to find a major sponsor, but regrettably this has not borne the fruit we were hoping for. It is a difficult market, and my own view is that this merely underlines the sense in looking at membership numbers as the solution to our budget issues.

We struggled with the weather this year in terms of racing. The Women's Eights Head was cancelled because of high winds, which led to 23 women's crews (of which Tideway Scullers proved the quickest) being given places at the 86th Head of the River Race, where Oxford Brookes came home four seconds ahead of Leander. A number of other events, including the Offshore Championships, were cancelled because of conditions. Budgetary constraints led to our decision not to re-run Power8 Sprints, and while Masters went fantastically well at Strathclyde in June, with Star Club taking the Victor Ludorum, we cancelled Senior Championships as clubs voted on its change of date with their entries. The desire to find a date that works for everyone remains, but it is proving extremely difficult, and you will have seen that the decision has been taken not to run the Championships in 2020. Instead, more time will be spent considering the options, with proper consultation. In other consultations, our independent director Liz Behnke is leading a governance review, ably supported by my Deputy Chair Kate O'Sullivan, the aim of which is to ensure that we have proper accountability within the decision-making process. I hope it will have the added advantage of saving me being hit on the head by people about matters over which I have no visibility, let alone jurisdiction. We published our new school-age strategy in May, and at my recent visit to the Kitchin Society, I was left in no doubt that the progress we are making with that group is both appreciated and significant. One shout-out in particular, to quote the Chair of that Society in a recent email to me: "There are many hard-working people in Hammersmith and around the country (employed and volunteering) but in terms of effecting change in recent times, Marieke must rank as one of the most successful."

While I am mentioning individuals, two board members stand down this month having completed their terms of service. Fiona McAnena is not here but she has played the role of Senior Independent Director during her years on the board, and I would like to thank her very much for her contribution. Andy Crawford is here and will be well known to all of you as the Chair of the Sports Committee, a role he has filled with tireless enthusiasm, much to the benefit of so many, Thank you, Andy, for all you have done. Expected to replace him, not to pre-empt your vote in a moment and assuming such a thing is actually possible, is Nick Hubble, who all being well in a moment I look forward to welcoming to the next board meeting, and towards the back of the room is our newest Independent Director, Karena Vleck, who was the stand-out candidate in a competitive field of forty applicants when we advertised that role last month. Congratulations and welcome, Karena and thanks for coming today and I am looking forward to working with you. While I am on the board, I would like to thank them all for their support and input over the course of this year.



I mentioned last year that we would be introducing a new system for awards, and again I am slightly frustrated that I am standing here now without it in place, but I can tell you that we will shortly be announcing a date, likely to be in early March, for a British Rowing Awards dinner that will celebrate the whole of the sport, along with details of how people can nominate recipients. I have slightly stuck my neck out in saying that I am convinced that the sport will support being given the opportunity to celebrate our winners and the sport's achievements in a bigger event than the relatively small lunches of recent years that have really only included the winners themselves alongside those who nominated them, meaning that they do not get the broader recognition that their achievements deserve. I hope you will help me to be proved right by encouraging individual and club and regional involvement and attendance, because if we don't get it in the first year, I won't get any support to repeat the exercise and make it an annual event. Clubs have annual dinners, other sports have annual dinners, schools and companies have annual dinners: our sport should have an annual dinner where we can delight in achievement and commiserate in misfortune. Please support that, and, when we launch it in the coming months, our membership drive. Of the 1,267 members who responded to our membership survey this year, 95.3% said that they would recommend the sport to a friend, so there is no lack of love for the sport itself! This coming one is a crucial year for us, and it will need us to pull together to make it a success. Together we are rowing.

If we can regulate the finances in the way I have laid out, and encourage alumni support to the level that I believe possible, we would put £2m a year in unrestricted income into our coffers. With it, we could do marvellous things and not just for today's members and clubs, but for the future; and not just for people who know about rowing already, but people whose lives could be so positively impacted by our sport. The vision is to use the sport as a vehicle for positive change, by taking it into communities and to people who would end up loving it, just as we do. That is not a charitable aim – although the launch of Love Rowing, the British Rowing Charitable Foundation, at Cutty Sark on 21st November, in what promises to be an excellent event, will be able to play a major part. It is an aim that we, as Trustees of the sport, need to have, because in broadening appeal across communities and taking the benefits of rowing far and wide, we secure its future in a competitive sporting landscape, we save it from inevitable shrinkage towards its unfair stereotype, and at the same time we inspire passion in people young and old. The knock-on beneficial effects of having the financial platform to run more effective, wider, and better supported programmes in coaching, facilities, recreational opportunities, volunteer support, and membership tools - to people, the sport, and ultimately the GB Rowing team, are obvious.

So I would like to ask you all for your support, and in conclusion to thank you all for coming and for listening and with most of you, like me and the members of the board, being volunteers, I would also like to thank you for the work you do for the sport. In doing so, I will take you as proxies for all of our volunteers, without whom the sport would not function. To you, and to all of them, I'd like to say thank you very much.



ORDINARY BUSINESS

2. Apologies for Absence

Noted and recorded above. J. Cary, G. Houston, M. Laing and proxy votes had been received and recorded as follows; F. Ljubicic for L. Dillon, R. Murray for K. Phillips & S. Gourevitch, L. Curtis-Green for C. Harrison & C. Briegal for H. Hackett & R. Hooper.

3. To approve the Minutes of the Thirty fifth Annual General Meeting held on Saturday 6th October 2018.

The minutes were agreed to be an accurate record of the meeting and were approved.

4. The Directors' Report and Financial Statements for the year ended 31st March, 2019.

The Directors' Report and Financial Statements were presented to the meeting by J. Hinnigan, the Chair of the Finance Committee.

Before commenting upon the 18/19 results I would like to give you some historical context. When British Rowing had its grant funding reduced for the years 2017 to 2021 the executive team was encouraged to draw up a four-year plan which continued to allow investment in new initiatives in the early years whilst achieving cumulative break-even over the four year cycle. The plan approved by the Board thus resulted in deficits in 2017/18 and 2018/19 and a surplus in the following two years, mostly through strong increases in sponsorship and membership income. The deficit result for 2017/18 was within budget whilst, as you may guess from the accounts, the deficit for the year 18/19 substantially exceeded that in the plan.

The variance to plan was of the order of £450k. This is made up of many components but the main contributors to the shortfall were membership income at £40k, sponsorship £100k and £260k of professional fees.

The membership and sponsorship shortfalls were due to delays in the development of the membership programme and a very challenging sponsorship environment although significant progress has been made with SAS, Mizuno and Eve. In 2018/19 we incurred unusually high legal fees mainly due to the cost of (successfully) defending appeals against safeguarding disciplinary sanctions and responding to multiple Data Subject Access Requests. These costs are hard to plan in advance as for the most part they will depend on the number and complexity of cases and requests to which we have to respond. To more



effectively control legal costs in future we have employed a legally qualified Head of Governance who will deal with all case management and reduce our reliance on external legal advisers. This post has been filled since August and we shall expect to see a significant reduction in legal costs going forward.

The deficit was further increased by the loss incurred by the investment in Power8 Sprints, an initiative not included in the original plan for the year.

You will have read the note on Reserves in the Financial Statements. As a result of the year's deficit our Revenue Reserves at 31st March were just below the target of £3.7m required by our Reserves Policy and this situation still prevails.

Let me now turn to the budget for the current year and the outlook for 2020/21. The budget for this year foresees a much reduced deficit of £250k but it is important to note that this is subject to similar pressures as last year in the form of recruitment costs, professional fees and slower income growth. In view of this the Board took the decision to cancel the 2019 Power8 Sprints which would have added further to the deficit for the year.

It goes without saying that the Board is addressing the imperative of returning to a balanced budget in 2020/21. This must be achieved through a mixture of revenue increases, particularly through membership, and cost reduction. The balance between these will depend upon the judgements we make in the planning process which starts in November.

So there are major challenges going forward and there is much work to do on increasing revenues if we wish to maintain the delivery of our key programmes.

J. Hinnigan invited the floor to ask questions:

N. Haskins asked if next year could we look at getting a breakdown of the administration costs:

H. Mosienko advised there is a breakdown on page 36 under area of activity but N. Haskins advised it was not a full breakdown and it would be good to see this on the next financial statements.

A questions came regarding Power8 Sprints and why did we carry on with it if we knew it was going to make a loss:

The Chair said the plan had always been that the event would cost in the first year, because we were trying to create a property that would attract more commercial coverage on TV and also a different audience to the sport. It was never in doubt that we had to spend money to do so. However, the hope was that by year two a large part of the on-going cost of running the event could be picked up by sponsorship deal. This had not happened early enough or quickly enough, and Board decided that the sport alone could not afford to take



on the vast bulk of the costs for a second year, especially given that there was not visibility of the position changing by year 3.

A. Weekes asked if we had an estimation of where we will be at the end of the 4 year cycle and J. Hinnigan responded beyond this 4 year cycle our priority is to ensure we do not have a worse deficit and to get our reserve policy back to normal. The Chair also added that we cannot use our reserve to manage the deficit and we will not be using 6 Lower Mall as it is our only capital asset.

Mike Williams questioned what we are going to do differently as he has seen this a number of times in the past with plans to increase membership. Is there a plan B?

The Chair advised that in his view the situation was different for a number of reasons. First, the focus was on alumni, not on recruiting new rowers. Mike Williams said that targeting alumni had been tried, to which the Chair responded that he had yet to find an alumnus/a who had been asked to support in the terms that he had laid out. He said that if that had been a strategy, then the message had not been clear; and that what would be different this time would be that the communication of the message would be very strong. A customer segmentation exercise was taking place that would ensure that we target the right groups with the right message in the right context. He hoped that this would make the difference, because the only other way to balance the books is to reduce our costs and programmes. He said that the sport needed to make a choice: did it want the sort of programmes that attendees had heard described during the CEO's presentation this morning, which come at a cost but which advance the sport in a number of areas; or does it want an administrative body that comprises 10-20 people who just do clerical roles. Ultimately, it was for people who loved their rowing to decide – but that first, people had to be told what is at stake and what their money would do.

J. Hinnigan added at the beginning of this cycle, and we are in year three, we challenged the executive team to come forward with ambitious plans, and as we have seen those targets have not been achieved so when the next budget plan comes forward for the next year and in the future, the Finance Committee and the Board will be more cautious than we were last time. There are many rowers in the UK that are not members of British Rowing, if we could encourage half of them to join this would help to fill the deficit and as we have the influencers in the room that can help us to get our story out there.

J. Turnball asked if we could look at an International model where if you are a member of a club you are automatically a member of the governing body. The Chair commented that to do this we would be imposing a cost on rowers and that this might upset people. We would prefer people to understand the position that the sport is in so that they could make their own decision about what they wanted the sport to look like, rather than for us to charge them for something that they don't want. If people want on-going progress, then if we explain to them that there is a cost to providing it, they will support it voluntarily. If they don't, then that is the choice they will make.



A. Weekes commented that members' perception was that they subsidise the performance team and members would like to know where their money goes.

J. Hinnigan advised that not a penny of membership money goes towards high performance, and that in fact the opposite was true. He said that if the perception is that members subsidise the GBRT then we will need to communicate this better, and it was an important point to be raised.

The Chair added that he is often asked what people get for their money, and that it is important to communicate to members that their subs between them cover unexpected costs that might affect only small numbers of members, but could affect any of them. To this extent, a membership sub might not seem like value for money in the same way as paying an insurance premium on a house that doesn't burn down does not seem like value for money. He added that we will not ever get 100% satisfaction from members, but that we will work on communicating this point because the drive for membership is highly dependent on existing members passing on to non-members that what British Rowing does is helpful to taking the sport forward. We will need members to get members, and that is unlikely unless everyone understands what we are doing.

L. Curtis – Green raised that the message coming from British Rowing is all around high performance via our social media, this is where we need to show communication/ social media round our grassroots.

The Chair advised that if clubs send in good news stories and posts and tag British Rowing into social media, this would be helpful and we can in turn use this on our social media. Action from this was to ensure British Rowing are doing this when being tagged into social media posts.

There were no further questions and the Chair moved on to agenda item 5.

5. The appointment of *haysmacintyre* as Auditors of the Company

Members approved the re-appointment of *haysmacintyre* to hold office until conclusion of the next General Meeting.

Members voted in favour and appointed *Haysmacintyre*.

6. Special Resolution

To consider and, if thought fit, passing the following resolution which will be proposed as a Special Resolution, that -



With effect from 14 October 2019, Article 62 of the existing Memorandum and Articles of Association of British Rowing Limited be amended as follows:

*No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Save as herein otherwise provided fifty per cent (50%) of the Members in person **or by proxy** shall be a quorum.*

The Members voted in favour of the Resolution and therefore was passed.

7. Appointment of Director

Andy Crawford's current term of office as Chair of Sport Committee and a Director of British Rowing comes to an end in October 2019. Therefore, in accordance with British Rowing Article (15) the Regional Representatives were invited to nominate candidates for the role. Andy Crawford has served the maximum number of consecutive terms of office permitted by the Articles and therefore was not eligible for nomination. One nomination was received before the deadline of 5.00pm on 12 September:

- Nick Hubble was nominated by Peter Knowles and seconded by Andrew Blit

The role and structure of the Sport Committee is currently under review as a part of the governance review of committees and panels. British Rowing are therefore looking to appoint to the current role for one year, during which the person appointed will be expected to take an active role in this review. Therefore, the candidate is proposed for appointment as Chair of the Sport Committee and a Director of British Rowing Ltd for a term of one year commencing on 12 October 2019 and ending at the Annual General Meeting in 2020. Further appointments for a maximum of one three year and one four-year term may be available to the candidate if elected.

The members voted in favour of Nick Hubble being appointed as the new Chair of the Sport Committee and a Director of British Rowing Ltd.

8. Any Other Business

J. Hinnigan advised everyone in the room that H. Mosienko after 7 years at British Rowing will be leaving us towards the end of November and so he wanted to thank Hazel for her due diligence, hard work and dedication over the years. Thank you Hazel on behalf of all of us here and particularly the finance committee and good luck with your new role.

The Chair thanked everyone for attending and declared the meeting closed at 2.40pm.