

MINUTES OF THE ANNUAL GENERAL MEETING OF THE ROYAL ENGINEERS OFFICERS' WIDOWS SOCIETY HELD VIA ZOOM ON WEDNESDAY 16TH NOVEMBER 2022

Present: Brigadier JL Clark (in the Chair) and 29 other members and seven beneficiaries

The Chair opened the meeting at 1705 hours and welcomed attendees to the Annual General Meeting of the Royal Engineers Officers' Widows Society, in particular, those beneficiaries present, including their representative, Mrs Bobbi Chilton who has served in this capacity for over 17 years. This is the first time that beneficiaries have been invited to attend an AGM. The Chair also explained how the agenda and, specifically, voting would be delivered via Zoom, and that today's meeting was expected to be relatively straight forward.

Item 1: To Accept the Minutes of the Annual General Meeting held on Wednesday 17th November 2021

The resolution was proposed by Lt Col AJ Scott, seconded by Col (Retd) JF Crompton and carried (Resolution 1).

Item 2: To review activities of the last twelve months

Focussing first on the Annuity Fund, the Chair confirmed that on 1 January 2022 the benefit rate increase of 10% had been applied to lump sums and annuity payments with all existing annuity recipients benefitting from this increase. He emphasised that the price of units remained unchanged so if any members were thinking about purchasing additional units, it would be advisable to do so sooner rather than later.

The Chair confirmed that a new database (SubscriberCRM) has been implemented this year representing a step change in the administration of the Society through automating much of the routine processes including the calculation of subscription rates; identifying when they need to change; reconciling actual payments received and allowing improved information management of members and beneficiaries. Perhaps most visibly to the membership is the portal which allows all to check their details online, the Chair noted that around 350 accounts had already been registered. As well as improving accuracy SubscriberCRM allows the Secretary to operate much more efficiently thereby driving down running costs.

The Chair reported that in the year to date net membership numbers had increased for the first time since 2016. This is due to a combination of factors including improved take-up from respective Troop Commander Courses (Brig Clark passed on his sincere thanks to the RE Warfare Wing for their support in this respect) and a dramatic reduction in the number of members either resigning or allowing their subscription to lapse. However some investigative housekeeping by the Secretary discovered three members who had passed away between 2010 and 2018. Their executors had been tracked down and retrospective benefits have been paid out in accordance with the Society's rules. While a good news story to the relevant beneficiaries the Chair emphasised the importance of keeping in touch with the Society.

Turning to the portfolio, the Chair described how James Hambro & Partners (the Society's portfolio managers) have continued to do their best during a highly turbulent and volatile period on the financial markets. He reported that the value of the fund sat at just over £6.9M; down from £7.8M the same time last year, so by around 11.5%. This had recovered modestly from Q2 and Q3 lows of £6.7M however

the view is that it will be some time before any form of stability returns to the markets. The key message was that the markets will inevitably recover at some point over the next few years and the Society's ability to withstand reductions in its value reflects its resilience: to put this into perspective the Chair confirmed, by way of reassurance, that no funds had been drawn down from the portfolio since September 2020 in order to meet in-year operational costs. The Chair emphasised that James Hambro continue to have the Council's and Investment Management Committee's full support.

In terms of the Council, following their respective elections at last year's AGM, Brig Joe Fossey, Lt Col Anna Scott and Col (Retd) Alan Taylor have all made extremely valuable contributions to Council proceedings. This year the Council also agreed the appointment of a new Investment Adviser, Mr James de Broe-Ferguson who now sits on the Investment Management Committee and a new non-executive Council Member, Mr Richard Sankey. Both bring invaluable financial management experience, particularly in the not for profit and charity sectors which allows the Council to adopt a broader perspective when making decisions.

For the record, Society Membership now sits at 759. This year the Society has lost five members, gained three new beneficiaries (all widows) plus one more whose husband passed away in 2018. The Chair reported that seven beneficiaries have sadly passed away – a slightly higher number than in recent years – and so the Society is currently supporting 87 beneficiaries (all ladies), with around £26,000 of annuity payments each year.

Before moving onto the Samaritan Fund, the Chair informed the AGM that the Council agreed to reduce the attribution of the Annuity Fund's running costs to the Samaritan Fund from ten to five percent. Five percent more realistically reflecting the amount of effort and resource directed towards the Charity. In a typical year this will represent a saving of £1,500 to the Charity.

The Chair then turned his attention to the Samaritan Fund Charity which this year has supported a total of 11 dependents of deceased RE officers, although three have sadly passed away. In the context of inflation and the cost of living crisis there has been a great deal of discussion about the charity's future strategy by the Council Members who also act as the charity's Trustees. Until recently the charity's financial objective has been to conduct benevolence activity while maintaining a set fund value. In view of persistent inflationary pressure the Trustees agreed to remove this caveat and therefore ensure that grant levels – static since 2016 – can be index linked. In doing so there is a possibility that, depending on the economy, associated market conditions and the level of support provided annually, the fund value will decrease to a degree whereby it might make sense to fold its assets into a larger charity with similar objectives. To that end an option to merge the Samaritan Fund into the Royal Engineers Association should the need arise is being considered noting that the situation will be reviewed on an annual basis, and that the Samaritan Fund is assessed as being viable for at least 15 to 20 years all things remaining equal.

With this context in mind, the Trustees also agreed to increase benefit rates by 10% as well as to award a £500 Christmas bonus to each existing beneficiary of Samaritan Fund support. This means just over £22,000 will be disbursed this year down from around £26,000 last year. The Chair passed on his thanks to Col John Crompton for his work with the Samaritan Fund.

Item 3: To adopt the 2021 Report and Accounts for the Annuity Fund

Last year's Report and Audited Accounts have been made available on the website since early October this year. The Chair mentioned that the Samaritan Fund annual report and accounts had also been made available to all for information purposes and full transparency, however they did not require acceptance at the AGM.

The resolution was proposed by Brig (Retd) DR Innes, seconded by Col (Retd) AP Taylor and carried (Resolution 2).

Item 4: To accept the retirement from the Council of Brigadier JL Clark

The Chair explained that the Society's Articles require the Council member who has been longest in office since their last election to retire and that this rotation of Council members is very sensibly designed to prevent incumbents serving in perpetuity against the interests of the membership. Despite being the current Council Chair it was his turn this year.

The resolution was proposed by Col (Retd) JF Crompton, seconded by Brig (Retd) DR Innes and carried unanimously (Resolution 3).

Item 5: To re-elect Brigadier JL Clark as a Council Member

There being no other Member of the Society who had put themselves forward for election, Brig Clark proposed his re-election to the Council.

The resolution was proposed by Col (Retd) JF Crompton, seconded by Col (Retd) DM Gill and carried unanimously (Resolution 4).

Item 6: To re-appoint Hillier Hopkins LLP as Auditors.

The Chair highlighted that Alex Bottom and his team at Hillier Hopkins have provided a second excellent year of support as they cast an independent and very professional set of eyes over both the Annuity and Samaritan Funds accounts and processes and he had no hesitation in recommending Hillier Hopkins' reappointment.

The resolution was proposed by Col (Retd) Alan Taylor, seconded by Lt Col K Nixon and unanimously carried (Resolution 5).

Item 12: Any other business

The Chair opened up the meeting to the virtual floor noting that no other business had been presented to the Secretary ahead of the AGM. On behalf of his mother Angela, Robert Tickell thanked the Society for its efficiency in setting up her account so quickly following the death of her husband.

In closing the meeting, the Chair passed his sincere thanks onto his fellow Council Members, *ex-officio* members and the independent advisers who continue to allow the Society to benefit from their time and wisdom. All do this on a largely voluntary capacity for which he, in his capacity as both a member of the Society and Chair, is extremely grateful personally.

The Chair highlighted that partly through the systems and processes instigated which have allowed the Council to better serve its members, beneficiaries (both of the Annuity and Samaritan Fund), he is confident that the Society is in a good place and this year's membership increase is indicative of the work completed and the appreciation of the importance of the Society's work given global events and associated impact on individuals both serving and retired. The immediate challenge remains building on recent success and continuing to grow the membership.

The Chair highlighted the importance of serving members to act as ambassadors for the Society and explain the good work that it does and encourage those around them to consider joining, emphasising that it is not purely about the financial benefits gained through investing in the Society but also the wider altruistic value and societal aspects of membership that are important.

The next AGM is likely to be held on or around Wednesday 15th November 2023.

Brig Clark closed the meeting at 1736 hours.