

## **MINUTES OF THE ANNUAL GENERAL MEETING OF THE ROYAL ENGINEERS OFFICERS' WIDOWS SOCIETY HELD VIA MS TEAMS ON WEDNESDAY 15<sup>TH</sup> NOVEMBER 2023**

**Present:** Brigadier JL Clark (in the Chair) and 32 other Members and one Beneficiary.

The Chair opened the meeting at 1702 hours and welcomed attendees to the Annual General Meeting of the Royal Engineers Officers' Widows Society, in particular the Beneficiaries' representative, Mrs Bobbi Chilton who has served in this capacity for over 17 years. The Chair also explained how the agenda and, specifically, voting would be delivered via MS Teams, 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 16<sup>th</sup> November 2022**

*The resolution was proposed by Col AJG Ryan, seconded by Lt Col CA Eyre and carried (Resolution 1).*

### **Item 2: To review activities of the last twelve months**

Focussing first on the Annuity Fund, the Chair described that in terms of activity the past year was perhaps best characterised as a period of consolidation amidst some challenging market conditions.

The database implemented around 18 months ago had continued to pay dividends in terms of administration, automatically detecting any errors in subscription payments, allowing every penny received to be accounted for in a fraction of the time the manual reconciliation of standing orders used to require. Almost 400 user accounts had been created, allowing Members and Beneficiaries to check their accounts and just under 85% of those paying in members have switched from standing order to direct debit. The Chair asked any Members under 60 on the meeting who had not already done so to set up a direct debit mandate – and to encourage any others they knew in the 15% to do so.

The Chair confirmed that the Society had already matched last year's new joiner number (14) which was positive news. This had been due to a combination of factors including improved take-up from the Troop Commander Courses – and he passed his thanks onto the RE Warfare Wing for their support in this respect – and, noted once again, the very small number of members either resigning or allowing their subscriptions to lapse (just four this year). However new joiner numbers were not as high as the Society would like, so there was no room for complacency and the Council, supported by its *ex-officio* members are continually reviewing how marketing is conducted and seeking to identify how to increase the appeal and advertise the advantages of membership.

Turning to the Annuity Fund portfolio, James Hambro & Partners, the Society's portfolio managers, have continued to do their best during a prolonged and highly turbulent period. The fund value currently was at just over £7.1M; up slightly from £6.7M the same time last year. Hambros have been extremely cautious, boring even, but this has delivered better results than most of the comparators out there which was good news. He added that the Investment Management Committee (IMC) maintains a keen eye on performance. The key message remained similar to last year: the markets were likely to recover at some point over the next 18 to 24 months and, by way of reassurance, the Society's ability to withstand reductions in value reflects its resilience. The Chair emphasised that Hambros continue to have the Council's full confidence and have just received the first of two possible two-year appointment extensions leading to the next competition which must be run by October 2027.

The Chair highlighted the excellent support James De Broë-Ferguson had provided in his capacity as the IMC's Investments Adviser since his appointment in early 2022. He had also been instrumental in crafting the latest update to our Investment Policy Statement which was available on the Society's website.

For the record, Society Membership now sits at 759. This year the Society lost seven members; all of whom were married so seven new Beneficiaries (all widows) were gained. Five beneficiaries had been lost and so the Society is currently supporting 87 ladies, with around £55,000 of annuity payments each year. So far this year just under £45,000 had been paid out in tax-free lump sums.

Moving onto the Samaritan Fund Charity, the Chair confirmed that a total of nine dependents of deceased RE officers had received support this year; although one sadly passed away last week. The Chair emphasised the distinction between the Samaritan Fund and the Annuity Fund: the former is a registered charity whose trustees are drawn from the Society's Council. With just under half a million pounds invested with the BackRock Armed Forces Charities Growth and Income Fund, it can help the dependents of deceased RE officers regardless of whether they are receiving annuity payments from the REOWS Annuity Fund. The Society's members therefore allow the Samaritan Fund to endure since it can be run with minimal overheads. The Chair added that when the Samaritan Fund was originally created one of the main reasons was to create a mechanism for receiving significant bequests and donations from RE officers, and he reminded attendees that it is possible to make donations to the charity using the form on the Samaritan Fund page on the website (or via the link the Secretary sends out in his emails).

Last year the Chair reported that Samaritan Fund grant levels were to be increased by 10% during 2023 and he confirmed that the recent newsletter contained an error where it stated the level at 5%. In October 2023, the Trustees agreed that a 6.7% increase would be applied next year, reflective of the increasing cost of living, along with £250 winter bonuses to each of our beneficiaries. The charity expects to disburse around £22,000 in grants this year.

In terms of Council Membership, the Chair confirmed that Brigadier Frank Noble was appointed to the Council in May and was to take over Brigadier David Innes' duties as line manager and general mentor to the Secretary. Frank brings a great deal of commercial charity experience to the Council. New *ex-officio* members this year – those who support the Council by dint of their service appointment – included Lt Col Adam Birley as Chief Instructor RE Warfare Wing and Lt Col Gerry McKay from RE Officers Branch at the Army Personnel Centre.

There were no questions from the virtual floor.

### **Item 3: To adopt the 2022 Report and Accounts for the Annuity Fund**

The Chair confirmed last year's Report and Audited Accounts had been made available on the website since early October. He also mentioned the Samaritan Fund annual report and accounts had, in addition, 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 Maj (Retd) L Johnston-Smith, seconded by Col (Retd) JD McIlroy and carried (Resolution 2).*

### **Item 4: To accept the resignation from the Council of Brigadier (Retd) David Innes**

The Chair reported it was his sad duty to ask the AGM to accept the resignation of Brig David Innes who stands down after an astonishing 18 years as a Council Member. His wisdom and advice over the

years had been invaluable and exceptionally well received by many former Chairs and other Council Members. The Chair had presented David with four REOWS-branded tumblers at the October Council Meeting as a small token of appreciation.

*The resolution was proposed by Brig (Retd) J Crawford, seconded by Maj MS Stevens and carried unanimously (Resolution 3).*

**Item 5: To re-elect Brigadier (Retd) Frank Noble as a Council Member**

The Chair proposed the election of Frank Noble to the Council.

*The resolution was proposed by Capt (Retd) TJM Curtis, seconded by Maj MJ Stevens and carried unanimously (Resolution 4).*

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

The Chair reported that Hillier Hopkins have continued to provide excellent support having produced their third set of accounts and audit. At the right time, the Society expects to run a competition to ensure the continued integrity and independence of the audit process as well as achieving value for money. When this is done depends upon several factors, but for now the Council is very happy to continue working with them.

*The resolution was proposed by Capt (Retd) CR Corbett, seconded by Maj MJ Stevens and unanimously carried (Resolution 5).*

**Item 7: 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.

Before closing the meeting, the Chair thanked everybody for joining and highlighted expectations over the next 12 months: with respect to investments, while it would be excellent if the markets permitted greater growth in our portfolio, the Chair suspects that Hambros (and indeed BlackRock for the Samaritan Fund) will need to continue to exercise patience potentially into 2025.

The next triennial Actuarial Review, due to report in June 2024, will be one of the Society's major events next year. This important piece of work will assess the Society's assets and liabilities, overlaying assumptions about mortality (which is expected to be more accurate than ever this year due to a great deal of analysis enabled by the new database) in order to establish if the Society is in a position to increase benefit rates for all members and/or subscription rates for new joiners. The Chair reminded all that benefit rates were increased by 10% at the start of 2022 and subscription rates have not been increased since 2014. Any changes will be briefed at next year's AGM.

The Council is also considering additional mechanisms to encourage young officers to join the Society, beyond the existing discounts available: these will be discussed in May along with two potential minor changes to the rules regarding nominating beneficiaries for lump sums payable to single or widowed members and how to deal with ex-members erroneous payments made to the Society. The first is expected to be a simple fix should the likelihood of inheritance tax becoming liable on these lump sum payments and the second reflects an element of housekeeping which will allow these payments to be passed to the Samaritan Fund, rather than being returned, which is time consuming.

In closing the meeting, the Chair passed his thanks onto his fellow Council Members and Trustees and, particularly, the *ex-officio* members and the Society's independent advisers who continue to support and inform the Council. All do this in a voluntary capacity for which the Council and wider membership are very grateful.

The Chair stressed the importance of all members highlighting the advantages of membership whenever possible. He reiterated his thanks to David Innes for his superb support over many years.

Next year's meeting will take place on or around the Wednesday 13th November 2024.

Brigadier Clark closed the meeting at 1738 hours.