**Gala Rugby**

**AGM Minutes**

**17 0ctober 2023**

**Present:** I Dalgleish, D Brown, M Bird, P Dods, P Brown, A Baillie, S Headspeath, E Brown, S Bird, S Paterson, G Richardson, G Isaac, R Brydon, G Low, M Gray, Mr C McLaren, Mrs C McLaren, D Liddle, A Wayness, M Grieve, C Sinclair, E Swinton, S Dalgleish

**Apologies**: PC Brown, T Gray, G Keddie, J Laing

**Minutes of 2022 AGM**. Acceptance of the minutes was proposed by I Dalgleish and seconded by D Brown

**Presidential address:** Club President Gary Isaac gave his annual address-

Just a heads up about Andrew’s financial report. What he will present tonight is a consolidated report similar in all respects to what you have seen in previous years. However, if any of you look later at the accounts as presented to OSCR they will look different.

That is because if you recall the bar and any commercial activities cannot be included in the accounts to OSCR. Instead, these activities are in a separate limited company called Netherdale Developments Ltd and only the net profit or loss from this limited company will be displayed in the OSCR accounts. So, the principal difference will be in the Turnover of the club in OSCR, it will be less than the Consolidated Accounts presented here.

As with previous AGM’s I would ask that any questions for myself or Andrew be left until we are both finished.

I do not intend to go over the last season in detail as it was covered at the EGM in June.

I would like to report that we must concentrate on our own resources and continue to build from the bottom up to get back to a position of sustainable playing strength in the club. This means investing even more in our youth and working together with the Minis, Triangle, Vixens and Wanderers to develop players and our work to continue develop the best club facilities in Scotland.

To this end our YDO, Peter McCartin, is working hard to ensure all our youngsters are improving and with understanding amongst the separate youth streams of the need to work together for the strength of rugby in the town.

I personally would like to thank all the volunteers working hard to produce our players coming through the system. This shows by having had 12 players step up from the Wanderers that our commitment to building from the bottom up is beginning to bear fruit.

It is even more important now that we hold on to the considerable talent that is currently coming through as they will all too easily be attracted or approached either directly or indirectly by the Super Six franchise and other clubs able to offer incentives.

We clearly didn’t end up last season the way we intended, and We still have some rebuilding to do with a young squad and given the player payment situation in the Premiership and Equally National League 1 clubs allegedly not paying it is very difficult to predict and foresee the future of the club game. It’s not yet a level playing field and maybe never will be!

We absolutely do not want to stand in the way of players with ability who have the desire and commitment to follow that route, but we also want to retain the services of these players rather than service other clubs.

There is equally no doubt that Borders rugby is not as strong as it was but given the concentration of senior clubs in a small area there needs to be closer cooperation to strengthen the values and offering from this area. As always that has been deflected by self-interest, but the time must be over for that, just as it must be for all the clubs working together.

This was shown it can be done with the setting up and start of the Border Junior League. Which is a positive.

I am delighted to report that our Ladies section continues to grow from strength to strength so thanks to Jenny Adams, Corry Sinclair and all the volunteers there.

I do understand that no one likes to change but regrettably it absolutely must happen or this sport and the club that we give so much to will not be around in the future.

There is no doubt that financially we face some difficult times which reflect the current uncertainty which surrounds all walks of life in the UK. This is very clearly reflected in both personal and corporate expenditure being cut back and we will need to work very hard to turn the year with an acceptable financial result – and I have no doubt Andrew will tell you that! So please support the club in whatever way you can.

Maroon’d @ Gala as an event, continues to grow with other distractions other than rugby. The brings all ages and the community of Gala together. So I’m delighted to announce it will take place on August 18th, 2024 – so as they say Save the Date!

Finally -you will be glad to confirm the current Trustees of the Gala Rugby SCIO, as required by the Regulator myself, Sinclair, Martin, Andrew, Ian (as ex officio), Ewan Swinton, Hamish Hunter, Doug Taylor, Drew Baillie, Tot Liddle, Jenny Adam, Sandy Black, and Dave Brown. A big thanks to them all from me for their time and effort

**Financial Report**

Club Treasurer presented his report and extract of the draft accounts for the year ended 31 May 2023.

This report is based on the Draft Accounts which I have Consolidated together for Gala Rugby SCIO and Netherdale Developments Limited in order to provide a true comparison. (All the amounts referred to will be the Consolidated figures)

This year showed Gala Rugby made a Deficit for the year of £4k (2022 - £39k Deficit) before depreciation for this year.

The main factors in the trading results were the General Account making substantial losses - £36k this year and £26k in 2022. The Charity is spending more that it generates in income. This cannot continue. This is supplemented by the Bar Account producing a good profit of £18k (2022 - £7k) for the year and Marooned 2022 Event generating a profit of £9k compared to a Loss of £12k in 2021 event.

Overall income was similar to 2022 year of £225k. However, cost amounted to £261k for 2023 and £251k in 2022 – a £10k increase.

I will now run through the income and expenditure account and highlight significant points:

### GENERAL ACCOUNT

**INCOME**

1. Subscription income increased by £6k from the 2022. This was due to all the member and players across all age groups contributing. The membership is vital to the overall success of the Club. Please help in asking people to join the Club. The membership age levels are continually increasing. We need younger people to join the Club for the club to continue.
2. Donations and rents amounted to £11k. Donations were kindly received from members of £1.3k. Other donations were received from various other parties including the Cash for Kids £2.5k. Marooned donations amounted to £2,479.
3. Gala Rugby received £18k from main sponsors which was slightly down on 2022 year. Many thanks to these loyal sponsors.
4. Sundry income amounted to £135k – (see detailed schedule). This included contributions from SRU of £32k (2022 - £42k) in connection with Championship funding and incentives to improve and develop the game.
5. There was no COVID-19 Government support was provided during the year as all schemes are closed. In 2022 there was £10,975 from SBC and HMRC for the Furlough Scheme totalling £1,511.
6. Gate income of £19k included all the home games in the season – largest gate was the last game of the year against Kelso of £2.6k. There was the Boxing Day game against Melrose which generated £4.3k.
7. Other income included the COVID Insurance Claim which amounted to £20k less and advance of £2.5k in previous year. Rental income for the last 3 years to 31 May 2023 for use of facilities from Netherdale Developments Ltd of £15k and £5k from our Brewers.

**EXPENDITURE**

1. **MATCH** **EXPENSES**

These showed a slight increase from 2022 to £33k. These included all bus hires which is a major concern of £13k and travel expenses for certain players to make training nights and all players food which totalled £13k.Landry costs were £2.5k.

1. **MANAGEMENT CHARGES**

This was for the cost of Coaches, Physio’s etc amounting to £18k I slight reduction. This was the gross costs for the year.

1. **RENT,** **RATES, TAXES AND** **INSURANCE**

This amounted to £8k which showed an increase of £1.4k from 2022. This was for the Club’s policy and cover through the SRU scheme for the players. This is still a large expense to the Charity but premiums are increasing due to rising property costs. Our policy specialises in Charities sector. No other company would quote for the renewal in October 2023 due the premium offered. It has increased by £500 for 2023-24 year. The surveyors are very onerous on the Club and careful monitoring and training of the Trustees, Committees and other volunteers is essential nowadays to limit liability claims.

1. **REPAIRS,** **RENEWALS AND** **FIELD EXPENSES**

These have shown a decrease of £6k to £19k.

Fieldwork amounted to £10k. This is the cost of maintaining the terraces and embankments throughout the year. This is a large cost which needs to be reviewed by the Club.

General repairs amounted to £7k. This included electrical, plumbing, painting and various property repairs during the season. There was also repairs to the changing rooms.

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Leasing charges totalled £2.6k for the lease of the photocopier and coffee machine.

1. **EQUIPMENT AND FIRST AID**

Team equipment amounted to £15k. A reduction of £22k from 2022. This included all Gala teams’ jerseys, tops etc together with other special kit. First aid costs were £4k. This included the cost of purchasing first aid materials, and the odd physio costs to various players during the year.

1. **HEAT AND LIGHT**

Heat and light amounted £7k in total which is a slight decrease from 2022. This was for all electricity charges and included heating, floodlights and running the office on a part-time basis i.e., use of the office computers and photocopier. We renewed contacts in January 2022 so are fixed for 3 years which was very fortunate but still with increased tariffs. We need to make sure that these costs are monitored.

1. **MISCELLANEOUS EXPENSES** – £131k showed an increase from 2022 of £25k (as detailed within the accounts – Sundries).

**BAR ACCOUNT**

Turnover was £84k increase of £24k for all the functions and events.

Wages were similar to 2022.

The Brewers are ever increasing prices do margins are also reducing.

However, the bar contributed a good profit for the year so must be developed and increased as much as possible.

**MAROONED EVENT - SEVENS ACCOUNT**

As per detailed in the Accounts – proved a great success for the second year Event.

Income increased and costs reduced.

Looking to develop this for the future – need to look at costs and entry fees for 2024.

**SUMMARY**

The bank position has reduced from 2022 year due to the Loss for the year and Loan repayments.

The bank position at the year-end was in a is reasonable position with £62k in funds from all accounts a reduction of £44k in the year.

We have repaid £4k for the BB Loan for COVID-19 support of £48k repayable over 10 years.

We have repaid EST loan in full.

The Club carried out upgrades to the changing rooms and floodlights. Other equipment purchased was equipment to help with Marooned and other events - £7k, Bouncy castle £1,200, Laptop £595, Ice machine £1,141.

As a Charity then there are far more responsibilities to trade at least at breakeven level or make a profit each year to cover the bad years and maintain the property and facilities for all of the Community to use and benefit from. Through very careful monitoring of costs and budgets this can be achieved but it is going to be hard long road ahead.

The budgets for 2023-24 have been set to try and produce a small profit for the current season to cover the BB Loan repayments of £5k. This is the financial target to aim for in these changing and difficult economic times. Energy costs are looking to rise again. Food and bar suppliers ever increasing. Fuel costs are increasing for buses etc.

For Gala Rugby to go forward and achieve this aim it must generate sufficient financial resources from its members, sponsors and the general public to enable it to build upon and strengthen its present financial state.

It is vitally important to now run Gala Rugby as efficiently as possible, so the Club can be in a stable financial position going forward. It must trade profitably from this year onwards otherwise it will run out of cash reserves and cease to exist as a Charity.

This is a huge challenge for the Trustees and some big decisions will have to be made.

Paying players is not possible in these current economic times. Staffing must be reviewed.

It will be a challenge over the next year to see what happens as we approach the 150th year in 1925!.

Finally, I have to inform you that I wish to step down from role as Treasurer for the amount of time involved and for personal circumstances. I have done this role for well over 30 years so it is time to hang up my boots! This will be my last year, so if anyone is out there looking to assist me until the end of May 2024 then please contact me or the Club directly as soon as possible as there is lot to learn so I guide someone in the transition process over the coming months.

**Appointment of Trustees:** The resignation of Rhona McLerman was noted . Jenny was proposed as her preplacement by Corey Sinclair and seconded by Ian Dalgleish.

**Questions:** E Swinton(EW)asked for a breakdown of bar takings; he was informed by AW that approximately 50% of bar taking came from events and functions with the other 50% coming from Match day revenue. EW suggested that we consider raising prices at functions , ID stressed the need to be competitive with prices t bars in town.

C McLaren asked for clarification on the photocopier lease. He was informed that we were in year 3 of a 5 year contract. It was recognised that we may not need the same level of service in the future. AW added that there was 1 year to run of the coffee machine lease, income is not great from this but it provides as service when other outlets are closed.

**Approval of the accounts:** Approval of the accounts was proposed by EW and seconded by M Gray

**Approval of Independent Examiners of Accounts**: Approval of Gail Robertson as Independent auditors was proposed by AW and seconded by EW

**AOCB:** It was noted that players are entitled to attend the AGM and that they would be encouraged to do so in the future.

D Liddle asked if there was any clarification from the SRU on the future of the SuperSeries. He was informed that the SuperSeries3\*\*\* was scheduled to run until November 2024 and that the club was not aware of any decision being made; this led to a discussion on the potential impact on our club.

GI then thanked members for attending.