

## Trustees Meeting

43 Lancaster Gate , Sunday 18<sup>th</sup> November 2018

### **Attendees**

Tim Read TR

Matthew Huish MH

Andy Johnson AJ

Eddie Hartley EH

Joanna Hartl JH

Mike Balcomb MB

Gillian Schroder GS

Huey Er Fisher HF

### **Apologies**

### **Minutes:**

Any interests to declare

TR Ratify minutes by email

JH to type up the Ben Denton report

AOB JH has 2 points.

EH reads out 'Properties and manager summary'. Surplus of £23,000 per year on average between 2017 and 2018. NC will decide what to spend on HQ. £3,500 is being requested per month more than we can fund.

We received £150,000 from electrical cable across land. This could be used up. £60,000 to £80,000 surplus would allow repairs. We need to make more money for HQ. Properties are still under-performing. LH is 1% return per year. Wontner road could be 3.4% or 3.6% return per year.

Usually we expect a property manager to make up for three times as much as their salary. Invest in bonds and equities?

JH Don't we have Business manager at HQ. What is Sylvia's role?

EH She is interim LG properties manager. She is beginning to sort out things. She is a local business manager. We do not have a national business manager.

AJ The whole of LG is under review. Looking for live in caretaker.

HF I met with Sylvia last week. In total we have 30 flats. All the flats are only 600 or 800 per month. This is shocking. This is something we can look into. To improving some of the flats

and increase the rent. Currently all bills are included. The tenants should bare these costs. We are under performing. Some rent is not collected, because tenants have issues with the lift.

TR didn't someone compared with market, and it was favourable.

EH [REDACTED] From the beginning he was given the remit to keep the rent to a maximum according to the market. Finally, we put Sylvia on it and she has a big list of things to correct; it has been mismanaged.

HF We need to know why it is not performing well. Someone needs to investigate these issues. We can take it off the market, do it up to a good standard and get the best tenant in. We can do this one by one, for each flat.

AJ with HMO council tax must be paid by Landlord. But we can increase rent. We should factor in the utilities. So this is spot on. This is why a business manager is important. Need fresh eyes.

JHI want to fill in. The reason for low rent was to encourage 2<sup>nd</sup> gen to live here. Tom O'Connell did tell me there was a reduction for Council Tax. We need to investigate this. We can't put a meter in each room because of cost.

JH Therental agreement needs to be re-written

Action Point: HF follow up with some of these points with Sylvia (tenancy agreement)

HF I can follow this through and she sent me a tenancy agreement

TR Terry is not involved any more

EH He wore himself out. Terry battled [REDACTED] for a long time getting information. He said he needs a rest. Sylvia has stepped in. She has raised the rents over the last several months and is sorting out the costs.

## Ed Stacy Proposal for Farm

TR gives a background. We have had a number of proposals. Most house building companies are not ethical. Hanex made a proposal for 10 acres. The Solar farm company also want to increase their land. This would require us to lease the land for 40 years extra. So that was more attractive, and we took that offer. They are negotiating with the council. This will be a wait of 2 to 3 years.

TR Ed Stacey found out and was worried. It's not that we are selling the land. He wants to build on the land. He made a simple proposal.

AJ Looked at the proposal by Ed Stacey in detail. It is similar to Ben Denton's, he works for Legal & General. Ben Denton gave us a good presentation. Ed's proposal is building on small plots. Planning permission may be difficult. I don't think Ed would be a good project manager. We could free up some money, employ a local contractor to oversee the project and one of us be a liaison. I have worked with Ed he is a good carpenter, but he is not a developer. You need to know a lot and liaise a lot. It would take 9 months to build half a dozen houses.

Also, we have employment land. Part of the land for the solar land could be sold to get money. Swindon wants employment land. Lease hold is better, it would be for 150 to 200 years.

EH look at numbers. I had a talk with Philip Brouard. He doesn't believe the numbers. £260,000 to build. The rates do not vary much. Ed's numbers are not completely right. We are also not VAT registered. If you get a full contractor, you don't pay VAT. But if we manage it, we pay VAT and then have to get it back. Looks at from rental and selling income. £420,000 for selling, so could make money. Rental not bad.

AJ what was the rental return?

EH The rental return is £1300 per month with 95% occupancy. On Friday the FC (Finance Committee) looked into it. They said we don't have enough information yet and need to do more research.

JH did that figure include labour costs. Ed Stacey said that he could do it without main contractor, it's a middle man.

EH £1400 to £4000 per square metre for the build. 120 sq metres for a 4 bedroom house. The financial side becomes difficult because of the VAT.

JH What if you set up your own development company?

TR In reality we are short of money, though we have incredible assets. I think it is quite good, but Ed Stacey is not necessarily the right person. Why don't we test out, and give him a plot of land?

JH Behind the Smithy there is a plot of land for 3 houses. Or one behind no 19. Ed's capability to do physical work is 2 to 3 days a week.

AJ 6.5% return from house on a farm. Which is good. Also using a main contractor you get a 10 years guarantee on the property. Get a discount from several houses. There is also insurance etc, and there is a lot to it.

HF based on the info we need to look at the time frame. Long term is not good for us.

EH this is primarily a FC project. They bring a package to the trustees to decide on. My recommendation is to send it back to the FC and for AJ to help them.

**Action Point:** AJ to give Ed Stacey's proposal to the FC, with the idea that the properties are for rent not for sale.

JH There are also kit houses. They will get planning permission and are now in the building field.

## 8. Adopting equities and fixed income investments

EH reads report. 36% is known to be put in to investments for a charity. We are 98% in property and 2% cash. We as trustees should read the charity commission document. Rathbones is a fast growing investment company in London. We should be fully informed first. The FC suggest Wontner road as a test situation. But first we should inform ourselves.

TR reads points from Chris Jones. One tenant is in default, owes a year's rent. Rent is unlikely to be more than 3%. It is difficult to manage as it is far away from our other properties. No members currently living there. Not associated with movement. Put property on market, without further delay by Friday 30<sup>th</sup> November.

AJ It does have some history. But no emotional connection. We are talking about putting money into in anyway.

EH this is the easiest one to sell.

HF the income is not reflection of the property. The mortgage is so low.

TR we don't have enough competent people to run our properties. So we are losing value.

HF so the property is not the problem, it's the people. We have potential to have income.

AJ this is a good test case, because we have a lot of properties with a lot more value. Then we can show the membership what we have done. Gives us a way of seeing more avenues. Build two properties and get a 6.5% return.

TR it would only work if we have a property manager. Who can manage it? Keiko, because she is competent.

JH we would have £1 million left over. That is enough to pay for the build of 2 houses. If you sell them 2x 420 000. And £500,000 left over to invest in Cleeve House.

EH We need a systematisation of our processes. We should work out proposals on paper first. Thenshow the projects side by side and then make a good decision.

TR no one is suggesting we decide now.

MH is Chris Jones suggesting the sale of Wontner road to get fixed income investments? This Is his proposal? How do those fixed income investments work? With Wontner road you get rent each month.

GS you get dividends twice a year.

EH Chris Jones is saying he could make 5% for FFWPU. We are getting 1% on properties so 5% is much better.

JH so [the sale of Wontner Road] is not for properties it is for fixed income investment?

AJ we could do 50/50 for a test case.

TR should we diversify or not? We need to try.

JH the reason we didn't was because of we have educational properties. They were not bought as an investment, butfor accomplishing the goals of the FFWPU. We don't use them for the reason they were bought. When I became a trustee, I was surprised we look at properties as investments and not to further the goals. LG was 70% for investment, 30% for FFWPU goals.

AJ we have had discussions. We need national goals and anagenda, so the FC can support it. At this moment we don't have a realistic vision to allude to. We a need vision.

EH vision, mission, strategy.

TR what is your view Mike?

MB I don't want to get into details, but I can share a story in Philadelphia. A Proposal came up to sell it at the market rate. Then a property developer next door made a proposal to knock down both buildings and building student accommodation. We had full the financial details and used it as a test case. We are not in property development, but if we see people with the experience. God has a big vision. We realised we don't know how to manage our properties. The board should review the proposal and membership should have the facts.

Worthy exploration. It could be a good test case. I assume you have the authority to make this decision. It is discouraging to hear that people are not paying rent. Weigh up if this can be remedied. The board should not weigh through numbers.

TR thank you. In the past we have been constricted by the fact that we had to ask for permission. We would need to ask you I guess?

MB there is a white book of properties at International HQ. So for the sale over certain amounts you should askHQ . As trustees, if you come forward with a proposal I will advocate it. Wontner Road probably doesn't, but LH or CH would.

AJ we are not the gurus. That is why we need a property guy. We need to look for somebody.

TR my concern is the FC is weak on ability and man power. All problems come from bad management. Are they capable of making a proposal? So what do we do?

AJ we could ask someone ad hoc to come in.

GS Could ask someone from Hargreaves Lansdown to come in.

MH Simon Rosselli said someone is looking at LG and CH.

EH We need someone to sign off.

AJ I thought with the charity law we can ignore that.

EH We are dealing with public money that is thing.

**Action Point:** TR let us ask FC to come up with 3 different proposal from the sale of Wontner road.

TR then we could test Ed Stacey's proposal for one house.

EH If we sell. It would have a quick turn-around.

MH when should the submission be by?

JH FC wanted to vote by 30<sup>th</sup> November. This is too soon.

EH how can we strengthen the FC? The FC works for the trustees. Gary was amazing and powerful, we would like to get him back. Only three people and not effective.

TR Terry was a trustee and joined FC.

JH but he got burnt out.

AJ he is still a trustee by law.

**Action point:**EH to take Terry off Trustees.

GS what if Chris Jones came over to tell us about the investments and to hear more?

TR We need someone more impartial.

AJ what about a charity's help? Rathbones is an investment company so has an agenda.

**ActionPoint:**EH to ask FC for three different proposals. Also mention Smithy land.

AJ I would like to oversee that and be a part of it.

10- minute break

## 9. Systemisation of financial decision making

EH We waste time when people talk around the subject. Occurred to me we are not systematic. Came to light when we discussed Livingstone house future. Then I talked to Simon Rosselli, was anything decided, what did we get out. So I broke down into projects, pulling the strings together. This is classic how to make decisions. Have a common understanding of problem, next step is to look at possible solutions.

Assign a chair and maintain focused discussions. We need to deliberately target and answer specific questions. We need to focus our minds on creating these proposals.

AJ it makes sense if you are just making money. But to embrace everything we do... It's just financial decision making.

TR no its everything

AJ it's a bit convoluted really.

EH focus on filling out a form to give you the information you need to make a decision.

JH it's what you learn when you study management.

TR we could get FC to go through it and get a risk assessment.

AJ we don't know if we are going to sell it

HF personal I am against it. I have ideas I would like to suggest. It's is a grass roots problem. We have so much assets and we don't manage them well. It's not about having too many and sell one to help the others. At the moment it is sell sell sell.

EH we have not sold a property since 2007. So we are not a sell people. Wontner road was my last on the sell list. Selling can be very good, but if you come up with good ideas.

TR so maybe instead of asking the FC what will you do with this money. Shall we ask them to come up with proposal for the property.

**Action Point:**HF to propose ideas to the FC for Wontner Road. Due 2 weeks from now.

HF how long can you give me?

TR a couple of weeks

HF would like to visit the farm to understand what we have. And Wontner road. 2 weeks in enough.

TR we can do it by email, to look at the proposal. And then I can send it to the FC. Did we get side-tracked.

EH need a system for proposals

TR it can be in a form of questions to the finance committee, eg what are the risks?

## Finance Committee minutes

TR there is a gap. Simon gave me the action points from their last meeting. We need to get them on board more. Simon does everything.

JH but even if we don't have minutes we should have a summary of an outcome.

**Action point** TR will push for summary from FC.

## Safe Guarding

JH Tom O'Connell wants to have an in-house training session on what they can and cannot do as an employee of FFWPU or as a volunteer dealing with children. He wants to organise that with a company that could provide it. This is an HR issues. GA have been taking care of it up to now, but it is HR remit. Sylvia had the idea to do an online training. She found an online training where you can log in. Gives you the confidence boost to know what to do. Eg not sitting alone in a room with a woman. It is protection for the pastor and to do their professional role with confidence. Costs 3x the amount if on location.

TR has she researched already online courses?

JH yes. Funding was agreed for this.

MH sounds like an operational expense.

AJ we should do it by law anyway.

JH planning to have a meeting with Tom and Sylvia on safe-guarding issues. Christmas coming up. Before the next trustees meeting. So we know where they are.

MH Sylvia is not in this week.

JH the problem with Tom and Sylvia is they don't work the same days. The other points were about the WAIT investigation.

**Action Point:** JH to setup a meeting with Tom and Sylvia before next trustee meeting.

TR there was an allegation that someone was abused by our staff.

JH it was not from the person themselves, so it is hearsay, but it was nine years ago. The WAIT trustees did their due diligence, but did not make a report or make an official conclusion, so that people could feel relieved.

MH it was news to her. I told her of the investigation.

JH most of the WAIT trustees are FFWPU members. So they have been asked specifically to provide their enhanced DBS checks. That is work in progress. There are 80 who have done the enhanced DBS check, a few are waiting. If we need it we can check it ourselves.

TR as trustees we have to have ours done.

JH I haven't done mine as I was ill.

**Action Point:** All trustees to get a DBS check.

## Cleeve house

AJ spoke to Miriam Zaccarelli, Terry Linden-Fermor and Mervyn Claxton. Asked Miriam if she want to wind up the business. Do you really want to work all those hours and not get anything out of it? She is thinking about getting another job. She would get someone locally. I asked her if she would like to stay locally. She thought she would have to move out. After the safety works are done would she like to continue. Miriam said maybe.

TR why do we want to do the safety works?

AJ if we want to do anything at all it needs to be safe.

MH if we want to sell we wouldn't do it.

AJ that decision has not been made. If we don't have a strategy, then a decision cannot be made. We should get the basic works done, electrics and fire.

TR if we sell it they will have to be done anyway.

AJ need a cooker to do weddings. Spoke to Mervyn, he can do fire alarm and electrics, which is nothing like the cost we thought it would be.

TR are we expected to sign that?

JH it was decided in August in Cleeve House.

AJ No, it was decided to look at electrical and gas. Not for the cooker hood.

TR are the FC looking at that?

**Action points:** AJ to chase this up. [electrics, gas for CH]

JH Gary was responsible for this as it was his job. Simon says it falls into our laps

EH I am frustrated as we send Terry Linden-Fermor to survey. So I am expecting him to come back and say what on the survey was not accurate.

AJ He has done that. He has sent it to Simon.

EH I haven't seen it.

JH The projection was putting a new roof on in 5 years. It was just possibilities.

**Action Point:**EH to call up Terry Linden-Fermor for his survey.

AJ in the meantime the cooker is being finished. I spoke to Mervyn, but have not heard back from Simon. We requested Simon to get this done as it is of some urgency. Urgent because of the workshop.

**Actions point:**AJ to pursue the cooker issue.[Spoke to Mervyn, but not heard back from Simon].

MB True Mother wants Cheong Pyeong programme in UK. US program was 1million cost. Does this affect your decision making process?

TR Camberg will win.

MB Camberg can only do once a year. Minimum of 300 people at a time.

EH in a tent?

MB we have two people getting educated on what it will take. We want a plan that is a win-win for the host and the participants.

AJ what does it include?

MB 2 or 3 days workshop and someone to oversee records. He will come in 2 or 3 weeks to give you some facts for 2019.

GS could it be rented?

MB It could be anywhere. True Mother wants us to liberate up to 430 generation.

HF What if we build something with True Mother's money, a purpose built building?

MB she might be willing to invest in it, or Europe as well. We are going to do it anyway, so how can we prepare well. I will try to send you details.

### 13. Update find business manager

TR two applicants?

AJ Ron just dropped out, so none.

MH he said he doesn't have experience in buildings.

TR if we have an intelligent person they can find things out.

AJ you need someone to hit the ground running not learning on the fly.

TR Tim Miller gave a proposal to FC.

MH The FC said why have a consultant if we don't have a business manager.

AJ can I see the proposal?

**Action point:** TR to send out Tim Miller's proposal to everyone.

EH Chris insisted writing the proposal he made. He was getting the wrong kind of applicants, he changed the job description. The past performance is not indicative of what we might get. We need to change the wording.

MB it's not limited to Unificationists is it?

EH No

JH We should advertise again.

TR should be the right job description.

JH who can put it in FFWPU newsletter, to get the role right?

AJ I wrote a proposal and a job description, but Chris changed it.

**Action Point:** TR will follow it up with Simon on [the job advertisement for a business manager].

MB why not advertise in Europe and US? There are lots of European member in the states.

MH we have done that.

## Charity Status

TR I met with Mark Brann. I tried to get a meeting with Daniel Pollitt, EH and MH to create a charter from our governance document. We have a governance document which needs to be re-worded . Daniel Pollitt is happy to do that. Date is in a few weeks.

Within that came up: we should formalise how we do our own meetings, clear period of office and voting people in should be written down.

JH I thought it was.

EH it is not clearly defined.

TR and how we hold our meetings.

## 15. Incorporation of trustees

TR David coombs said he wants to do it. Waiting for him to get back to me, if not we will get someone else to do it.

## 16. Preparation for AGM in January

MH decide on the 12<sup>th</sup>. Lancaster Gate. Afternoon. 2pm start. Invite the trustees for a report and some questions.

JH just FFWPU member invited?

MH yes.

TR we should make a report to the membership.

AJ what is the format?

MH there can be a short session of presentations orally. Then open up the floor to questions and discussions. Pre-prepared questions.

TR the purpose is to inform the membership.

MB I suggested an AGM would be a good things to do. Should have a report from the chair of trustees and National leader. Questions should be given two weeks in advance and questions on the day. Performance status and how member can be apart of decision making to avoid rumours. Limit to 2 hours. Disciplined agenda. This should elevate MH, and give him the oppportunity to give an account. Not all reports are necessary. E.g just blessings. Is it required by law to have on?

TR At the moment it is not.

## Treasurers report

EH the treasures role is to ensure the financial systems of the charity work. So that is why HF is going to talk with Helena. The second role is the liquidity of the charity. That is for the FC and the FC works on behalf of the trustees, but the buck stops with the treasurer. The third is the audit, which happened on time last year. Learnt some lessons which we need to tighten up on.

We are not worried till next march, which his when the process begins.

As for myself I am here till I am no longer needed. if HF needs me till January.

JH Will you still be financial manager?

EH yes as financial manager but not a voting member. I have been a trustee to long, so the hand over is looking good.

JH what is the name of the new auditors?

EH Moore Stevens.

HF I think I am ready for this role but like to keep EH as a mentor. For the legal side. But I am ready if the trustees want me.

EH this is the second to last meeting maybe I will attend. I can be a non-trustee mentor.

HF I am passionate about the asset side. If I am allowed I would like to fully suggest ideas and make suggestions.

AJ I would like to work with HF, she is getting her hand on it quickly and she is working outside the box.

HF my background is property investment.

**Decision Point:** Everyone is okay with HF investigating and making suggestions on assets.

EH gives a run through of the numbers. Some numbers are wrong. We are getting £1500 from the farm. Regional tithes are more or less correct. Gift Aid, I'm looking for a figure from natural numbers. Wontner road is wrong. CH is a disaster, numbers not right as we are not receiving rent.

JH they have asked her to close down for three months.

EH the main point is that we are at least paying our way. But need more income.

HF is the £12000 from LG rent is that from that actual income?

EH at the moment everything is coming into one bank account. I have generally said to LG if you have a gross of £27000 and net of £25000 then you are doing very well. The main thing is the bottom line, running profit loss account. That shouldn't go into minus.

## Trustee Conference

AJ quick summary. Most important to see the charities that came along. The things that stood out were mission or money. Getting balance right is what a lot of charities are struggling with. Charities are suffering a lot from Oxfam problems. UK has the best systems, we all are bonafide charities. There is a lot of expertise in this organisation, some even for free. Not enough personnel to do everything, each of us could look at one thing.

Getting people to volunteer is difficult. Talked about micro volunteering, for one or two projects, to get people involved. Their suggestion was making clear 'what we want to do in next five years, to have an overarching goal.

Charity shops are really a good way of earning money. They are in competition with ordinary shops.

Tech. the larger organisations are making a lot of money through tech. Talked about AI.

Ethics, should use Nolen principle.

GDPR is making life difficult for everybody.

## Floor boards

TR who is responsible?

AJ Julian

TR lets tell him to get on with it, along with Sylvia.

**Action Point:** TR tell Sylvia and Julian they are responsible for the floor boards.

## Database

MH church desk, forget it. Tom did research called Breeze, Selina likes it. Easy interface. Set up over next couple of months and show it to Council of Communities. We can try it and if we don't like it we can stop.

JH I read a book. If you have a meeting the agenda should include what we have. Sometimes we may not have something to say about it, but it should still be on the agenda. So we say 'no necessary report needed it is all okay'.

My personal request is we discuss, how our public benefit. Not just discuss properties. I went to the Blessing Festival. Would like a brief report from Matthew at the beginning. To help us feel we are a public benefit.

TR a lot of these things are on the website

JH just bullet points. No time to read description. Also to provide what are the outcome of the Council of Communities minutes.

TR they are on the website.

JH just a brief report, two sentences.

Third point. Blessing and witnessing dept. Job description for a witnessing director. Sad about that. You said William Haines did offer, but I don't think he has time.

EH Is it organised on a regional level? We do the things here what they cannot do on the front line.

JH I was the outreach person.

AJ on JH's second point. The report should be just for information not for discussion. Think what MB said for AGM, maybe questions should be submitted beforehand.

TR MB asked us to use Robert's rules, which are used in Parliament.

**Action Point:** MH to give a few sentences at the beginning of the meeting about CoC minutes.

**Decision Point:** Use Robert's rules during Trustee meetings.

## Next Meeting

TR New year.

JH on the morning of the AGM.

AJ we would be exhausted.

**Next Meeting: Sunday 20<sup>th</sup> January, usual time.**

TR please all trustees sign that you have not committed perjury, arms dealer etc.

JH what do we need to prepare for the AGM? Will the FC be there?

TR EH will be there.

MH I don't think Simon Rosselli would be there. Chris and Terry could be available.

AJ does Terry need to sign?

EH that is because David Coombs hasn't informed the charity commission.

End of meeting