

# Zoom Trustees Meeting 17/05/2020

## Participants

Tim Read – TR – Chair

Huey Fisher – HF – Treasurer

Gillian Schroder – GS - Secretary

Andy Johnson – AJ

Joanna Hartl – JH

Matthew Huish – MH – Deputy National Director

Mike Balcomb – MB – Regional Director and National Director

## **01. Prayer (MB)**

The introductory prayer was offered by MB

## **02. Declaration of any interests**

No one had any interests to declare

## **03. Ratify the last minutes (29th Feb - attached)**

The minutes of the meeting of 29<sup>th</sup> Feb were ratified

## **04. AOB points for the end**

Online trustees training

## **05. National Director's Report (MB)**

**MB** showed a Power Point presentation with the 4 headings:

- 1) Ministry
- 2) Operations
- 3) Finance
- 4) Strategic Plan

### **1) Ministry**

Franklin and Cecilie Fortune have been asked to create a Pastors Association to offer better support for our pastors.

There have been some recent changes to the leadership in some regions: Ron German has taken over an expanded region of Wales and the West Country; Bromley is now under MH and Scotland will be under Oliver Lane for the time being.

A pastors training programme was organised which was supposed to be for a UK wide audience. However, due to lockdown it was delivered on a zoom call to 35 countries. Donations of £4,500 were received.

Réamonn Bateman is organising a Young Adult service online once a fortnight.

HARP have invited William Haines to give a presentation online every Wednesday and Friday.

The BCLC are teaching ministers every other Monday. David Hanna is giving these lectures.

## **2) Operations**

A new public facing website was launched by Josh McGuigan.

Sally-Anne Franklin is working on our SMM100.org website.

LG has been re-decorated and re-organised. The café and the York room have been re-furnished.

The ladies' toilets have also been re-furbished.

We had a break-in two weeks ago and the police were called.

We have carried out annual assessments of all employees including pastors.

We are looking for safeguarding training for all staff.

## **3) Finance**

How we report our finances must be streamlined.

We assessed the impact of Covid-19 on our finances.

We received the go-ahead for the provisional plan for leasing LH.

TM is interested in investing in London property.

There is an idea for a peace embassy in North London.

We are questioning what office space we need with everybody working from home.

## **4) Strategy Plan**

All HQ activities will remain online for the present as staff don't feel comfortable about using public transport.

The Annual gathering may not take place.

All summer workshops are cancelled.

There will be no UK summit.

There is a big online summit planned for June, so we will see how that goes.

**AJ** Who oversaw the renovation work at LG?

**MB** Tom, Sylvia and me. The work was carried out by Valdek and Grant. I am pleased with it.

The centenary exhibition has been set up at LG, but nobody has seen it yet.

**TR** Thank you Mike for that thorough report.

Reports of officers, boards and standing committees:

### **06. Treasurer's report (HF)**

**HF** Yesterday, I sent you Eddie's financial report. I changed it to make it easier to understand.

LG income is down by 20%. We have 6 or 7 units empty now. Sylvia is marketing them again.

We have received £45,5858 in Gift Aid for 2017,2018 and 2019. It is up to date now. Eddie will claim it every 6 months from now on.

We are making savings of £4,555 per month from the National Budget.

Both LG and Wontner Road are making a good profit. There was a transfer of £169,000 for the year.

We have £133,000 in the Repairs and Renewals fund.

The 2019 salary scales remain the same due to lockdown.

### **Tom O'Connell – Power Point presentation**

We have had an insurance policy with Zurich for the last 20 years. Our policy is specifically designed for charities.

The cost of the policy has increased by £2,834. We have entered into a 3-year agreement giving us a saving of 5% in the first year, 7% in the second year and ...in the third year.

Total predicted income £1,114,584

Total wages £228,000 for the year ahead.

What is covered?

The insurance increased because the properties were undervalued. For insurance purposes, we need the re-instatement value, not the market value.

Public liability has been raised from £5m to £10m.

Financial and Administration liability has been raised from £500,000 to £10m.

The premiums are now £22,230 per annum.

Buildings and contents £15,843.

**HF** - We are having the re-build valuations done. The consultant needs to look at the plans of the buildings. This should be about 70% of the market value. We can change the valuations when we have them. This should bring down the insurance costs.

**AJ** – Would we be covered for activities in the community if we start new activities?

**HF**- We would have to let them know. We might have to let Zurich know about doing yoga.

**Action Point:** Tim and Andy to put it in writing and send it to Zurich.

**JH** – Are we claiming for business interruption because of the lockdown?

**HF** – It is not included. Pandemics are excluded.

**MB** – It seems that the cost of the insurance is very high. Did we do any research to compare what we are paying with what other organisations are paying?

**HF** – We were going to ask 3 companies. We only lose the discount if we switch.

**AJ** – Is there any help from the government for loss of income?

**Action Point:** Tom to speak to Sylvia. She has had some conversations with Westminster Council.

## **07. Secretary's report (GS)**

**GS** –The Annual Report is being written and will hopefully be ready by the end of June.

## Reports of special committees

### **08. Corporate charity status special committee (on hold) (TR)**

Nothing to report

Unfinished business:

### **09. Our position on sex education (AJ) - suggest we defer this**

Deferred

## **10. Opening a new bank account (HF)**

**HF** – We decided to switch our bank account to Santander because they will give us a £6,000 incentive.

Sylvia is still waiting for the details of some trustees to be sent to her.

**MB** -A one-time switch fee is not a good enough reason to switch bank accounts.

**TR**-We need to review this decision.

### **All agree**

**MB** – We need a root and branch review of our financial processes.

## **11. Check on action points from the last meeting:**

**Research on what other comparably sized charities do with regards paid staff joining the trustee board. (TR)**

**Ask Yebuny Hanna re becoming a trustee (TR)**

**TR** - Paid staff can be trustees if conflicts of interest are managed adequately. However, trustees cannot become paid staff without the permission of the Charities Commission.

Yebuny Hanna is not willing to become a trustee at the moment as she has too much to do.

## **New Business**

Requested by MB:

**12. An annual review of our risk assessment (Tom can report on the key points of the just-signed insurance document, including new services available to us. (TO)**

Annual Review of our Risk Assessment already dealt with in 06 (Tom O'Connell's report) above

**13. A report from the Properties, including financials, appraisals of the managers, and other issues.**

**HF** - Some tenants cannot pay at LG.

Full occupancy at the Farm

Wontner Road – Day care tenant is in difficulties.

LH and CH – no income coming in at all.

The situation at LG is not working very well either. The 5 vacancies all came up before the Covid-19 when the property manager was on a sabbatical.

Key staff cannot be allowed to take sabbaticals or annual leave unless they are covered.

The (PIC) committee should be doing property portfolio tasks. There should be someone dealing with the detail of the properties.

The committee are not able to be line managers.

## **BREAK**

**14. A review of some larger recurring costs and inviting the Board to consider its future policy, for example,**

**(a) the costs of audit (18000 per annum) is about 3 times what charities with a comparable income pay.**

**MB** – The cost of £18,000 for our audit is 3 times the size of other charities of our size which pay about £5,000. That means that over the last 25 years, we have paid £300,000 extra for audit fees.

If we save this money, we will be able to afford a financial manager.

**(b) the costs of accounting (14000 per annum) with a provider who is far away and with whom we are not particularly satisfied. We might also consider whether to change our fundamental systems.**

**Suggest HF, Eddie H and Sylvia Lau find an accounts consultant with QuickBooks knowledge > recommendation for structural change > get QuickBooks > implement at HQ level > train regions etc > implement at local level. (TR)**

**MB** -Our accountant is not that good. They are not cheap, and they are far away and inaccessible.

We all need to be using QuickBooks or one of the other

We need advice about the kind of accounting system that we need to be using.

**HF** – I have contacted 4 accountants. There are 2 charity accountants in Tooting.

The first charges £1,195 per month + VAT including Payroll and supporting the bookkeeper. - £17,000 pa.

The other possibility is that our bookkeeper does the work and they check it. This costs £650 per month + VAT including payroll - £9360 pa.

We had appointments to meet them, but they were cancelled because of lockdown.

**AJ** – Are we going to ask for references and recommendations?

**MB** – By next meeting we can decide this.

We must be able to afford a full-time finance director. This will save money.

**15. An annual review of our risk assessment (Tom can report on the key points of the just-signed insurance document, including new services available to us). (TO)**

Tom already made a presentation in 06 above.

**16. evaluate the importance of the UPF and WFWP's role in fulfilling our goals and hence what rent we should charge (using an exact figure for the Kent room area). (TR)**

**MB** - We cannot use the Kent Room now because of social distancing. UPF has a weak infrastructure.

**17. Review of activities and functionality of CoC, NC etc. (TR/MB)**

**MB** – We need three departments: Ministry (pastors, youth and blessing), Operations (HQ, programmes and education) and Finance (properties and accounts).

We need paid management underneath an unpaid trustee board.

The National Council should consist of a National Director, an assistant National Director and one representative from each area.

It is not possible to work with so many people.

Director of Ministry can be Cecilie – she is supported by a large local community.

Director of Finance – we need to employ someone.

Director of Operations - either the Deputy National Director or Tom.

**18. AOB**

**Online Trustee training**

NVCO: <https://booking.ncvo.org.uk/training/categories/webinar>

**MB** - The trustees need education. They will receive online courses between meetings.

**TR** – Look at the email and do whichever training interests you.

**MB** - The trustees can also invite others to join the meetings.

You could have a committee on trustees' education, development/fundraising and outreach

Focus on outreach -promotion of TM's Autobiography.

The trustees should only be consulted once or twice a year, not every other week.

**TR** – We would need to modify our governance document to reflect this.

**JH** – the trustees need to do an appraisal of the National Director.

**HF** – Can we call the Finance Director the Finance and Investment Director?

**MB** – Yes, we need to find the right person.

The Finance Director should pay for himself. We should be able to apply for public funding as a charity.

**AJ** – special activities can generate funds.

Proposal by **TR**

The board noted this recommendation made by the National Director and requested him to come back with costings and timelines with regard to this organisational structure.

### **Cleeve House Coronavirus grant**

JH – We received a grant for CH of £25,000:

- £15,000 for wages
- £5,000 loan

### **Bank Account Mandate**

We have another lot of papers to be signed by the trustees.

Only originals will do.

### **19. Next meeting**

16<sup>th</sup> August 3 pm

A Closing Prayer was offered by MB

MB congratulated AJ on becoming Mayor of Devizes.