

# Aylesbury Tennis Squash and Racketball Club

## Minutes of Extraordinary General Meeting 6.30pm 9<sup>th</sup> July 2023

**Present :** J Brooks (Chair - Non Voting), S Abbott, A Baghai, T Bissex, M Borden, P Brooks, M Busby, M Butler, E Byrom, M Campbell, G Chesterman, T Cookson, A Cottrell, J Deacon, K Dixon-Rajkovchevska, B Doe, P Evans, M Evans, O Field, G Forrester, J Foster, C Foster, P Foster, E Foster, D Franklin, C Gaskell, J Gilmour, I Harper, D Hassam, B Hide, C Hide, J Horabin, C Inskip, N Jack, M Jahngir, M Jatana, D Kaczorowski, D Kerr, K Korpas, B Layton, J Leach, C Lee, G Lipman, P Little, P Longman, C Longman, D Lukic, F Mathews, P Maynard, N Mctigue, S Miles, J Morgado, S Morsing, M Murray, B Oligbo, P O'Sullivan, R O'Toole, A Palmer, D Palmer, T Peacock, J Pearce, R Pluckrose, D Robinson, N Rumsey, C Saker, J Saker, P Shabong, Y Shaw, K Shaw, B Simpson, K Skerlecz, S Start, E Stokes, A Tattam, C Thiyagarajan, L Tiddy, A Turnbull, L Tustiu, T Vasey, I Vasilescu, S Webb, J White, L Wright & D Wright

### A. Introduction and rules

- *JB gave a brief overview, outlining that ATSRC had prospered as one club for a long time, but that the past two / three years had seen growing disagreements between the tennis and main committees. JB and Rob Ward have made attempts to get it to work to no avail, leaving no option but to put JM's proposals to members*
- *JB outlined the rules. The motion required two thirds to be in favour for it to be passed. If anyone eligible to vote should leave the meeting before casting their vote, that would constitute a No vote*

### B. The motion

- *JM gave those present the choice of hearing the motion (which had been issued by various means three times at this point) read in its entirety, or limited to a reminder of the outcomes that were being voted for. An overwhelming response was received for the latter.*
- *These are as listed on page 4 of the document 'Joint Motion to dissolve Aylesbury Tennis Squash and Racketball Club and establish three separate entities', emailed to all members on 2<sup>nd</sup> July 2023 and are not listed here*

### C. Questions and Answers

A list of questions raised ahead of the EGM and answer is provided on Attachment A

1. Will there be an AGM next year? **JM** : *AGMs for each club will be held within 12 months of today's date, at which point new constitutions will be ratified. Draft constitutions will be prepared as working documents in the interim*
2. When will the accounts for the last 3 years be available? **JB** : *Audited accounts for 2020 and 2021 are available. Accounts for 2022 are prepared but not yet finalized – the growth in external income make the corporation tax position more complicated, the club is currently awaiting an HMRC response which once received may necessitate a tax provision to be put aside*
3. At the moment tennis, squash and communal area costs are met by one pot into which all money goes to get allocated. Going forward will each club have to pay an assessment into that pot to cover communal costs? **JB** : *There are currently seven clubs forming the Sports*

*Club which pays a peppercorn rent to the Sports Club Ltd, with each club paying an annual assessment to the Sports Club. The Sports Club pays for grounds maintenance, car parking areas, and insurance. Going forward each club will pay its own assessment direct to the Sports Club*

4. Do we know what that current charge is? Could it be split by member? **JB** : *Current total assessment for ATSC is £8,400. Any decision on how future assessment should be split are for the three new chairs and the Sports Club*

5. Is there clarity on how much each section currently brings in, and will each section be able to sustain itself? **JM** : *Revenue split for the year to March 2022 was about £45k tennis and £55k squash (see n.b. below)* **JB** : *The success of each club will come down to membership numbers, and cutting your cloth according to your membership.* **JM** : *Running costs vary between the clubs e.g. the tennis courts have quite high costs.* **DW** : *Tennis running costs are comparably lower than squash. We do need a sinking fund to cover improvements but should be ok*

**n.b.** Per the accounts for year ended 31<sup>st</sup> March 2022, tennis income was £54k and squash £47k. Per the draft accounts for the year end 31<sup>st</sup> March 2023, tennis income was £52k and squash £61k

6. What's the legal status of the club and how will it change? **JB** : *Aylesbury and District Sports Club Ltd own the sports grounds. Aylesbury Sports Club rent the grounds from ADSC Ltd. Below ASC there are individual sports clubs for hockey, bowls, cricket, with each section being liable for its own debts. None have charitable status due to the extra demands*

7. What would happen if one club ran out of money? **JB** : *The club would go bankrupt. This is unlikely*

8. At the annual AGM, the committee should be (re)elected based on past performance including financial performance. **JB** : *Yes, however this depends on the availability of other members with relevant skills ready to volunteer. Volunteering is key to the success of the clubs*

9. With regard to the £20k interim funding of each club's new bank account, is that the club's to spend as it sees fit or could it be taken back once the split of funds is agreed? **JB** : *It would be a bombshell if the final split of funds resulting in one club receiving less than £20k*

10. So each club can assume it won't be taken back? **JB** : *Correct*

11. What are the disadvantages of splitting into three clubs? **JB** : *At the moment if one section needs more money than another it can simply be funded from the club pot. Going forward it may need a decision to be made to transfer money from one club to another, and then needs to be accounted for correctly e.g. as a loan.* **JM** *read out the response provided to the question asked by James Wright (circulated to members in advance to question 1 in the Q&A) on the cons of the split.* **JB** : *Fresh volunteers could bring new ideas and new energy*

12. What due diligence will be carried out to ensure that a fair split of all assets and liabilities of the club is achieved? **JB** : *Apportioning revenue, costs, assets and debts by section, going back five years is a complex exercise. It may mean utilising external accountants to resolve, although Rob Ward is an accountant and can also offer guidance.* **JM** : *The motion looks to build financial controls into the respective constitutions*

13. The clubhouse depends on the success of both tennis and squash clubs. If one area is more successful than the other would it pick up a bigger clubhouse charge? **JB** : *The Clubhouse should be self-sufficient, so no*

14. Will the rent received from the tennis and squash clubs be allocated towards clubhouse improvements on a 50/50 basis? **JM** : *All subs and court fees will be received direct by the relevant club. Income from external events hosted within the Clubhouse will go to the Clubhouse. Future rents, which would in any case be paid to ADSC have not yet been agreed.* **JB** : *Insurance costs for the last year were c£8.5k. We have one insurance policy covering all sports.* **JG** : *We have separate Squash England insurance covering ES members upto £10m.* **DW** : *LTA subs include this as well. These have been taken into account by JP*

15. Ref the £8.5k insurance premium, is that likely to change after the split i.e. could each club negotiate it's own insurance? **JB** : *It's not worth it, due to the work involved e.g. maintaining records of every asset on the site across all clubs*

16. Does the club benefit from any grants? **JB** : *Cricket does, being in more need of additional fundraising due to naturally low membership numbers.* **DW** : *LTA awards loans for lights etc, but these are loans rather than grants*

17. What constitutes a communal area? E.g. is everything inside the clubhouse allocated to squash? What about the external walls and roofs of the squash courts? **JM** : *Areas of responsibility are detailed within the motion. Just as the external walls of the tennis office are covered by the Clubhouse, so are the external walls of the squash courts*

18. When will the accounts be available to review? **JB** : *Audited accounts for the past six / seven years are available and should have been issued. Accounts for the past 12 months are prepared, but may require changes to tax provisions subject to the response from HMRC*

19. There was an issue a couple of years ago in the bowls club arising from there being only one payment signatory. Will the motion prevent this? **JM** : *It's part of the motion that each resultant club will put in place systems of financial governance to reduce risk*

20. Should the motion be passed, if in future years we want to change the structure again and revert to being one club is that possible? **JB** : *Yes, it would need to be proposed and put to members at AGM / EGM as this motion has*

#### **D. The vote**

- Following the Q&A session, late arrivals who were eligible to vote were registered by KS and MM. The voting window commenced at 7.50pm and closed at 8.05pm. The vote casting process was overseen by JB, JM, and DW.

#### **E. The result**

- JB announced the result. Of 82 votes cast, over 90% voted in favour of the motion to split ATSRC into three separate entities. This being greater than the two thirds required, the motion is therefore passed

F. Meeting closed at 8.35pm

## Aylesbury Tennis Squash and Racketball Club

### Minutes of Extraordinary General Meeting 6.30pm 9<sup>th</sup> July 2023

#### Attachment A

Questions raised ahead of the EGM listed below with answers

Q1 If I'm unable to attend is voting by email possible please? **JM** : *Our constitution states that constitutional amendments must pass a 2/3 majority of those present, whilst also stipulating that proxy voting is not allowed for those not present at the meeting to ask someone to vote on their behalf*

Q2 Does that mean the website will now be split into separate entities too? With different domains? Also will you be changing the Google My Business to be 2 entities as well? (the preview feature in Google that shows location, images etc) **JM** : *As it stands the website is managed (content and hosting) through Dave (Herron) with content provided by the main committee / sub-committees (albeit infrequently). The motion proposed gives autonomy to each section to define their strategy for member acquisition (including their digital footprint). I've not discussed explicitly with the squash committee but my personal views are that the website ranks highly in Google search and places, and provides a great mechanism for new member acquisition as well as bookings for the meeting / bar space for functions. I would suggest to the squash committee that we retain our presence within the existing site, keeping the same domains, taking advantage of the traffic going through it. Dave's established a successful lead generating online presence which I feel would be a risk to change or move away from.* **DH** : *To add to Jamie's comments, I've been informed the tennis committee will be running their own website using the Clubspark platform and associated URL.* **DW** : *The intention from the tennis is as Dave says, we'll create a separate site using the Clubspark platform which is free for LTA registered venues.*

Q3 Why don't those who are immediately affected do some kind of objective pros and cons list, so we all know exactly what we're voting for? Perhaps there could be one list from the squash section and one from the tennis section. I'd think absolute clarity is paramount and surely should help produce a more informed decision from all voters present regardless of which side of the fence they are on. **JM** : **PROs**

- i) *Squash / racketball funds accrued through membership / courts ringfenced and safeguarded, and go towards squash / racketball related improvements / maintenance.*
- ii) *Any debt situations arising from other sections won't impact squash members and require the use of their funds to subsidise.*
- iii) *Elected squash and tennis committees are given direct control over finances, rather than having an overseeing committee make these decisions for each section.*
- iv) *Tighter controls over finances (right now only one person has access to £150k of funds), and one other person has access to £50k of funds. Enables tighter controls and more appropriate safeguarding over funds.*
- v) *With squash controlling it's own constitution, squash members can make changes more easily to have the section run the way they want it to be.*
- vi) *Regular AGMs ensuring control of the section is as per the members wishes.*
- vii) *Give members more control, visibility and transparency over where the bar profits are being spent.*

#### **CONS**

- i) *Significant amount of work for the next 6-9 months to separate the entities*

- ii) *Several people who contribute significantly have stated they don't want to work with each other (on the club committee) which has in essence led them to step down (so we have gaps in skills and experience)*
- iii) *Several people who support on the main committee don't explicitly have roles within the proposed structure (or their capacity changes in the role they would do). There is a risk that they decide to stop supporting the club without the same scope or a position on a committee*
- iv) *If we don't take up opportunities to become Group VAT registered, then any future capex spend (new courts etc) would be more expensive (but we have the intention to be Group VAT registered with the bar)*

*The overarching challenge is that there are some serious personal differences that create negative experiences in the club for those involved and others around. Coupled with some questionable sanctioned / unsanctioned spending, and now a complete breakdown in communication between the two committees – to the point meetings are being held without one another – the leadership of the club is dysfunctional. That's not saying that individuals don't do their isolated jobs very well and give up a considerable amount of time volunteering. There have been attempts to have an AGM, EGM, motions raised and blocked, significant and quite serious email threats making allegations to specific members. All of it needs to stop (in my opinion) and we must move on. It causes blockers to the club achieving progress or getting things done. This motion hopes to move the club on, so the personal differences (which clearly can't be worked through even with mediation attempts) stay personal and don't impact the club. All bar one in the squash committee voted for the motion, as they see it as a positive way forward to get out of the stalemate. Whilst this 'splits' the club constitutionally, I think it will bring the club closer together.*

Q4 Could a brief overview be provided of how all the sports clubs are structured within a main committee? What, if any, inter-dependencies are there? **JM** : *The Sports Club Committee has representatives from each club. They are not inter-dependent as such. Squash and tennis are the only clubs that have an overseeing main committee, with sub-committees. There are areas of common expenditure, such as the Sports Club paying for all the insurance etc.*

Q5 Who will be responsible going forward for the upkeep of, and liability for, shared areas (primarily car park and associated lighting but also fences, gates, boundaries etc)? **JM** : *The Sports Club is responsible for car park and associated lighting and will be going forward*

Q6 Who is responsible for ensuring full employer and public liability insurances for the tennis courts, squash and clubhouse areas? **JM** : *The Sports Club are responsible for this now, and will be moving forward. The agreements cover the Sports Club, which in turn covers the operations within the land owned by the Sports Club.*

Q7 With the tennis, squash and clubhouse being unincorporated entities, could it be clarified whether any one group has any liability in the event of the financial failure of one or more of the other unincorporated groups? **JM** : *No, it's a requirement of the Sports Club that constitutions reference they are responsible for their own debts etc.*

Q8 Who are the named trustees of the non-cash assets (i.e. the tennis courts, the squash courts and the clubhouse)? How are they elected and/or removed? What are the limits on their authority – for example could they sell the assets without members' permission? **JM** : *There are no trustees for the non-cash assets. The Sports Club own them due to owning the land. Decisions on the assets are made by the members of the whole club*

Q9 Who employs the staff given that unincorporated groups are not legal bodies? **JM** : *Unincorporated bodies can employ staff. ATSC currently employ the staff, who will transfer to the Clubhouse*

Q10 Who / Which organisation enters into contracts with third parties? **JM** : *As above, the individual clubs*

Q11 Are the proposed squash, tennis and clubhouse committees satisfied that they have a full and final list of current contracts to avoid a future situation where someone turns up with an agreement not previously known (as examples, right to park multiple vehicles in the car park, employment contracts with different wage rates etc) **JM** : *Car park is Sports Club, which remains unchanged as part of the proposal. Unsure as to the point on employment contracts with different wage rates.*

Q12 Where clear synergies exist (e.g. court booking system) is there an obligation on squash and tennis to use the same process or is there full autonomy? **JM** : *Yes, autonomy*

Q13 When expenditure 'of over £10k' is quoted, does this mean individual projects each over £10k or a cumulative approach – i.e. can someone commit to 10 projects of £9k each without the members being aware? **JM** : *£10k per individual project. To put this into context, members already are not consulted around spend, such as tennis floodlight repair, which came to over £15k. Members will be made aware of spend, through quarterly spend reporting – regardless of size of spend. Members won't be asked for approval for individual spend under £10k. It may be that there's a feeling £10k is not the right number, and in future AGMs of the clubhouse this can be raised and if passed, adjusted to an alternative.*

Q14 Will all three bodies have matching disciplinary / safeguarding / behavioural procedures? **JM** : *The requirements from the Sports Club are the same for all three bodies. The motion stipulates tennis and squash will adhere to the clubhouse code of conduct.*