

ESSEX AND SUFFOLK GLIDING CLUB LTD

Minutes of the Annual General Meeting held on Saturday 14th March 2015

Commencing at 19.00 hrs. in the Clubhouse at Wormingford Airfield, Wormingford CO6 3AQ

Present

| | |
|----------------------|-------------------------|
| Chris Price (CP) | President |
| Robert Godden (RC) | Chairman |
| Paul Foulger (PF) | Secretary |
| Andrew Booth (AB) | Treasurer |
| Martin Lawson (ML) | Winch Master |
| Alan Bilby (Alan B) | Site Officer |
| Dick Skinner (DS) | Membership Secretary |
| Jonathan Abbess (JA) | Chief Flying Instructor |
| Eddie Leach (EL) | Safety Officer |
| Adrian Tills (AT) | Publicity Officer |
| Mike Haynes (MH) | Technical Officer |

And 50 members in attendance

Apologies for Absence

Apologies were received from Chris Nunn; John Kelk; Brian Darton; Trevor Smith; Bryan Smith; The Ahlner Family; Graham Drinkell; Colin Downes

Additional Items for the Agenda

There was one additional item from Adrian Tills regarding Volunteers for Gliding Expeditions at home and abroad

Minutes of the Annual General Meeting held on Saturday 15th March 2014

The minutes of the meeting held on Saturday 15th March 2014 were accepted as a true record of the meeting. Proposed by Colin Ebdon and seconded by Dave Wallis and agreed by members present unanimously.

Matters arising from the minutes

There were no matters arising from the minutes not covered by the agenda

Chairman's Report

- Committee members will report in detail on their specific areas notes of which you already have so I will largely deal with one or two overall issues and our plans for the future.
- Firstly, and you will hear in more detail from Andy in this regard, we are now profitable and are in a position to have a small amount of flexibility in our own funding decisions in addition to being better positioned to apply for outside funding to support our current business plan.
- The defensive attitude to our business planning over the past couple of years has done no harm. The awareness of what we need to do in order to stay financially sound has I think been increased and has produced some good results. The results however do contain a strong message that to maintain / increase profit we need in terms of effort to do more of the same – **Group flying has been a success** one approach to any organization known to a member can result in around £3-500 or more into our

funds for one group session and importantly can create **repeat business** – (c/f about 98.5% of trial lessons are one offs.)

- **For the future**, developments we are working on are:-
- Winch shed extension – more space required for storage and maintenance of our equipment. £15,000
- Fitting out the space provided by the recently acquired mobile facility to be a briefing area with the opportunity for audio visual aids to briefing and tuition as well as a small workroom and a place for the simulator, a project on which Eddie Leach will be working. This should be an ideal place in which to receive Group Flying parties, away from the members' area and sufficiently well equipped and furnished to be attractive to visitors. This has been a growth area of our commercial flying activity a, it is worth repeating, is the one where we can generate repeat business and so is worth paying some attention to. £10,000
- The current workshop area is to be expanded to take in the area presently occupied by the briefing room. £5,000
- Instructor training – we have a budget of £10,000 for instructor training over the next couple of years. This also needs to include existing instructors willing to qualify to instruct on the Motor glider.
- Instrumentation and radios – some equipment. past its sell by and no longer able to be repaired therefore we do require to fund replacements. Also, unless there is an amelioration of requirements on gliders, EASA changes to radio frequency spacing in a few years time - £10,000 budget number possibly more.
- All in all we have provisionally about £ 50,000 of expenditure to fund under our current business plan.
- Finally we have also the opportunity to refurbish the Clubhouse area and it makes sense to incorporate this into the same project as the new briefing room. A budget number for this still has to be worked out but will have to be proportionate in order for it to be included within the funding available from Sport England who are the principal source of funds in this area.
- **Motor Glider** – This has been subject of various levels of debate and I think it is worth summarising all of the factors which apply to our having this asset
 1. The forthcoming EASA requirements for training to the new Glider Pilots Licence make it more or less essential to have a TMG if we are going to maintain our status as an Approved Training Organization and thereby remain competitive with other clubs in attracting new ab-initio members.
 2. The catchment area for gliding clubs is very wide with people prepared to travel not inconsiderable distances to enjoy their gliding and all the other clubs in our region, with whom we are in competition for new members, have had power flying planning permission for years. Hence, as you will know, the objective of obtaining planning permission to fully use the Motor Glider was announced at the last AGM and is now awaiting the final committee stage of the process, which I hope will be in April.
 3. Had it not been for the foresight and generosity of Dennis Heslop and Richard Kimberley we would now be in the position of having to seriously consider buying a TMG and funding the on-going maintenance costs. It must be borne in mind that the cost of maintaining a powered aircraft include those attaching to the risk of requiring for example engine repairs which can be high and is being borne by Den and /Richard from what by any measure is very low flying cost to members.
 4. In my view it is clear that, taking all the factors into account, any element of subsidy is by Dennis and Richard to the benefit of the Club.
 5. The final note on this subject is - given that we are able to achieve the aim of having more instructors qualified on the TMG it could become a not insignificant **contributor** to club revenue. We are currently re-assessing costs in terms of increased fuel and higher rate of engine wear associated with powered take offs and there may well be a price adjustment. It is intended that the overall cost per hour will take into account the minor loss of direct launch fee revenue and enable us to continue to have the benefit of this asset at a low cost to members.

Finally - as ever, we can't fly unless we have the support of members willing to volunteer. I must say that it has been noticeable that more members have been participative in what goes on around the club and I would like to continue with the theme of having members either in groups or individually follow up on specific

developments as an aide to the Committee e.g. Funding. Or to individual committee members e.g. trailer refurbishment and now, design related to the refurbishment and the new area.

A big thank you to all those who supported the Group flying sessions and of course the trial lesson days which make a massive contribution to keeping our flying costs low.

We have three people standing down from the Committee, Dick Skinner, because of an impending house move away from the area, Andrew Booth after two years as treasurer and Paul Foulger following a long period of Committee service to this Club. I would like to thank them for their contributions and am particularly sorry that we are to lose Dick also as a valued club member.

Personally, I have had advice from quite a number of people most of which I have been grateful for.

We have a busy and interesting year ahead and I hope one that enables everyone to get the maximum enjoyment from their gliding.

Questions from the Floor

Paul Robinson asked what the current situation was regarding the TMG planning application. – RG had attended two local parish council meetings at Wormingford and Fordham; an offer had been made to Mount Bures to do the same but was not required. The Planners had informed RG that they did not think it necessary for any noise tests following the demonstrations last year. Because of local issues it was deemed that the application would go before the planning committee and was waiting to hear when that would be and thought that this would be in early April 2015.

Paul Rice commented that he understood there was a planning meeting to be held on Tuesday 19th March with a result by 30th March. This was noted and RG would check back with the Planning Consultants.

Paul Rice stated that 2015 was actually the 50th Anniversary of the club which was at Whatfield before moving to Wormingford, and therefore the celebrations should be majored on this rather than a 25th Anniversary.

George Green asked that a review of the overall refurbishment plan was undertaken before any final decision was reached.

Ken Rogers stated that he felt a separate facility would be a preferable option for a briefing room area.

Mike Haynes suggested that there be a review of how the mobile home acquisition was to be used.

Richard Robinson suggested that to attract members it may be helpful to have a Bar and refurbishment of the kitchen. The suggestion of a Bar was not considered appropriate and that it would attract a hefty rates bill which we currently did not pay.

Treasurer's Report

Summary Headlines

We made a profit this year of £13,779. This compares to a posted loss last year of (£1,516). Increased commercial activity will have contributed to this and we need to maintain this effort to keep the club in a sound financial state

Background

I took over the role of Treasurer in April 2013, at which time the club had reported its first loss in recent times. I started to look at all of the flying and other data that the club had, along with all of the available financial information, and concluded that the recent loss was a result of a combination of the recessionary times but more importantly, a long term steadily declining situation at the club. And looking forward, I concluded that it was likely the club was going to continue to make a loss each year unless we did something about resolving the inherent issues.

After reviewing the data with the committee, we decided it was time to develop a plan to fix this decline and also discuss this with the membership. The latter being via an EGM held in early 2014, just before last year's AGM. Our immediate solution was to keep a tight control of spending whilst we came up with some ideas to fix the steady decline. One point we made at the EGM was that E&SGC was not the only club seeing this pattern of decline, most

other gliding clubs in Europe were seeing the same situation and this decline was also being experienced in other sporting areas.

Turn-around plan

At the EGM, we proposed a 4 element profit recovery plan. We said that if we managed to achieve all 4 elements with 100% success (never really expected), it could yield ~£40K. After analysing the stats we provide for the BGA and my Group data, I believe that this year we were able to deliver some areas of the plan and these were worth ~£10K.

| | What | How much | Value | Year end result | Value |
|---|-------------------------|----------------|----------------|-----------------|----------------|
| 1 | More members | 20 more adults | £16,600 | 0 more adults | £0 |
| 2 | More TL's | 40% | £11,000 | 11% | £2,800 |
| 3 | More club member flying | 10% | £3,800 | 5% | £1,900 |
| 4 | More groups | 10 more | £4,500 | 10 more | £5,500 |
| | | | £35,900 | | £10,200 |

Moving forward

My view is that the club has arrived at a new point. When I started gliding, at Essex Gliding Club ~30 years ago, there was a glut of students wanting to learn to fly. You had to arrive at 8:00, when the draw for the flying list took place. And you would be one of twenty plus students competing for an early draw. These students did most of the daily jobs associated with running the airfield.

If you look at the CFI report, it shows the number of students that went solo at E&SGC last year – zero. There were three solo's the previous year and eight the year before that. Whilst this solo statistic is not a totally accurate trend to demonstrate the fall-off in the number of students, it is clear just by looking around the airfield these days to see that there are significantly less students learning to glide and this has the added knock-on effect that we frequently do not have enough hands to run the daily flying operation.

We need to recognize that we are going to have to adapt to this change. This current and future state is:-

- (1) Less new potential members
- (2) Less member flying
- (3) Difficulties running the launch/flying operation
- (4) Overall strain on getting enough volunteers to do all of the jobs around the club

And because of this, there is going to be less revenue coming from members to fund the club.

To keep the club in a sound financial situation, we have 2 alternative choices:-

- (A) Increase member subs
- (B) Increase opportunities from commercial flying

Let me demonstrate the value of our commercial business with a couple of examples. The overall income from Groups last year was £7,500 (£5,500 more than 2013). If we were not doing Groups, member subs would need to increase by

~£75 to compensate for this revenue. Trial Lessons made the club £30,000 – this equates to an annual £300 member sub subsidy. Like it or not, the commercial business we do today is the only way that we can make gliding affordable to the membership

The level of commercial business we added-in last year is the minimum to keep the club viable (i.e. one that generates a modest profit). It came with quite a significant strain to our 'people' resources. The 'few' that were running the daily flying activity were quite often stretched doing the extra 10% of TL's and the groups only worked because of a handful of dedicated volunteers willing to give up their time.

The membership needs to recognize that this is the state we are going to be in and needs to start adapting to this. It is no longer OK to assume that a bunch of abinitios are going to set-up the operation each day and provide the manpower to run the airfield. The abinitios are drying up. The choices are that the members themselves volunteer to do more or we have to pay for this service. One example of change is that members should not rig their own gliders

until they have helped set-up the airfield but there are many more areas in which we are all going to have to change to adapt to the new state. The launch marshal is just one other idea in which we can get more from the few.

2015 Strategy

2014 profit improvement came largely from the 10 extra Groups and increased TL's. I believe that in 2015, as a minimum we need to do the same with respect to Groups and TL's but should continue with our same overall four element profit plan. The one part of the plan which is very difficult to deliver is increased membership. We tried quite a few things to drum up potential interest to join the club and also to retain the current membership. It did not amount to very much of a change in membership numbers. I still maintain that it is a key priority that we need to address but it is very difficult to achieve. And this is also something that other gliding clubs are struggling with.

Groups

I have mentioned Groups a few times already in this report. At this stage I want to thank all of those that volunteered to help with the groups last year. You know who you are. Some of the club members went well beyond the call of duty and I think we provided nothing short of a fantastic result. I am not just talking here about the financials, I am talking about the level of customer satisfaction. The Group effort brings out the best of the club. The launch rate on the day is absolutely remarkable. The customers are shown the club in a very positive and efficient light. There are always smiling faces and we regularly receive praise of a good time had by all. Quite a few of the people that take a flight with a group go on to joining or arranging another flight (TL) for someone in their family. I cannot start to understand why the club seems to operate at two totally different performance levels on a club day vs. a Group event.

So here is a big thanks to the group helpers – you can see the results of your efforts.

I have led the Group activity for the last two years and I am handing this role over to Kaz for 2015. I know the Groups will be in good hands with Kaz at the helm and hope he will get the same volunteer help I enjoyed.

And whilst we are talking about Groups, it takes a lot of effort to find them. They often don't just call up, we have to be proactive to get the word out that E&SGC does Corporate/Group events. Last year, two of our members found us two Groups by talking to friends, family and other sources. So far in 2015 there is only one Group booking on the horizon, we need a further fifteen if we want to match our 2014 financial results.

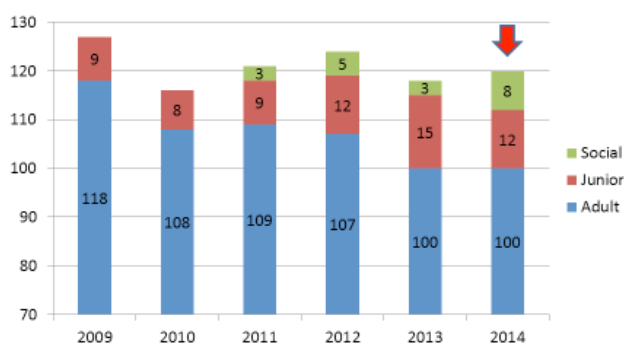
Stats

You may recall that I showed various stats at the EGM. For completeness, I have updated some of the graphs with the new data we have for last year. In summary, these stats say:-

- Club member numbers were about the same
- 11% increase in the number of Temporary Members – we do not include Groups in these numbers
- 10% more launches. I estimate that 50% would be from club members, the rest came from TL's & Groups
- We flew 11% (19) more days
- No change in the number of launches per day – 24. Back in 2009, we managed ~30 launches per day

Club members

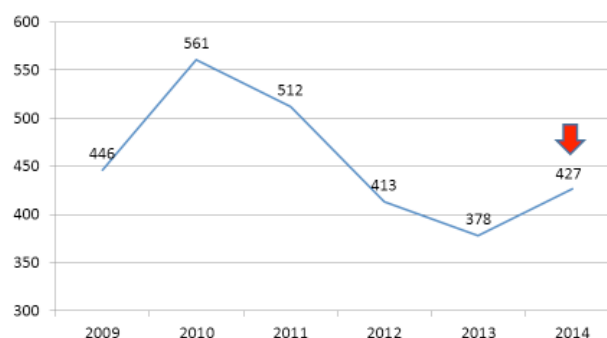
2014 – Membership was about the same (target was 20 more adult members)



Memor:- 86 adult members were reported in the 2013 stats. On re-count, the correct adult member was 100

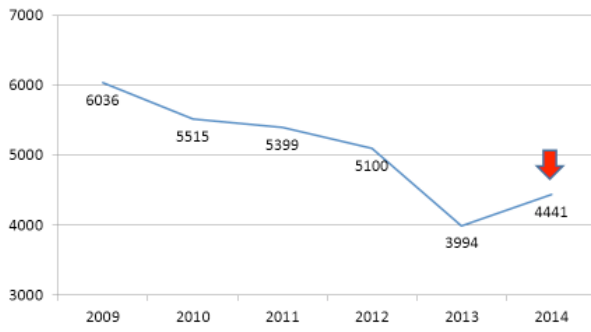
Temporary members

2014 – 11% increase in TL's (target was 40% more)



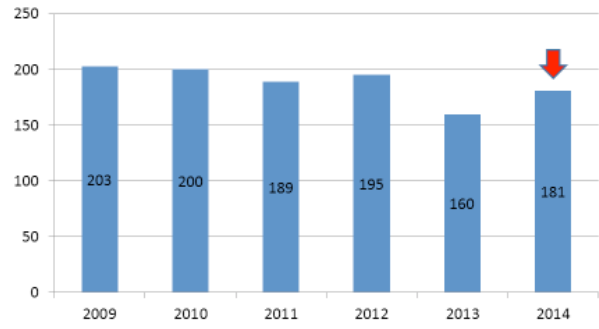
Number of launches

2014 – 10% increase in the number of launches (target was 10%). Half of this was due to increased number of TL's and 10 more Groups – i.e. not club member flying



Number of days flown

• 2014 – 11% increase in the number of days flown



Average number of launches per day

2014 – Same average number of launches per day

