

Minutes of the AGM of Lord Moray's Feuars held at 6pm on 23 June 2022 in the Moray Place Garden.

Present: Mrs Fiona Young, Chair
Mr M Baynham, Prof P Broda, Mr A Dixon, Mrs F Dobson, Mr E Jeffrey
36 feuars

In attendance: Mr K Cattnach, Whitelaw Wells, Secretaries

The Chair welcomed all to the meeting and summarised the running order for the AGM.

Mrs Young thanked Dr Vail Barker for taking on the Chair when she stood down during a period of illness. She acknowledged what Dr Vail Barker had helped lead with the support of the Committee and other feuars including:-

- Establishing a Residents Association
- Re-establishing a Committee for Randolph Crescent
- Improvement of employment conditions for our gardeners
- Work done behind the scenes to improve the safety and environmental sustainability of the gardens as well as their being such a beautiful place for us to enjoy.

Mrs Young also paid tribute to past Chair Robert Hay who passed away in March. Mr Hay had been Chair for 6 years and worked tirelessly for the feu during that time. He would be sadly missed.

Mrs Young thanked the gardeners for all their hard work during the year, adding she thought the gardens were looking magnificent. She also thanked Blair Finlay who had stepped down from the Committee during the year. Mr Finlay had championed Randolph Crescent Garden and had been instrumental in establishing the feu's on-line and digital presence.

Finally, Mrs Young thanked her fellow Committee members and those feuars who had assisted with the bicentenary and other events. She reminded feuars these individuals were volunteers who put in hundreds of hours of their time on feu business, much of it unseen.

Apologies

Apologies were received from Dr M Vail Barker, Mr K Barker, Mrs F Duff, Mr G Grant, Mr & Mrs Henderson.

Minutes of previous AGM

The minutes of the AGM of 23 June 2021 were approved, proposed by Prof A Young (49/3 Moray Place) and seconded by Mrs V Baynham (18/1 Moray Place).

Convenors report

Mr Baynham noted matters had been covered in the detailed Summer Newsletter recently distributed to all feuars. He briefly highlighted that the Elm by the BBQ has rot in it's base so the Committee are keeping its health under review with the tree surgeon scheduled to look at it again in August. Ash dieback is a constant threat with two trees in the Bank garden that may need removed. On a more positive side the bumble bees in the Bank Garden are flourishing, aided by new planting over the last year or so.

Treasurers' Report

Mr Cattnach referred to the accounts appended to the summer newsletter. This year's accounts have a slightly different presentation with the addition of columns for Randolph Crescent and the Bicentenary. The results for the year report a surplus of £61,400, £35,700 higher than last year. This is attributed Bank Gardens £20,400 and Front Gardens £11,800, increasing each garden's closing reserves to £64,400 and £55,800 respectively. Randolph Crescent has a small surplus of £650 following income of £11,250 against expenditure of £10,600. A huge amount of work has been done in relation to the bicentenary with £33,500 income raised. Although only £5,000 was spent in the year, the surplus of £28,500 is ring fenced for bicentenary events planning during 2022 so is expected to be

spent in full. The £61,400 surplus is therefore partly a timing difference rather than a more permanent contribution to reserves. The actual surplus is nearer £33,000.

Overall income of £189,000 is up £61,000 on last year but includes the one-off bicentenary £33,500 referred to earlier. Assessments were up £23,000 and Outside subscriber income up by £700, both as result of increased rates agreed at the last AGM.

Total expenditure of £128,000 compared against last year of £102,000, so up £26,000 although £5,000 of this related to the bicentenary. The most significant cost to the feu is gardeners' wages which represent around 47% of total expenditure. The wage costs were £60,500 an increase of £8,200 on last year because no student gardener was employed during 2021 due to Covid restrictions. Other variances were as follows:

- One off costs of £1,250 for the EGM
- Fertiliser costs of £1,000 were £1,400 lower than 2021 as only the Front garden used fertiliser this year
- Maintenance of railings, gates and benches is up £2,100 to £5,750 due to £2,200 spent on new handrails and railing repairs in Randolph Crescent
- Plant purchases were up £3,300 but £2,400 of this related specifically to Randolph Crescent offset somewhat by donations of £1,500
- Professional fees of £900 were £1,700 lower than last year due to VAT consultancy work and assessment of the arches.
- Equipment depreciation of £9,800 is £3,500 more than last year due to asset additions (£3,600 on a new stone BBQ, £1,400 on a Pent Shed in Moray Place, £1,400 on three new benches and £1,600 on new battery operated hedge trimmers and a new trailer).

Other variations were generally small so within what we would expect to see.

In the Balance Sheet there are fixed asset additions of £9,000, as previous explained, and Creditor and Debtor movements which are small with nothing unusual in either category. Cash increased from £64,100 to £124,000 at the year end due to the surplus in the year, although feuars were reminded £28,500 of this relates to the bicentenary so has either already been spent in 2022 or is planned to be spent later in the year.

Mr Cattanach invited questions.

Mr McLaren (16 Ainslie Place) asked why the feu was registered for VAT. Mr Cattanach replied this was because the feu had VAT'able supplies over the registration limit. Mr Baynham added the Committee had sought VAT advice earlier in the year which had confirmed only if the gardens where split into individual, separate gardens may it be possible to avoid VAT on some income, however, this was not practical and savings inconclusive as VAT is also recovered on certain expenditure. Mr Baynham confirmed the feu is, and will continue to be, registered for VAT.

The accounts were adopted, proposed by Mr R Loudon (13 Moray Place) and seconded by Mrs V Glynn (7A Moray Place).

Resolutions

Mrs Young introduced resolutions noting that they would be taken with "Assessments" given one resolution, proposed by Mr R Luther (34 Moray Place), related directly to the proposed assessment amounts put forward by the Committee. The second resolution related to Ainslie Place garden. Mrs Young invited Mr Luther to introduce his resolution.

Mr Luther read out his resolution. He added he was perplexed by the Committee's proposed 16% increase in assessment levels on top of a significant increase last year. He explained he could not understand why this was necessary given the reported surplus for the year of £67,000. He said this would only add to, already, significant reserves. Mr Luther questioned what was the purpose of reserves saying, in his view, they were held to cover unplanned and unexpected expenditure. He understood the Committee said the reserves policy was based on 6 months unplanned expenditure plus a further 3 months for late payers. He questioned why 9 months was appropriate. Mr Luther thought the current level of reserves, after the significant surplus in 2022, was now sufficient so once built up reserves should be left until needed to be drawn down. They are therefore not really needed. The resolution he is proposing today therefore asks that there be no increase for this year.

Mr Luther went on the state he believed money should be split between what is normal expenditure and what is a contingency amount with each kept in a separate bank account. Mr Luther acknowledged Mrs Young had written to him some time ago but he had not responded. He questioned why her points were being presented at the AGM and not before. Mr Luther questioned the proposed £2,500 spend on a new notice board. Although his resolution doesn't relate to it, he asked why assessments are based on the 1979 rateable value so he felt the Committee were over charging feuars, although some under charging may also occur.

Mr Luther concluded by saying now is a time to pause and consider matters. He encourages feuars to support his proposed resolution.

Mrs Young replied explaining why the proposed assessments were necessary, the hours and hours of detailed budgeting and forecasting work that had been invested before concluding by summarising what the proposed rates now being put to the AGM represented. In summary, that by 2027 the building of reserves agreed at the 2021 AGM would build to 8.8 months. The Committee had looked at various alternatives but none had been appropriate. She referred back to Mr Luther's speech to correct him that the reported surplus for 2022 was £61,500, not £67,000 as Mr Luther had claimed. Mrs Young reminded feuars Mr Cattnach had highlighted during his report that the surplus for the year included £28,500 that was ringfenced specifically for the bicentenary, and would be spend in 2022/23, so the actual surplus was only £33,000 which also included an amount for capital expenditure. Mrs Young also corrected Mr Luther as the 3 months included in the reserves policy calculation was not due to late payers but was due to the time delay between the year end of 31 March and when assessment income starts to flow into the Feu's bank account. This delay, necessary to allow the accounts to be prepared then assessment rates considered by the Committee for approval at the AGM in late June so, is about managing cashflow. Only after AGM approval can assessment letters be sent to feuars then payment is received thereafter. It is not, therefore, due to late payers as Mr Luther claimed. Mrs Young said a 0% increase to assessments would mean only 5 months of normal expenditure would be covered so cash would become very, very tight after the year end until cash started to flow in from assessments in July. Cashflow would again be tight, if not critical, around Spring 2023.

Mrs Young referred to writing to Mr Luther in an attempt to engage with him, explaining the situation, but he had not responded to her invitation to discuss this matter with the Committee. She said the reasons for the proposed increases to assessments were set out clearly in the Summer Newsletter so were completely transparent to feuars. Her letter to Mr Luther had been based on the information already circulated to all feuars in the Newsletter. Mrs Young explained communication is an area the Committee continue to look. Not all feuars have e-mail addresses or have opted to accept e-mailed communications. She said we can't have a partial distribution to feuars as that would be unfair.

Mrs Young explained to the meeting the accounting surplus is not the same as the cash surplus as some expenditure items are capitalised on the balance sheet then depreciated over a number of years. She gave the example of how reserves allowed the purchase of the tractor last year when it failed and how that cost will be written off over several years although the whole cash price had to be paid on purchase. She said in real terms the proposed assessment increase is just £41 this year for the average feuar. Without it planned maintenance would not happen which could be a health and safety risk were projects, such as path maintenance, postponed.

Mr Baynham and Mr Jeffrey reiterated several of the points Mrs Young had made. Mrs Young summarised, noting alternative proposals cannot be considered at this stage, so feuars should focus only on the resolutions put before them. She invited questions from the floor.

Mr Loudon (13 Moray Place) said he was going to ask how much in real terms the proposed increase was but Mrs Young had answered that. He asked what was the basis for assessments but thanked the Committee for their work and supports their proposed assessment rates. Mrs Young replied assessments are currently based on rateable value but the Committee believe that may no longer be appropriate. Alternatives are not straight forward but the Committee intend to look at this then will put a proposal to feuars. Other gardens use different calculation methods but arriving at something that is appropriate and fair is not easy.

Mrs F Banatvala (32 Moray Place) said she was feeling bamboozled and found it hard to digest the information being given. She didn't know what to think but thought assessments had gone up 99% since 2018 which was a lot. She felt e-mail communications should be improved and suggested more use be made of Facebook. Mrs Young replied saying the Committee had prepared a detailed Summer Newsletter that had been distributed to all feuars

and it gave reasons and explanations for the proposed increases with examples of expected budgeted spend. Mrs Banatvala replied she doesn't have the newsletter and doesn't know if she received it.

Mrs P Sharp (8 Moray Place) said how beautiful the gardens are and felt they are very good value for money. Other gardens pay a lot more. She was supportive of the Committee. Mr Baynham explained gardeners pay needed improved and he had led a benchmarking exercise against other gardens and establishments. Any increase would be over a number of years. He explained until this year the gardeners had no basic facilities, which was unacceptable, but the Committee had addressed this failing.

Mr G Greer (6 Ainslie Place) felt this was a democratic process. The cost of Council tax for one month equates to what he pays for his assessment for a whole year. He felt the assessment was cheap and were they in London they'd be paying many times more. The Committee did a great job, on a voluntary basis, and if a professional management company was engaged instead the cost would be far, far more. He valued the Committee, who give their time freely, so thanked them wholeheartedly.

Mr Luther added some closing remarks, expressing his concerns again. He wanted answers with reserves shown as a separate line in the accounts. He asked what were reserves at 31 March 2021 and what are they forecast to be at 31 March 2023? He concluded by saying we don't know where we are with reserves.

Mrs Young invited Mr Jeffrey to reply regarding future budgeting. Mr Jeffrey referred to his report in the Summer Newsletter. He said at 31 March 2022 7.8 months of next years spend were in reserves. At 31 March 2023 this is forecast to fall to 6.6 months in reserves. Inflation is higher than expected so would impact on costs so some expenditure may need put back to 2023. At the end of the 7 year forecast reserves are projected to be 8 months expenditure. He stressed the need for reserves and that the Committee cannot go back to the position of a couple of years ago when cash was so tight by 30 June it was possible they would not have been able to pay the gardeners wages had assessment income been delayed. He gave the example where the tractor failed but due to reserves the Committee were able to purchase a new one. It had been budgeted for, but in a future year, but sufficient cash was available due to the reserves.

Mr Loudon suggested the Committee look at changing the year end and having a long 15 month period to build reserves.

One feuar asked about the Amenity Fund. Mrs Young referred to the 2021 AGM where feuars agreed it be transferred to help underwrite the bicentenary celebrations.

There being no further questions Mrs Young moved to a vote.

- In favour of Mr Luther's resolution 6 feuars
- In favour of the Committee's proposed assessments 32 feuars

No abstentions

6 proxies included in the above votes cast

The Committee's proposed assessment rates were therefore passed.

Ainslie Place garden

Mrs Young invited Mr Baynham to present the second resolution relating to Ainslie Place garden. Mr Baynham reminded the meeting that the matter of planting in the Ainslie Place garden had been raised by feuars at 2019 AGM. The Committee took comments on board and planned a workshop on 7 April 2020 to bring forward a proposal to the 2020 AGM. However, due to Covid restrictions the planned workshop was not possible so was delayed until 3 April 2022. An experienced facilitator, Mike Conway, ran the workshop that allowed a wide variety of views to be heard and understood. By the end of the meeting a broad consensus was reached with three participating feuars agreeing to form a sub-committee to develop proposals, along with the gardeners and the horticulture sub-committee. These proposals were published on the Moray Feu website and on the notice board in Moray Place gardens and referred to in the Summer Newsletter. The conclusion of that work is put forward tonight to the AGM with the resolution proposed.

Mrs Young invited questions from the floor.

Mrs G Durham (11 Forres Street) noted the proposal could cause extra work to the gardeners so asked if they had been consulted and had the time to do it. She added she didn't view the Ainslie Place garden as a dog toilet but the garden feels safe for dog walkers at night because it is open so individuals can be easily seen in the garden. Mrs Young replied that, yes, the gardeners had been consulted and were happy with the proposal. Secondly, security had been considered at the workshop so what was being proposed was low level planting only to maintain the line of sight into and out of the garden.

There being no further questions Mrs Young moved to a vote.

- In favour of the resolution 31
- Against 4

There were no abstentions. The resolution was therefore passed.

Election of members

Mrs Young explained there was one current member of the Committee standing for re-election and one new member being proposed. She added biographies of the new, proposed member had been posted on the Moray Place Notice Board for the last week.

Existing members standing for re-election:-

Ewan Jeffery, 5 Ainslie Place

Proposed: George Greer, 9/2 Ainslie Place

Seconded: Frances Dobson, 9/3 Doune Terrace

New member proposed for election:-

Navraj Singh Ghaleigh, 9/1 Moray Place

Proposed: Angus Jamieson, 12/3 Moray Place

Seconded: Charlotte Dixon, 12a Great Stuart Street

Both appointments were approved.

Re-appointment of Secretaries and Treasurers

Re-appointment of Whitelaw Wells was proposed by Prof P Broda (29 Moray Place), seconded by Mr W Nicol (14 Great Stuart Street) and approved by all.

Any other business

Mr A Dixon summarised the bicentenary activities and events. He thanked the 55 feuars who donated, the corporate sponsors and all the various volunteers who has assisted in many ways so far. He said the events so far had been very successful and popular with good attendances at each. He previewed a number of upcoming events saying additional tickets were being released for some events so those that didn't have tickets but wanted some should speak to him.

Mrs G Rabb (10 Ainslie Place) offered a vote of thanks for all the hard work and significant hours invested by the Committee. Warmly applauded by all.

There being no further business the meeting formally closed. Mrs Young invited attendees to stay for drinks.