

Annual General Meeting
Wednesday 27 June 2018 10:00
Held at The Balcony Suite, Bury Town Hall
Knowsley Street, Bury BL9 0SW

Present

Steven G Spilsbury	Chairman
Peter Wyper	Deputy Chairman
Dianne Payne	Senior Independent Director
Timothy J Birse	Independent Non-executive Director
Philip Okell	Independent Non-executive Director
Peter Green	Chief Executive
Keith Ashcroft	Director Finance and Risk

In attendance

Stephen Dixon	Chief Actuary
Mark Brennan	Society Secretary
Jane Hawarden	Staff member
David Latham	Staff member

Members present

Phillip Cust
Timothy Watson

Apologies

Roger Frier	Chairman of With-profits Committee
Graham Spence	
Charles Cain	
Rex Madin	

The Chairman declared the meeting open and welcomed Directors, members and guests to the meeting including the Society's Chief Actuary, Stephen Dixon, who would be available to answer questions from members at the end of the meeting.

He reminded those present that only members of the Society were entitled to vote, propose and second motions, confirming that proxy votes had been given to Steven Spilsbury, Peter Green and Keith Ashcroft.

In response to T Watson, the Chairman confirmed that all motions would be determined by a show of hands of members present and would include proxy votes.

Minutes of previous meeting

The Chairman confirmed that the minutes of the last Annual General Meeting, held on 23 June 2017 at Bury Town Hall, had been approved by the Board at their meeting on 15 August 2017 and that copies had been available throughout the year on our website or from the office.

Matters arising

There were no matters arising.

2017 Annual Report and Accounts

K Ashcroft presented the key highlights of the Annual Report and Accounts for the year ended 31 December 2017, detailing the income, investment return and solvency position.

T Watson introduced himself, confirming that he was a member of the Society and noting that he was also a Board member of Kingston Unity Friendly Society.

T Watson noted that on receipt of the Notice of the Meeting he had requested a copy of the Annual Report and Accounts and that this was only received the Monday prior to the meeting which had left him little time to review them.

T Watson questioned the number of Board and Committee meetings held, suggesting it seemed low. He added that meetings of the With-profits Committee were not listed within the schedule of meetings. P Green explained that, with a small Board, there were occasions when the full Board would deal with an issue rather than holding a committee meeting. P Green also confirmed that the With-profits Committee, which was not a Board committee but independent, had met once during 2017 and that they receive all Board and Committee papers throughout the year and are encouraged to comment on them.

T Watson asked for further details of the issues that had arose requiring restatement of the 2016 Balance Sheet. P Green expanded the explanation contained within the Report and Accounts, confirming that the way the Society's computer system worked once the annual bonuses had been applied, the error corrected itself and therefore the data was always only twelve months in arrears at year end.

D Payne proposed and T Watson seconded that the Directors' Report and Consolidated Accounts for the year ended 31 December 2017 be received.

Auditor's Report

The Chairman explained that this was the first year of Deloitte auditing the Society following a change from KPMG.

T Watson questioned why there was a change in the External Auditors in the year, to which P Green explained that it was part of the normal cycle of review of all outsourced providers and that the decision was driven primarily by costs.

P Wyper moved and P Cust seconded the motion that the Auditor's Report for the year ended 31 December 2017 be received.

The Chairman recorded the Society's appreciation to the team from Deloitte.

Remuneration Report

The Chairman introduced the Remuneration Report and invited questions for D Payne, Chair of the Remuneration Committee, of which there were none. D Payne proposed the motion to receive and vote on the Remuneration Report of the Directors for the year ended 31 December 2017 which was seconded by T Watson.

Re-appointment of External Auditors

P Cust proposed and D Payne seconded that Deloitte LLP be reappointed as External Auditors to the Society until the conclusion of the next Annual General Meeting and to allow the Board to agree their remuneration.

Election of Director

The Chairman explained that K Ashcroft had joined the Society in October as Director of Finance and Risk following the retirement of Oliver Pike and that he brought a wealth of accountancy experience to the Society. He added that in accordance with the Society's Rulebook he was required to stand election at the first AGM following his appointment. P Wyper proposed and P Cust seconded the motion that K Ashcroft be appointed as a Director of the Society.

Re-election of Directors

The Chairman explained that, in accordance with recognised best practice, all Directors are re-elected annually.

D Payne moved and P Cust seconded that S G Spilsbury be re-elected a Director of the Society

P Cust moved and T Watson seconded that P Wyper be re-elected a Director of the Society

S Spilsbury moved and P Wyper seconded that D Payne be re-elected a Director of the Society

D Payne moved and P Cust seconded that P Okell be re-elected a Director of the Society

P Cust moved and D Payne seconded that T J Birse be re-elected a Director of the Society

P Wyper moved and D Payne seconded that P Green be re-elected a Director of the Society

Any other business

P Green gave a brief update on the progress made during 2018 outlining the new business generated, premiums collected and current membership numbers.

He highlighted the work commenced on the development of a new policy administration system which would enable the Society to further improve service to members.

P Green also referred to continued regulatory change with the implementation of the Insurance Distribution Directive which will necessitate change to the way we sell our products and includes a mandatory 15 hours of annual professional development for all staff and Directors.

T Watson noted that he had been impressed with the service provided by the membership team in answering the telephone promptly and the detail in their responses to the questions that he had asked.

T Watson asked if the Society had been subject to advisers and introducers churning the investments of their clients following the end of penalty periods and on policy guarantees. P Green explained that he believed it was an issue for all friendly societies. He added that the compliance process in place to ensure introducers do not give advice was robust and the Society was confident that members had not received advice or undue influence when making their decision to invest.

T Watson explained that he had a final question relating to the Rulebook and the rule where members are requested to declare that they are either teetotal or temperate in their use of alcohol, noting that he did not recall making a declaration. P Green confirmed that it was part of the declaration that members sign on their investment application form. He added that up to 2016 there was the requirement for members to tick a box stating that they were either teetotal or temperate but now the declaration states that a member is either teetotal or temperate. P Green added that the Board was due to undertake a full review of the Rulebook and invited Mr Watson to give his opinion on the importance of the declaration. T Watson explained that he felt that it was the Society's tradition and the base of its formation, however it had no bearing on his decision to invest.

Declaration of results

M Brennan declared the results of the ballots.

Resolution:	For	Against	Abstain	Spoilt
To receive the Directors' Report and Consolidated Accounts for the year ended 31 December 2017	731	13	9	17
To receive the Auditor's Report	730	14	9	17
To receive the Remuneration Report of the Directors for the year ended 31 December 2017	711	23	19	17
To re-appoint Deloitte LLP as External Auditors	723	19	10	18

Appointment of Director:

To appoint Keith Ashcroft as a Director	729	11	13	17
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Re-appointment of Directors:

Steven Spilsbury	726	12	15	17
Peter Wyper	724	13	16	17
Dianne Payne	719	18	16	17
Philip Okell	719	18	16	17
Tim Birse	727	11	15	17

Peter Green	726	12	15	17
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The Society Secretary declared that all resolutions had been carried.

Closing remarks

The Chairman closed the meeting by thanking members for their attendance.

Signed

Dated.....

DRAFT