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MINUTES OF THE ANNUAL GENERAL MEETING OF ST CHRISTOPHER HEALTH FUND

Held on 29 SEPTEMBER 2020

Due to coronavirus restrictions the meeting was held virtually, via a combination of phone call and using the Bank's Equinox meeting app/weblink.

Chairman: Jonathan Curtiss, Executive Director

Present: 28 members

Apologies: Received from 3 members

The Chairman opened the meeting by thanking all those on the call for joining the St Christopher Fund AGM this year in what were exceptional times for us all. He acknowledged that members looked forward to the opportunity to come into the Bank for the AGM, to meet old friends and to hear about the work of the Fund over the year and to ask questions.

The Chairman also noted that the Committee members had worked hard to make sure the accounts could be produced and audited, the Annual report published and to set up this virtual meeting. He thanked the Committee for their continued hard work over the year, but the last 6 months in particular.

He offered his heartfelt thanks Sue Davison who had faced some significant challenges in keeping the Fund operating efficiently and effectively this year. This was echoed by Sue Coffey.

The Chairman noted that the first item on the agenda were the minutes of the previous year's AGM,

1 Minutes of the Annual General Meeting held on 29 July 2019

The Minutes of the meeting had not been circulated to all members but had been made available on the Fund's website. Hard copies could have been requested, but no members had requested a copy.

The minutes were approved unanimously.

2 Report and Statement of Accounts for the year ended 31 March 2020-

The Chairman invited Sue Coffey to comment on the report and accounts.

Sue Coffey noted that the circumstances of this year's meeting were markedly different from the previous year's meeting held in the Court Room. It had been a difficult period for the Fund since mid-March, but although there had been some challenges, the Fund's alternative procedures had worked well, and the outcome had exceeded expectations in some respects.

She hoped that members had not seen too great a change to the service they were used to, and this was in no small part due to the work of the Committee in general and Sue Davison in particular.

Turning to the accounts themselves she noted that there continued to be a deficit of expenditure over subscriptions, but the substantial cushion of net assets meant that the Fund had been able to meet its obligations. She acknowledged that this would need to be kept under careful review – and the work of the actuaries would help inform this. A specific question about this had been raised by a fund member who was on the call and she proposed to cover this specifically later in the meeting.

Another challenge had been forced upon us by the decision by Alliance Trust to switch our accounts to a new dealing platform. This was something we had received no warning of and although we had been able to resolve the situation, the stringent "Know Your Customer" requirements of the new entity, combined with the Fund atypical structure had led to a delay in our ability to liquidate assets to better manage our cash flow. This initial delay had meant that claims could only be paid when subscription income had been paid into the current account. This had led to some delays, but all claims had been paid out.

On a more positive note although overall membership had declined, the proportion of serving staff increased to 19% - the highest for several years. This was in no small part due to the work done by Sue Davison.

The Fund would also be switching to a new current account provider. This had already happened for personal accounts.

Sue acknowledged that COVID had undoubtedly presented challenges to the Fund as for everyone. For example, postal claims were experience a slightly longer delay as Sue Davison was working remotely, but these delays were not excessive.

The uncertainty in markets had also led to some short-term market volatility – and a question had been submitted about the Fund's investment strategy.

Sue then invited David Baumslag to raise his questions. The first related to the shortfall between subscription income and grants and the level of subscriptions.

David's view was that as there had been two years of shortfall that the Fund should consider increasing subscriptions to £10. He also noted that if the Fund were a supervised institution, this would be the action the Bank would want to see taken.

Sue noted that the Committee had discussed his question at a meeting on 22 September. Although there had been a delay to the actuaries' review work, because of Brexit and COVID, nevertheless the Committee's view was that it would be preferable to await the outcome of this to avoid potentially having to make two sets of changes if their work suggested other steps might need to be taken. It was also worth noting that the Fund had other levers, such as the level of the maximum grant or the excess. Alison Cook also noted that changes to subscriptions resulted in a great deal of manual work for Sue Davison.

On balance the Committee felt it was more prudent to await the outcome of the review, which she hoped would be completed soon, and would be discussing this with the Directors of the area. In the meantime, the cushion of assets meant that claims could continue to be met.

Sue also noted that this would be discussed at the forthcoming review of the Risk Register, scheduled for the October Committee meeting.

David's second point concerned the Fund's investment strategy, which he felt was overly cautious, particularly the focus on gilts. He felt the Fund should invest in assets which would deliver higher returns over the longer term.

Sue invited James O'Connor to respond.

James noted that the Fund had originally sought to balance subscriptions and claims. Over time, due to an excess of subscriptions, bequests and investment gains, the Fund had built up a significant pool of assets.

Both the Investment Sub-Committee and the wider Committee had reviewed the investment policy in 2019 and had concluded that the goal was not to maximise returns but to preserve the value of fund and not take on risk. In view of this it was right to invest cautiously and not to be too active in our investment decisions. This was another area where the conclusions of the actuaries' work would be important.

Jonathan invited others to comment.

Michael Short? raised the potential impact of a liquidity crunch. Sue noted that there had been some timing issues on accessing cash at the early stage of the pandemic, but these had now been resolved.

Jack Garrett-Jones noted that the Committee's work was "side of desk" and as such it was important not to overstretch resources: more active management of the Fund's assets would require a greater time commitment.

Jonathan thanked David for raising these points and for the discussion. The consensus was that there would be no immediate changes, but that the Committee would review these matters and report back, ideally at the next AGM.

3 Resolutions

a) Appointment of Auditors

On the Chairman's invitation, Emma Jackson proposed the appointment of Kreston Reeves LLP as auditors for 2020/21. This was seconded by Brian Milligan, and approved unanimously.

b) Donations

At the Chairman's invitation, Tim Kidd proposed that the Fund should donate £1000 to each of the following charities:

- Motor Neurone Disease Association
- Royal Osteoporosis Society
- Hospice UK – an umbrella organisation for the Hospice movement

The proposal was seconded by Kevin Butler and Bob Sleeman and approved unanimously.

Any suggestions for future charitable donations should be sent to Sue Davison.

4 Appointment of Officers for the year 2020/21

At the Chairman's invitation the following appointments were proposed:

Sue Coffey	<i>Honorary Treasurer & Chair</i>
Julie Crowther	<i>Honorary Secretary</i>
Emma Jackson	<i>Honorary Asst Treasurer</i>
Norbert Janssen	<i>Honorary Asst Treasurer</i>

Linda Barnard

Alison Cook

Tim Kidd

Simon Liddell

Brian Milligan

James O'Connor

Sarah Pegg

All appointments were approved unanimously.

5 Any Other Business

The Chairman invited members to raise any other matters.

Sue Coffey noted that this was a bittersweet item of AOB as two Committee members had chosen to step down.

Sue Betts had been a member of the Committee for around 25 years, both as an active member of staff and more recently as a pensioner member. Her ascerbic one-liners and sense of fun would be greatly missed, but we hoped to see her at future AGMs.

Munro Sutherland had joined the Committee more recently but has proved an extremely effective Secretary thanks to his long Bank training. Sue noted that he had been very patient guiding her through her early period as Chair. He had been particularly strong on the Investment Sub-Committee and would also be missed – but again we hoped to see him at future AGMs.

The Chairman added his personal thanks to Sue Betts and Munro Sutherland.

There being no further questions the meeting closed.

September 2020.