

GRAPHIC ENTERPRISE SCOTLAND

MINUTES OF THE 103RD ANNUAL GENERAL MEETING

*The meeting was held at West Brewery, Glasgow
Wednesday, 18th June 2014 at 12.30pm*

1. Welcome

The President welcomed all participants to the 103rd Annual General Meeting; Members, Associate Members and guests. He expressed his disappointment in the low turnout despite the fine weather and the interesting venue which, possibly, produced the best pint of beer in Scotland. Apathy, in his opinion, is perhaps the biggest challenge facing our organisation and the need for further change is evident. He believes there should be a strong representative body in Scotland supporting our dynamic and ever changing industry and commented, "If we do not do it, who will?" The president commented on the progressive modernisation during his period in office and reflected that the organisation was now more inclusive and much leaner than in the past. He thanked the Director and the Board for their support over the past two years, particularly Ian Walker, Graham Ellis and Trevor Price.

The President then formally opened the Annual General Meeting and requested the Director to report on apologies received.

2. Apologies

The Director listed apologies received as per the list attached to these minutes.

3. Minutes of the one hundred and second Annual General Meeting held at the Corinthian on Wednesday, 19th July 2013.

The President sought a proposer and seconder to adopt the minutes as a true, accurate and comprehensive record of the meeting.

Proposed by: Jim MacDougall

Seconded by: Claire Nisbet

The meeting agreed the minutes to be adopted.

4. Report of the Executive Board 2013/14.

The President called on the Director to report.

The Director reported that after several years of weak economic performance in the UK, last year was surprisingly positive in comparison. The recovery of the UK's economy in 2013 was unpredicted and produced an overall growth rate of 1.8% which is the strongest in 6 years, and with CBI suggesting growth of 3% for 2014 everything sounds positive. Looking at Scotland in isolation, our growth rate for 2013 was 1.7%.

In partnership with Unite we are currently in the process of conducting a complete revision of the National Agreement, the document will be split in two parts separating earnings from Policies and Procedures. Reasonable progress has been made to date on the Policies and Procedures section which was our first objective. In parallel, discussions are ongoing with Unite regarding this year's annual wage award.

Apprenticeship numbers have remained constant over the past two years but much lower than in the past. The Board is developing a different strategy to what is a vital component of our industry. To that end, Heidelberg has agreed to provide additional training for each candidate through their apprenticeship

period. Graeme Wilson, who administers the current scheme, has expressed a desire to leave and pursue other training opportunities. This has been accepted by the Board and Graeme will continue to be involved until the end of November 2014. The Board are now looking at various options to replace Graeme and to ensure we maintain and/or increase our commitment to both apprentices and employers, and to fulfil our contract with Skills Development Scotland.

Membership numbers have increased slightly with two founder members leaving the organisation and four new members joining in the past 12 months. Associate membership remains static with one resignation and one new member. Overall for the year our subscription income has reduced by £4,547 due to the smaller annual fees paid by new members.

Our annual Presidents Reception was held in December with over 30 members, and a number of non-members who have apprentices, joined us for a pleasant evening in the Blythswood Square Hotel. During the year two free events were arranged which unfortunately had to be cancelled due to a lack of interest. The first one was a debate in April on Scottish Independence. Similarly a seminar on Work Place Pensions was arranged in May to help inform and prepare the smaller companies for their future obligations also had to be cancelled due to very poor numbers.

A new website has been established this year as the old one provided no interactive facilities. There is now a members' area where members can log-in and download documents and information. In addition, there is a full listing with logos and contact details of all members and associate members. The majority of our mass communication will now come by e-mail and link back to the website which will help develop and promote the GES brand.

In another initiative Graphic Enterprise Scotland, in conjunction with Circle Insurance, now hope to be in a position to offer the best corporate insurance solution for our members with each package tailored to the specific requirements of the individual business. Harnessing the collective buying power of our membership is one way of creating a financial advantage for all.

As announced at last year's AGM our office was moved from Edinburgh to Glasgow and this achieved a saving on operating costs of just over £19,000. After deducting exceptional costs related to the move, the overall saving was just short of £13,000. Moving forward, the Board has agreed not to renew the office lease in Glasgow and both the Director and Treasurer will work from home. This creates a budget surplus of around £15,000 in the coming year, 2014/15. The purpose of this decision is to attract new members by using the surplus to enhance and improve member services and benefits.

The Director will be conducting face to face interviews with all members during July to collate honest views on which direction our association should be heading and which additional member services would be appropriate.

2014 promises to be an interesting year with the Independence referendum taking place in September. The outcome of this will undoubtedly have an impact on the print sector and this impact will hopefully be positive for all concerned.

5. Financial Statements for the Year Ending 31st March 2014

The printed financial accounts were presented to the meeting. Although the principal accounts were in order, an error in the profit & loss accounts was highlighted where "Repairs to Investment Property" narrative was wrong and should have read "Relocation Costs".

The Treasurer reviewed the income and expenditure and advised that the income streams continue to fall year on year. Although subscriptions were down by 6%, the award from Skills Development Scotland was down 23% year on year and the award for the current financial year was further reduced. The board continue to reduce expenditure to reflect the reduction in income and this was down by £20,000. Whilst the net gain on sale of investments assisted the organisation in maintaining the Balance Sheet value, it also restructured the investment portfolio to provide a better return.

Following the comments made by the Director in his report that, as a result of not renewing our rent of the Glasgow office in June 2014, the organisation was budgeted to make an operating surplus of £15,000, the Treasurer advised that like for like expenditure in the current financial year would be £28,000 less

than the year just ended. He also advised that the next financial year would show a further reduction as there would be a full year of rent reduction and cancellation of our membership of Intergraf.

There were no questions for the Treasurer and the President asked for a Proposer and Secunder for the adoption of the Financial Statements 2013/14.

Proposer: Kevin McGechie
Secunder: Karen Taylor

With the codicil that the error stated above was noted the meeting approved that the accounts be adopted.

6. Election of Office Bearers 2014/2015

The President reminded the meeting that under the current Constitution the President, Vice-President and Treasurer had to be put up for annual election. He also pointed out that office bearers may serve for a maximum of three years in the post, subject to annual re-election. Only the Treasurer may serve for longer than three years.

He then continued and raised the subject of the position of President. He said that he was delighted to propose Graham Ellis as the next President and expressed his gratitude for his continued support during his presidency.

The President asked the meeting if there were any other nominations. There were no other nominations and he therefore asked for a secunder to his nomination of Graham Ellis being elected as the next President.

Proposer: Kevin Creechan
Secunder: Phil Cole

The meeting approved the election of Graham Ellis as President.

The President passed on the badge of office to the new President and in turn the new President presented a Past President's medal to the immediate Past President.

The new President, Graham Ellis, then took the chair and introduced the next item on the agenda, election of Vice President. He explained that there were no nominations for Vice President and that Kevin Creechan in his role as Past President agreed to cover the additional duties for the coming year. This proposal was widely accepted by the meeting.

The President expressed his pleasure that Bob Turner had agreed to continue as Treasurer, subject to re-election. The President proposed this re-election and a secunder was sought.

Proposer: Graham Ellis
Secunder: Colin McCallum

The meeting duly elected Bob Turner as Treasurer for a further year.

Under Clause 18 of the Constitution all other representatives on the Board are appointed annually. They had all agreed to stand for a further year and were duly elected.

7. Any Other Competent Business

The President stated that neither he nor the Director had been advised of any other items of competent business prior to the meeting but opened the item to floor.

John Watson the following questions:

- When was the property at Palmerston Place last valued?
- Should consider liquidating all or part of the assets held by GES?

The President offered the following response.

- The property was last valued in 2008 and as recommended by Chiene & Tait it will be revalued this year.
- The income from the assets support the organisation and disposing of them would mean dissolution of GES. This takes us back to the fundamental question which should be resolved through the Directors face to face visits in July.

Jim McDougall of Mackay & Inglis asked the following questions:

- At last year's AGM it was agreed that Contract of Employment templates would be revised to reflect current employment law, has this completed?
- At last year's AGM it was agreed that the National Agreement with Unite would be revised and updated. Despite our initial good progress the process has not been completed on time, when will it be finished?

The President offered the following response.

- Maclay, Murray and Spens produced a revised Contract of Employment after last year's AGM and is available to download from the GES website.
- As you know Unite have left GES to do all the work and with limited resources within GES it has slipped down the priority list. However, it is important and the process will continue.

Finally, the President expressed his pleasure at being elected and thanked Kevin Creechan and the Board for their contribution over the past few years. He also praised the Associate members who joined the Board last year and have shown full commitment to their duties and responsibilities. In addition the President expressed his full support for the fundamental review of the association's future strategy, beginning with face to face meetings in July, revitalising our approach to the Apprenticeship Training scheme and moving out of an office based environment and working from home. He also committed to using the budget surplus wisely.

Finally, the President thanked everyone for attending and formally closed the meeting.