

**MINUTES** of the adjourned 2019 Annual General Meeting together with the 2020 Annual General Meeting of the Members of the **Bermuda Sailors' Home** held in The Lord Nelson Hall, 22 Richmond Road, Pembroke, on 21st August, 2020.

**PRESENT:** Maria Pichery - Chair  
Alan Duncan - Treasurer  
Wayne Morley  
Father Paul Dean

**BY TELEPHONE:** Vicki Johnston - Secretary  
Arthur Morris - Auditor

**APOLOGIES:** Bob Greig  
Sue Le'Strange  
Cannon Norman Lynas

**MEMBERS:** List Attached

## **D R A F T (till approved next AGM)**

### **1. CHAIR**

In the absence of the Chairman, Maria Pichery took the Chair, Vicki Johnston acted as Secretary to the meeting.

### **2. CONFIRMATION OF NOTICE AND QUORUM**

The Chairman confirmed that notice of the meeting had been given and that a quorum was present.

The Secretary confirmed that notice was advertised in the Royal Gazette on June 18, 2020 and again August 10, 2020 as well as being posted on the Notice Board within the required time frame.

### **3. MINUTES**

The Secretary confirmed that the minutes of the adjourned 2018 and 2019 Annual General Meeting of Members held on 26th June, 2019 had been circulated prior to the meeting and made available to all Members. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to dispense with the reading of the minutes and approve them as distributed.

**First: Peter Everson**  
**Seconded: David Panchaud**  
**Passed: Nem Con**

### **4. CHAIRMAN'S REPORT**

In the absence of Chairman, the Treasurer tabled the Chairman's report, which highlighted the year's major activities of the Home.

Firstly, I would like us all to have a moment of silent prayer for Cannon Norman, who is still in hospital in Boston trying bravely to recover from a broken neck. He is missed by all and we wish him a full recovery.

I started the last AGM with thoughts about unprecedented times the Home was going through, but this year came as a big surprise to us all.

I would like to thank the Board Members, as a lot of work has been done these past two.

Alan Duncan, Treasurer, again, is our superstar, getting us to where we have presentable statements once again and keeping a close eye on our investments.

Vicki Johnston, Secretary has been updating the Constitution and Bye-laws, which we are trying to modernise and update, to suit our present needs.

Maria Pichery, Vice Chairperson, a dedicated member and voice of reason on our Board.

Wayne Morley, House and Grounds, for tirelessly working on plaques, photos and pictures, cleaning repairing and hanging them.

Father Paul Dean, who continues with Wednesday services in the chapel, as well as keeping the Board informed and up to speed on all matters where religion is involved.

Cannon Norman Lynas, who has kept us in the right direction, with great advice and knowledgeable input at our meetings. Again, please keep him in your thoughts and prayers.

Sue L'estrage, who has been instrumental getting us back in contact with the Jubilee Sailing Trust, which saw 3 persons and 3 care givers sail on the Tenacious which we hope to repeat in 2021.

I would, once again appeal to anyone who is interested in being a Board Member (I don't believe we received any nominations this year) please make yourself known, as we would appreciate the extra help. Our numbers are now below to what it should be.

A lot of investment into the house and grounds has been made, and obviously our biggest asset, needs to be kept maintained and in good condition.

Last year's "test run" of a satellite spot in Dockyard turned out to be a good success. Unfortunately not much has happened due to Covid-19, with a lack of visiting cruise ships. We will endeavor to be ready for the next season and will hopefully have our own place.

Thank you to our manager Ilya Chaparau, who has worked very hard keeping the Home together, before, during and after lock down.

Once again, we encourage the Members, to please visit more often and to support our tenants, Mad Hatters and Mapp Signs, their income is a great help to us and we are thankful to have them.

Membership renewals are down this year, so please encourage new members to join and past members to come back. Numbers are the key to our success, the more demand we have, the more we can offer.

We have had a few corporate groups join us, as well as the Sub Aqua Club, who are now using us as their home base.

Over the coming months we hope to try and assist other local charities who do not have a physical location for their meetings, by letting them use the conference room and our facilities when possible, which is a way of diversifying our outreach to the community, as our seafaring connections are not what they once were. Seafarers are always foremost to us and is literally our reason for 'being', we will always put them first.

Many thanks to all the Members who continue to support the Home by keeping the facilities open and at least a small number of persons employed. Upon motion duly made and seconded, it was unanimously:

**RESOLVED THAT** the Chairman's Report be and is hereby accepted.

**First: John Dale**

**Seconded: David Panchaud**

**Passed: Nem Con**

## 6. TREASURERS' REPORT

The Treasurer tabled his report.

Good evening, it is with pleasure that I'm able to present to you the accounts of the Bermuda Sailors Home for the financial years ending December 31, 2018 and December 31, 2019. These have been interesting times for the Home and these financial statements reflect the changes that the Home is going through. They reflect the ongoing costs associated with running and maintaining the Home along financing the increased investments that are being made to achieve the charitable aims of the Home.

The 2018 accounts have previously been presented in an unaudited format to you at the 2019 AGM. The accounts record an operating loss of just under \$19,000. This is offset by investment income of \$15,750 so basically achieved the Board's objective of operating the Home on a break-even basis without accessing the investment funds to finance the operating activities. During the year ended June 30, 2018 investments fell by just under \$200,000 and this provided the bulk of the loss of \$218,000 for that year under review.

The Bermuda Sailors' Home ended the year with a balance of restricted and unrestricted funds of \$2,642,000. The bulk of this is represented by \$2.162 m of investments and the capital assets, the buildings around you that are currently valued on the books at just under \$484,000.

The Auditors have completed the review of these accounts and while some minor adjustments were made as a result of their investigations, the accounts are basically unchanged from those that have been previously presented to you at an earlier AGM.

As has previously been the case, the auditors have provided a qualified opinion on these accounts based on their inability to fully verify various classes of income, cost of sales and other operating income. This is relatively standard for charities where donations and other contributions are not able to be fully documented or able to be subjected to full accounting controls. Apart from this, the auditors expressed their opinion that accounts fairly and truly represent the financial situation of the Bermuda Sailors' Home at the end of the financial year December 31, 2018. These accounts were delayed in preparation due to the late completion of the 2017 accounts and the issues associated with Covid -19 shut down.

The financial statements for the year ended December 31, 2019 currently show an unaudited net operating loss of just under \$25,000. This is offset by investment income of \$21,068. As previously noted, this primarily achieved the Boards objective of running the home and its operating expenses on a breakeven basis. The net operating loss is approx. \$3,000.

The change in the fair value of the investments over that year was an increase of \$360,000. This gave the Home a net income for the year of just under \$350,000. As you will note, the fluctuations in the value of the investments over each year have a significant impact on the financial operations of the Home year over year.

During the 2019 financial year, your Board instigated a number of new initiatives that increased our costs but expanded our activities in achieving the charitable aims of the Home. The two key major items that impacted the results were the rental of premises in dockyard to provide a recreational centre for maritime workers on cruise boats who are not able to journey into Hamilton and therefore are not able to take advantage of these facilities. The Home was able to partner and share facilities at Dockyard to provide Wi-Fi and other recreational activities for the cruise boat employees. These facilities became very popular and were much in demand and greatly appreciated by those who took advantage of them. The rental cost \$2,500 per month

The Board also reinstated support for the Jubilee Sailing Trust. As you may have noticed in the local press, the Board sponsored three physically challenged individuals, each with a carer, to sail on the Tenacious in the Caribbean. This proved a great success and the individuals involved have returned with some magnificent experiences.

Key to the ongoing ability of the Board to manage the Home on a breakeven basis is the ability to obtain rent from the Buildings that we have under our care. During 2019, the Board was able to generate rental income of almost \$150,000 through our permanent rentals of the cottage, the apartment, the restaurant which Mad Hatters occupies and also supplementing these by renting out rooms through Airbnb and through increased usage of the hall for functions.

BUT these results are history, and BC (before Covid-19). It is more important to bring you up-to-date with the current financial situation of the Home. Based on the unique circumstances that are currently plaguing this country and the World it is unlikely that the Board will be able to achieve a breakeven situation in the coming year. These economic circumstances have severely restricted the ability to hold functions, run the bar and to rent out rooms through Airbnb causing a significant drop in income. It is likely therefore the 2020 financial statements will show a greater operating loss than it reflected in these past two years, possibly in excess of \$50,000.

Investments which decreased in value over \$350,000 through the first quarter of the year as a result of the economic impact of the Covid crisis have subsequently recovered. They are currently showing almost \$100,000 gain over the amount shown at the end of 2019. This brings the value as that yesterday to \$2.551 million.

Given the backing of these investments, the Home and the significant asset in the buildings and land, that the Home has been fortunate to be provided, I can say the club remains in a strong financial position and should be able to meet over the coming years its charitable objectives and to provide the necessary support to the Maritime community here in Bermuda.

As my three-year term of treasurer and Board member is over and I shall not be returning to the Board and I would like to thank the Chair and the Board Members for their support through the last three years.

I would also like to thank our full-time Manager for his ongoing efforts and activities to manage the Home and to achieve the charitable objectives in a friendly efficient and effective manner. Upon motion duly made and seconded, it was unanimously:

**RESOLVED THAT** the Treasurer's Report be and is hereby accepted.

**First: Peter Everson  
Seconded: David Panchaud  
Passed: Nem Com**

7. **FINANCIAL STATEMENTS**

The audited financial statements for the year ending 2018 and unaudited financial statements for the year ended 2019 were laid before the meeting. After discussions concluded and upon motion duly made and seconded, it was unanimously:

**RESOLVED THAT** the audited financial statements for the financial year ending 2018 be and are hereby approved.

**FURTHER RESOLVED THAT** following an audit at a subsequent date, the draft unaudited financial statements for the financial year ending 2019 be and are hereby accepted by the Members.

**First: David Skinner  
Seconded: David Panchaud  
Passed: Nem Com**

8. **APPOINTMENT OF AUDITOR**

It was proposed that Arthur Morris, Chartered Accountants, the present Auditors of the Home, be appointed for 2021. On motion duly made and seconded, it was unanimously

**RESOLVED THAT** Arthur Morris of Hamilton, Bermuda, be and they hereby are appointed as Auditors of the Home until the conclusion of the next annual general meeting, at a fee to be agreed by the Board of Management.

**First: Alan Duncan  
Seconded: John Dale  
Passed: Nem Com**

9. **BYE-LAWS**

The Secretary confirmed that the Bye-laws had been posted on the notice board as well as the website in the required time frame. Approval of the Bye-laws was deferred to a later date.

10. **ELECTION OF BOARD MEMBERS**

The Nomination Committee confirmed that the Home had met the requirements of the Constitution and Bye-laws, as the nomination forms had been shown on the notice board in the required time frame.

It was noted that there were no submissions to join the Board. After discussion, it was:

**RESOLVED THAT:**

- (i) the Board may fill any vacancy in their number left unfilled for any reason; and
- (ii) the vacancy on the Board for five (5) Members and any other vacancy in their number left unfilled for any reason be filled at such time as the Board in its discretion shall determine.

The Chairman gave thanks to the Nomination Committee, Nigel Pichery and Robert Lindo who were present at the meeting.

**9. ANY OTHER BUSINESS**

It was noted that after the Election of Board Members that John Dale had put his name forward to the Board.

It was further noted that John Dale would be co-opted to the Board for a period of one year, which would be noted and confirmed at the next Board meeting.

**First: John Dale  
Seconded: Peter Everson  
Passed: Nem Com**

**10. CLOSE**

There being no further business to come before the meeting, the proceedings then concluded.

**11. ADJOURNMENT**

The Chairman adjourned the meeting sine die, for consideration of the financial statements for the financial year ended 2019, together with the Auditor's report thereon.

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Maria Pichery  
Chair

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Vicki Johnston  
Secretary