



## THE GOVERNING COUNCIL OF THE CAT FANCY

Minutes of the meeting of the **FINANCE COMMITTEE**  
held on Friday, 21 May 2021  
By video-conference



### PRIVATE AND CONFIDENTIAL

Present: Sean Farrell (Chairman)  
Maria Chapman-Beer (MCB) Steve Crow (SC)  
Rosemary Fisher (RF) Shelagh Heavens (SH)

In attendance: Denise Williams - Office Manager (OM)  
Leanne Penwell - Bookkeeper (LP)  
Jen Lacey - Acting Committee Secretary (JL)

#### FC902 MEETING INTRODUCTION

##### 1. Apologies received

1.1 The meeting opened at 11.04am. Apologies were given on behalf of Dr Collin (Vice-Chair) and Dr Eyres who were working. MCB had sent apologies for lateness and joined a few minutes after the start.

##### 2. Chairman's opening remarks

2.1 SF welcomed the committee members and staff present, and thanked them for giving up time to attend. It was pleasant to have an opportunity to meet up with people.

#### FC903 MINUTES OF THE PREVIOUS MEETING

##### 1. Minutes of the meeting of 19.3.2021

1.1 These had been circulated in advance to allow corrections and amendments to be made.

1.2 The Chairman asked if they were accepted as an accurate record and this was agreed unanimously, on the proposal of RF, seconded by SC.

##### 2. Matters arising from previous minutes not on the agenda

2.1 FC895.2.3 RF queried the progress with the GCCF and Breeder Scheme logos. The OM reported that these were ordered in mid April (£340). She thought the current waiting time was around 16 weeks. **INFO**

#### FC904 DECLARATIONS OF INTEREST

None

**INFO**

#### FC905 FINANCE

##### 1. The examination of the 2020 accounts and end of year statements.

1.1 SC gave it as his opinion that it had been a very good move to change accountants. He noted better, clearer presentation, with explanations in plain English, and liked particularly the professional recommendations to management for improvements in the financial processes. *(MCB arrived)*

1.2 It was noted these should be expected as standard, but Monahans had not provided them, despite charging far more for the account examination.

1.3 LP noted that the examination conducted by staff from Albert Goodman was a much better experience. They had proved responsive and worked to the agreed timetable. Mostly they had been complementary rather than critical and ready to provide explanations. AG still needed tax information from Monahans and had experienced difficulty. Their professional contact remained very poor.

1.4 Corrections had been made on request for Officer and Director details.

1.5 LP also informed FC that adjustments had been made to show the final depreciation on Phoenix (£20k in 2019 and £10k in 2020). The figure against medals (£48) was for the stock value for medal & engravings in line with the stock take completed, and foreign currency differences had been explained.

1.6 There was discussion at the meeting on the amount given on the line designated as 'staff training'. It included not only training, but HR & HS, recruitment costs and honoraria. Hence the difference between the P&L, £1670, and the accounts, £9949.

1.7 It was agreed training and recruitment could remain together, but the others should be split. It was particularly necessary that the honoraria should be transparent.

**Action: AG to be informed**

**LP**

##### 2. Recommendations to management

2.1 The accountants had made seven recommendations, giving a 1-5 priority rating. Most of these were concerned with establishing financial processes in the Office, which would be put on record. The aim was to protect members of staff engaged in bookkeeping, banking and handling money. At present they were at risk if there were problems.

2.2 There was no dual authorisation system in place for BAC payments, and no restriction on the size of the transactions. There was also no formal process for authorising purchase invoices or payments. This meant LP had the ability to make payments and raise fictitious invoices, but she was the only one to review the finance system.

2.3 The OM and LP had developed certain protocols re the regular checking of bank statements and the authorisation of invoices that required formal record. All emails giving authority needed to be retained to provide an audit trail, and paper documents initialled.

- 2.4 As well as the the check on the monthly bank statement, spot checks online should be made regularly and recorded. This would ensure the regular invoices, for set amounts and paid monthly, were covered.
- 2.5 No set amount was determined as the limit per individual invoice. It was agreed that this should be set within the Office when it had been determined what was practical to fit with current working practice.
- 2.6 It was noted that the previous Chair had been removed from all bank accounts, and SF included as a signatory. If it was necessary he (or any of the other Directors with authority) could stand in for the OM if she was absent. Norman Dennett (Dr Bruce Bennett) had been removed as a signatory to a dormant account. Signatories to all other accounts were brought to the attention of each Board meeting.
- 2.7 It was noted that AG had recommended that the debit card should no longer be used, but both the OM and LP had found it useful. Small amounts of cash were drawn on occasions, but it was mainly used for setting up of online accounts and payments. FC members commented that interest was paid immediately on cash withdrawal by credit card, and payment by this method usually attracted greater costs. FC agreed use of the debit card could continue as long there were regular online checks made on Quickbooks and via the bank statements (as at 2.4).
- 2.8 FC were also agreed that it was unnecessary to have two members of staff to open all post and record income. Cheques were payable to GCCF and not of use to others, and payments of cash were now very occasional and only for small amounts (less than £25). It was thought preferable to take a small loss rather than pay for staff time to little purpose. It was already standard practice to use two staff members to record any incoming cash, and to photograph and record the contents of post that arrived damaged.

**Action: The protocols outlined in 2.3-2.8 above to be written as 'financial regulations'** **OM/LP**

- 2.9 It was agreed that when this action was completed there should be circulation to FC by email for approval. Once the committee was satisfied they should be sent to Albert Goodman to show where there was either compliance with the recommendations received, or reasons and mitigation given for variance.

**Action: circulation to FC** **OM**

### 3. Profit and loss accounts to April 2021

- 3.1 LP presented the p/l figures to the end of April 2021. She had noted that the legal costs of the trademark purchases had been included (£340), and also that HR-HS costs included an occupation health payment of £131.
- 3.2 She observed that the high costs of IC legal fees this month included preparation for a case that wasn't taken to DC. It was noted that IC had sent a letter for the next Board meeting that contained a recommended rule change from the GCCF solicitor, so presumed that a rule had been found not fit purpose.
- 3.3 LP was thanked for the provision of the explanatory notes, and it was observed that it had been another good month. There was an increase in expenditure when compared with April 2020, as salary costs had risen in addition to the extra IC/DC expenditure, but a considerable rise in core income had resulted in an increased gross profit for the month.
- 3.4 The ytd profit was almost £61k, compared to £21.5K in the previous year.
- 3.5 It was commented that there had to be continued thought on how the profits could be reinvested in the company to the benefit of Cat Fancy members.

**INF**

### 4. Volume figures for February 2021

- 4.1 The OM presented the figures and graphs for the year to 30 April. She drew attention to the particularly strong start to 2021. To date there was an increase of 1164 transactions when compared to figures in the same period in 2020.
- 4.2 Prefix and non-prefix registrations had increased, as had prefix applications. Transfers were particularly strong. They had remained steady for the three previous years, but in 2021 were up by 880, an improvement of 37.5%.
- 4.3 Although a lower number, imports showed an even stronger % increase. The OM observed that breeders were bringing in cats from other registries.
- 4.4 She concluded that the pattern of transactions was the same in previous years, a winter decline followed by a spring rise, but the figures were ahead of the curve throughout core business transactions, which was reflected by the increase in income.

**INF**

### 5. Statement on investments and accounts

- 5.1 RF reported the investment account balances, as correct at 20 May 2021:  
 The Aldermore: £77,082.29  
 Cambridge & Counties: £87,296.62  
 Redwood Bank: £82,929.10  
 Monmouthshire Building Society: £84,000  
 Shawbrook Bank: £80,000. The setting up of this account was now complete.
- 5.2 The interest rate had dropped from 1.40% to 1% at Cambridge & Counties
- 5.3 It had dropped from 1.54% to 1.34% at Redwoods, and was due to fall to 1.05% on 13 July 2021.
- 5.4 The Lloyds accounts at 17 May 2021 were:  
 Lloyds Bank current account: £209,513.50  
 Lloyds Bank Supreme Account: £957.95  
 Lloyds Euro account €14,484.97 = £16,811.48

**INF**

### 6. Insurance Schedule

- 6.1. RF reported that Gallaghers had not sent the schedule until 13 April, and renewal was due at the end of month. She and the OM had been able to have a Zoom meeting to discuss two updates to the policy.
- 6.2 These increased it overall by £650, but it remained within the £13,500 budget for 2021.
- 6.3 After receiving the schedule, but prior to speaking with Gallaghers, she had contacted two other companies for a comparative quote. One had not responded, but NFU Mutual had expressed interest. It had been stated there was too little time to prepare a quote for 2021, but it would be interested in doing so for 2022.

6.4 Other FC members agreed that it would be interesting to have an alternative quote from NFU as it was reputable company. It would be based on the 2021 Gallagher schedule.

**Action: contact with NFU in early February 2022**

**RF**

**7. A Paypal account for GCCF**

7.1 At a meeting to discuss holding a GCCF virtual show it was hoped to offer entry to people overseas, but realised that there would have to be a method of taking payment in various currencies. The IT consultant's opinion had been requested.

7.2 IM had given four options with opinion on the practicality of each. He thought requiring non-GCCF exhibitors to set up an account within the system would not be useful as it would create accounts that would not be used again. Allowing payment to be directly transferred to the bank account would involve the Office in a considerable amount of extra work.

7.3 A ticket agency could be used or a PayPal account could be established. He thought that PayPal use had been planned some time previously and it would not be a problem to set up. LP confirmed she had information on PayPal that she could find and circulate.

7.4 There was discussion on the transaction fees that would be charged for business use and currency exchange, and it was agreed that there should be a recommendation that the entry fee for the virtual show should be raised to £6 to cover this.

7.5 There was some discussion on how payments and entries would be reconciled. It was suggested that LP should send regular reports to the member of the show team responsible for finance, rather than allow any direct access to the account or statements, and agreed a check on the process was required.

7.6 FC voted unanimously in favour of setting up a PayPal account. It was agreed that if it wasn't liked, or if its use presented too many problems, it could be discontinued.

**Action: circulation of PP information & protocols for use establishing a PP account**

**LP  
LP/IM**

**FC906**

**CLUB & BAC MATTERS**

**1. Report to FC on the 2020 club returns**

1.1 SH reported that in nearly all cases there had been some contact with clubs, and most had sent both the returns paperwork and made payments. There were two that had made no contact in 2021, but had completed the previous year, and four with returns uncompleted for 2019.

1.2 She had completed the report for club finances for 2019. Most of the work was done for 2020, but there was some outstanding information to enter. These were as circulated to FC the previous day. At the end of 2019 there was £1.65 million in club bank accounts and SH estimated that it would have fallen in 2020, but not by a large amount. As in other years some clubs had gained over the year, and others had had losses, but it was clear that many retained substantial amounts. In addition some clubs had ceased to exist, although financially viable, so their balances would not be included in the 2020 total.

1.3 Southern Counties and Croydon CCs were now outstanding for two years, with no contact. The Oriental Longhair CC and NE of Scotland CC also did not have examined returns for 2019, and had been informed these were necessary alongside those for 2020 for completion.

1.4 It had been necessary for some clubs to supply additional information, six had requested extensions, and the returns for three had been received just after the closing date. One payment remained outstanding.

1.5 As had been provided for in ByeLaw changes to allow for the pandemic situation, some clubs had based their membership numbers on those for 2019. These were designated in the membership information.

1.6 The Chair thanked SH for all the hard work she had done putting the presentation together to give an accurate picture of club assets.

1.7 The spreadsheets had now been updated and SH offered to correct figures from earlier years as she had noted some inaccuracies had been carried forward.

**Action: liaison to correct and complete the records**

**SH/OM**

**2. Update on payments outstanding from the West of Scotland CC and Scottish CC**

2.1 The Bookkeeper confirmed that the three amounts had been paid soon after the invoices were sent..

West of Scotland 2019	£90.24
Scottish CC 2019	£171.96
Scottish CC 2020	£42.24

2.2 The clubs had anticipated the show manager would have made the payments during the course of settling the show accounts and had no way of knowing this had not happened. FC acknowledged this was the standard process and the clubs were not at fault.

**INF**

**3. Turkish Van CC problems**

3.1 No 2020 returns had been received from this club. A letter from the secretary alleged that the reason was that people who had held positions in the club committee in 2019/20 had either not forwarded necessary information, or they had posted it to others who had not received it.

3.2 There was some preliminary discussion to establish past and present officers of the club, and whether there was a correct record on the system, also what exactly the secretary expected GCCF to do.

3.3 The conclusion was that the treasurer listed had made no response to GCCF re the 2020 returns. She had sent nothing, nor informed the Office that she was no longer treasurer. From the secretary's correspondence it seemed that there was now a new treasurer who had opened a new club account, but there had been no transfer of money. The paperwork held by the previous treasurer had been lost.

3.4 It was agreed that two issues (retained assets and lost paperwork) needed resolution. The Secretary would be asked to write again to the previous treasurer (sending by recorded delivery) asking for information and explanations. He would need to stress that these were serious issues and state GCCF was now interested in the outcome and was being copied in to all correspondence to advise on further action if it was necessary.

**Action: letter to Turkish Van CC Secretary**

**JL**

4. **Update on the Chartreux CC UK**  
 4.1 LP reported that £1000 had been received on 14 May 2021.  
 4.2 This was most of the club's 2020 balance, as the total had been transferred early in 2021 to the new treasurer's private personal account while he was waiting to open a new club account. The transfer to GCCF was in compliance with the Board's instructions (BD4085.2). **INF**
5. **Report to FC on the 2020 BAC returns**  
 5.1 SH reported that most BACs had sent returns and only a few remained outstanding. Once the provisional breeds were discounted, and it was checked which clubs were with the JRBAC, this came to just four who had sent nothing, with one other that had sent unexamined accounts.  
 5.2 It was noted that Singapura BAC had a balance of £0.03. SH reported that she had chased the BAC for some time as they had not sent returns for the previous two years, and she had received a statement to cover three years that showed the BAC had been suspended in July 2018 with the balance (£1807) repaid to the two clubs.  
 5.3 It seemed that no one had been informed of this decision, and the clubs had rejected their responsibility for the breed's breeding and registration policies, SOP and judge training. It was agreed that the information had to be passed to the Board for discussion and action.  
**Action: circulation of the financial statement to the Board** **SH**
6. **JAS Finance - clause to allow contributing constituent clubs to share accumulated funds**  
 6.1 FC was asked whether clause i) of the JAS Finance section was sufficient to allow BACs to pay some of their accumulated funds to constituent clubs, or whether an additional clause was required that clarified that it was fees as well as levies that could be repaid, and past constituent clubs who had contributed to the funds as well as current ones should benefit from any large pay out.  
 6.2 SH commented that the BAC she had initially mentioned had already made a repayment the clubs had agreed, and it added complexity if there was an additional clause that included past constituent clubs.  
 6.3 SC believed it was necessary to have a decision on record to protect GCCF should clubs dispute over ownership of funds in future.  
 6.4 It was agreed no decision could be taken on the matter until amendments were in place to define clubs that would be eligible if they were past constituent members, and to allocate financial responsibility if the BAC ran out of funds in future, but thought here was no urgency. **JL**  
**Action: amendments to be made and circulated to FC to determine if it should be returned to the Board**

**FC907 PROJECTS & FORWARD PLANNING FOR 2021**

1. **IT report**  
 1.1 SC stated he had sent a full report on IT projects to the Board. There were the usual small modifications to the system that were ongoing, and continued work on the registration policies. Also, a live trial to enable breeders to calculate inbreeding coefficients would be announced at the end of the month.  
 1.2 The other matter of importance was progress in discussions with the NZ Cat Fancy as they were interested in how the Phoenix model could be developed to run their own registry. IM had produced a test data base for them that they could explore. It would be important to have the correct form of non-disclosure agreement in place to protect GCCF's property and data.  
 1.3 If the NZ CF wanted to then purchase construction of a system from GCCF it would be necessary to prepare costs, and they wanted some idea of these in advance, although it was difficult to know how much of IM's time would be taken. Currently more detailed specifications were required from NZ.  
 1.4 It was agreed that the NDA should be amended to cover an organisation (currently it was for a volunteer) and when this had been done and sent for signing, IM could give a release date for the testing facility.  
 1.5 It was also noted that it was necessary for IM to keep a log of the hours he spent working on the NZ project as GCCF was currently paying for his time.  
**Action: as described 1.4 & 1.5 to move the project along** **OM**  
 1.6 It was queried how the work to mitigate the risk of losing IM was progressing. SF reported that Andrew Barton had liaised with IM and staff to understand the system and its functions. He hoped to make a report shortly that would lead to recommendations being made to the Board. **INF**
2. **Website redevelopment policy**  
 2.1 RF had approached four companies for quotes. One wasn't interested, and a second thought their system would not be compatible, leaving Solnspire who had produced the original specifications, and 3MIL, as recommended by NRG Digital. This company had produced a comprehensive technical spec and had responded promptly to queries raised to date.  
 2.2 They had initially proposed 50% of the total as the first payment, followed by two instalment of 20% and one of 10% on completion. RF had requested three equal payments of 30% for each stage, plus the final 10% which had been accepted as a payment plan. It seemed they were keen for GCCF's business.  
 2.3 The quote supplied was for £24,297, offered for 30 days. The work would take 4-5 months to complete and could start in mid-June.  
 2.4 It was noted that neither company had presented a single first page design. However, 3MIL had presented in greater depth after more thorough research. IM had presented questions which had been answered satisfactorily. There could be a check with Crufts on customer satisfaction.  
 2.5 It was agreed that there should be an opportunity for an assessment of the information provided and for any questions to be put via email or a further Zoom meeting. Then a decision could be made. **INF**
3. **Fun Show - budget allocation**  
 3.1 The Board had proposed a £25,000 budget allocation for a show to replace the Supreme. It would be an actual show, with Stoneleigh as the suggested venue and a possibility of certificates. It was hoped it could be held in October, but this depended on the Covid situation.

- 3.2 It queried whether any venue picked would have contingency plans if an event couldn't go ahead because of government restrictions, either a deposit refund, or holding it until a new booking could be made. It was accepted that no insurance cover would be available for this purpose.
- 3.3 FC agreed to endorse the budget, recognising there could be a small loss if commitments were made that could not be kept because Covid regulations. It was impossible to predict what the situation in the autumn would be as it was frequently updated. There was unanimous approval. **INF**

4. **The virtual show - prize money**

- 4.1 JL acknowledged there was a mistake in the estimate provided. It was unnecessary to spend a large amount on Best of Variety as there were no breed class winners in each section to come forward for this. Instead one judge per section could be used to give the BOB after class judging and the winners would progress to be judged for BIS adult, kitten and neuter. As the second stage was BOB judging (two per class), an additional prize of £50 was required for a winner, not £150.
- 4.2 This reduced the prize money required to £4025. It wasn't envisaged that this was to be covered by the entry fees. The suggestion was that these should go to the CWT, and the show would take place to be inclusive of other organisations and be a positive promotion for GCCF.
- 4.3 It had been suggested earlier (FC905.7.4) that the entry fee should be £6 so that GCCF was not covering currency exchange and transactional costs.
- 4.4 It was reported that the show manager approached had accepted the position and that she had found someone who was willing to undertake publicity for the event.
- 4.5 There was discussion on whether the TICA show planned for early July would go ahead or whether the virtual show would be the only 150 year celebration. It was thought that if there were no new restrictions TICA's event would go ahead.
- 4.6 FC unanimously agreed to endorse the costs of the show and hoped it would bring some fun for exhibitors and good publicity for GCCF. **INF**

5. **Purchase of new GCCF display/publicity equipment** *(LP Left the meeting)*

- 5.1 The OM had taken photographs to show the stand and banners GCCF currently possessed. One banner was specifically for the Supreme. She thought if GCCF wanted to promote itself at shows held by other organisations it was time to update with something smarter and more professional.
- 5.2 It was thought that at the time the items were bought it was necessary to be very careful with cost, but the company could now afford better. Something that was relatively easy to put together and transport was required but if there was a facility for videos, or something that could be interactive it would add interest.
- 5.3 It was suggested that any purchases should be in two stages. Something was required for the stall at the TICA show in July, and at the same time a stand that offered far more more could be researched for practicality and cost.
- 5.4 MCB proposed a banner to go behind the desk and two new pop-ups to provide something fresh for the July event. RF offered to do a design and it was thought something generic for the backdrop, but at least one banner should make reference to 150 years of cat shows.
- 5.5 RF volunteered to see what the lead in time was for display equipment to avoid purchase if it wasn't going to be needed. She would investigate local possibilities.

**Action: consideration of purchase for banners and back-drop**

**RF/OM**

6. **Publicity items for the stand**

- 6.1 There was discussion on what would be appropriate as a souvenirs for the 150 anniversary of cat shows with several items mentioned, but most were considered out of date. It was agreed to look at items used currently for publicity, but noted any items would probably have to be given away.
- 6.2 SC suggested a leaflet, as was done for the WCC event in 2013, with some history and development of GCCF.

**Action: any ideas to be circulated to FC members**

**FC**

**FC908 STAFF & OFFICE**

- 1.1 The OM noted HR expenses for FC's information.
- 1.2 There was nothing further to report on staff matters.
- 1.3 In response to a query the Chair noted there wasn't yet a date for an HR meeting.
- 1.4 There was most probably a leak in the roof so the building would need attention. The OM planned to consult with tradespeople she had previously used and trusted to get a quote if a repair was necessary.

**Action: roof to be checked**

**OM**

**ANY OTHER BUSINESS** RF & JL gave a brief update on brachycephalic studies.

**NEXT MEETING:** Provisionally Friday, 17 September 2021 at 11am - to be confirmed

End of Agenda, with business completed where possible, at 15.25pm