

# Sealladh na Beinne Moire

February 23<sup>rd</sup>, 2010 EGM

Angus MacMillan, Chairman

Sealladh na Beinne Moire

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## EGM - Agenda

Welcome

Opening Remarks – Chairman

Review of 2009

Summary of Proposed Articles

Q & A

Ballot

AOCB

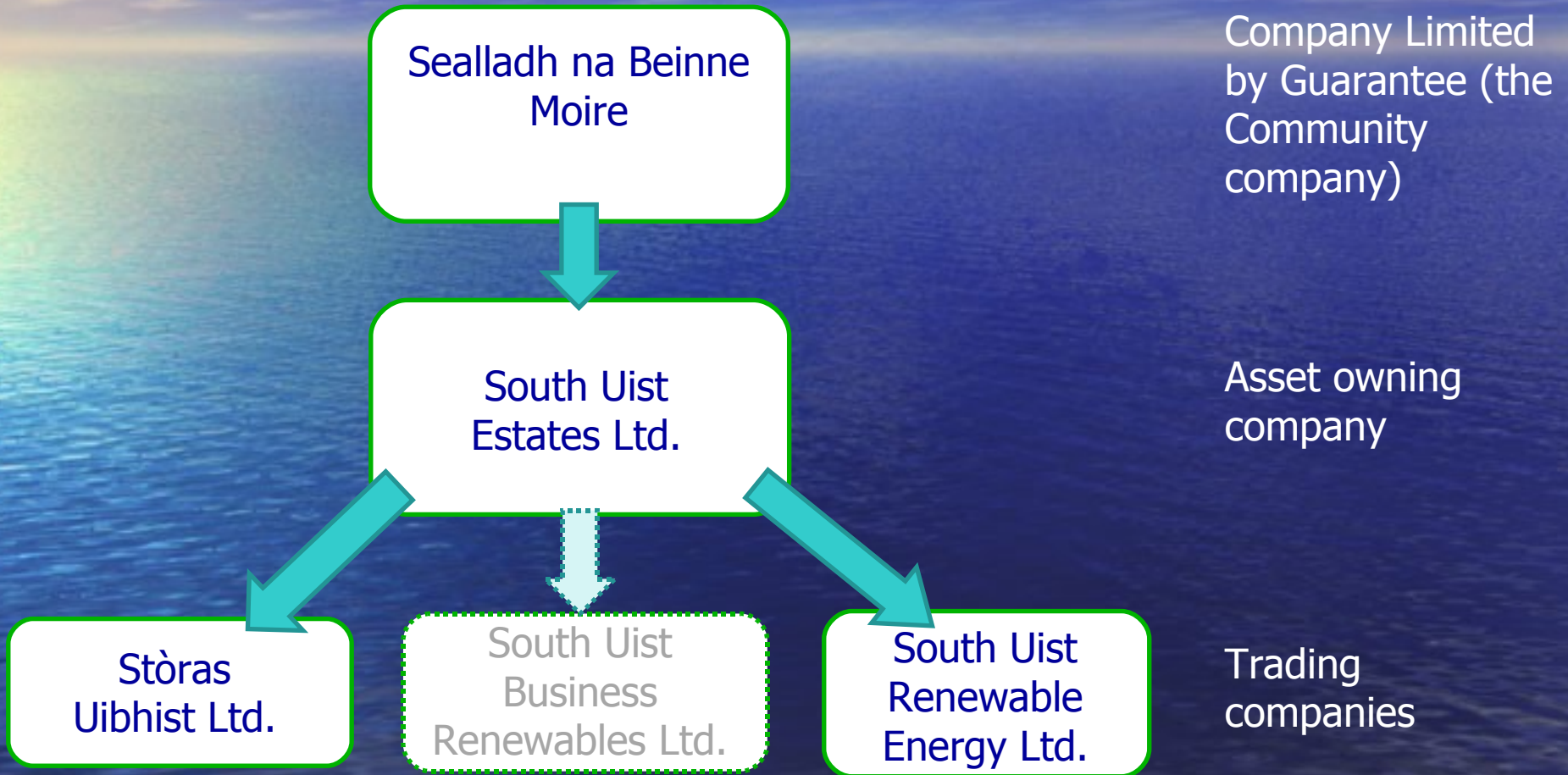
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# Sealladh na Beinne Moire.



A community company for  
the islands of  
Benbecula, Eriskay and  
South Uist

# Sealladh na Beinne Moire Structure



# Staffing

- 1 x Chief Executive
- 3 x admin/crofting staff
- 3 x development staff
- 3 x sporting staff & 1 trainee
- 4 x seasonal staff (deer, geese, drains)
- 7 Grogarry staff (permanent & seasonal)

# SnBM 2009 Highlights

- Fishing revenue up 80% since 2007
- Grogarry Lodge, 100% increase since 2007
- Wind turbine planning consent gained
- ERDF funding for renewable projects
- Askernish Golf Course case settled
- Estate profit re-invested



# Business activities

- Commercial Revenue declined
- Grogarry Lodge revenue increased
- Fishing revenue increased

## Local impact

- 4 x fishing permit revenue spent locally
- Revenue re-invested for local benefit
- Long-term GDP growth

# Draft Finances - 2009

- £60,000 surplus from Estate management
- £62,000 spent on crofting support
- £67,000 invested in development projects
- Grogarry & Sporting revenue - £250k
- Overall break-even target

# 2009 Major Development Activity

- **Loch Carnan Renewables**
  - Financial projections & securing financing
  - Turbine sourcing
- **South Uist Business Renewables**
  - Technical design
  - Financial projections & securing funding/finance
  - Sourcing turbines
  - Energy audits
- **Lochboisdale Port of Entry**
  - Technical Study & Project definition
  - Securing Funding
- **Askernish Golf Course**
  - Settle legal case
  - Identify marketing opportunities
  - Course improvement plan

# 2010 Development Focus

- Loch Carnan Renewables
  - Complete documentation
  - Issue tender for access track
  - Order turbines
- South Uist Business Renewables
  - Complete location specific designs
  - Secure turbine supply
  - Install turbines
- Lochboisdale Port of Entry
  - Finalise funding package
  - Securing planning consent
  - Issue tenders
- Askernish Golf Course
  - Employ an Askernish development manager
  - Promote South Uist as Golfing destination
  - Upgrade course quality

# 2010 Additional Projects

- Develop Business Centre concept
- Secure permanent office for Stòras
- Attract inward investment
- Lochboisdale-Mallaig ferry
- RangeHebrides Task Force
- Housing Consultation
- Crofting Consultation

# Proposed Articles of Association

Drafted by  
Chris Smith  
Partner  
Gillespie MacAndrew LLP

# EGM Voting

1. 845 Members eligible to vote
2. 75% of votes cast required to be in favour to pass resolution
3. 1 proposed new Articles of Association
4. 1 special resolution to accept new Articles
5. Questions as each amendment is presented
6. Questions as each amendment is presented

# Reasons for Changes

1. Clarification
2. Simplification
3. Strengthen member input
4. Compliance with new Companies Act
5. Specify terms of Directors rolling resignations

# Amendments

- Members
- Accounts
- General Meeting Quorum
- Director elections
- Director rotation
- Co-opted Directors
- Director re-appointment

# Amendment - Members

Old wording	New wording	Comment
<p>5. The structure of the Company comprises:</p> <p>(a) Members – comprising Ordinary Members (who have the right to attend the AGM and any EGM and have important powers under these Articles and the Act, who elect people to serve as Directors and take decisions in relation to any changes to these Articles) and Nominated Members; and</p>	<p>10.1. Members - comprising Ordinary Members (who have the right to attend and vote at general meetings and have important powers under these Articles and the Act, who elect people to serve as Directors and take decisions in relation to any changes to these Articles) and Junior Members; and</p>	<p>The reference to Nominated Members has been removed as the Board felt there should be no provision for external bodies to nominate a Member.</p> <p>Mention of Junior Members was added to encourage greater participation of young people in the community company.</p>

# Amendment - Accounts

Old wording	New wording	Comment
17(e). approval of the accounts of the Company; and	25.1.5. presentation of the accounts of the Company; and	Legal advice highlighted that the presentation of accounts to Companies House are a statutory requirement that the Board of Directors has to comply with. There can be no provision for the Members other than Directors to veto the presentation of Audited accounts.

# Amendment – GM Quorum

Old wording	New wording	Comment
21. The quorum for a General Meeting shall be the lesser of 20 members or 10% of the Ordinary Members present in person.	29. The quorum for a general meeting shall be the lesser of 40 Ordinary Members or 10% of the Ordinary Members present in person.	The Board of Directors believe that 20 members was too small a number of people to be representative of the Membership at a General Meeting.

# Amendment – Director elections

Old wording	New wording	Comment
<p>30. All elections of Directors shall be by ballot and members voting by proxy shall be given the opportunity of indicating their voting intentions on the proxy form which intentions shall be included in the reckoning of those elected.</p>	<p>38. Vacancies arising by retiral of Elected Directors at an AGM will be filled by secret ballot of the Ordinary Members prior to the AGM.</p>	<p>A postal ballot gives the widest opportunity for all Members to vote in the election of Directors.</p>

# Amendment – Director rotation

Old wording	New wording	Comment
<p>30. The Elected Directors of the Company shall be elected by the Ordinary Members at the Inaugural General Meeting and shall hold office until the third Annual General Meeting thereafter. The Elected Directors shall then be subject to retirement by rotation and three shall retire at the third Annual General Meeting and every three years thereafter and two at each of the fourth and fifth Annual General Meetings and every three years thereafter. All elections of Directors shall be by ballot and members voting by proxy shall be given the opportunity of indicating their voting intentions on the proxy form which intentions shall be included in the reckoning of those elected.</p>	<p>46. The Elected Directors shall be subject to retirement by rotation on a three-year cycle as follows: 46.1 at the first AGM following adoption of these Articles, three shall retire; 46.2 at the second AGM following adoption of these Articles, two shall retire; at the third AGM following adoption of these 46.3 Articles, two shall retire;</p> <p>and in subsequent years the cycle will repeat. The Elected Directors to retire by rotation shall be in addition to any retiring under Article 41.</p>	<p>This was amended for reasons of clarity.</p>

# Amendment – Director rotation

Old wording	New wording	Comment
<p>32(c) if no other Director has or Directors have decided or agreed to retire, the Elected Directors to retire at each AGM shall be those who have been longest in office since their last election but, as between persons who were elected or last re-elected Directors on the same day, the one or ones to retire shall (unless they otherwise agree amongst themselves) be determined by lot;</p>	<p>47. The Elected Directors to retire by rotation at each AGM shall be those who have been longest in office since their last election but, as between persons who were elected or last re-elected Directors on the same day, the one or ones to retire shall (unless they otherwise agree amongst themselves) be determined by lot.</p>	<p>If accepted, this means:</p> <p>3. Angus MacMillan, John MacMillan and Fr Michael stand down this year resulting in three Director vacancies.</p> <p>4. In 2011, two further Directors will stand down.</p> <p>5. In 2012, two further Directors will stand down.</p> <p>6. In 2013, three Directors will stand down.</p>

# Amendment – Co-opted Director

Old wording	New wording	Comment
Not previously included.	48. At each AGM, all Co-opted Directors shall retire.	This is to ensure that each Board of elected Directors has agreed the appointment of the in-post co-opted Directors.

# Amendment – Director re-appointment

Old wording	New wording	Comment
<p>32(b). a retiring Elected or Co-opted Director shall be eligible for re-election or re-co-option after one term of office, but no Director can serve more than two consecutive terms of office, without at least one year out of office before being eligible again;</p>	<p>50. Retiring Directors shall be eligible for re-appointment.</p>	<p>The Board of Directors believe that the Membership should be able to choose the elected Directors as they see fit from within the Membership.</p>

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# Special Resolution

The special resolution put forward by the Board is:

*That the regulations set out in the attached document be adopted as the articles of association of the company in substitution for the existing articles of association of the company (it being noted that the existing articles comprise the articles with which the company was incorporated and the provisions formerly contained in its memorandum which are now treated as provisions of its articles by virtue of section 28 of the Companies Act 2006).*

# 2010 Proposed AGM & Director Election Schedule

- 5<sup>th</sup> April Nominations open for Directors
- 4<sup>th</sup> May Nominations for Directors closes
- 7<sup>th</sup> May Elections open – details of all nominees sent with ballot papers directly by ERS
- 10<sup>th</sup> May Final members list signed off by Board
- 12<sup>th</sup> May Member Notifications issued to all members
- 28<sup>th</sup> May Election close
- 3<sup>rd</sup> June AGM

# Sealladh na Beinne Moire & Stòras Uibhist Ltd.



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for the regeneration of  
the islands of  
Benbecula, Eriskay and  
South Uist