



**The Minutes of the Finance Council Meeting of the English Chess Federation held on
Saturday 22nd April 2023 at 1.30pm via Zoom**

Attendees:

Adam Ashton
 Alan Atkinson
 Shohreh Bayat
 Chris Cook
 Paul Cooksey
 Neill Cooper
 Gareth Ellis

David Eustace

Peter Farr

Michael Farthing

Nick Faulks

Nikki Forster

Satish Gaekwad

David Gilbert

Alex Holowczak

Christopher Holt

Roger Lancaster

Steve Mann

Malcolm Pein

Stewart Reuben

John Reyes

Pat Ridley

Robert Stern

Nigel Towers

Representing:

Director of Finance

Thanet & East Kent Chess League, Chess Arbiters Association (as proxy)

Director of Events

Hertfordshire Chess Association

Berkshire Chess Association

Brian Poulter Chess League

Lancashire Chess Association, Merseyside Chess Association, Chester & District League, ECF Bronze Members Representative 1

Chair of Council, ECF Platinum Members Representative 1, ECF Platinum Members Representative 2 (as proxy)

Sussex County Chess Association, Mid-Sussex League

Lancaster, Morecambe & District League (as proxy), The Past Chair of the Council

Bronowski Trophy, Croydon & District Chess League, Chair of the Finance Committee,

Dorset County Chess Association, Bournemouth & District League

Southern Counties Chess Union

London Chess League, Essex Chess Association (as proxy), Kent County Chess Association, London Public Service League

British Universities Chess Association, Director of Junior Chess and Education

Lincolnshire Chess Association, Nottinghamshire Chess Association

Watford Junior Chess

Doncaster Chess Congress

Chess in Schools and Communities (as proxy), Director of International Chess, FIDE Delegate

Friends of Chess (as proxy), ECF Life Members Representative 1

Manchester Chess Federation, Midland Counties Chess Union, South East Lancashire League, Stockport & District Chess League, Stockport Rapidplay League, Torbay Chess League, Warrington & District League, Stockport Rapidplay Chess Congress (as proxy), ECF Silver Members Representative 2

Cheshire & North Wales Chess Association, Frodsham Congress

Central London League, Pimlico Summer Tournament, Chair of the Governance Committee

Oxfordshire Chess Association (as proxy), Warwickshire Chess Association, 4 Nations Chess League (as proxy), Kidlington Chess Congress (as proxy), Witney Congress (as proxy), Witney Rapidplay (as proxy), Chief Executive (as proxy), Director of Home Chess

John Upham	Surrey/Hampshire Border League
Brian Valentine	Bedfordshire County Chess Association
Andy Wainwright	Yorkshire Chess Association, Ilkley Chess Centre
Tim Wall	Northern Counties Chess Union, Durham County Chess Association, Northumberland Chess Association, North East League, Northumbria Chess Masters, Northumbria Junior Chess Association, ECF Gold Members Representative 2
Gerry Walsh	Braille Chess Association, ECF Life Members Representative 2
John Wickham	East Anglian Chess Union, Cambridgeshire Chess Association (as proxy), Norfolk County Chess Association, North Essex Chess League, Bury St Edmunds Congress,
Rob Willmoth	Middlesex County Chess Association, City Chess Association (as proxy), Barnet Knights, Chess Coaching Services, English Junior Coaches and Organisers Association, Director of Membership
Stephen Woodhouse	Hull & District Chess Association (as proxy), Non-Executive Chair, Non-Executive Director 2 (as proxy)

1. Appointment of Chairman

The Chairman was present for the start of the meeting.

2. Notices

Apologies have been received from Stephen Greep, Chris Regan, David Clayton and Simon Brown.

3. Minutes of the 15 October 2022 Meeting

Council resolves that the Chairman of the meeting shall sign the minutes of the Annual General Meeting of 15 October 2022 as being an accurate record.

The minutes were agreed, and that the Chairman would sign them.

Under section 8e Hok Yin Stephen Chiu's name had been corrected on the list of candidates.

4. Matters Arising

There were no matters arising.

5. Finance Director's Report and Annual Accounts

To receive the Finance Director's Report and the Draft Accounts for the ECF year ended 31 August 2021. Council is invited to consider and, if thought fit, resolve:

THAT Council receives the Finance Director's Report.

The report was noted and agreed.

To receive the Finance Director's Report and the Draft Accounts for the ECF year ended 31 August 2022. Council is invited to consider and, if thought fit, resolve:

THAT Council receives the Finance Director's Report.

The report was noted and agreed.

AA briefly outlined the Report highlighting support from the Chess Trust and JRYT and then took questions.

With regard to rolling membership Nick Faulks felt that the accrual method of accounting whilst correct did make it difficult to understand what monies were being received. AA noted that the position was currently better understood by looking at membership numbers rather than income.

In response to a question from John Reyes, AA said that the British Chess Championships was the flagship event and as such would be subsidized by the ECF since rising costs made it unlikely it could break even.

Regarding the new free student membership, it was noted that it was not possible to predict what additional future income this might bring in, particularly when changes to the membership system were under discussion.

The report was noted and approved by a hand vote.

6. Budget

Council is invited to consider and, if thought fit, resolve:

THAT Council accepts the budget proposals for 2023/24 as set out in the Finance Director's documents.

The budget was accepted.

7. Report of the Chair of the Finance Committee

Nick Faulks expressed his concerns that the budget had been produced so late and felt it was not treated as the important document that it was. Adam Ashton responded that the directors all viewed the budget as being very important and referred to it throughout the year to ensure expenditure was kept in line with that budgeted. Nigel Towers confirmed this and said that he and other directors had been in discussion with Adam over a period of months to ensure the figures were correct.

Following some further discussion regarding the overspend on Olympiad costs it was agreed that the Council would be sent a breakdown of those costs.

Nick Faulks also requested that there be a breakdown between men's and women's chess in the budget.

At this point the meeting was suspended and the BCF meeting was held so that John Higgs could report and answer any questions arising.

8. Membership Fees

It had been agreed that membership fees would be kept at the same level for 2023/24.

9. Governance Changes

Council is invited to consider and, if thought fit, approve the following resolutions:

1. Special resolution THAT the articles of association of the Company be amended by deleting all references to “chairman”, “Chairman”, “chairmen” and “Chairmen” and replacing them respectively with “chair”, “Chair”, “chairs” and “Chairs”.
2. Ordinary resolution THAT Bye Law No. 3 (the Procedural Bye Laws) be amended by:
 - (A) Deleting all references to “Chairman” and “Chairmen” and replacing them respectively with “Chair” and “Chairs”.
 - (B) In paragraphs 3.1.1, 3.1.4 and 3.1.13 deleting the words “himself”, “he is” and “he has” and replacing them respectively with “themselves”, “they are” and “they have”.
 - (C) In paragraph 6.1.11 deleting the word “his” and replacing it with “their”.
 - (D) In paragraph 7.7 deleting the words “he requires” and replacing them with “they require”.
 - (E) In paragraphs 9.5 and 10.3 deleting the word “he” each time it appears and replacing it with “the proposer”.
 - (F) In paragraph 10.2 deleting the word “his” and replacing it with “their”.
3. Special resolution THAT the articles of association of the Company be amended by:
 - (A) Deleting the word “annually” in the definition of “the Standing Committees” in article 1.1.
 - (B) Deleting in each of article 17(6)(a) and article 17(6)(b) the words “, of which the President shall be a member ex officio,”.
 - (C) Inserting as article 17(6)(e) (and re-lettering the existing (e) and (f) accordingly): “Each Standing Committee shall have the power at any time to appoint an additional member to it but to hold office only until the end of the next following Annual General Meeting”.
 - (D) Inserting in the re-lettered article 17(6)(g) before the word “shall” the words “or (f)”.
 - (E) Deleting from article 57 the words “, the Auditor or the Standing Committees referred to in Article 17” and replacing them with “or the Auditor”.
 - (F) Inserting as article 17(6)(h): “A Director may not also be a member of a Standing Committee”.
4. Ordinary resolution THAT Bye Law No 4 (the Financial Bye Laws) be replaced with the Version contained in Appendix 2 to the Guidance Note provided to Council Members with the notice of meeting.

The resolution was approved.

During the discussion it was noted that the removal of the reference to a Financial Controller merely removed the obligation and did not preclude such a position being created in the future.

Nick Faulks felt that the line in the Bye Law regarding the Board reporting to Council on how sponsorships monies are spent should be retained. After discussion, it was agreed that the Resolution be amended to state, 'The Board will report in its Annual Report to Council how any sponsorship funds were spent save where prohibited by the Sponsor.'

The amendment to the Resolution was voted on and there were 28 in favour and none against.

The revised Resolution was then voted on with 29 in favour and none against.

10. Paper "Thoughts on Membership Options"

Rob Willmoth presented Mike Truran's paper which had been circulated with the agenda. He stressed the following points. An increase in membership fees would be necessary at some point. The meeting needed to review how to move forward in a way that was acceptable/affordable and protected revenue. All the new options being presented had the potential to cause a reduction in Bronze members but with overall membership on the rise this should mean the position being fairly stable overall. It should be noted that increases in membership fees for bronze members could be offset, in part, by a reduction in the Gold Membership fee.

The options in the paper were:

- 1) No change
- 2) Move to a single membership category
- 3) Merge Silver and Gold membership
- 4) Return to the Old Game Fee System (or Variant)
- 5) Move to a Fee per Event System

It was noted that the initial driver for the change had been the issue with FIDE ratings with many juniors having much lower FIDE ratings than their ECF ratings. This in turn was pulling down the adult players who were being matched with juniors who were much better than their FIDE rating suggested. Some present felt that a change to the membership system would certainly help with that issue, but it was also noted that the issue was the lack of FIDE-rated events, and this change would not help that.

Members provided several comments of which below are a sample:

Several felt that a lot of bronze members would be lost if the fee increased. There were many members who were only members so that they could play in leagues. There were likewise a number present who felt that any increase would be at an unproblematic level.

John Reyes noted that the silver members who had replied to his enquiry had largely been against any change, and Roger Lancaster noted that there was no-one present who really represented the poorer members and that for some people any increase produced by the change would simply be too much. He thought the system should remain as it was as any change was likely to be divisive.

Adam Ashton felt that the single membership option was the best option. That said, there were people who would struggle with any increase to their membership fees. He was also unsure a revised system would have the necessary impact on FIDE Ratings. Several people suggested that the ECF Bursary scheme might help those struggling with fees.

Nigel Towers felt that there was a large potential pool of players who currently played online only. He was reluctant to increase the entry level prices and risk deterring those potential members.

The matter was put to a vote with the following results:

- 5 – Event fee – 21 against and none in favour
- 4 – Game fee – 17 against and one in favour
- 3 – Silver/Gold combined – 9 against and 11 in favour
- 2 – Single membership – four against and 16 in favour
- 1 – No change – 3 against and 18 in favour

An additional option was proposed by Members to combine the Bronze and Silver categories. In a hand vote there were 13 against and 7 in favour. (This was mentioned as being 7 against and 13 in favour but I listened to that part of the tape again to double check and it was definitely said as 13 against – although maybe that was in error.)

Following some further discussion, it was decided to put Silver/Gold and Bronze/Silver mergers to a card vote. The results were:

Bronze/silver – Against 87 and For 31

Silver/gold – Against 49 and For 53.

It was agreed that David Eustace would report the voting results to the Board and request for the following to be investigated further:

No Change
Merge Silver/Gold
Single Membership

11. Any Other Business

There was a short discussion about the next meeting should be Hybrid or Zoom only. It was agreed to keep it as a Hybrid meeting.

The next meeting (the Annual General Meeting) will be on 14th October 2023 at 13.30 in Manchester and via video-conference.

David Eustace thanked those present and then closed the meeting.