

Minutes of MACC AGM 22nd September 2020
Officers Mess at MACC at 7.30 pm

Attendees – 12 Directors of MACC and MACC Developments Ltd and 10 Kintyre Community members of the company

Apologies – Morna Paterson (MACC DL Director). Archie McFadyen was also unable to attend.

The AGM was opened by Cameron McNair, Chair of MACC, and he welcomed the members of the public to the COVID secure meeting hall.

The Minutes for the last AGM 2018/19 were approved proposed by Mike Taylor and seconded by Jane Cackette.

Report by Chairman –

Using overhead slides, the Chair gave an overall introduction to the business of MACC, and then took the attendees through the following:-

The current business plan priorities

1. Economic sustainability of MACC Group –keeping enough in reserve to fund infrastructure repairs
2. Retain the charitable status of the organisation – Essential to priority one and to meet our obligations to the Land Reform Act (Scotland) under which powers the site was purchased
3. Attract inward investment to the area to create more jobs - Responses from the master plan consultation report - 97% of respondents wanted more jobs created
89% wanted external investment
4. Complement local businesses by helping them expand and not competing with existing industries
5. Retain the site for future generations by continuing to improve the infrastructure and not to sell or asset strip the site.

The current business plan objectives

1. Increase the number of tenants on the site
2. Attract further inward investment to South Kintyre
3. Build a renewable energy facility on the site
4. Facilitate the development of a spaceport on the site
5. Meet the corporate and social objectives of the company

How have we performed?

1. Thanks to the work of MACCDL the tenant roll increased from 108 to 129, during the period continuing the trend of strong performance from short term flexible tenancies. The business park continues to receive regular enquiries from businesses and individuals alike.
2. No new inward investment was secured during the period. The performance on this front has been extremely poor. Despite Scotland being the number one area outside of London for direct foreign investment (Source - SDI) there were no enquiries for the first 6 months of the period and latterly only two. Of the existing investors on site, Eco Fish Chain Scotland Limited & CS Wind UK Ltd, there has been no movement from EFC Scotland Ltd in their plans for land-based aquaculture, by the end of the period CS Wind UK Ltd had pulled all manufacturing out of the factory complex and made everyone of the 94 full time employees and 50+ agency workers redundant. As a small positive Argyll & Bute Councils Rural Growth Deal was approved by the Scottish & UK Governments in October 2019 and MACC features as a host to an aquaculture business incubator hub linked with Stirling University. MACC also lost out to Levenmouth in Fife on becoming host to the Scotia Gas Network Hydrogen 100

project but planning permission for this site has been secured and SGN plan to build out the site after the Levenmouth project is completed, this is a considerable opportunity for MACC and one we will fight hard to secure.

3. The Solar farm continued to perform as expected despite some equipment issues which were covered under warranty. MACC Continues to investigate ways of meeting expanding our renewable energy generation capacity.
4. In September 2019 MACC was awarded a grant of £488,000 as part of the UK Space Agencies Horizontal Spaceport Development Fund. In partnership with UK Launch Services Limited, Grey Consultants and with industry partners Reaction Engines Limited and TAO Tech UK the funding permitted MACC to test the market, identify opportunities and generate outline business cases for the development of spaceport related services from the site. The project identified that the socio-economic impact on the local area could indeed help to reverse the long-term population decline that the area suffers from but would require £76.7 million over a 10-year period. Although much of this would be sought from the private sector it will require significant public sector intervention. If the programme is successful it would start out as a small sounding rocket test facility with rockets reaching maximum altitudes of 10km, it would then move onto High Altitude Platform (Balloons) and small rocket engine testing facilities with small aircraft flight tests over the sea, stage 3 would see the introduction of horizontal launch to space and return to site services and stage 4 would include full scale zero G flights being hosted from the site. MACC intends to host a can sat competition in 2021 as the first step on this development path.
5. MACC continued to build on its charitable objectives by running the third year of the MACC Charitable giving fund during the period, issuing £13,994 to local clubs, charities and not for profit organisations that share and further MACC's Charitable objectives. Successful applicants in this period included;
 1. Kintyre Schools Pipe Band,
 2. the MoK Run Committee,
 3. Campbeltown Community Council,
 4. Campbeltown and District Juvenile Football Association,
 5. Carradale Village Hall, Meadows Under 5's,
 6. Campbeltown Grammar School,
 7. South Kintyre Primary School Badminton Club,
 8. Campbeltown Young Farmers
 9. Kintyre Angling Club.

The Chairman invited questions on any matters mentioned thus far. There were none at this point. He then explained the structure of the MACC group and handed over to Mike Grey Senior audit Manager at Mazars accountants

Financial and Auditors Report

Slides of the Income and expenditure statements and a consolidated balance sheet were shown to the attendees, and are reproduced below.

Statement of Financial Activity 01/04/2019 – 31/03/2020

Incoming Resources	2019/2020 (£)	2018/2019 (£)	2017/2018 (£)
Rental Income	700,837	700,230	712,287
Recharge Income	750,025	926,224	503,151
Grant Income (Restricted Funds)	485,276	0	46,303
Other Income	6,705	13,888	4,928
Total Income	1,942,843	1,640,342	1,266,669
Total Expenditure	1,822,193	1,399,151	1,222,157
Net Surplus	120,650	241,191	44,512
Funds Brought Forward	1,359,788	1,118,597	1,074,094
Funds Carried Forward	1,480,438	1,359,788	1,118,606

Consolidated Balance Sheet as at 31st March 2020

Balance Sheet Position	2019/2020 (£)	2018/2019 (£)	2017/2018 (£)
Fixed Assets	490,574	494,904	420,920
Cash and cash equivalents	1,004,720	1,047,680	888,935
Debtors	453,492	197,465	170,733
Liabilities	468,348	380,261	361,982
Net Current Assets/Liabilities	989,864	864,884	697,686
RESERVES			
Unrestricted Reserves	527,575	376,963	302,199
Unrestricted Designated Reserve	707,283	737,245	570,827
Restricted Reserves	245,580	245,580	245,580
Total Funds	1,480,438	1,359,788	1,118,606

Via a video link, Mike Grey of Mazars took the meeting through the financial position of the MACC group, adding that as the year end was 31 March 2020, the effects of the Coronavirus lockdown did not have a serious impact. Some points to note were:- the main impact on the lower net surplus was the cost of replacing the water pipeline (£175,000), and the rise in Debtors on the Balance sheet was due to the Space related grant monies that had not been received by year end. The Unrestricted Designated reserves were allocated to the projects previously outlined by the Chairman.

To a question from the floor about Bad Debts, the Chair confirmed these were only small, and that although ECO fish was currently not meeting its lease payments, on balance it was better to let them continue as Tenant of the Hangar.

Approval of the Accounts.

The accounts were proposed by Dougie Graham and seconded by Ian Wardrop.

There was only one question which was whether Note 17 on page 24 required amending as it did not reflect the payments made to McFadyen for their work on the water pipeline. MACC DL Manager agreed it should be amended by the auditors.

Appointment of Auditor

The Chairman advised that the role of auditor had been tendered three years ago and that, as Mazars were currently transferring our accounting system from SAGE to ZERO, it seemed sensible to renew their appointment for 2020/2021. Mike Taylor proposed remaining with Mazars and this was seconded by Andrew Hemmings.

Fixing of annual subscription

The Chair proposed keeping the lifetime membership subscription at £1.00 and this was approved by all.

Election of Directors

The Chair advised the meeting that under the Articles of Association, Archie McFadyen and himself were due to resign and that only himself was able to be put forward for re-election. In addition a letter of resignation had been received from Dugald Graham, who had served on the MACC Board for twelve years.

Advertisements had been placed in the local press for applications for Directors and one had been received namely, David Cook (new applicant), proposed by Andrew Ronald and seconded by Jim Martin. This election was approved by all present.

Jane Cackette proposed the re-election of Cameron McNair, seconded by Andrew Hemmings and this re-election was approved by all present.

The Chair gave his thanks to the two outgoing directors, and there was a loud round of applause for the long serving Dugald Graham.

There was a proposal from the floor that local Senior School representatives could be usefully taken on as Co-opted Directors of MACC. The Chair agreed that this should be considered at the next Board Meeting.

Alan Baker of the Campbeltown Community Council stated that Jim Martin would be standing down as their representative on the MACC Board and would be replaced. The Company Secretary

confirmed that all the Council had to do was send written notice to MACC of Jim Martin's resignation, giving details of the person they appoint to replace him as a Co-opted Director.

Membership Approval Required for the Creation of a Joint Venture requiring the disposal of shares in Discover Space UK or the purchase of shares in another company (to be established)

As part of the Spaceport Development proposals MACC have signed an MoU to explore the partnership between MACC and UK Launch Services Limited a company that specialises in space related consultancy. MACC and UKLSL have agreed to host a can sat competition on 2021 but UKLSL wish to make the partnership more formal and to ensure that the in-kind contributions that they (and MACC) put in are not wasted. MACC see this as an opportunity to secure a partner with expertise in the space sector and with the drive to establish a commercially viable business activity on the site. To create a Joint venture, MACC members must approve the above proposal with 75% of the attendees in favour of it. The Chair requested all those in favour to raise their hands and the Company Secretary confirmed that the required 75% had been achieved.

The Chair announced that the next Board meeting would be on Tuesday 6th October when the Directors would decide on the allocation of funds to Charities who had recently applied to MACC.

Questions.

There were questions from the floor about:-

- the flora and fauna on the site and if MACC's management complied with Scottish Heritage requirements. The MACC DL Manager confirmed that some years ago there had been an inspection and no complaints, but, as the attendee did not seem satisfied, the Chair advised that if he had any recent correspondence with Scottish Heritage to forward it to MACC.
- concerns about vehicles speeding in the Business Park, the Chair confirmed that this matter would be dealt with.

The Chairman brought the meeting to a close and thanked everyone for their attendance.