



14<sup>th</sup> September 2020

Dear Members, Section Heads, Volunteers, and friends,

It is now almost two months since we last communicated with you all. We have been extremely busy with some very complex and interconnected matters about which we would like to inform you, as well as providing everyone with a glimpse of what we might all expect in the future. Nothing is certain in these strange times but we as a Board of Management ('BoM') must consider the future. Change is always a challenge, but from such things spring great opportunities. We believe it and hope that you will also share our views.

The relationship between Members of the Society, its other stakeholders and the BoM is both traditional and important. In the past, feedback to the BoM and staff has been mostly through word of mouth or personal emails, and this year much of the personal contacts we would expect throughout the year and in the build up to the Show have been denied to us all. To kickstart that interaction again, we have now set up a new email address so that you can contact us with any thoughts, positive or negative, or merely enquiring. The new address is [feedback@newburyshowground.co.uk](mailto:feedback@newburyshowground.co.uk)

We would ask only that you first take time to consider this letter, its reasons and ramifications, and reflect on the Society's position before sending any comments.

That said, we have been really pleased with the level of response to our last letter to Members. More than 300 people took the trouble to contact us with their new email details, and the great majority of any accompanying comments were very supportive, for which we are all extremely grateful.

We have divided the rest of this letter into two parts, the first dealing with current issues, and the second looking to future changes and opportunities.

**The Newbury & District Agricultural Society**

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# THE STATUS QUO

## Senior management

As most of you already know, our chief executive resigned at the end of June and left in the middle of July. The BoM has decided that, given current trading conditions and the need to conserve cash and maintain tight control of the finances and all activities of the Society, we will not be recruiting a replacement, at least for the time being. In the short term this places a greatly increased burden on the members of the BoM, most of whom have fulltime jobs, but we all agreed to take on the responsibility when we became Trustees and will honour those commitments. There is still much to be done, but we are continuing to do our best to steady the Society 'ship' and look for favourable winds. We will also soon be looking for new people to join the Board to replace some of the existing BoM who will be retiring later this year or early in 2021.

## Staff

The office reorganisation that took place in 2019 was only just getting into its stride when we were all overtaken by the arrival of COVID19. Most of the staff were furloughed as soon as it became clear that almost all commercial activity on the Showground would have to cease for the foreseeable future. The BoM has now taken the very sad but increasingly inevitable decision to reduce staffing levels to just three permanent Members of staff, with all other functions fulfilled either by Trustees or by contracted third parties who are not Society employees. **We cannot thank our Members of staff enough for how they met the difficult and stressful challenges that have occurred this year, and those that are leaving do so with our very best wishes.**

We are glad to say that **Jan Murray** will be continuing in her role as our Education Officer. As schools return and term time settles down she will be establishing how and where she will be able to provide our educational services to schools in the current environment. That is obviously a moving target and Jan has been incredibly helpful in remaining flexible and cost efficient for the Society.

**Susan Layton** will be remaining with the Society as Accounts Manager and principal office administrator, and **Pam Merry-West** will continue to handle lettings and other external new business opportunities, as well as helping with aspects of day to day management. They will report directly to the relevant Trustee(s). This will have advantages for the BoM as communications will be faster and more efficient during a period of increased financial complexity coupled with reduced activity on the Showground. Susan and Pam have our full and unconditional support. There have been some problems in past years with certain individuals (frequently the same ones) being rude to staff Members and volunteers. There will be zero tolerance of any such behaviour in the future. Please treat Jan, Susan and Pam with the respect they deserve.

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## **AGM**

One of the many problems caused by COVID19 and its sudden effects on the Society's business was our inability to have an Annual General Meeting as we had planned in March, or for the Society's auditors to sign off on the 2019 Accounts without qualification. This matter was covered in our last letter. Because of the latest restrictions just announced, we now plan to have a virtual AGM by no later than 30<sup>th</sup> November to comply with Companies House and Charities Commission rules as amended. Our auditors are therefore completing the 2019 accounts which will contain a qualified opinion because of the uncertainties surrounding future trading. We will not be alone amongst many charities and commercial businesses which will have their accounts qualified, but it is a technicality and at this stage is not the end of the world.

When we send out the formal notice for the AGM, we will explain how Members will be able to apply to attend online via Zoom or Microsoft Teams and / or submit questions. Depending on the level of responses, attendance may have to be by ballot. Full details will follow.

## **Accounts**

As previously highlighted, the Society's finances were not in good shape before the pandemic made things much worse. Losses from the 2018 and 2019 Shows, a lack of growth in Showground lettings income, a large bank loan and the reduction in free cash reserves resulting from the decision to proceed with the Cattle Building meant that we entered 2020 with already very limited flexibility. Since then, almost all 2020 showground rental income has dried up and there remains considerable uncertainty about future trading prospects for 2021. There is an understandable reluctance on the Society's behalf and on the part of trade stand, show and event organisers to make any binding commitments for 2021.

The full 2019 Accounts (already on the website in reduced draft form) will be made available before the AGM, once they have been signed off by the auditors, to whom we are most grateful for their support of this charity. We would expect Members to receive prior to the AGM a commentary about our current trading position and what measures we are taking to sustain the Society through this difficult time. This will remain a moving target whilst trading conditions and prospects remain difficult and in flux. The BoM will be closely monitoring developments and will take whatever measures are necessary to ensure our survival.

## **Maintenance**

Some essential repairs and maintenance on the Showground have been carried out in recent months and we will soon be appointing a firm of risk advisers to look at all aspects of Showground health and safety, its structural assets and activities for the future.

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## **2020 Ploughing Match**

The committee has reluctantly decided there will be no Ploughing Match this autumn, given all the current constraints and uncertainties. The committee had also discussed a tractor run as an alternative for 2020 but the 'Rule of Six' now prevents this as well. We would like to thank the committee for all their hard work in trying to organise an event for 2020.

## **2021 Royal County of Berkshire Show**

For all the reasons outlined above, the BoM has taken the decision that there will be no Royal County of Berkshire Show in 2021. The Society's reserves are already, and on present probabilities still will be, inadequate to shoulder the large financial risks associated with such a venture. Weather is one factor which can make the difference between success and failure; the potential loss of some key stand holders, sponsors and participants are others; and the uncertainties about consumer and visitor appetites in a (hopefully) post-pandemic Berkshire in a year's time are all factors we have had to consider.

If the Society succeeds in our strategy to survive and thrive, then we hope there will be Shows in the future. They may be quite different, almost certainly smaller, and hopefully better as the Society focuses on the most important aspects of its activities. To do this, we need to engage, entertain and educate our audiences and supporters better than we have done in the past. However, we do not want to lose the traditions of this district, built up over the last 100 plus years.

## **The costs and values of Membership of the Society**

A worrying trend in recent years has been the growing imbalance between income from Members through their subscriptions and the cost of providing those cherished benefits, particularly over the Show weekends. With no Royal County of Berkshire Show planned for next year, the BoM has decided that there will be no charge for Members' annual subscriptions in 2021. If, as we all hope, it becomes possible to create new events for Members next year, then these will be offered at a fully costed price, to avoid creating a further hole in the Society's finances. Memberships will be maintained whilst we can see more clearly how the Society will have to operate in the future. If we can establish a 'new normal' in 2022, then we will most likely revert to the existing system of charging annual Members an annual subscription.

## **Volunteers**

The Society has always relied on the unstinting willingness of volunteers to help in many areas, for which we are always grateful. We will be looking for volunteers who might be prepared to assist with maintenance of the Showground, compliance and other matters, and we will do our best to ensure we can build a team that will provide key services in this respect under the guidance of the BoM.

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# LOOKING TO THE FUTURE

## **Our changing world**

The Society must adapt to survive and thrive, or we will become irrelevant. The old model for our business is no longer sustainable, and we are consequently underreaching our potential, even without the impact of COVID19. At the most fundamental level, we must always remember that the Society is a registered charity, with education as its most important output.

The educational benefits of the Show are now clearly on hold for the foreseeable future. However, the pandemic has created conditions where there will be a much greater need for supporting local education and training skills. We live in an area of historically high employment but the looming recession will be a real challenge and the Society has an important role to play in helping young people train and find work, so that they do not 'empty' the countryside by heading off to urban centres.

Outside the concerns about the short and medium term effects of the pandemic, we need to recognise that the rural communities within which we live and work have been changing for some years, now even more fundamentally and fast. Pure agriculture only forms a relatively small part of the local economy nowadays. The pace of change can only increase as we emerge from a world of EU regulation and subsidised farming which has undoubtedly cushioned past inefficiencies into a new post-Brexit world of environmental land management, public goods and new and challenging enterprise. There are so many businesses, large and small, and research facilities operating already within our catchment area and they will increasingly contribute to the wealth of the area.

## **Meeting the challenges**

Many, if not most, farmers have already started to diversify their businesses into other areas that make better economic use of their land holdings and tenancies. Renewable energy, conversion of old farm buildings into places of employment and leisure, upgrading of formerly tied properties, glamping, etcetera are the new norm. This changing rural economic environment was recognised some years ago by the Country Landowners' Association which rebranded itself as the Country Land and Business Association, to better reflect the new reality.

## **Looking in the mirror**

We would suggest that the Society will only thrive if it accepts these changes enthusiastically and looks forward, not backwards. Thus, in our Memorandum and Articles of Association, the existing reference to 'preserving' the countryside may seem outmoded and restrictive, and might best be restated as 'conserving', which has a much more evolutionary and flexible emphasis.

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Similarly, perhaps the Society needs to look at its own branding. Are we, or even should we still be, just an 'agricultural' society or should we refocus as a 'rural business' organisation, with farming still at its heart but open to encouraging new rural based industries and opportunities?

### **Our aspirations**

If we become one of the standard bearers for all rural based businesses in our area, working with the local authority, Newbury West Berkshire and other organisations, we will attract new interest from new partners, and we will be able to make a greater contribution to the benefit of our communities.

There are now so many industries and businesses that want to locate to this part of England, not just those serving the farming world. We should be right 'in there'. Once we have rebuilt our finances and are generating positive cashflows, this may not be primarily as educators and entertainers but as grant makers to those organisations with existing networks and proven capabilities and expertise in grant making for education and training. For example, Berkshire Community Foundation, Greenham Trust, Newbury West Berkshire, Farming Community Network, Royal Agricultural Benevolent Institution, Linking Environment and Farming (LEAF), National Network of Young Farmers Clubs and others may all be better distributors of grants for education and training, thus us avoiding any duplication of expertise and management.

### **Our assets – The Showground**

To achieve this goal we need to rebuild our financial reserves so that we can make effective contributions to meet our charitable aims and benefit the local population, hopefully including future shows. If you accept what farmers and others are doing with their asset bases to survive and thrive, it follows that the Society must do the same. Thanks to the foresight and good fortune of our predecessors, the Society is endowed with a substantial land holding in an almost unparalleled location. Right in the heart of the Thames valley, at the junction of two major road arteries, the Showground has enormous potential which we are not realising for a combination of historic reasons, too many to enumerate in this letter.

### **Taking action**

The BoM is not made up of individuals best qualified to opine on the most economic uses of the land, which is why we formed the Fixed Assets Review Group, about which we wrote in the last letter. We are hopefully within a month of choosing and appointing a national firm of property advisers to help us with this task. We approached four firms some months ago, gave them a set of widely drawn parameters and asked for their proposals. Based on their thoughtful and detailed responses, we have eliminated two firms and will very soon be conducting final interviews with the two leading candidates. Once the selected firm has been appointed and has done their due diligence, we will then let everybody know what their views are.

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## **Public service**

In the meantime, we are providing a major public service by facilitating an NHS COVID19 Testing Centre, currently occupying a large part of the Showground. The Society has not been able to charge a commercial rent thus far but is being remunerated for security provision. The NHS wishes to remain until the end of March, which coincides with the end of our current 'closed' season.

## **Communications**

As we have already recognised, communications within the Society and beyond have become increasingly dysfunctional in recent years, leading to levels of distrust and animosity in some quarters that are not at all in keeping with a charity. The websites are, frankly, a mess and as it happens the provider will be closing the platform down at the end of this year. This leaves us with an opportunity but also the unavoidable cost of replacement. Furthermore, committees based around Show activities have not been able to meet during the pandemic and these meetings have not been replaced with any effective means of communication.

We are now going to improve this, especially important as personal communications remain limited. The BoM and staff will strive to ensure that what we establish will be concise, informative and courteous. We will share the decisions that have been made by the BoM except for those that may be 'commercial in confidence' as we do not wish to sustain any elements of secrecy beyond those matters that demand it. We will abandon any pretence that we are going to be agents of change beyond meeting the Society's remit.

Our plan is to create and use a new single website as the main means of communication, so that stakeholders can find whatever they need or wish to look at easily. In this endeavour, we will continue to work with our communications partner, Rob Cao of Dynamiq, who is already proving to be most helpful as we tackle all the Society's problems.

## **Future communications**

The financial and organisational costs of sending personal letters to the Membership, section heads and others have become prohibitive and henceforth we will only communicate via email, absent particular circumstances. The Herald will no longer be published in print and the Herald Express will only be distributed by email.

If you hear of any Member or other interested party who is not receiving our communications, please suggest that they do respond to the last letter we sent, or alternatively they can email [news@newburysground.co.uk](mailto:news@newburysground.co.uk) with their contact details.

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## Conclusions

So, there we have it. We are dealing with many problems in the short term. In the medium term we need to rebuild our finances. We must also recognise and accept that time has run out for the old way of doing things that are no longer sustainable or commercially attractive.

With support and encouragement from our Members and others we will be able to recover from this low point. We can hopefully ensure that the traditions of the Newbury and District Agricultural Society will be conserved and adapted so that, first, our charitable aims can be met and, secondly, we can all be Members of a community of which we can be proud, helping the young and ensuring that our countryside and its diverse activities thrive.

This comes with all our best wishes for you and your families in these 'different' times.

Kind regards.

Yours sincerely,

*- approved but not signed*

Ali Brown

Chairman, for and on behalf of the Board of Management of NADAS