



MINUTES OF THE NINETY FIFTH ANNUAL GENERAL MEETING

Present: Mr R Graham Smith OBE FIMI - President of the IMI
Mr Adrian J S Smith FIMI - Chair of the IMI Group Board
Mr Simon James FIMI - IMI Chief Financial Officer

and 18 other members

In attendance: Mr Malcolm Thixton FIMI - BDO
Mrs A Stillion LIMi - Minutes

AGM/01/16 WELCOME

The President of the IMI welcomed everyone to the meeting, he was honoured to be in the position.

AGM/02/16 NOTICE OF MEETING AND APOLOGIES

The Chief Financial Officer read the notice convening the meeting and announced apologies for absence from Melvin Rogers, Adrian Davies, Mark Crandon, Tony Tomsett, Richard Siney, Kevin Finn and Steve Martindale

AGM/03/16 MINUTES OF THE ANNUAL GENERAL MEETING OF 29 OCTOBER 2014

The minutes of the Annual General Meeting held at Fanshaws on 28 October 2015 having been duly circulated, were taken as read, confirmed and signed by the President.

AGM/04/16 INSTALLATION OF PRESIDENT

The Chair of the IMI Group Board was delighted to announce that Mr Graham Smith had expressed his desire to continue in office and was very happy to declare him President for 2016/17.

AGM/05/16 ELECTION OF VICE PRESIDENTS

The President reported that under the authority of Article 6.8 the Group Board had elected the following as Vice Presidents for the period 2016/2017:-

- Professor Garel Rhys CBE BA FIMI, Director, Centre for Automotive Industry Research, Cardiff Business School
- Mr John Neill CBE FIMI, Chairman & Group Chief Executive, Unipart Group of Companies
- Mr Ken Keir OBE FIMI, Chairman, Institute of Advanced Motorists
- Lord Brabazon of Tara DL, House of Lords
- Sir Michael Marshall CBE DL MA FRAeS FIMI, Chairman, Marshall of Cambridge
- Mr Peter Johnson FIMI, Chairman, RMIF and Chairman Marshall Motor Holdings plc
- Mr Richard Martin, Chair, Integrated International Payroll Ltd



- Professor Jim Saker, Associate Dean, School of Business & Economics
Loughborough University
- Mrs Sarah Sillars OBE Hon. FIMI, CEO, Institute of Advanced Motorists

The President, on behalf of the IMI, thanked the Vice Presidents for their continued support.

AGM/06/16 HONORARY TREASURER

The President informed the meeting that Mr Kevin Finn had accepted the Group Board's invitation to act as Treasurer, therefore in accordance with Article 6.8, Mr Kevin Finn had been duly installed as Honorary Treasurer for the period 2016/2017.

AGM/07/16 DECLARATION OF DIRECTORS

On behalf of the Group Board the President welcomed Mr Simon James, IMI Chief Financial Officer, as an Executive Director. Mrs Linda Stansfield stepped down as an Executive Director in May 2016, Mrs Lesley Woolley, Chief Operating Officer, was appointed an Executive Director in May 2016. I would like to take this opportunity to thank Linda for her hard work and dedication to the IMI since her appointment in 2009, and welcome Simon and Lesley to the Executive Director Team.

Presidents Statement, in conjunction with visual extracts from the Annual Report:

"Welcome everyone to the 2016 IMI Annual General Meeting. I'm delighted to be here once again as your President to take you through the highlights from the last financial year and to present the financial statement from the recently published annual report.

"A bend in the road is not the end of the road...unless you fail to make the turn."

It is with this wisdom, expressed by Helen Keller, that the IMI continues to adapt to the rapidly changing landscape of the motor industry and of the vocational education system. The financial year 2015-16, which is the middle year of the three year Strategic Plan designed to usher in a new commercial era for the IMI, was characterised by more change, fresh challenges, and I'm pleased to say more success.

The central pillar of the Strategic Plan was an increase in income from the sale of the diverse range of IMI products to replace the income previously derived from Government funded projects. I'm pleased to report that, in line with the strategy, income has increased again year on year. Turnover for the year was £8.161 million compared with £7.352 million in 2014-15.

To fully understand this progress it must be seen in the context of the absence of any grants in this financial year compared to just over £400,000 received in the previous twelve months. This represents real growth in commercially earned income of £1.25 million pounds. This achievement is credit to the dedication and hard work of the whole IMI team.

Once again there was a strong performance from awarding fees. This reflected a steady growth in the number of IMI Approved Centres providing IMI qualifications in the UK. Apprentice Certification income more than doubled on the previous year and Accreditation fees rose by £49,000. All this was achieved with a background of profound change for the awarding side of the business. IMI Awards was closed down during this financial year and the IMI became the awarding body. To say it like that makes it sound simple, but of course the administrative



process that was required to satisfy the regulator Ofqual was complex and time consuming. So congratulations are due to all those involved.

The three-year Strategic Plan allowed for a recurrent, but declining loss over the three-year period supported by the cash and asset reserves of the organisation. I am pleased to report that the loss for year two of the Strategic Plan was less than £1 million and represented a 30% decrease on the previous year. The decrease would have been much greater but for the high costs involved in the awarding body application process and the necessary investment in the Business Transformation program. The Board is pleased with this progress and we believe that the IMI is on track to meet the target of running an operating surplus within the next two financial years.

I think it's fitting at this point to congratulate the IMI for having achieved, during this year of change, 69th position in the prestigious awards recognising the Top 100 Best Companies to Work For. This is a significant accolade for the organisation.

The IMI is unique throughout the world as the only professional and awarding body in the motor industry. Membership has always been the core of our offer since the IMI's foundation in 1920. Sadly like all other membership organisations our traditional offer has suffered a decline in appeal. Through the very significant efforts of the IMI membership department retention rates are still in the area of 95% but there remains a slow decline. The gap in recruitment is particularly noticeable among young people who these days seem not to join very much at all. This challenge is being faced head on by the IMI with the introduction of free student membership. It is part of a much bigger plan to transform the IMI's wide network of customers and associates to create a significant body of membership for the future.

In 2017 the IMI will reveal a new membership offer that will consolidate recipients of IMI Qualifications and Accreditations with both existing members and also new student members. New grades of membership will be tied to Professional Standards for six job role families that will enable individuals to easily measure their professional development. I look forward to reporting on the success of this endeavour at next year's AGM.

Diversification of the IMI offer is an on-going project within the Strategic Plan. As a market leader in the provision of automotive skills qualifications in the UK, it was essential to invest resources in the development and application of an international strategy to exploit new markets. During the period of the annual report this was delivered with significant early results.

IMI has entered the international motor industry scene through an important and developing relationship with Automechanika. The author of IMI's Return on Investment research, Dr Paul Spear, appeared as a guest speaker at Automechanika Johannesburg and drew acclaim from both the event audience and its organisers. Working with the Retail Motor Industry Federation of South Africa this small step onto the stage culminated in an agreement with the motor industry skills agency of the South African Government. The agreement is for a full South African version of the ROI project. This exciting development will bring a welcome income stream into the IMI and will lead to similar developments in other countries. We are now the official skills partner of Automechanika providing a platform to sell our qualifications and expertise in every major continent over the coming years.

During the period of the report the IMI approved its first centre in Germany, Lucas Nuelle, a training provider with its own extensive network of international connections. In Malaysia, where we have been established for many years, we held a high level conference for the first time that



attracted business leaders from countries all around the ASEAN region. The benefits of this exercise continue to be realised, in particular in the sale of eLearning, our multimedia learning aid.

Despite the withdrawal of Government funding for the Sector Skills Councils the IMI has continued to carry out research, providing information and advice on skills to the automotive sector, which has enabled us to ensure employers, and learners, have fit for purpose Standards, Qualifications and Apprenticeship frameworks.

Working closely with the DVSA, the sector skills department played a key role in the creation of the new MOT Testers' and Managers' Qualifications. This has been a significant factor in the success we are now achieving in rolling out our end-to-end solution to these new regulatory requirements. No other awarding body is able to provide the qualifications, annual training and annual assessment, all with online solutions, that save vital time and money for businesses across the UK.

Representing the interests of the motor industry, and those who earn their living in the sector, is an important part of the IMI's mission. This period again saw the organisation make great efforts to be increasingly recognised as the voice of the motor industry. The campaign to achieve a license to practice for automotive technicians was reengineered to focus on the need for regulation of individuals working on electric and hybrid vehicles. This was necessary because customer demand is growing fast for this new technology but there are still only around 1,000 technicians out of 250,000 in Britain who are qualified to work on the high voltage systems of hybrid and electric cars. The IMI believes the power flowing through these vehicles, coupled with tangible differences between vehicles with electric propulsion and those with traditional combustion engines, make a tragic accident for an unqualified technician almost inevitable without statutory regulation. This view, backed up by independent research produced by Professor Jim Saker of Loughborough University, was used to good effect to create extensive press coverage and win the attention of Parliamentarians. The first phase of the campaign culminated in a meeting between our CEO Steve Nash and Transport Minister Andrew Jones. These discussions are ongoing and the IMI will continue to press the case into next year.

It was activity like this that brought the IMI to the attention of ITN News. They approached us in 2015 with a proposal to help them make a documentary about our industry. The project attracted 28 industry sponsors including the likes of Ferrari, Shell and the RAC. ITN produced four stunning films, jointly branded, which included 6 IMI news stories covering issues on skills, promoting women in the sector, and of course the licensing campaign. It was so successful that ITN have returned to produce a sequel to be previewed at a special screening ahead of our annual dinner in 2017.

This year the IMI has, once again, been seeking the attention of young people to show them how rewarding a career in the motor industry can be. Under the banner of "hashtag MotorCareers" social media activity ran throughout the year to engage hundreds of thousands of teenagers and drive them to our specialist careers website. Of course the flagship of all the promotional work in this area is our highly acclaimed Skill Auto competition. The finalists from November 2015 raised the bar again with some stunning performances. In fact standards were so high that the competitors who were in last place had accumulated sufficient marks to beat the winners from previous years. It is no wonder that some of these finalists featured in the squad of Team GB at the World Skills Olympics in Brazil.



No business or organisation can hope to survive in a rapidly changing environment simply by looking back over past successes. That is why the IMI has been engaged in the development of a robust strategy of business transformation aimed at focusing on the needs of the customer to drive growth. As well as the expansion of membership, the IMI will continue to diversify its offer with new products that enable individuals to build successful careers, and empower businesses to thrive, utilising a skilled and motivated workforce. The IMI will take a quantum leap forward in customer service with the implementation of a bespoke IT data management system and other innovations to bring greater efficiency to the business.

Importantly for any commercial organisation the IMI is continuing to strengthen its financial management procedures under new CFO Simon James. In addition the IMI will continue to review its governance, resources and culture to ensure they are fit for purpose for a world-leading professional and awarding body.

In concluding today I want to mention the awards that IMI has made to individuals who have provided great service to the motor industry and to the IMI itself.

This year the prestigious Sue Brownson award was presented to Richard Burden MP, Member of Parliament for Birmingham Northfield. Richard is a parliamentarian who has been an advocate for our sector over many years. Last year's winner, Joe Greenwell CBE, was presented with an Honorary Fellowship of the IMI, along with the Senior Traffic Commissioner Beverly Bell. In making awards, the IMI also singled out three individuals for their outstanding contributions to the sector. Paul Killingsworth, from PK Automotive, was recognised for his contribution to the work of the IMI. The National Association of Motor Auctions (NAMA) was recognised for their contribution to the motor industry. Tony Ball MBE received the award for Individual achievement in the sector following his successful career from an apprentice to launching the legendary MINI in the swinging 60's.

As a final point, it would be remiss of me not to mention the excellent team here at Fanshaws who are embracing change and re-engineering the institute to ensure its continued relevance and success as we head towards our centenary in just 4 years' time. In particular I would like to mention outgoing COO Linda Stansfield, who has contributed so much to the success of the organization in recent years....and we are pleased to retain her expertise on a part time basis. I would also like to heartily congratulate our new COO Lesley Woolley, who is the quintessential home-grown talent, having joined the institute 28 years ago and worked her way up to a thoroughly well-deserved role on the Executive team. I've already mentioned new CFO Simon James as another excellent addition to the team which is fully equipped to take the institute into its second century in better shape than ever.

That concludes my summary of the annual report, I'd like to thank you on behalf of the board for your attendance here today, and I look forward to reporting on even greater success for the IMI next year."

AGM/08/16 REVENUE ACCOUNTS AND BALANCE SHEET OF THE INSTITUTE FOR THE YEAR ENDING 31 MARCH 2016 AND THE AUDITORS REPORT

Following the Auditors Report and the Opinion on Financial Statements and the other matters prescribed by the Companies Act 2006, presented by Malcolm Thixton of BDO, the President moved that the Statement of Accounts and Balance Sheet as submitted to the meeting should be taken as read and proposed that the Statement of Account and Balance Sheet for the year ending 31 March 2016 be adopted. This proposal was seconded by Mr Adrian Smith, and unanimously agreed.



- AGM/09/16 ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2016
The President moved for the adoption of the Annual Report for the year ended 31 March 2016, notification that it was available to members on the IMI website having been issued to Members with the September issue of IMI Magazine. This was seconded by Mr Adrian Smith, and unanimously agreed.
- AGM/10/16 APPOINTMENT OF AUDITORS - 2016/2017
The President, on behalf of the Institute, thanked the team at BDO for the work carried out on behalf of the Institute. The President moved that BDO be appointed as the Institute's auditors, as required by Section 485 of Companies Act 2006 for the period 2016/2017 and approved by the Audit and Remuneration Committee on 6th July 2016. This was seconded by Mr Simon James and unanimously agreed.
- AGM/11/16 ANY OTHER BUSINESS
There was no further business.

The President announced that the next Annual General Meeting will be Wednesday 1st November 2017, thanked members for attending and formally closed the Annual General Meeting.

Signed.....

Date.....