

CELLAR CLUB INC
ANNUAL GENERAL MEETING
Wednesday May 13 1998

AGENDA

1. Apologies
2. Confirmation of the Minutes of the Annual General Meeting held on Wednesday May 14 1997 - for the 1996/97 year.
3. Matters arising.
4. Financial Report for the year 1997/98.
5. President's Report for the year 1997/98.
6. Election of officers and Committee for the year 1998/99.
 President
 Vice-President
 Secretary
 Treasurer
 Committee.
7. Election of Honorary Auditor for the year 1998/99.
8. Membership Subscriptions for the year 1998/99.
9. General Business.
 - the structure of tasting and dinners.
 - The venue for tastings, are there any other options (Licence issues?)
 - Proposed changes to the Cellar Club Mast-head.
 - Any other business.

At the conclusion of the AGM supper will be served with some aged wines from the Club's cellar.

**MINUTES OF THE ANNUAL GENERAL MEETING OF
THE CELLAR CLUB INC
HELD AT THE NEWLANDS ARMS LOUNGE, JOHNSONVILLE
AT 8.00PM ON 13 MAY 1998.**

PRESENT: 35 People were present at the Annual General Meeting
(see attached attendance sheet)

APOLOGIES: TBerry; F Menzies; F McCarthy; M Jaspers; E Thessman; D Upchurch; F Julian.

CONFIRMATION OF PREVIOUS MINUTES: The minutes of the 1997 AGM were read and confirmed as a true and correct record.

Moved: D Thompson - Seconded: W Thessman. All approved.

MATTERS ARISING: Annette Hood mentioned the spelling of Te Whare Ra should be with a 'Wh' not a 'P' - duly noted. No other matters arising.

FINANCIAL REPORTS FOR THE 1997\98 YEAR: W Kennedy tabled the attached report showing the profit down slightly on last year.

Moved: W Kennedy - Seconded: N Evans. All approved.

PRESIDENTS REPORTS FOR THE 1997\98 YEAR: A Evans tabled and spoke to his report. He stated that he would not be standing as President again this new year and thanked the committee for their dedicated help and especially to Derek Thompson for his excellent ability to organise behind the scenes and his great role as the Honorary Cellarmaster for the club.

Alan also stated that F McCarthy was standing down as Secretary as he is now busy travelling overseas with his business.

Moved: A Evans - Seconded: D Thompson. All approved.

ELECTION OF OFFICERS AND COMMITTEE FOR THE 1998\99 YEAR:

Nomination of Officers were:

| | | |
|------------------------|-------------------|---------------------|
| <i>President:</i> | Derek Thompson | A Evans\A Hood |
| <i>Vice-President:</i> | Francesca Menzies | S Lawrence\D Morris |
| <i>Secretary:</i> | S Lawrence | A Evans\D Thompson |
| <i>Treasurer:</i> | W Kennedy | A Evans\C Hinton |
| <i>Committee:</i> | S CLarke | W Thessman\J Angus |
| | D Morris | " " |
| | C Parker | " " |
| | A Evans | " " |
| | G Page | " " |
| | F McCarthy | All Approved. |

W Thessman gave Thanks to Alan Evans for his outstanding service as the President over the past 7-8 years and wished him well in the future.

NOTICE OF MOTION: ***"That The Cellar Club minutes should record the excellent services of Alan Evans as President over the period of some 8 years and that it acknowledges his contribution to the Club by way of leadership both on the committee and individually and thank him and Noleen for their efforts."*** Moved: W Thessman-Seconded: DThompson
A gift presentation to Alan was made by W Kennedy.

ELECTION OF HONORARY AUDITOR FOR THE YEAR 1998\99:

G Fountain was re-elected and a bottle of wine was presented in thanks.

Moved: W Kennedy - Seconded: N Evans All Approved.

MEMBERSHIP SUBSCRIPTIONS FOR THE 1998\99 YEAR:

It was nominated the subscription stay at \$20.00 for the coming year.

Moved: A Evans - Seconded: D Morris

GENERAL BUSINESS:

1. Alan Evans spoke about the structure of the tastings and dinners being very good and well organised, with The Club having hosted some very well noted speakers this year. Therefore showing the process of organisation is a proven one.

2. Cecilia Parker spoke about the possible venue of the RSA, Johnsonville being suitable for tasting meetings. She established that the RSA President is keen to have us meet there but that there could be disruptions when the new alterations get underway.

- Derek Thompson had spoken to the Newlands Arms Manager before this meeting to arrange for better lighting in the entrance area and room.

Derek said he was very obliging and was happy to assist in any way.

- John Hood suggested the Masonic Hall, Ngaio as another venue to look at. The committee will look further into this venue..

W Kennedy explained to the floor how the committee had looked a many various venues and some of the problems they posed.

3. W Kennedy spoke about the need for a new logo for the letterhead and name tags. He presented the new example which should be in use for the June meeting.

4. W Kennedy asked members to fill in and leave the voting form on their preference of the meeting held during the year.

5. C Parker spoke about the menu for Sfuzzi's Restaurant as it is booked for the Mid Year Dinner in July.

6. A Evans spoke on up and coming events for The Cellar Club calender.

Meeting Closed at 9.09pm.

CELLAR CLUB INC.

President's Report

1997/1998

1997/1998 was another successful year for the Cellar Club Inc with a steady level of membership and a range of high quality tastings.

Our total membership is holding at approximately 70 and there is the potential to accept a slightly higher number. It will be recalled that the last AGM decided that there was no need to limit membership at this stage.

While the membership number is historically high, there is some concern regarding the level of attendance at regular tastings. Frank McCarthy, the Secretary for the past few years has again summarised the attendance data for this past year. The average attendance, excluding the two dinners was 35 which seems very good. However if the two main feature nights are deducted -the AGM in May and the "Tour de France" - the average drops to only 30. There are many reasons why members cannot attend Tastings and the trend of lower attendance percentages is certainly not confined to this wine appreciation Club but tonight is your turn to have your say!

The analysis of the data prepared by Frank is very useful in determining which type of function is popular. The data is invaluable for future planning of speakers and functions. Thanks again Frank.

The forced move from the Burma Lodge was disappointing as this had proven to be a popular and central venue. Average attendance levels at this venue; the Newlands Arms have dropped slightly since last year but this is not unexpected for the first 3 months of the calendar year. The Committee is well aware of the shortcomings of this venue but it is becoming increasingly difficult to find a place that meets all of the criteria Again your input tonight will be valuable. The importance of a non-commercially aligned Club is obvious.

The Committee has maintained the policy of budgeting for each separate tasting or function to be self-funding and ideally to break-even. That is that the door cover charge should be set as low as possible but cover all of the expenses related to the function such as wine, room hire etc. Because wine generally only comes in 750ml bottles; the choice is usually 2 or 3, depending on attendance, so some "swings and roundabouts" are inevitable. It will be noted from the Accounts that the income from monthly meetings is less than last year but this is balanced by the lower expenditure on food and wine and the Dinner subsidy. This reflects that the average cost of tastings was lower this year.

In view of the modest profit last year the Committee had again budgeted for a break-even result this financial year. Thanks, in the main, to the generosity of many of our guest speakers and Companies, we actually achieved a small profit for this year of approx \$122.00.

A special thank-you to those Wineries and Suppliers who supported the Cellar Club Inc. during the year.

The Committee has increased the Club's cellar by approximately \$550 compared to last year. This is a combination of wines that have been cellared for future tastings and AGM's, supplemented by left over and sometimes donated wine, with strategic purchases as funds permit. Some of the wines are, of course, used as "conversation wines" at the commencement of each function and some are being reserved for future structured tastings. A big thanks to Derek Thompson who, in addition to his duties as Vice-President of the Club, has continued as Honorary Cellarmaster and maintained the logistics of the cellar as well as excellent records and inventory valuations.

Tastings and functions during this financial year have been:-

What was your favourite?

April 1997 - "Is Wine made in the Vineyard" with Glenys Hansen from Te Kairanga Vineyard in Martinborough.

May 1997 - Annual General Meeting 1996/97

June 1996 - Wines from Matua Valley with Sara Brady.

July 1997 - Mid-year Dinner at Alfred Coles House in Petone with complimentary sherry supplied by the Cellar Club Inc celebrated by 51 members and friends.

August 1997 - Babich Wines with John Forgie.

September 1997 - Brookfields Wines with Winemaker Peter Robertson.

October 1997 - Te Whare Ra with Allen Hogan.

November 1997 - The "Tour de France" with Jean-Christophe Pozait Fine Wine Manager from Glenngary Wines in Auckland.

December 1996 - The "End-of-year Christmas Dinner at New City Restaurant in Cambridge Terrace Bay with complimentary Methode Traditionelle supplied by the Cellar Club Inc.

54 Members and friends attended a great function.

January 1998 - The 'Start-the-Year" Bar-b-Que at Derek Thompsons residence with complimentary meats and specially baked home-made breads from Francesca Menzies.

February 1998 - Dave Glover (aka Doctor Tannin) from Glovers wines in Nelson.

March 1998 - "The Top 100 Challenge" with Malcolm McIntyre from Vintage Wines Ltd.

April 1998 - "The Rhone Rangers - Aussie Style" with Dr Paul White from Nicholsons Group.

We have tried to maintain a balance of events during the past year. we have included 6 visits from wineries (3 of which were the actual Wine-makers) and some interesting tastings from wine agencies who represent a wide spectrum of wine styles and sources. Probably the highlight for many was the "Tour de France" with Jean-Christophe Pozait when 41 members attended.

An analysis of the tastings shows that we tasted over 67 wines 16 of which were imported - good value for money at under \$1.52 per wine!

The policy of two dinners per annum has again proven highly successful with record attendances. As noted last year, we now have such a large membership it is becoming increasingly difficult to find a restaurant which can accommodate 55+ people on a BYO basis in the format we have used until now. Last year we voted for an Italian Evening so guess what is coming in July?

A special thanks to Vice President Derek Thompson for all the organising work behind the scenes and his additional duties as Cellarmaster. My role has also been made easier by the excellent and efficient work of Wayne Kennedy as Treasurer and Frank McCarthy as Secretary. input over the years, Frank.

The Committee of Francesca, Cecelia, Sally Sam and Don have all assisted to spread the load of the Committee so that the Club has run very smoothly during the year.

This is also a chance to say thank-you to Frank McCarthy who will be unable to stand for re-election because of travel commitments. Thanks for all your help on Committee Frank and especially your role as Treasurer.

After my 5-6 years as President, it is an ideal time to reflect on the activities of the Cellar Club Inc. One of the original aims of the Club was to encourage the appreciation of, especially New Zealand wines, in convivial surroundings in a Club which was not aligned to the commercial wine outlets. At the same time the aim has been to use some of the more affordable overseas wines as bench marks to track the development of New Zealand wines.

The important change that have occurred since the founding of the Club 18 years ago has been the phenomenal success of our white wines and now some of the reds such as Cabernet Sauvignon and Pinot Noir, albeit at fairly high prices. Our expectation of the quality of the wines that we taste is certainly higher and also the value for money with lowering of import duty on imported wines.

The other main change has been the proliferation of trade aligned "Wine Clubs" in fact it is reasonable to say that there is probably a wine tasting virtually every night of the week somewhere in Wellington. Compare this to the scarcity of quality wine tastings and information when the Club was founded in 1980!

For all of this I feel that wine appreciation Clubs such as ours form an ideal entry level for people who want to learn more about wine. My aim has been first, to retain that original vision of the Founding Members - wine appreciation at a reasonable cost and second, to ensure that the Club was put in a sound position with adequate reserves to ensure it's Future.

Alan Evans
President

CELLAR CLUB INC

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st MARCH 1998

| 1996/97 | | 1997/98 |
|----------------|----------------------------|----------------|
| | INCOME | |
| 3,587 | Monthly Meeting Receipts | 2,961 |
| 463 | Monthly Raffles | 425 |
| 1,182 | Subscriptions | 1,210 |
| 100 | Interest | 81 |
| 53 | Profit on Sale of Glasses | 5 |
| 51 | Donations | 0 |
| <u>5,436</u> | | <u>4,682</u> |
| | EXPENDITURE | |
| 3,842 | Food and Wine | 3,594 |
| 0 | Dinner Subsidy | 296 |
| 440 | Room Hire | 400 |
| 439 | Postage and Stationery | 120 |
| 77 | Gifts to Presenters | 60 |
| 74 | General Expenses | 90 |
| <u>(4,872)</u> | | <u>(4,560)</u> |
| <u>\$564</u> | PROFIT FOR THE YEAR | <u>\$122</u> |

CELLAR CLUB INC

BALANCE SHEET AS AT THE 31st MARCH 1998

| 1997 | | 1998 |
|----------------|---|----------------|
| | MEMBERS' FUNDS | |
| 3,176 | Opening Balance at 1st April 1997 | 3,740 |
| 564 | Increase for current year | 122 |
| <u>\$3,740</u> | CLOSING VALUE OF MEMBERS' FUNDS | <u>\$3,862</u> |
| | REPRESENTED BY : | |
| | ASSETS | |
| 1,609 | At Call Deposit - Current rate 5.00% pa | 1,568 |
| 592 | National Bank Cheque Account | 200 |
| 60 | Cash Float | 50 |
| 0 | Accounts Receivable | 64 |
| 1,196 | Wine Cellar (119 Bottles at cost) | 1,751 |
| 230 | Wine Racks | 230 |
| (230) | Less Provision for Depreciation | <u>230</u> |
| 162 | ISO Glasses | 141 |
| 121 | Coasters/Mats/Prizes | 88 |
| <u>\$3,740</u> | | <u>\$3,862</u> |
| | LESS LIABILITIES | |
| 0 | Accounts Payable | 0 |
| <u>\$3,740</u> | NET ASSETS AT BALANCE DATE | <u>\$3,862</u> |

CELLAR CLUB INC.

AUDITOR'S REPORT

**TO THE READERS OF THE FINANCIAL STATEMENTS OF THE
CELLAR CLUB INC.**

I have audited the attached financial statements. The financial statements provide information about the past financial performance of the Club and its financial position as at 31 March 1998.

The Committee's Responsibilities

The Committee is responsible for the preparation of a financial report which fairly reflects the financial position of the Club as at balance date and of the results of operations for the year ended 31 March 1998.

Auditor's Responsibilities

It is my responsibility to express an independent opinion on the financial report presented by the Committee and report my opinion to you.

Basis of Opinion

An audit includes examination, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Committee in the preparation of the financial statements.
- whether the accounting policies are appropriate to the Club's circumstances, consistently applied and adequately disclosed.

I conducted my audit in accordance with generally accepted standards in New Zealand. I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming my opinion, I also evaluated the overall adequacy of the presentation of information in the financial statements.

I have carried out no other assignments on behalf of the Club.

Unqualified Opinion

I have obtained all the information and explanations that I have required.

In my opinion:

- proper accounting records have been kept by the Club as far as appears from my examination of those records.
- the financial statements:
 - comply with generally accepted accounting practice.
 - give a true and fair view of the financial position of the Club at 31 March 1998 and the results of operations for the year ended on that date.

My audit was completed on 27 April 1998 and my unqualified opinion is expressed as at that date.



GJ Fountain
Chartered Accountant
Wellington

| CELLAR CLUB CONTENTS OF WINE CELLAR 13.5.98 | | | | |
|---|----|---|------------|----------|
| | | | | |
| PURCHASED | NO | DESCRIPTION, BRAND, DATE | UNIT PRICE | PRICE |
| 1994 | 2 | 1992 Dry River Pinot Noir | \$26.00 | \$52.00 |
| 1994 | 3 | 1993 Reserve Rongapai Botrytis | \$37.50 | \$112.50 |
| 1994 | 1 | 1993 Select Rongapai Botrytis | \$20.00 | \$20.00 |
| 1994 | 1 | 1983 Nobilo Late Harvest Muller Thurgau | \$18.00 | \$18.00 |
| 1994 | 4 | 1990 Corban Noble Rhine Riesling | \$10.55 | \$42.20 |
| 19.7.95 | 4 | 1994 Mission Gewurtztraminer | \$10.95 | \$43.80 |
| 19.7.95 | 1 | 1994 Ngatarawa Stables Classic Whites | \$9.23 | \$9.23 |
| 9.8.95 | 3 | 1994 Villa Maria Rhine Riesling | \$9.95 | \$29.85 |
| 15.11.95 | 3 | Te Mata Oak Aged White | \$12.50 | \$37.50 |
| 13.3.96 | 1 | 1994 Crossroads Reserve Chardonnay H | \$22.00 | \$22.00 |
| 13.3.96 | 1 | Crossroads Stormy Port | \$16.50 | \$16.50 |
| 11.4.96 | 1 | 1994 Okahu Estate Kaz Shiraz | \$42.95 | \$42.95 |
| 11.4.96 | 1 | 1994 Te Kairanga Reserve Pinot Noir | \$30.95 | \$30.95 |
| 17.6.96 | 2 | Valdespino Jerez Sherry | \$17.56 | \$35.12 |
| 9.10.96 | 2 | 1995 Dry River Botrytis Chardonnay | \$26.00 | \$52.00 |
| 10.12.96 | 1 | Palliser Rhine Riesling | \$17.32 | \$17.32 |
| 12.2.97 | 1 | 1995 Villa Maria Reserve Chardonnay | \$26.00 | \$26.00 |
| 12.2.97 | 1 | 1992 Villa Maria Merlot Cabernet Franc | \$32.00 | \$32.00 |
| 12.3.97 | 6 | 1996 Neudorf Nelson Sauvignon Blanc | \$15.00 | \$90.00 |
| 12.3.97 | 5 | 1995 Neudorf Marlborough Semillon | \$15.00 | \$75.00 |
| 8.4.97 | 6 | 1994 Hamilton Cabernet Sauvignon | \$11.67 | \$70.02 |
| 8.4.97 | 7 | 1996 Hamilton Synergy Chardonnay | \$7.67 | \$53.69 |
| 8.4.97 | 2 | 1995 Mitchell Watervale Riesling | \$11.32 | \$22.64 |
| 8.4.97 | 1 | 1994 Te Kairanga Reserve Pinot Noir | \$17.03 | \$17.03 |
| 9.4.97 | 1 | 1995 Te Kairanga Martinborough Chardo | \$15.35 | \$15.35 |
| 9.4.97 | 1 | 1995 Te Kairanga Reserve Chardonnay | \$22.96 | \$22.96 |
| 9.4.97 | 1 | 1996 Te Kairanga Gisborne/Martinb Sav | \$13.31 | \$13.31 |
| 11.6.97 | 1 | Matua 1996 HB Sauvignon Blanc | \$10.95 | \$10.95 |
| 11.6.97 | 1 | Matua 1996 Sauvignon Reserve | \$14.50 | \$14.50 |
| 11.6.97 | 1 | Matua 1996 Eastern Bays Chardonnay | \$12.95 | \$12.95 |
| 11.6.97 | 1 | Matua 1996 Judd Estate Chardonnay | \$19.50 | \$19.50 |
| 11.6.97 | 1 | Matua 1995 Cabernet/Sauvignon/Merlot | \$12.95 | \$12.95 |
| 11.6.97 | 1 | Matua 1995 Merlot | \$19.50 | \$19.50 |
| 11.6.97 | 1 | Matua 1996 Late Harvest Muscat | \$8.50 | \$8.50 |
| 10.9.97 | 2 | 1996 Brookfields Estate Chardonnay | \$14.40 | \$28.80 |
| 10.9.97 | 1 | 1996 Brookfield Oak Aged Sauvignon Bla | \$13.50 | \$13.50 |
| 10.9.97 | 1 | 1996 Brookfield Gewurztraminer | \$15.30 | \$15.30 |
| 10.9.97 | 1 | Brookfield Pinot Gris | \$13.50 | \$13.50 |

| | | | | |
|----------|-----|--|---------|------------|
| 10.9.97 | 1 | 1996 Brookfield Reserve Chardonnay | \$27.00 | \$27.00 |
| 10.9.97 | 2 | 1995 Brookfield Reserve Cabernet Sauvignon | \$27.00 | \$54.00 |
| 10.9.97 | 1 | 1995 Brookfield Reserve Gold Label Cab | \$36.00 | \$36.00 |
| 10.9.97 | 2 | 1996 Brookfield Late Harvest Riesling | \$13.50 | \$27.00 |
| 21.11.97 | 12 | 1996 Collards Chenin Blanc | \$10.95 | \$131.40 |
| 10.2.98 | 1 | 1996 Glover's Sauvignon Blanc | \$14.40 | \$14.40 |
| 10.2.98 | 1 | 1996 Glover's Hoarz Head Pinot Noir | \$13.50 | \$13.50 |
| 10.2.98 | 1 | 1996 Glover's Pinot Noir (Michael) | \$21.60 | \$21.60 |
| 10.2.98 | 1 | 1996 Glover's Pinot Noir (front block) | \$21.60 | \$21.60 |
| 10.2.98 | 2 | 1997 Glover's Late Harvest Riesling | \$14.40 | \$28.80 |
| 10.2.98 | 9 | 1995 Glover's Riesling | \$5.85 | \$52.65 |
| 10.2.98 | 1 | 1997 Glover's Riesling | \$14.40 | \$14.40 |
| 11.3.98 | 6 | Basedow Barossa Valley Semillon | \$10.00 | \$60.00 |
| 11.3.98 | 1 | Padthaway 1995 Cabernet Sauvignon | \$13.47 | \$13.47 |
| 11.3.98 | 1 | 1996 Maglieri Chardonnay | \$12.75 | \$12.75 |
| 11.3.98 | 1 | 1997 Tasman Bay Oak Sauvignon Blanc | \$14.06 | \$14.06 |
| 11.3.98 | 1 | 1997 Tasman Bay Chardonnay | \$18.15 | \$18.15 |
| | 119 | TOTAL | | \$1,750.65 |