

THE CHAIRMAN'S REPORT FOR THE YEAR ENDED DECEMBER 2014

President The Rt. Hon Viscount Simon

Honorary Life Vice-President Sir Anthony Grant

> Chairman Miss M E Emms

Chief Executive Mr D C Williams MBE

> Treasurer Mrs S Poulton

Executive Council Mrs P Williams Mrs V Brindley Mrs L Ward Mr M Cooke Mr D Mowl Mr D Swain

Independent Charity Trustee Mr C Clarke (Appointed May 2014)

Introduction

It gives me great pleasure to welcome you to this, the year 2015 Annual General Meeting and to present the reports and accounts for the year ended 31st December 2014.

I am also delighted to report that from a trading and financial point of view 2014 has been successful for GEM and once again the very small number of staff have worked extremely hard to maintain our 'club' in what has become a very competitive market place. Indeed, I would like to take this opportunity to record my personal thanks to all GEM staff and to CEO David Williams for their dedication and efficiency in continuing to promote and develop an organisation in which I, and all members can be immensely proud of.

Recommended by Others

A significant part of the success during 2014 was the outstanding achievement of once again being voted the UK's 'Best Buy in Breakdown' in the Auto Express Driver Power Survey. We have now achieved this wonderful accolade five times in the past seven years (we were runners up in the other two years). This award gives a clear indication that our members are delighted with the overall service we provide. Our win put us ahead of a string of 'big named' national breakdown companies which are backed by huge financial institutions and I would like to personally thank all those members that took the trouble to respond to the survey and say such encouraging things about the way we look after our customers.

The results of the 2015 survey will be released in August and we sincerely hope that these will continue to reflect the efforts put in by all at GEM to ensure that our service to members is first class.

Membership

I stated in my introduction that 2014 has been a successful year and the number of new members recruited was an encouraging 16,750 from 10,409 memberships. These figures are significantly above the numbers for 2013 and show a continuing upward trend.

Also pleasingly, the retention rate of existing members remains at a very high level again proving that once drivers sample GEM's services they tend to stay. Sadly we have noticed the resignation rate from our very long standing members has increased slightly. This reflects the aging population of GEM members that joined in large numbers during the 1950s and 1960s. However, we are still extremely proud to boast that we have more than 3000 members who have been loyal to GEM for 40 years or more.

Although the 'marketing climate' in 2014 was a little easier than in recent years GEM still faces the difficult task of attracting motorists away from our competitors, most of whom have huge financial and promotional resources to call upon. Indeed marketing and recruitment costs still feature prominently in our accounts as a major expenditure and I would like to offer my sincere thanks to all members that recommend family and friends to join us. This word of mouth recommendation is vital to our success and I hope such activity can be doubled in the year ahead.

New Emergency Control Centre

GEM has always strived to provide the very best services to members and in 2014 we decided that the level of service offered by our underwriter, who also provided our breakdown emergency control centre, could be improved. We therefore have taken the decision to relocate our emergency control centre from Swansea to a new state of the art centre in Colchester.

The new centre is operated for GEM by Call Assist who have an outstanding reputation in this field. GEM's Breakdown service is now underwritten by international insurer DAS.

All new members joining GEM in 2015 will be directed to the new emergency centre following a breakdown while existing members will be transferred to the new service following their renewal in 2015. Although this upheaval will cause a little confusion in the initial stages, we firmly believe that the improved service provided by Call Assist will be greatly appreciated by all GEM members who suffer the trauma of a breakdown.

Road Safety

There has been much recent national publicity regarding the fact that the significant reductions in death and injury on the road, that we have enjoyed for more than a decade, have stalled and current figures show a worrying upward trend. In 2013 (the last year that final figures are available) 1,713 people tragically died on UK roads while 21,657 were seriously injured. Although these figures are slightly down on 2012 the predictions for 2014 are rather gloomy. The huge reductions in public expenditure are likely to have impacted on road safety activities but above all GEM is increasingly concerned that the cuts to Police budgets have had a negative impact on roads policing and the safety on our roads. GEM has raised this concern at the highest levels but it seems that there is unlikely to be any increase in roads policing for the foreseeable future. Automated enforcement of speed and red light offences have deflected some of the attention away from the reduction in Police numbers but there are of course very many traffic offences that will never be detected by automatic means.

During 2014 GEM maintained a significant media presence on matters relating to road safety and through our membership of The Parliamentary Advisory Council for Transport Safety (PACTS) we continued to lobby and campaign for road safety initiatives and improvements. We regularly receive correspondence from members on motoring and safety issues and we always try our very best to research and answer all such matters. Likewise our free technical information service has helped hundreds of members maintain their vehicles in a safe roadworthy condition. Our freelance technical expert, Rob Marshall, deserves the greatest praise for the outstanding service he provides.

The GEM Road Safety Charity was able to make financial donations to the following schemes in 2014:

- Sponsorship of a detailed report from PACTS encouraging the Government to re-introduce National Road Safety targets.
- Sponsorship of a study by the Institute for Consumer Affairs relating to the development and use of in car technology devices by older drivers.

It was also pleasing to note that previous initiatives supported by the Charity continue to receive much use and praise. The GEM sponsored film 'Blue Light' aware, outlining the actions needed by motorists encountering emergency vehicles

has now achieved 250,000 viewings via YouTube, or via the GEM website, while our resource 'Still Safe to Drive' aimed at older drivers continues to be used in training programmes nationwide.

The Charity was delighted to welcome a new trustee in 2014. Mr Colin Clarke brings to the charity an outstanding level of knowledge about road safety and traffic engineering matters.

The GEM Charity is keen to do more for the cause of road safety and we are extremely grateful for the generous donations that we receive from members. Such donations are given in full, directly to the trustees, to be spent on road safety projects. If you feel you can assist by making even a small donation please use the form that appears in every edition of Good Motoring.

Keeping in Touch

Good Motoring magazine, which will celebrate its 80th 'Birthday' later this year, continues to be highly praised and forms an essential link to all members. The magazine is now available as an on-line journal as well as in its traditional printed format. In addition our quarterly e-mail newsletter is read by thousands of members and also allows us to easily survey members on important safety and motoring matters. We continue to issue regular press releases, blogs, tweets and face book updates to ensure that as many motorists as possible are aware of the services we promote.

Finances

Our annual accounts, available today, again show a stable financial situation for the organisation and I pay tribute to our long serving treasurer Sue Poulton who has once again guided our financial affairs in an exemplary way.

Copies of the accounts, apart from being available today, can be obtained by sending a stamped addressed A4 envelope marked 'Accounts' to our offices in Forest Row.

And Finally

I am extremely grateful to my colleagues on the Executive Council who have provided such excellent support to me and to the organisation as a whole. Our President Viscount Simon, despite his many duties in The House of Lords, continues to provide invaluable help and guidance to GEM in so many ways and we are grateful to him for his loyal support.

I would also like to acknowledge that our Honorary Vice President is soon to reach a significant birthday. Sir Anthony Grant has given outstanding support to GEM over very many years and is still keeping David Williams on his toes with lots of motoring matters. Therefore, I am sure you will all wish to join me in wishing him a very Happy 90th Birthday.

As one of the few remaining independent motoring organisations in the UK, GEM continues to provide an outstanding and award winning level of service while also making a significant contribution to safety on our roads. I hope you will join me in wishing our very special 'club' many more successful years.