



Cilcain Community Shop Limited – First Annual Members’ Meeting

Wednesday 25th September 2019 – 6:30pm

Minutes

Present: 52 members were recorded as being present.

The meeting was opened by the Secretary (Philip Higgins) who thanked all those for attending.

The Secretary reminded everyone of the public meeting held on 1st February 2018, in the Village Hall, at which a small group of people volunteered to form a Steering Group that went on to form Cilcain Community Shop Limited and register it as a Community Benefit Society. The members of the group were thanked for their time, effort and commitment to the project which led to the shop being formally opened on 16th June 2018.

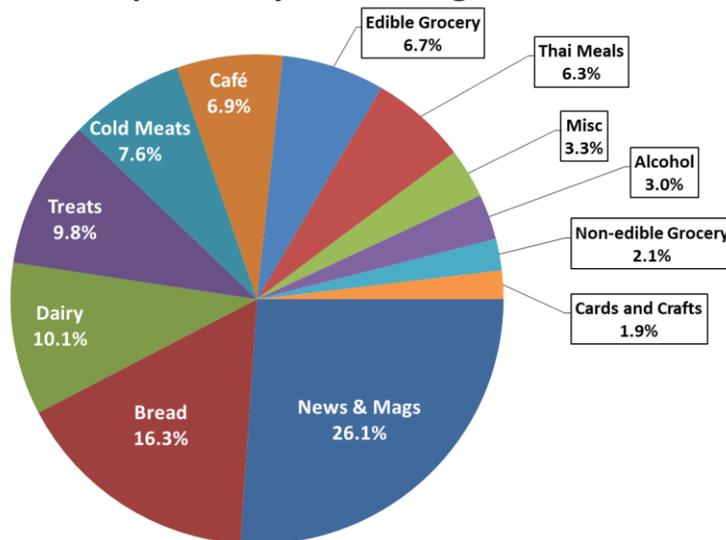
1. Business Report

The Business Report on the Society’s performance in the first financial year to 31st March 2019 was presented by the Treasurer (Simon Redford).

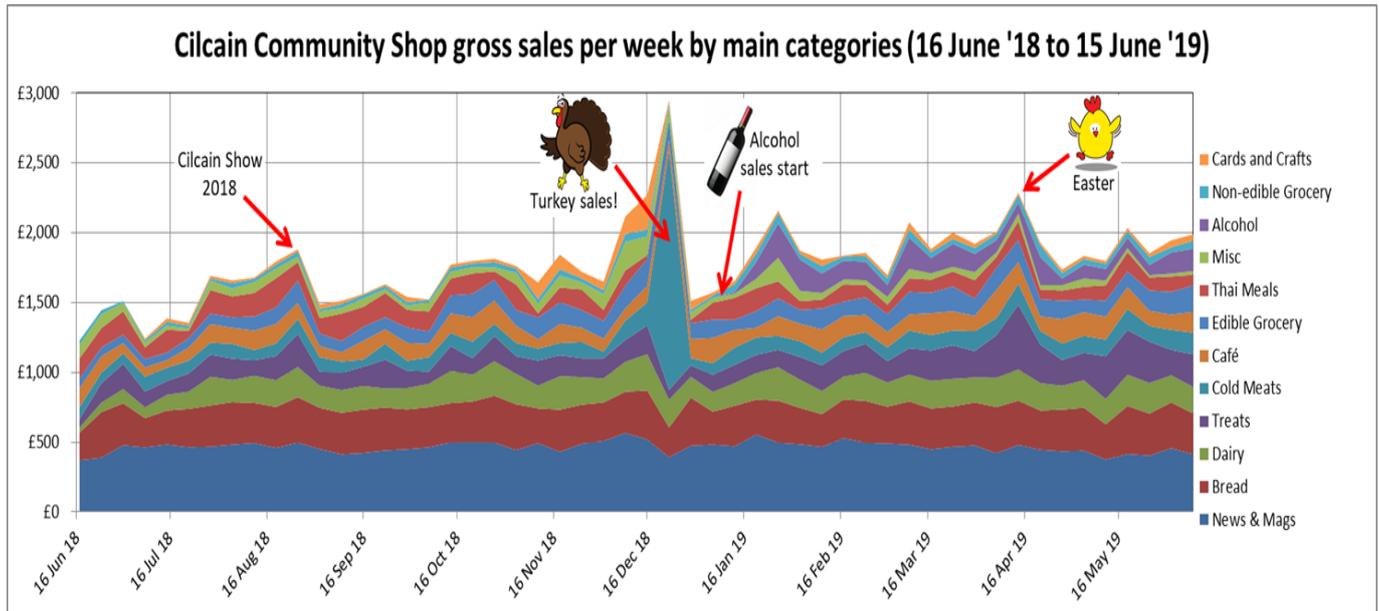
Simon gave a formal presentation of the accounts and gave thanks to the Village Hall Management Committee for their support with setting up the shop. Sarah Parr provided details of the operating profit, including income from sales as well as grants and donations. The long-term aspiration is to achieve sustainability from sales.

- Many thanks to Melanie Langton-Davies and her team at Gardners for Accounts and Audit
- The accounts cover 9.5 months of trading up to 31st March 2019 – full year likely to be 30% higher turnover
- Full accounts available from the FCA website – free <https://mutuals.fca.org.uk/Search/Society/7320>
- A paper copy of the accounts is also available in the shop

Shop Sales by main categories



Minutes



- Overall average sales growth around £10/week
- Newspaper voucher sales add around £220/week
- This year likely to be ~ £120,000 gross sales (before VAT)

A question and answer session followed:

Question: Is the relationship with suppliers good?

Answer: Yes, the shop has worked hard to ensure a good relationship with all suppliers, especially those who are local to the area.

Question: What is the intention of the shop with regard to scale and community focus?

Answer: The Committee intends to work to achieve a scale which ensures the shop’s financial viability whilst maintaining the community and customer focus which is key to the shop’s commercial success and community benefit aims.

Question: When do the grants stop?

Answer: One-off grants were received from the Cilcain Community Council and Area of Outstanding Natural Beauty, whilst the Prince’s Countryside Fund grant of £8,000 p.a. continues until 2021. The shop is currently trading just below sustainability without the Prince’s Countryside Fund grant but the Committee is aware of the need to be sustainable without grant support.



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Question: What is the future of paper sales given the growth of online news readership?

Answer: Total newspaper sales have gone up since the shop started trading and there is no current sign of sales diminishing. Vouchers are proving popular and numbers have increased. The Management Committee understands the need to encourage ongoing paper sales but are aware of the competition from the online market.

Question: What is the status of the Post Office?

Answer: The shop does not currently charge the Post Office for use of the shop for its’ two half-day outreach service in order to ensure the future of this much needed local service.

Question: Is there any opportunity for receiving interest from the Co-op Bank?

Answer: Not at present, although the free banking provided is likely to cancel out any interest that might be received elsewhere. Shop monies are banked via the Post Office which works well.

County Councillor Owen Thomas gave his thanks to all those involved for their efforts in establishing the shop and to the community for coming together to support it. The meeting endorsed his comments.

Plans for the current year and following year.

The Chairperson (Jonathon Wells) gave a presentation on the current and future plans for the shop, including the need for sustainability and support for Village Hall developments, whilst being aware of the reliance upon volunteers in delivering the aspirations of the business.

Future plans include developing a new kitchen area in the Village Hall to ensure continued access for the shop to the kitchen whilst activities take place in the hall; improved marketing, signage and improved website and a review of opening hours. New suggestions and support to deliver welcomed.

Milly gave a presentation on stock control and the issues presented by the current limited storage space, to enable the team to make use of bulk buying to ensure best available prices to achieve the 20% gross margin needed to secure the shop’s ability to trade sustainably. Longer term solutions are being explored in conjunction with the Village Hall Management Committee.



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2. Membership Report

The Secretary presented this report which showed that there were 196 members at 31st March 2019 and 202 members as of 21st September 2019. The Committee intends to encourage ongoing membership to ensure the society reflects the needs and wishes of its members and ensures its future sustainability. Members need to be 16+ to be eligible and the Society Rules have a one member one vote system in place (irrespective of the Member's shareholding).

3. Voting – See Appendix 1

120 voting forms were returned - 59% of the membership.
88% used the quick vote. There were no spoilt ballot papers.

The results of the resolutions that Members have been asked to vote on were declared:

- 1) To receive from the Management Committee the Annual Accounts/Financial Statements for the year ended 31st March 2019.
Votes Cast For - 120 Votes Cast Against – Zero
The resolution was Passed

- 2) "To exercise the power, as per the provisions of Rule 6.2, not to appoint an Auditor or Auditors to audit the Annual Accounts for the current financial year".
Votes Cast For - 120 Votes Cast Against – Zero
The resolution was Passed

4. Elections to the Management Committee

There were 8 candidates and each received 120 votes "For"

Those elected were: - Philip Higgins, Simon Redford, David Facer, Milly Riley, Lucie Skates, Sarah Parr, Jonathan Wells and Duncan Hayes.

One third of those elected to the Management Committee will serve until the second AMM, one third will serve until the third AMM, and one third will serve until the fourth AMM (to the nearest whole number).

The Management Committee can comprise of not more than 12 persons and up to one quarter can be co-opted during the year between AMM's.



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The Members of the Management Committee expressed thanks to retiring Members, Mike Hughes and Roger Pybus, for their commitment, time and effort since 1st February 2018 in helping to make the shop a success. This appreciation was also extended to Maire Hughes and Pauline Pybus for their support.

They were presented with a token of the Committee’s gratitude for their work.

5. Open Questions

Question: Are you increasing the mark-up/margins on existing goods or aiming to increase sales of higher marked up goods?

Answer: Our aim in increasing the storage available is to increase our margins by buying more effectively ie. we are not looking to put prices up but to buy at lower prices and so increase our profitability.

Question: Are there any opportunities to heat up cold goods e.g. pies, sausage rolls?

Answer: We have looked into a number of options that could be delivered without impacting upon our 5 star hygiene rating and that would not place too much work/responsibility upon volunteers. We are considering a toaster as a first step.

Question: Can we co-operate with other shops to bulk buy and reduce our costs?

Answer: Yes, we have explored some options with other community shops locally e.g. compostable cups where the minimum purchase is 1000, but it has not been a priority to pursue and again volunteer time and storage are an issue in terms of taking forward.

Question: Are local crafts still available and could we use the space differently?

Answer: Yes local crafts are still available but space is an issue as is VAT, which we can’t claim back on locally crafted goods so we have to price higher, which makes the goods more expensive.

Question: How many community shops are there nearby for joint purchasing with?

Answer: There are 3 that we are aware of and in contact with. There are opportunities to jointly source goods but to date time and organisations has prevented us moving ahead on this.



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Question: If storage is an issue could someone living in the village provide the dry storage needed for the shop?

Answer: Some local storage is provided in the village but we could explore this further if anyone had a suitable dry/secure space to offer.

Question: Can you explain what ‘Limited’ means (as in Cilcain Community Shop Limited).

Answer: The shop is registered as a Community Benefit Society with the Financial Conduct Authority and Companies House so Committee members are also Directors in law. As the shop exists as a legal entity in its own right there is a limited liability for both shareholders and directors of the business should things go wrong – although directors would be deemed liable if they were to act negligently or fraudulently.

Question: Do we need improved disabled access to the shop as the tables and chairs outside could make access difficult for someone in a wheel chair to get to the front door and space inside is tight?

Answer: The Committee is aware that the access is not fully compliant as there are currently limitations to what is possible but is working with the Village Hall Committee to explore options e.g. the Village Hall entrance doors and step from the car park onto the driveway. The Committee will look again at the siting of signage and tables/chairs on the pathway to the main entrance doors. It was noted that wheelchairs can gain access into the Hall and shop.

There being no further questions Jonathon closed the meeting by thanking all attending for their support, in particular the many shop volunteers and the shop staff Sam and Di, and inviting all to remain and share in some refreshments.

Meeting closed at 7:50pm.

During informal discussions after the close of the meeting Councillor Owen Thomas offer his help and advice regarding external signage which would help raise awareness of the location of the shop in the Village.

After the AMM closed a short meeting of the newly elected Management Committee was held at which: -

Jonathan Wells was appointed Chairperson.

Milly Riley was appointed Vice-Chairperson.

Sarah Parr was appointed Treasurer.

Philip Higgins was appointed Secretary.



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Appendix 1

The returned Voting Forms were processed in accordance with the Procedure detailed below:

1. Returned forms will be opened by the Secretary and recorded against the name of the Member on the Voting Forms Returns Record Sheet.
2. The form will be given a reference number (consecutive numbers 1 to 200). Where possible, the name and address of the Voter will be hidden (e.g. by folding that part of the paper over).
3. Voting forms that have incomplete information, e.g. name, address, no X in any voting box, etc. will be examined and an attempt will be made to contact the Member in order to give them a chance to complete the form correctly.
4. The forms will then be filed in a secure place by the Secretary.
5. The Secretary and one or two other persons (not related to any of the candidates standing for election) will record the votes per voting form on the Voting Record Sheet against the reference number.
6. If the “Quick Vote” option has been selected, this will override any other voting options that may have selected (either by mistake or intent).
7. The accuracy of the recording of votes will be checked by another person.
8. The Secretary will compile the results.
9. The results will be checked by at least one another person.
10. The results of the voting for the “Disapplication Resolution” will be verified by at least one other Management Committee Member.
11. Votes for the resolutions will be presented “For” and “Against”. (For the disapplication resolution “less than 20% against and less than 10% against”).
(Refer to Co-operative and Community Benefit Societies Act 2014, Section 84.2 and FCA Guidance 7.32)
12. Votes for Management Committee Members will be presented per Member.
(Refer to CCSL Rule 10.4)

CCSL Procedure for dealing with returned AMM Voting Forms Revision 0 – 04-09-19

End

*Approved by the Management Committee
30th October 2019. Philip Higgins.*