



Cilcain Community Shop Limited
Minutes of the Fourth Annual Members' Meeting
Held on 28th September 2022 – 7:30 pm in Cilcain Village Hall

Management Committee Members present: Milly Riley (Chairperson), Lucie Skates (Vice-Chairperson), Sarah Parr (Treasurer), Philip Higgins (Secretary), Margaret Humphreys.

- **Phil Higgins** welcomed everyone to the Fourth Annual Members Meeting. There were 20 members present so the meeting was quorate although all decisions requiring a vote had taken place by either by postal voting or online prior to the AMM.

1a. Annual Accounts Report – Presented by Sarah Parr (Treasurer).

Sarah thanked Melanie Langton-Davies and her team at Azets for preparing the Accounts and the Audit Report. The accounts cover the fourth year of trading from 1st April 2021 up to 31st March 2022.

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 Community Shop.



Sarah Parr gave a summary of the annual accounts.

Capital - £2,010 Membership Shares and £9,160 Investment Shares

Grants and Gifts - £13,000 including the final instalments of the Prince's Countryside Fund Employment Grant and £50 in Gifts

Operational - £110,441 worth of goods purchased - £141,057 worth of goods sold equals £30,616 '**income**' with a margin of approximately 22%.

Operational Cash - £30,616 to cover our costs (after VAT)

Operational Costs – these include employment costs, utility costs, broadband & phone, electricity, waste management, fees, consumables, depreciation of assets, etc.

Total costs £40,536 => **LOSS £9,920**

- ...but see 'other income' from gifts and grants.

Capital and Grants and Gifts - Cost covered by grants and gifts of £15,050.

Profit: £15,050 - £9,920 = £5,130

£2,000 of share capital has been retained for future joint projects, with Cilcain Village Hall, to improve facilities.

Corporation Tax of £784 to pay before the end of 2022.





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Sales

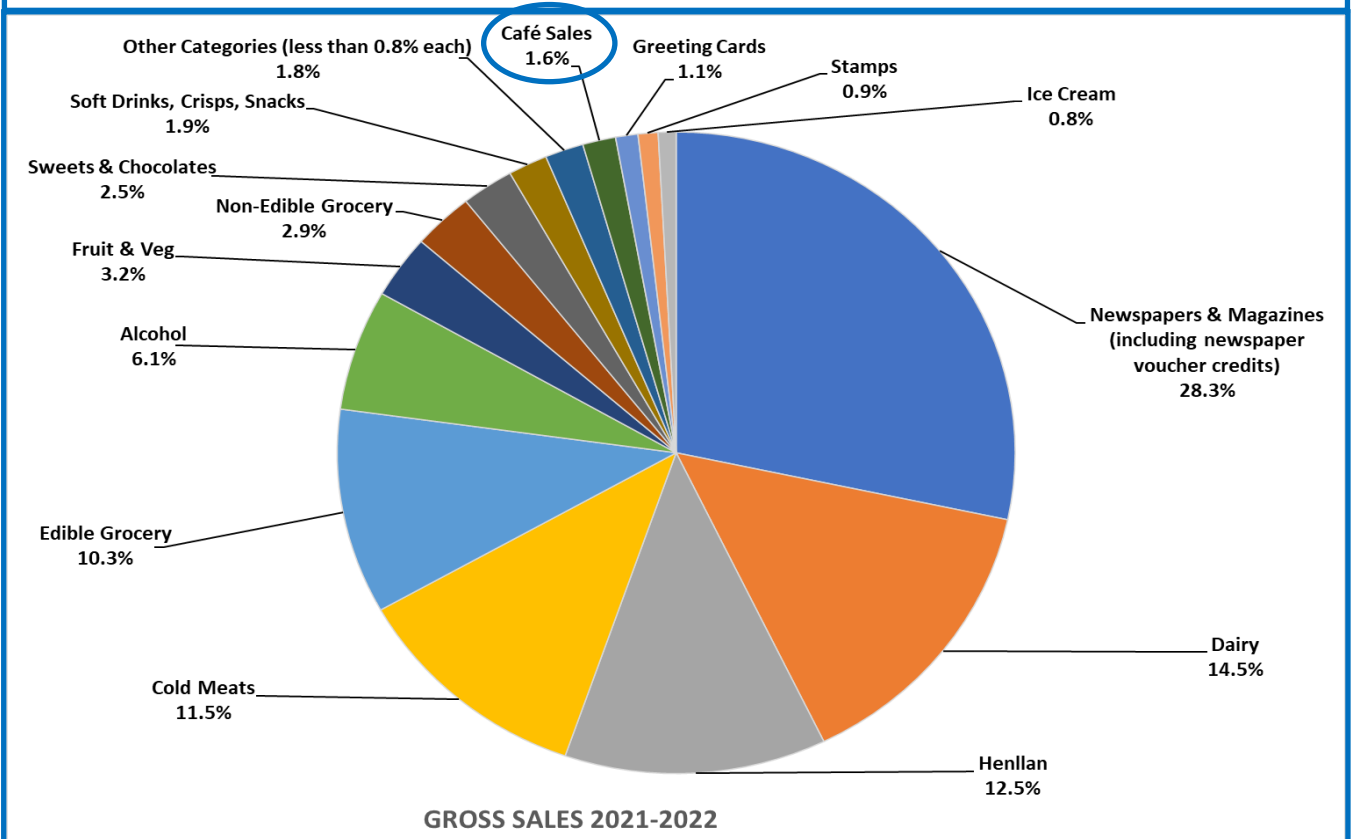
Looking at sales by category, it is interesting to note that newspapers & magazines increased as a percentage of total sales, whilst dairy, cold meats, edible grocery, bread/cakes/pastries remained stable at just under 50% of sales and alcohol sales reduced by 2% of total sales.

Café sales, at 1.6% of the total net income, up on last year's figure of 0.2% but as this is where we generate most profit, we need to work to increase the revenue from these sales.

The salaries cost for the year decreased by £10,163 to £30,172 (including oncosts and rises in line with the National Living Wage) reflecting the return to normal working hours since moving out of the main hall and back into the shop premises.

We are still not quite covering all costs and need to look carefully at how we can achieve this so that we can trade sustainably now that the employment grant has expired. Sarah explained that the possibility of applying for one or more years of the employment grant is being investigated.

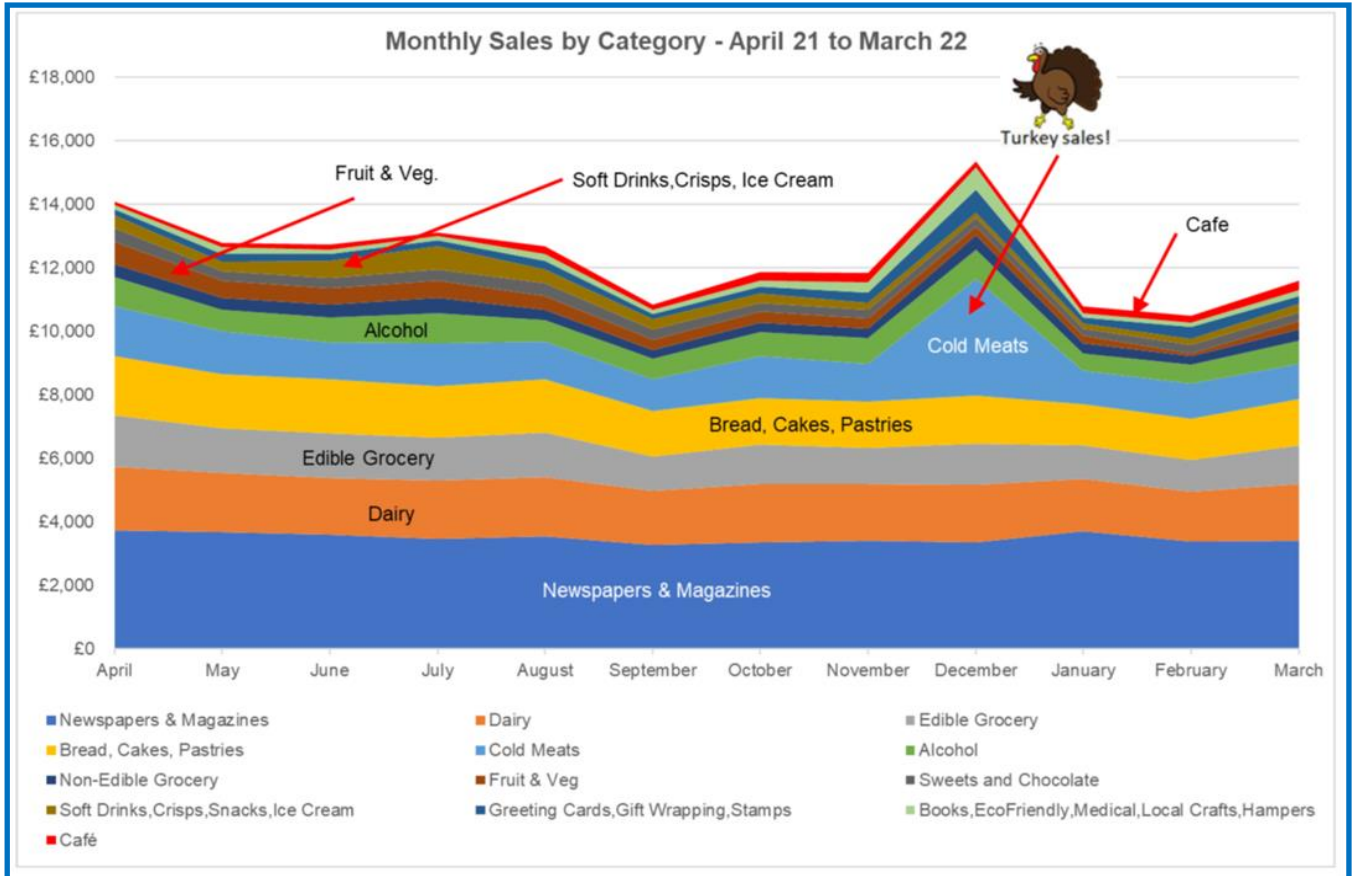
Sales by Category: Note that café sales last financial year were only 0.2%.





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Sales by Month by Category



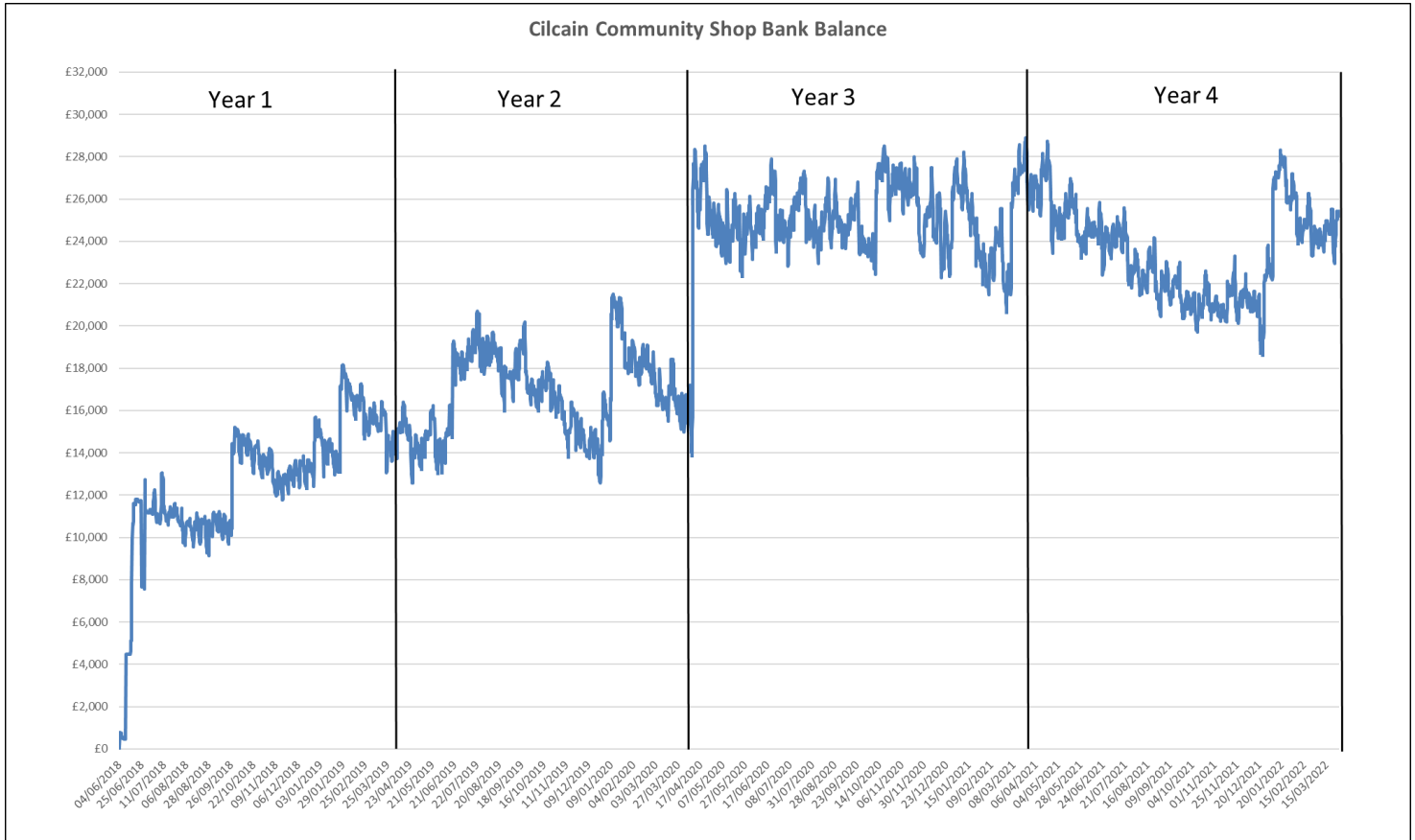
Final Financial Position

- Sales, on average, were £11,755 per month, showing a slight increase from last year which is partly due to rising prices nationally
- Over the next year we are going to have to look carefully at rising expenses, particularly energy costs, and the impact that this will have on future profits, since we will not have the benefit of the Prince's Countryside Fund employment grant.
- We continue to explore ways to increase our income sufficiently to cover all our costs, and further developing the café provision is a crucial part of this plan
- We still have a healthy reserve of cash to continue trading and to enter into joint development projects with the Village Hall that will benefit our local community and help maintain and improve successful trading



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Bank Balance



1b. Plans for the current year and following year – Presented by Milly Riley (Chairperson).

Milly presented an overview of the shop, its performance, and key areas for development.

She started by thanking all the volunteers who work to keep the shop open. Their contribution of time and their level of engagement can never be understated. During this year, they have made it possible for:

- Our shop to continue to open every day, 8am to 1pm.
- Take away hot drinks to be fully available once more.
- Operating a café from the Village Hall on Wednesday mornings, offering home-made cakes and a chance to socialise.



Milly thanked Jim Mash for hosting the recent volunteer’s celebration evening.

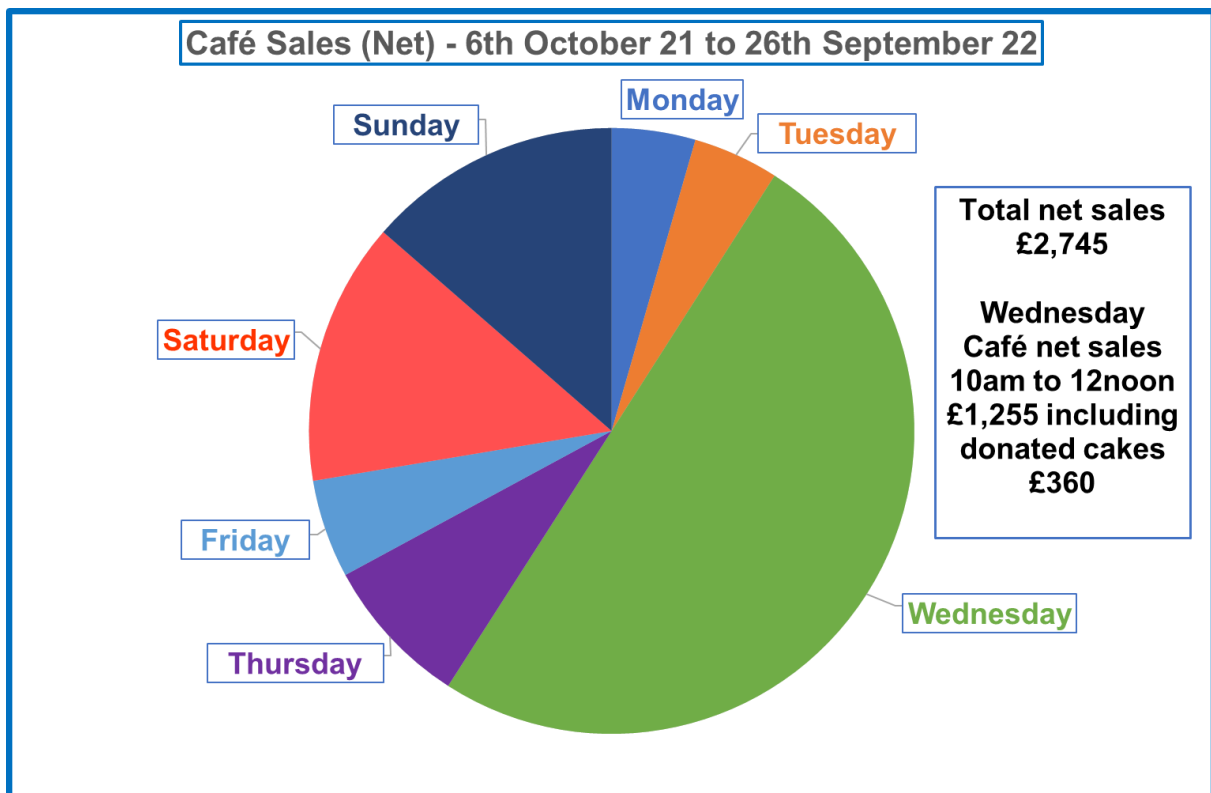


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She gave thanks to Sam & Di for their work and for the volunteers WhatsApp group that they set up to help cover shop shifts as short notice.

The key issues facing the shop continues to be how can it continue to trade sustainably so current targets are:

- To continue working with the Village Hall Management Committee to look at improvements to the entrance/foyer and to widen the shop door to ensure a welcoming and fully accessible shop.
- To continue to encourage increased visits and spend from residents and visitors alike.
- To ensure that items stocked are those that sell – every item must ‘earn’ its place on the shelf.
- To find new ways to build back the café sales – 50% of current café sales come from the Wednesday morning café. There is a plan to reintroduce a small seating area back into the shop to encourage café sales – with extra training for those volunteers who need it on how to work the coffee machines etc.



- To continue to recruit new volunteers and to support existing volunteers to ensure both capacity and confidence/happiness with the volunteer role – suggestions include enabling those who are happy to work on their own during quiet times and to do so safely.



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Milly concluded by thanking Dave Facer, who stood down from the Management Committee in November 2021 but who continues to purchase our alcohol, make bulk purchases, and for holding the alcohol licence for the shop.

1c. Membership Report – Presented by Philip Higgins (Secretary).

The Secretary noted that on 31st March 2022 the Society had 202 members.

Membership is the means by which the Society is owned by the community and gives access to information, a voice in the Society, and the opportunity to be elected to a representative role in its governance.

The Secretary emphasised that Membership is open to anyone aged 16 or over and the Society has shares of £10.00 each and the minimum shareholding is 1 share. The Society has a “One Member, One Vote Policy”, irrespective of whether they also own investment shares or not.

At this point, Milly Riley, Lucie Skates, and Margaret Humphreys retired from the Management Committee and the Secretary moved on to announce the results of elections to the Committee.

2. Declaration of the results of elections to the Management Committee – Presented by Philip Higgins (Secretary).

The Secretary explained that Management Committee Members serve for 3 years, and each year elections are held for one-third of the Management Committee on a rolling basis.

The total number of Voting Forms returned was 111 (55% of the membership entitled to vote), Online 97 and Postal 14.

This year 3 Members offered themselves for re-election to the Management Committee and received the following number of votes: -

1)	Milly Riley:	In Favour	111	Abstain	0 (Zero)
2)	Lucie Skates:	In Favour	111	Abstain	0 (Zero)
3)	Margaret Humphreys	In Favour	111	Abstain	0 (Zero)

Phil declared that all three are duly elected to the Management Committee.

3. Declaration of the results of the Resolutions that Members were asked to vote on – Presented by Philip Higgins (Secretary).

The Secretary then moved on to announce the results of the voting on the three resolutions:

- a. Approval of the Annual Accounts for the financial year ending 31st March 2022.
In Favour 111 Against 0 (Zero)

The resolution is duly Passed.



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- b. Approval of the minutes of the Annual Members' Meeting held on 8th September 2021.

In Favour 111 Against 0 (Zero)

The resolution is duly Passed.

- c. To exercise the power, as per Rule 6.2, not to appoint an auditor or auditors to audit the Annual Accounts for the current financial year.

In Favour 110 Against 1

For this resolution to Pass, the requirements are that there were less than 20% of votes "Against" by those that voted and that less than 10% of the total Membership voted "Against".

These criteria have been met and the Resolution is duly Passed.

The Secretary explained that the estimated costs for a full audit would be in the region of £1,000 plus vat and this is the reasoning for substituting a 'report on the accounts and balance sheet' which is less onerous and less costly than a full audit.

See Appendix 1 for the voting procedure and verification procedure.

4. Questions and Answers Discussion.

Here is a summary of the questions asked, all of which will be further discussed at the Management Committee meetings in the coming months.

- 1) Have we considered extending the opening hours?
 - A) Yes, but it depends upon volunteer availability and whether it is feasible to operate with one volunteer at certain times. Some volunteers are happy to work alone, others not, and two volunteers are usually needed on opening/closing shifts, to accept deliveries, and if café services take off.
- 2) Could we stock sandwiches again?
 - A) We were supplied by the White Horse, but there was a minimum order, and we did incur some waste, but it is worth considering again.
- 3) Have we considered a microwave oven to heat up sausage rolls/pasties, etc?
 - A) Yes, but there is VAT issue and H&S issues on heated food, and we would have to have Village Hall Management Committee permission.
- 4) Will the reinstatement of a café area in the shop improve the profitability versus selling more food items?
 - A) Yes, it should, as we would not be losing much display or storage space. Before we had to remove the café area, café sales accounted for around 4.8% (£5800) of sales.



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- 5) Why do we have to pay the Village Hall hire charge for the shop's Wednesday morning café when the shop pays for all the Village Hall's electricity?
 - A) We pay a similar hire charge as one of the other user groups. You could argue that we should pay less but this would be up to the Village Hall Management Committee to decide.
- 6) Why do we pay the Bowling Club and Outside Toilets electricity costs?
 - A) The Bowling Club and Outside Toilets are both supplied from the Village Hall and their costs are minimal compared with the total charge (this year's estimate £3,000). In 2019 we proposed that it would be more beneficial for the shop to take over the electricity contract as we could claim back the VAT, making it cheaper for the Village Hall and for us. This is in no way related to "in lieu of rent" but just a beneficial arrangement for all parties.
- 7) Will there be any government help with electricity costs?
 - A) We think so but have no firm details at the moment. We have a one year fixed rate contract that expires at the end of December this year, so it is an area of concern.
- 8) Do we need to promote the shop more by flyer circulations, etc?
 - A) We could and highlight some of our more competitive prices and café.
- 9) Would it be possible to increase the café drinks prices?
 - A) Our prices have not changed since 2019 so there could be scope for some modest increases.
- 10) Could we buy more in bulk, particularly if we had an offer of storage from a local resident?
 - A) As storage in the shop is limited, we would be happy to explore the opportunity for certain non-food goods.

5. Close of meeting.

The Secretary thanked all those that had voted (some whilst on holiday), and thanked Tony & Sue Bettridge for checking and verifying the voting results, along with Milley Riley who verified the results after the close of voting. Thanks to all our Membership for their support.

The meeting closed at 8:40pm.

After the Annual Members' Meeting closed a short meeting of the Management Committee was held at which Milly Riley was re-appointed Chairperson and Lucie Skates as Vice-Chairperson.



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Appendix 1

The returned Voting Forms were processed in accordance with the CCSL (2022) Procedure for dealing with Online (CCSL AMM2022 VF-RV01) and Postal (CCSL-PVF-Rev 09-09-22) AMM Voting Forms.

1. Postal voting forms should have been returned, in a sealed envelope addressed to the Secretary, either by post or by placing them in the CCSL Post Box.
2. The online form is a "Google Forms" system and responses are recorded individually (per voter) and into a Google Sheets format within the Secretary's personal Google Account.
3. Returned postal forms will be opened by the Secretary and recorded against the name of the Member on the Voting Forms Returns Record Sheet. Returned online voting form responses will be recorded on the same Voting Forms Return Record Sheet.
4. Each form (postal or online) will be given a reference number (consecutive numbers 1 to 202). Where possible, the name and address of the Voter will be hidden (e.g., by folding that part of the paper over or hiding the field in the online version).
5. 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 to give them a chance to complete the form correctly.
6. The forms (postal or online) will then be filed in a secure place by the Secretary.
7. The Secretary will record the votes per voting form on the Voting Record Sheet against the reference number.
8. If the "Quick Vote" option has been selected, this will override any other voting options that may have been selected (either by mistake or intent).
9. The Secretary will compile the results.
10. The accuracy of the recording of votes will be checked and verified by one or two other Members of the Society not related to any of the candidates standing for election.
11. The results will be checked and verified by at least one other Member of the Society (who may or may not be a Management Committee Member).
12. The results of the voting for the "Disapplication Resolution" will be verified by a Management Committee Member.
13. Votes for the resolutions will be presented "In Favour" and "Against". (*For the disapplication resolution criteria, refer to the Co-operative and Community Benefit Societies Act 2014, Section 84.2 and FCA Guidance 7.32*).
14. Votes for Management Committee Members will be presented per Member "In Favour" and "Abstain". (*Refer to CCSL Rule 10.4*)

End