

Huby & Sutton Community Shop Ltd
Annual General Meeting
Thursday 15 September 2016 7.30pm
Memorial Hall, Huby

Present:

CHAIRMAN Denise Howard OBE

TREASURER Sara Ellis

COMPANY SECRETARY Lynn Wagstaff

DIRECTORS Elaine Corden, Eddie Isherwood, Terry Wolf, Jayne Ford, John Micklethwaite,
Kate Stead

MEMBERS 40 other shareholder members

Apologies: Over 60 apologies were received

Chairman's report: Denise Howard welcomed all those present to the first AGM of Huby & Sutton Community Shop Ltd. She reported on the process of taking over of the shop and what had been achieved over during the past year and thanked Christine Cookman and Andrew Harrison from Stillington Community Shop for their support during this period (see report attached).

Financial report: Sara Ellis presented the financial report for the first years trading from 5 March 2015 to 30 April 2016 (see report attached.) The accounts had previously been circulated and approved by the Management Committee on 12 September 2016

Appointment of Accountants: The members approved the recommendation of the Management Committee that Clive Owen & Co should be appointed for a second year. The members approved the Management Committee recommendation not to appoint Auditors for this first year. Mr Michael Rigby asked whether there was some external inspection of the accounts. Denise Howard advised that the accounts would be submitted to the regulatory body the FCA.

Election of Committee: As per our Model Rules of the Society, all 9 members of the Management Committee were standing down at the AGM. 7 were willing to serve again. One new nomination was received from Mrs Adrienne Micklethwaite, leaving one vacant place on the Management Committee. Denise thanked retiring Directors Kate Stead and Jayne Ford for all their hard work on the committee over the past year. The members agreed to the appointment of the new Management Committee.

Any other business: Mr Michael Rigby congratulated the management committee for a successful first twelve months. He expressed his concern about only one volunteer being on duty between 5pm and the close of business especially during the winter months and would prefer to see 2 volunteers in the shop at all times. Denise Howard thanked him for his comments, and agreed that this would be ideal, if we had 2 volunteers available, but this was not always possible. We had installed CCTV and the PO had panic alarms for security of volunteers and customers.

Charity of the Year: During this first year, we had supported one counter-top charity collecting box for Yorkshire Air Ambulance. Professor Ian Shaw and Kathryn Wallis suggested that it would be good to support other charities and these should be changed on an annual basis. The Chairman requested suggestions for counter top collecting, which would be discussed at the next Management Committee meeting.

Derek McLuckie commented on the many services provided by the Post Office, and was unaware until recently that he could bank money into his bank account through the post office. The Chairman advised that we had printed a leaflet and website with services listed, plus editorial in the Huby Voice to promote services like this, but it was an on-going process.

The AGM was then formally closed and followed by refreshments.

Full Chairman's Report

The Yorkshire Post ran an article on the 3rd of this month, about the demise of the rural post office. A staggering 614 PO branches have closed in Yorkshire since 2000 with rural areas being the worst hit.

Once a post office closes, it is very difficult to get one back up and running. Sutton and Crayke lost their post office years ago, and more recently, Helmsley and even New Earswick closed their doors.

The success story of Stillington Stores and Post Office was proof locally, that the community owned, not for profit model can work.

I'd like to thank everyone at Stillington for their help, support and sharing of experience during our business planning, especially Christine Cookman and Andrew Harrison.

Sad circumstances set us on this journey, and here we are at our first AGM!

It has been a tremendous achievement, that by working together we have been able to safeguard our village shop and post office for the benefit of everyone living, working and visiting Huby and Sutton villages.

We have over 480 shareholders who provided much needed founding finance paying £20 each for a community share. 120 of those shareholders kindly supported the business plan with loans of almost £42,000.

We couldn't have agreed a lease and purchase of the business without this support. So thank you to all those who helped with money and support in kind.

The steering group had its first official meeting on Thursday 4 February 2015 and we took action quickly to get the new company formed. Meeting every week, everyone took action to drive the project forward.

Huby and Sutton Community Shop Ltd was formed just 4 weeks later on 5 March with four founding directors: Kate Stead, Lynn Wagstaff, Jemma Higgins and myself.

A business plan and a funding strategy was agreed, and we launched the share offer on 13 March last year.

The lease was agreed with David, negotiations with the Post Office began, and we were ready to take over the business on Friday 15 May 2015, although the official PO contract wasn't in place until the end of July.

You will recall that we immediately closed the shop at mid-day.

A team of volunteers then spent the weekend rearranging the shop layout, cleaning, painting and we installed a new bean to cup coffee machine, a take-away lunch fridge and a new till system. We ordered the shop awning and some shelving for storage in the office upstairs. We also erected our new shop signage with the new branding Barkers of Huby. We chose the name to reflect Lesley and David's 26 years of service and to retain a sense of continuity.

We have managed to make several other improvements to the shop over the last few months most of which were done from grants rather than trading income. So thanks to the Post Office Community Fund and Hambleton District Council, we were able to install a new PO counter, new shelving, upright freezers, better lighting and CCTV.

To all our customers, thank you for bearing with us as it took until the end of October to get all of this done. We hadn't intended that the old PO counter would be a marooned island in the middle of the shop for quite so long!

None of these improvements would mean anything if we didn't have a willing team of amazing volunteers to run the shop every day. The core team of around 25 volunteers, works anything from 1 – 10 hours per week each and we have around a dozen more, who volunteer occasionally.

Huge thanks to every single one of our volunteers. You cheerfully open up at 7.15 to do the papers and get ready for customers, order, receive and price stock, keep the shop clean and attractive, serve customers and I hope, have fun! You should all have immense pride in what you are doing. I know most of us have had to learn new skills quickly and everyone has risen to the challenge.

We may be volunteers and community owned, but it does not mean we have to be amateurs! It was pleasing that an unannounced visit from Environmental Health in February, resulted in a 5* hygiene rating.

And in April, before the end of our first trading year, we were at the House Of Lords as a finalist in the Countryside Alliance Awards for best village shop and post office.

Whilst we didn't win that award, it was an amazing achievement to be one of a handful of finalists out of 3000 entries. However, we did win the Community Contribution Award in HDC Annual Business Awards in July, which is a fitting tribute to all our volunteers, management committee, customers and suppliers.

We have held several events throughout the year to keep people informed about what we are doing and to generate some good PR. Volunteers meetings are held every 3 months or so and we find this works well in a social setting ie the pub! At the last meeting, we provided some samples of produce sold in the shop, which not everyone had tried before.

Some of you will have been involved in the Shareholder Photograph we arranged last summer. We can count on our members and supporters to provide most things, but I think

the cherry picker - which Jemma Higgins happened to have - was a big surprise and made the photo work so well!

We also used that occasion to present David with a surprise retirement gift and cake. David Dunning from Minster FM made a short video about the shop and the shareholder photograph, and it was viewed over 3000 times!

In October we held a Christmas Tasting event at the shop, and around 20 people or so enjoyed various sloe gins, whisky, pork pies, truffles and cakes. This helped us plan our first Christmas too.

In November, we officially opened the new Post Office counter with Kevin Hollinrake MP and the help of the Post Office. The Post Office like what we are doing, and made a short video about Barkers of Huby.

With Christmas 2015 looming, we decided to be brave and offer a Christmas ordering service for meats, poultry, fish, cakes, veg, plants in December. This all ran smoothly, although 3 mornings of 5.30am deliveries from Hartleys meant an early start for Eddie and his team of 'meat' volunteers during Christmas week.

Every customer received what they ordered on the day they needed it thanks to some robust systems and planning, and some hard work by the management committee. So you can order your Christmas turkey and all the trimmings with confidence this year!

Our financial year end is 30 April, but we celebrated our first birthday on 15 May with a BBQ Breakfast on the forecourt. With succulent sausages and best bacon from Hartleys, baps from Clarkes and my dear husband slaving over a hot BBQ, we served over 100 breakfast baps and raised donations for Yorkshire Air Ambulance. Sara Ellis baked a wonderful celebration cake and the Management Committee served tea and coffee to everyone. The sun shone, and it was a great celebration of our 1 year anniversary.

More recently, our new website went live, and you can follow our Facebook page and tweets on twitter.

During the year, we hosted 3 visits from other people either running a community shop, or trying to get one off the ground.

We joined the Plunkett Foundation to benefit from their experience and support and will be hosting a regional meeting of community shops next month.

I won't dwell on finances as Sara will be presenting the financial statements next, but I would like to remind everyone that although we are community owned and 'not for profit' we are a business, and have to comply with all tax regulations, health & safety, trading standards and employment laws etc etc . We couldn't run the business without the time, skills and support given by the Management Committee of 9 volunteers. I would like to personally thank each and every one of them, for their help in making Barkers of Huby such a success during this first year of trading.

Financial Report

I'm Sara Ellis and I have been maintaining the purchase ledger since July last year, and Treasurer of the Society since May this year.

All members who bought a £20 not-for-profit share will have all been emailed or hand delivered the Summary Financial Statements for the year ending 30 April 2016.

Items to note: This Financial Summary includes all set up and purchase costs, but covers a 50 week trading year. We started incurring costs from February 2015, and did not take over the business and start generating income until mid May.

We are therefore very pleased to have generated a Turnover of just under £200,000 and made an operating profit of £7223 for our first year.

All sales are recorded through the Electronic Point of Sale system, apart from the Post Office income, which is recorded separately through the Horizon Post Office system. We use a cloud based accounting system Kashflow, enabling the Chairman, Treasurer and Accountants to monitor progress throughout the year.

The shop is run by a volunteer management committee and team of volunteers. The PO has a pool of 4 paid staff, including Jack, Eddie, Jayne and Kate.

The administrative expenses includes all salaries, employers NIC, rent, utilities, marketing, office expenses, professional fees (legal and accountancy), insurance and all costs relating to the running of the Society.

We received three grants during the period to enable improvements to be made to the shop:

£2,000 from the Amy Fairbairn Trust via the Plunkett Foundation

£4500 from Hambleton District Council

£8455 from the Post Office Community Fund

The grants have been deferred to match the expenditure and will be written down over a 5 year period.

The investment allowance relief on these improvements, means that there will be no corporation tax payable this year.

No Bond interest was due in this financial period. We will be paying interest for Year 2 in April 2017 of just under £1700 to our 124 bond holders who loaned £42,000 to the Society last year.

The Bank Deposit Account has £16,000 in it at the moment, and it is our aim to build up the account to £42,000 so that all bond holders can be repaid in year 4, if they so choose.

The remuneration received from the Post Office and commission is not enough to cover the wages costs and this is effectively subsidized by the shop to enable 5 ½ days a week opening.

It should be noted however, that footfall, spend per head and turnover is increasing, in both the shop and the Post Office. The trading period 1 May – 31 August this year, is around 40% higher than the same period last year.

Moving forward, the Management Committee is confident that as long as members and customers continue to use the Post Office services – and spend in the shop – and volunteers continue to run the shop, the future of the Society is sound.