

# **Clapham Community Shop Ltd**

## **Minutes of the Annual General Meeting**

**Held on Tuesday 4<sup>th</sup> July 2017 at 7.30pm in Clapham Village Hall**

### **Attendees:**

The meeting was attended by 38 shareholders.

### **Apologies:**

Val & Eddie Braithwaite, Kathy Hall, Christian Jennerich, Gail Smith, Chris and Jess Harte, Iain & Chloe Crossley, Simon Peach, John & Ann Norris, Will Dawson.

### **The minutes of the Annual General Meeting 2016:**

These were agreed to be an accurate record.

Proposed by: Ann Sheridan

Seconded by: Chrissie Bell

### **Matters arising from the minutes:**

No matters arising from previous minutes.

### **Chair's report – Sue Mann:**

All welcomed to 3rd Annual General Meeting.

Sue began by thanking all; from shareholders to the volunteers, the staff and the Management Committee we have had the great good fortune of receiving wonderful support.

Sue thanked the volunteers whose hard work makes the shop viable. We now have 38 'active' volunteers who carry out a wide range of tasks. Some are front of house and on the counter, the early morning shift who do papers and baking and are up and out well before most of us, the 'finance' team who cash up and go to the bank, the people who deal with the weekly delivery and see that it is checked and stored, the date checkers, the diy people, the gardeners and the cleaners.

And last, but not least, the members of the Management Committee, some of whom do some of the above as well.

It is quite special when customers, both local and visitors, say things like:

*Very good village shop, excellent service, with very helpful and cheerful staff. A great place with plenty of community spirit.*

*The volunteers are wonderful.*

*Very friendly, the heart of the community. Superb, excellent, brilliant, lovely shop.*

*Always a lovely atmosphere*

*Wonderful, great community spirit*

*Excellent shop, we have four or five community shops back in Kent, your one is lovely.*

Although we know that our volunteers are wonderful, the MC took a very early decision to employ staff as well and this has brought us Helen, Ruth, Tara and, most recently, Sue. This investment has certainly paid off – we have 4 really excellent staff members all contributing in their very different ways and helping to make the shop the success it is. I also think that we can see it as an achievement to be able to offer 4 paid posts as a contribution to the local economy.

We also aim to support our local community in a range of other ways. Some examples are:

- By being the 'Box Office' for many local events.
- The shop also supports other local groups and their fundraising.
- The shop is a distribution point for the Clapham and District Newsletter.
- People using the village hall can collect the key from the shop.
- The shop works with the Clapham Sustainability Group to recycle as much waste as possible.
- All cardboard is taken by volunteers to the paper collection which supports Settle Swimming Pool.
- The shop buys from local businesses where possible.
- The shop is able to support the important work of The Yorkshire Dales Millennium Trust who rent an office in the building at a competitive rent.
- We now are able to offer prescription collection services for both local GP surgeries. In the case of the Townhead Surgery these are being collected from the surgery by our volunteers.

All of this is what makes us what we are and contributed to our application to the Craven Community Group awards. We were delighted to win the Best Community Group Award, against some amazing competition.

An important element in the shop's success has been the building. We really appreciate the support we have received from our landlords, the Ingleborough Estate. Over the last year there have been a few changes. We now have an internal ramp to allow wheelchair users access to the whole of the downstairs area. This was funded by a generous anonymous grant. We also have taken steps to make the shop more comfortable and to waste less produce by moderating the temperature. We initially thought about air conditioning but the cost and disruption this would cause made us look around the issue and we have eventually had a three pronged approach – film, coolers and soon to be in place a canopy. Many thanks to the Kirkby Foundation who have awarded us grants to cover this work.

Just to look ahead a little to next year:

- We will be working on the business plan over the coming months
- We will be looking at some of the areas in the shop which need a little TLC
- We know we always need to recruit new volunteers. The best way to do this is by word of mouth so please pass the word on. It doesn't necessarily mean working on the till as that seems to worry people. The best thing is for people to have a word and find out what's possible.
- Some market research – we have a pretty good idea of what people who come into the shop like and, perhaps, don't like about us. However, what we don't know is why some people don't use the shop and if there is anything we can do to provide what they need. That's something for us to work on. Any ideas gratefully received.

- The MC will have a slightly different face by the end of tonight with 2 new people offering to join us which is great. However, significantly it is who is leaving us. Don Gamble has been the Chair of the initial Steering Group and then the MC since the outset. He was one of the original group who felt that the village could not go without a shop and, to be honest, without Don we wouldn't be where we are today. He isn't going away entirely – he'll still be able to react if the burglar alarm goes off! I would like to thank Don on behalf of all of us for all that he has done for the shop and, by implication, the village.

### **Shop Manager's report – Helen Rollinson:**

So what has happened in the last year in CVS?

We have a garden... the back of the shop has been transformed. My aim is to eventually supply the shop with a little homegrown veg and herbs. A huge thank you goes to Barry who is wholly responsible for the design.

We've also had some amazing and very exciting publicity, inc TV coverage.. and I know you're going to hear see all about this shortly.

The retail patterns have remained pretty much the same since last year, which for me is useful to plan from a staffing and purchasing point of view.

As far as retail goes, we have added more product lines and new suppliers. As a result we have expanded the range of gifts we sell, we have added a new line of locally made wooden gifts as well as the ever popular fridge magnets and trinkets aimed at children which sell at for under a fiver. The freezer selection has grown. We have readymade meals offering a vegetarian and a gourmet fish range. We have a wider range of greetings cards and wrapping papers, and we now stock local beers from Dent brewery. All our cakes now come from a company in Sedbergh. Our cake sales in fact have increased by 25% year on year. The most significant change recently has been to bring the sandwiches in house and produce them ourselves. This means we are able to reduce the selling price, use our own baked bread, and choose a wide array of fillings that we are in control of. Wastage is reduced in the shop and we are using the kitchen and its equipment to its potential. Most importantly we are now able to employ another part time member of staff. The sales of sandwiches have increased by 79% since we started just over two months ago. In June alone we made over 500 sandwiches.

I'm pleased to say that sales and footfall are up by 5% on last year's figures and the margin of 25% is being maintained. We're trying to keep our selling prices in line with inflation and the local supermarkets. The shop is reliant on local support, the tourist trade and passers by. My job now is to keep our Shop fresh with new ideas and products which is my main aim in the next 6 months.

### **Treasurer's report – Jill Gates:**

This time last year we were very pleased to report a small loss of £350 after our first year of trading, particularly when our initial forecast had indicated that we might not be in profit until the end of our third year.

Instead: this year we made a profit before tax of £8,288 – and yes, we will even have a small amount of tax to pay [£184 on rental income, £915 of deferred tax on accelerated capital allowances].

Our sales increased to £229,542 (£185,299 last year) which is largely due to extending the retail area at the back of the shop last February; this was kindly paid for by Ingleborough Estate in return for an extra £340 pa in rent.

Then, having spent £4,300 on the refurbishment of the offices upstairs last spring we have started receiving £2K pa of rental income from the Millennium Trust.

We have also managed to increase our gross profit margin from 23% to 24.8% with some of our best earners being greetings cards, hot drinks, bacon butties, eggs and bananas.

Operating costs or overheads amounted to £52,823 which is around £4,400 per month; these cover salaries (£29K), rent (£4K), electricity (£4.4K) & depreciation (£5.8K)

Don't forget, a second employee to work with the manager or supervisor would cost another £25K pa so that's a financial measure of how much you the volunteers put into the shop.

Capital additions this year amounted to £6,665 which downstairs went on:

Shelving and display units, a new chiller, the ramp, burglar alarm, and upstairs, blinds, vinyl and carpeting.

Once again we have been very fortunate in obtaining funding amounting to £1,650 [£14K last year] in the form of grants and donations from YDNPA, the Clapham Sustainability Group, the Kirkby Foundation and various smaller groups and individuals.

Our balance sheet this year is showing:

- £33,260 of fixed assets
- £25,202 of net current assets [which is anything that can easily be converted into cash i.e. stock, debtors and cash less amounts owing to creditors]
- £10,424 of accruals, deferred income (grants) and provision for deferred tax

which gives us £48,038 of net assets.

We had £8,400 in the bank at the year-end [£6,990 last year]; we are still aiming to have around £14K in the bank [about 3 months' of operating costs].

In March 2016 we were very grateful for £5,000 of interest-free, short-term loans to tide us over the refurbishment and extension period; these were all repaid last September.

We raised nearly £2,000 of new share capital from people buying more shares so the "share value" of that £10 share you bought a couple of years ago has increased from £9.76 last year to £11.49 this year.

For 2017-18 we've drawn up a cautious budget as we feel it could be a difficult year - we've already seen a lot of price increases from our suppliers:

- Assumed no increase in sales volumes apart from our own made sandwiches and staying open for an extra hour on summer weekends;
- Slight increase in our overheads with the introduction of auto-enrolment into a pension scheme for our employees
- Electricity prices rose 14% last year so we've assumed the same for next year
- We started paying full rent from 1<sup>st</sup> January this year
- We also now have to pay for Repos support as the first two years were included in the cost of purchasing the till.

So, we're hoping to make a net profit of about £6,000 in 2017-18. Please continue to support your community shop to help us reach that target!

### **Appointment of Auditor – Jill Gates:**

The Management Committee are responsible for preparing financial statements which give a true and fair view of the statement of affairs of the company and of the profit or loss for the period. We have to present Annual Accounts to the AGM.

Section 6.2 of our Rules states that "as a result of the provisions of the Deregulation (Industrial and Provident Societies) Order 1996, the Society has the power to decide not to appoint an Auditor to audit its Annual Accounts".

In the past 2 years you have voted to exercise that power so instead of an audit (cost ~£5K) Haworths have examined our accounts to ensure that they are in agreement with our accounting records (cost £700).

You are very welcome to go through the accounts in more detail with the treasurer.

Proposal: That the Members exercise the power to decide not to appoint an auditor for 2018. The meeting agreed not to appoint an auditor and to continue with an independent examination.

- Motion to accept accounts: proposed by Norman Stride, seconded by David Kingsley.
- Motion to decide not to appoint an auditor: proposed by Stuart Marshall, seconded by Ken Pearce.

**Company Secretary's report – Diane Elphinstone:**

Diane reminded shareholders that everyone has an equal vote, ie not dependent on the number of shares you have. Shares are still £10 each, and can be bought at any time. The Share Prospectus is on the website, along with the relevant paperwork, ie application form etc. New from this year is a form that you can use to nominate who will inherit your shares in the event of your death. Having this information will make issuing a new certificate after your death easier deal with. If you wish to, you may nominate Clapham Shop as inheritor of your shares. We currently have 178 shareholders, and our shareholding has increased by 100 to end of 16/17 financial year.

**Election of Management Committee:**

Sue Mann explained that the constitution required 1/3 of the Management Committee Members have to stand down each year, though they may be re-elected. However, as there are still vacancies on the Management Committee, it was felt unnecessary to go through this procedure.

George Sheridan had been co-opted during the year, and is now formally nominated as a member, Iain Crossley and Liz Andrew have offered to stand as new members of the Management Committee. Don Gamble stepped down at the meeting and did not stand for re-election.

**Therefore the full committee for 2017 – 2018 is:**

Sue Mann  
Denise Wilson  
Jill Gates  
Marilyn Galpin  
Angela Peach  
Kathy Hall  
Chrissie Bell  
George Sheridan  
Liz Walton  
Iain Crossley  
Diane Elphinstone

**AOB:**

Ken Pearce asked if the proposed canopy would hide the shop name. James Innerdale described the design – name will be on the valence of the blind, with vertical stripes in green and off white, ie the shop/estate colours. The name will be in black in same font as current shop name.

Ann Gorner raised the issue of not enough space in the kitchen. Denise Wilson responded that it is on the Management Committee Agenda and options are being explored and any changes will be share with our volunteers. Any suggestions would be welcomed.

Meeting was then declared closed.