

SUBJECT TO APPROVAL AT THE 2017 AGM

Minutes of the Fifth Spaxton Community Shop Society Ltd Annual General Meeting

At 7.30 on 20th April 2016 at Spaxton Village Hall

1. Present: 34 shareholders. Apologies received from 9 shareholders.

2. Minutes of the Annual General Meeting held on 15th April 2015: Approved unanimously.

3. Matters Arising: None

4. Chairman's Report: The Chairman, Josh Schweiso gave an account of the achievements of the society since the last AGM.

He reported that the committee's optimism and the faith in the committee shown by shareholders before the 2015 AGM has proved well founded.

The shop has continued to attract praise and we are being held up as a 'beacon shop', an exemplar for other community shops. The internal fittings funded by Magnox, have been particularly admired.

There are now 49 volunteers. They were thanked for their contribution. Volunteering is enjoyable and rewarding and we can always do with more. Mandy Deeks was thanked for her efforts in ensuring the stores are always staffed.

Our part-time manager, Karen, has proved invaluable. Her wide range of experience in retail has been put to good effect and she has provided an essential stable presence.

Work to provide a post office started in June. There were difficulties adapting Post Office Ltd's requirements and contract to our circumstances. Melanie Hall, Richard Lee and Vernon Hughes attended meetings and negotiated to get terms we could agree. 18 volunteers put themselves forward for post office training and staff the post office counter with support from Karen. Although it is challenging working in the post office can be rewarding.

The range of products sold is always being reviewed. A questionnaire has been used to get the views of customers. A suggestion box is always in place in the stores.

As part of our service to the community, we have supported seasonal events and sold tickets for Village Hall events. We have a notice board to advertise local events and services, tourist information and maps and books of local interest organised by Trish Edwards.

We're now powered in part by solar panels partly paid by a generous grant from Scottish Power. The project was overseen by Simon Haswell.

Finally the Chairman thanked the management committee and I particular the two retiring members, Carol Smith and Vernon Hughes. He pointed out that a healthy organisations needs new members and appealed to shareholders to come forward to fill the two positions.

There were no questions or comments about the chairman's report

5. Presentation and approval of Accounts: The Treasurer, Richard Lee reported on the year's financial situation:

In the early weeks of the year we spent £16,000 on fixtures and fittings. In October we made the final payment of £2,309 to the builder. At the end of the year we paid about £6,000 for PV panels half of which has been recouped by a grant from Scottish Power.

Sales have greatly exceeded expectations. The best month was October. The first 11 months saw takings of £162 796, cost of stock was £133 676 with £10 634 of stock on the shelves and £6000 owed to suppliers.

We have over 30 suppliers and 30% of our stock comes from Bookers. We are proud of our wide range of goods from small suppliers, eight of whom live in or just outside the parish.

From mid-October our costs included our part-time manager.

The last repayment of our £20 000 loan will be made in January 2017. Although we have been repaying the loan and have been paying a salary it is gratifying that our net bank balance has grown by £3,000 during 2015. We had budgeted £2,500 for air conditioning but that has been shown to be unnecessary due to the air extraction system installed by Simon Haswell.

The installation of the post office cost us about £2,000. In the first month's full trading they paid us £282, which works out at about £2 per hour that the post office is open and is about the level of remuneration that we were led to expect. At present the shop is subsidising the post office. We hope that post office business will increase as more people realise the benefit of using it.

Comparing the early months of 2016 with 2015 show a 4% increase in turnover.

In summary the company is on a firm financial footing and it can look forward to the future with confidence.

Our accountant, Charles Greenow, explained the main factors affecting the accounts. Whilst there was an accounting profit of £26 000 various items reduced the tax liability to zero. These include depreciation of the building costs over 7 years (the term of the lease) and the purchase of fittings. This produced a tax loss of £8 000 which can be carried forward. If current trade continues there is a predicted tax liability of £2 400 for 2016.

Shareholders were concerned that a company operated by volunteers to provide a service to the community should be liable to pay corporation tax. Various options were suggested. Charles explained that whilst becoming a charity would remove the tax liability the conversion would have its own problems. Other suggestions would not remove the tax liability and it was noted that other community shops do pay corporation tax. Charles added that the conversation with HMRC can continue as we have a year's leeway at least.

It was proposed by Anne Stoye that the accounts be approved. This was seconded by Peter Sedgwick-Wilde. Agreed unanimously.

6. Post Office Report: The chairman had referred to the post office in his report. Vernon Hughes added that

Negotiations with Post Office Ltd were difficult. Due to the efforts of the sub-committee, especially Melanie Hall, all the requirements of our company were eventually achieved. We have shown what can be achieved by persistence and this has been a help to other community shops.

The volunteers deserve special praise as they have had to undergo many hours of training and risen to the challenge.

As reported, the income from the post office local model in our situation is meagre and the PO is run mainly as a service to the community. Income can be increased if certain post office services are used more often, especially financial services.

7. Membership report: Simon Haswell reported that our Society now has 302 member-shareholders. 6155 shares have been issued making a shareholder fund of £30 775. 271 shareholders have a TA5 postcode. At least 5 shareholders have an overseas address. We continue to offer shares in order to increase community involvement in the Society.

8. Election of Committee Members. 2 current members, Vernon Hughes and Carol Smith resigned from the committee. All other committee members had been re-elected or co-opted within the previous 3 years. Therefore nominations were invited for the two vacant positions.

Sonia Hulejuk was proposed by Melanie Hall and seconded by Sian Sedgwick-Wilde. This was approved unanimously.

No other proposal was made and so one committee position remains vacant.

9. Discussion and voting on the following motion:

This meeting authorises the society to disapply the requirement to undertake a full professional audit for 2014

Charles Greenow explained the purpose of the motion. It was proposed by Gilly Lee, seconded by Peter Sedgwick-Wilde and carried unanimously.

10. Other motions. There were no other formal motions. Shareholders thanked the retiring committee members and those remaining.

The meeting closed at 8.23pm

