

**Hinton St George & Locality
Rural Community Services
Limited**

**ANNUAL MEMBERS'
MEETING**

27th January 2017

6.00pm

Agenda

- **Chairman's welcome**
- **Apologies**
- **Approval of Minutes of Annual Members' Meeting of 22nd January 2016**
- **Committee Report including Annual Statement of Accounts for year ending 30th September 2016 and Membership Report**
- **Elections to the Management Committee**
- **Resolutions**
- **Open Forum**

Comments from those not here:

“Thank you for being so helpful and kind to us”

“We are always impressed by the friendliness and help of the volunteers and the Manager”

“Congratulations to all who work at or behind the scenes of *our shop*”

Minutes of last AGM

Approval – proposer and seconder please

Matters arising in Open Forum:

- **Bad debt write-off** – none last year
- **Forecasting accuracy** – see report
- **Pension costs** – included in this year's budget. Only 2 staff members have taken it up.

Report to Members

- **Overview**
- **Financial Report**
- **Operations**
- **Membership**

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**Overview for year ending
30th September 2016**

Overview

- Lloyds Bank loan re-financed with 20-year fixed rate mortgage from SSDC
- Accounts consolidated (Coop/Nat'wide)
- Staff reward scheme introduced
- Shop layout improvements implemented
- Staff pension scheme finalised for introduction on 1st October 2016
- Change of tenant in the flat
- Business again profitable
- Staff stability

and.....

OUR 5TH BIRTHDAY!

Hot News!

We have been awarded a grant of £13,000 for improvements to the Shop! It covers:

- New Post Office counter
- New shelving units
- New freezers
- New projecting Post Office sign

We have to contribute up to £3,000 from reserves

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**Financial Report for year ending
30th September 2016**

Summary Profit & Loss Account

Year Ending 30th September 2016

	Actual 2016	Budget 2016	Actual 2015
Turnover	195,633	202,818	195,189
Cost of sales	<u>150,451</u>	<u>152,630</u>	<u>(150,368)</u>
Gross Profit	45,182 _(23.1%)	50,188 _(24.7)	44,821 _(23.0%)
Other Income – PO	12,345	11,981	12,247
- Flat rental/misc	<u>8,244</u>	<u>8,493</u>	<u>8,612</u>
Gross profit inc other income	65,771	70,662	65,680
Operating expenses	<u>(53,231)</u>	<u>(58,495)</u>	<u>(51,495)</u>
Trading profit (ex finance, depn)	12,540	12,167	14,185

Profit/Loss after financing

	Actual 2016	Budget 2016	Actual 2015
Trading profit (previous slide)	12,540	12,167	14,185
Finance costs (net interest)	<u>(5,737)</u>	<u>(7,320)</u>	<u>(6,225)</u>
Net profit (after finance)	6,803	4,847	7,960
Other income (grants, donations)	<u>2,370</u>	<u>1,000</u>	<u>1,045</u>
	9,173	5,847	9,005
Depreciation	<u>(2,327)</u>	<u>(2,390)</u>	<u>(2,716)</u>
Surplus for year/end 30 th Sept.	6,846	3,457	6,289
Taxation	895	0	0

Summary Balance Sheet

as at 30th September 2016

	2016	2015
Fixed assets (property value etc)	394,127	396,299
Net current assets	<u>43,133</u>	<u>37,402</u>
Total net assets	437,260	433,701
Total bank loans outstanding	(185,815)	(186,817)
Community loans	<u>(9,430)</u>	<u>(9,430)</u>
Net assets as at 30 th September	£242,015	£237,454

Operating Expenses breakdown

	2016	2015
Staff costs	38,443	37,799
Premises costs	7,168	7,346
Administrative costs	<u>7,620</u>	<u>6,350</u>
Total Expenses	53,231	51,495

A roller-coaster of sales

Quarterly shop sales	2016	2015	2014
Q1	51,592 (- 3.0%)	53,171 (+14.0%)	46,623
Q2	45,306 (- 3.6%)	47,006 (+10.8%)	42,434
Q3	46,222 (+0.3%)	46,086 (-6.7%)	49,410
Q4	<u>52,513</u> (+7.3%)	<u>48,926</u> (-5.7%)	<u>51,879</u>
Total	195,633 (+0.2%)	195,189 (+2.5%)	190,346

Target for 2016-17

	Budget 2017	Actual 2016
Turnover	201,441 (+3.0%)	195,633
Cost of sales	<u>155,221</u>	<u>150,451</u>
Profit on sales	46,220 (23.0%)	45,182 (23.1%)
Post Office income	11,845	12,345
Other inc. rental income	<u>9,313</u>	<u>8,244</u>
Gross Profit	67,378	65,771
Wages	(40,863)	(38,443)
Other operating expenses	<u>(16,998)</u>	<u>(17,115)</u>
Net Profit (before finance)	9,517	10,213
Finance costs (interest)	<u>(5,037)</u>	<u>(5,737)</u>
Net profit (after finance)	4,480	4,476
Other income – grants etc	<u>1,000</u>	<u>2,370</u>
Forecast profit for y/e 30.09.16	5,480(-20.0%)	6,846

Cash Forecast (I)

	Forecast 2017	Actual 2016	Forecast 2016
Cash at beginning of year	<u>£40,163</u>	<u>£33,913</u>	<u>£33,913</u>
Trading profit for year	9,518	10,213	8,831
<u>Add back</u>			
Depreciation	2,705	2,327	2,390
<u>Less</u>			
Finance costs (net interest)	(5,037)	(5,737)	(6,374)
Tax	_____?	_____(895)	_____0
Cash generated from trading	7,186	5,908	4,847

Cash Forecast (2)

	Forecast 2017	Actual 2016	Forecast 2016
Cash generated from trading	£7,186	£5,908	£4,847
<u>Add</u>			
New shares issued		150	
Increase in mortgage loan		5,248	
Grants and donations	1,000	830	1,000
Increase in net creditors		519	
<u>Less</u>			
Capital expenditure	(2,200)	(155)	(700)
Loan repayments	(7,336)	(6,250)	(6,180)
Increase(Decrease) in cash in year	(1,350)	6,250	(1,033)
Cash at end of year	£38,813	£40,163	£32,880

Trading Update

	Actual to 31 st Dec. 2016	Budget to 31 st Dec. 2016	Actual to 31 st Dec. 2015
First quarter shop sales	£53,083 (+0.3%)	£52,936 (+5.7%)	£50,092

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**Operations Report to Members for
year ending 30th September 2016**

Operations

- *our* SHOP
- *our* VOLUNTEERS
- *our* PROPERTY
- Future challenges

OUR SHOP

- Continued staffing resilience
- Range and merchandising continues to improve
- Facebook page operational
- Continuing efforts to control wastage
- Great effort by all

our VOLUNTEERS

- High level of expertise of core volunteers
- Particular thanks to Fiona for doing payroll and lots of work on new pension scheme
- As always, thanks to our Rotameistresses – they do an invaluable task
- Another successful summer barbecue (48!)
- Some new recruits but less “regulars” – makes rota scheduling difficult

our **PROPERTY**

- No major building maintenance issues in shop but freezers creaking
- New tenant in flat from July 2016
- Few maintenance issues in flat at changeover
- Garage and garden let continuing satisfactorily
- Property income critical to HRCS finances

Current priorities

- Carrying out the re-vamp of the Post Office counter
- Replacing poor shelf displays
- Renewing older freezers
- Improving external signage to “catch the eye”
- Maintaining profitability in a time of inflation
- Winning the Countryside Alliance Village Shop of the Year competition!

Future challenges

- Strengthening the volunteer rota, i.e. more regular slots, please
- Maintaining profitability in a time of inflation
- Increasing turnover - need £220k for safety
 - *we need your help with ideas for achieving this*

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**Membership Report for year ending
30th September 2016**

Membership Report

- 385 Individual and 19 Corporate Members at 30th September 2016
- 9 new members in the year
- 4 members sadly died in the year
- Encouraging number of new residents have joined since 1st October 2016
- Member communication by e-mail, via the Hinton Hound, website and Facebook

HRCs Ltd – Management Committee

Elections to Management Committee

Elected Committee Members and roles

- David Clements - Chairman
- Andrew Norton - Deputy Chairman (*IT, website and comms and handyman*)
- Jeremy Rook - Treasurer
- David Wheeler - Company Secretary (*management accounts, membership*)
- Keith Hurse (*Post Office*)
- Nick Kirby (*EPoS and stock control*)

Co-opted Committee Members and Roles

- Judy Craig and Jean Roberts (*joint minutes secretaries*)
- Salle Wroblewski (*Designated Premises Supervisor – i.e. Licence holder*)
- Les Farris (*Press and publicity*)

Leavers and Retirements by Rotation

- Mike Mills-Roberts, Ann-Marie Lawson and Jane Jackson resigned from the committee during the year
- Patricia Heelis has stood down
- Keith Hurse, Nick Kirby, Andrew Norton and Jeremy Rook retire by rotation and offer themselves for re-election

Elections to Management Committee

- Constitution requires not less than 4 and not more than 12 committee members
- 2 resignations since the last AGM
- Currently 6 elected members
- Valid nominations received from 9 people

Nominations for Election

The following valid nominations have been received for election to the Committee:

- Jackie Bristow
- Judy Craig
- Les Farris
- Keith Hurse
- Nick Kirby
- Andrew Norton
- Jean Roberts
- Jeremy Rook
- Salle Wroblewski

Election process

- Currently only 2 continuing elected members of the management committee (David Clements and David Wheeler)
- 9 valid nominations received for 10 vacancies
- Therefore, suggest that nominated people are elected en block
- Proposer and seconder, please?

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Formal Resolutions

Resolutions

I. **Annual Report**

To approve the committee report to members for the year ending 30th September 2016.

Proposer and seconder, please.

Resolutions

2. Annual Accounts

To approve the annual accounts for the year ending 30th September 2016.

Proposer and seconder, please.

Resolutions

3. Reporting Accountant

To authorise the Management Committee to dispense with a full professional audit for the year to 30th September 2017 and to appoint a Reporting Accountant at its discretion.

Proposer and seconder, please.

OPEN FORUM

**We would particularly welcome
your ideas on how we can increase
turnover by **£20,000** per annum**

And, of course, any other issues you
would like to raise

Please state your name