

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

**ANNUAL MEMBERS'  
MEETING**

**2<sup>nd</sup> February 2018**

# Agenda

- **Chairman's welcome**
- **Apologies**
- **Approval of Minutes of Annual Members' Meeting of 27<sup>th</sup> January 2017**
- **Committee Report including Annual Statement of Accounts for year ending 30<sup>th</sup> September 2017 and Membership Report**
- **Elections to the Management Committee**
- **Members' questions on the report and accounts**
- **Resolutions**
- **Open Forum**

# Comments from those not here:

“We greatly appreciate the hard work and imagination from everyone involved which goes into the shop’s amazing success”

“Wishing you a successful meeting and here’s to another profitable and successful year with your community shop”

# Minutes of last AGM

**Approval** – proposer and seconder please

## **Matters arising in Open Forum:**

- **More flyers emphasising value** – done through Merriott Messenger and flyers
- **Plant sales** – happening as plants are donated
- **Supplier discounts for loyalty** – some now being achieved

# Report to Members

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

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# SHOP & Post Office

**Overview for year ending  
30<sup>th</sup> September 2017**

# Overview - improvements

- Post Office upgrade and associated works achieved with grant support
- Range of produce widenedWider range of gift items available – bags, aprons and calendars - mugs to follow
- Popular range of pet food being stocked
- Improved merchandising
- Revenue from shop window lettings

# Overview - events

- Successful Christmas Wine Tasting in shop
- “Near misses” in Countryside Alliance and Post Office awards
- Another successful volunteer’s barbecue (*how long before we have a wet one?!*)
- Stable Staff and Management Committee
- Overall, a very successful year



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# SHOP & Post Office

**Financial Report for year ending  
30<sup>th</sup> September 2017**

# Summary Profit & Loss Account

## Year Ending 30<sup>th</sup> September 2017

	Actual 2017	Budget 2017	Actual 2016
Turnover	210,232	201,417	195,633
Cost of sales	<u>(162,790)</u>	<u>(155,007)</u>	<u>(150,451)</u>
Gross Profit	47,442 <sub>(22.6%)</sub>	46,410 <sub>(22.9%)</sub>	45,182 <sub>(23.1%)</sub>
Other Income – PO	12,094	11,845	12,345
- Flat rental/misc	<u>9,810</u>	<u>9,299</u>	<u>8,244</u>
Gross profit inc other income	69,346	67,554	65,771
Operating expenses	<u>(55,274)</u>	<u>(54,780)</u>	<u>(53,231)</u>
Trading profit (ex finance, depn)	<b>14,072</b>	<b>12,774</b>	<b>12,540</b>

# Profit/Loss after financing

	Actual 2017	Budget 2017	Actual 2016
Trading profit (previous slide)	14,072	12,774	12,540
Finance costs (net interest)	<u>(5,055)</u>	<u>(5,037)</u>	<u>(5,737)</u>
Net profit (after finance)	9,017	7,737	6,803
Other income (grants, donations)	<u>1,918</u>	<u>0</u>	<u>2,370</u>
	10,935	7,737	9,173
Depreciation	<u>(3,815)</u>	<u>(2,705)</u>	<u>(2,327)</u>
Surplus for year/end 30 <sup>th</sup> Sept.	<b>7,120</b>	<b>5,032</b>	<b>6,846</b>
Taxation	<b>1,156</b>	-	<b>895</b>

# Summary Balance Sheet

## as at 30<sup>th</sup> September 2017

	2017	2016
Fixed assets (property value etc)	402,212	394,127
Net current assets	<u>33,682</u>	<u>43,133</u>
Total net assets	435,894	437,260
Total bank loans outstanding	(178,475)	(185,815)
Community loans	<u>(9,430)</u>	<u>(9,430)</u>
Net assets as at 30 <sup>th</sup> September	<b>£247,989</b>	<b>£242,015</b>

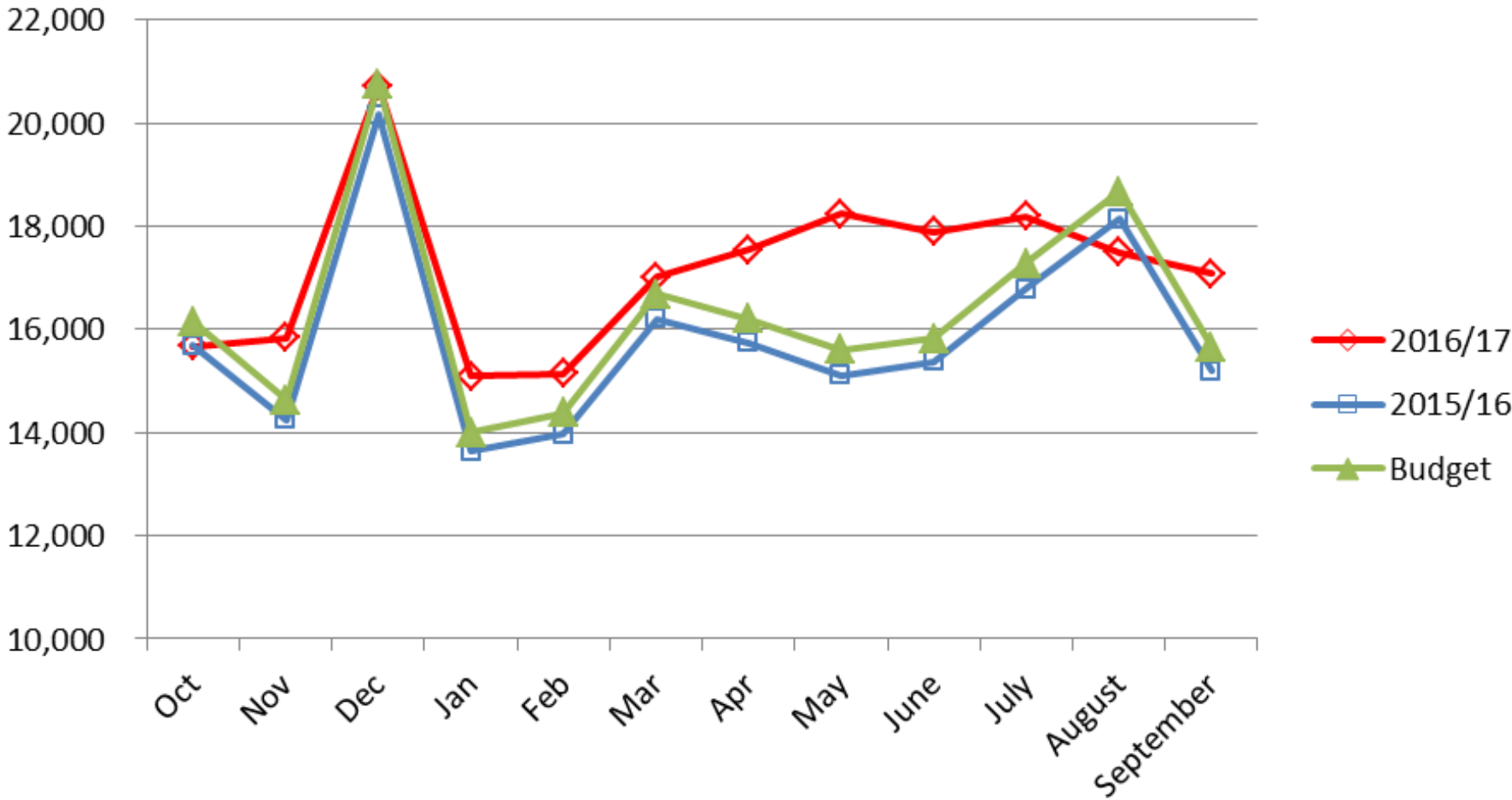
# Operating Expenses breakdown

	2017	2016
Staff costs	40,327 (+4.9%)	38,443
Premises costs	9,071 (+26.5%)	7,168
Administrative costs	<u>5,867</u> (-23%)	<u>7,620</u>
<b>Total Expenses</b>	<b>55,274</b> <b>(+3.8%)</b>	<b>53,231</b>

# Understanding the pattern of sales

Quarterly shop sales	2017	2016	2015	2014
<b>Q1</b> <b>Av. 25.8% (+1.4/-1.3)</b>	52,953 (25.2%)	51,592 (26.4%)	53,171 (27.2%)	46,623 (24.5%)
<b>Q2</b> <b>Av. 23.1% (+1.0/-0.8)</b>	48,194 (22.9%)	45,306 (23.2%)	47,006 (24.1%)	42,434 (22.3%)
<b>Q3</b> <b>Av. 24.8% (+1.2/-1.2)</b>	54,666 (26.0%)	46,222 (23.6%)	46,086 (23.6%)	49,410 (26.0%)
<b>Q4</b> <b>Av. 26.3% (+0.9/-1.2)</b>	<u>54,420</u> (25.9%)	<u>52,513</u> (26.8%)	<u>48,926</u> (25.1%)	<u>51,879</u> (27.2%)
<b>Total</b>	<b>210,233</b>	<b>195,633</b>	<b>195,189</b>	<b>190,346</b>

# Monthly Total Direct Sales (excl News vouchers)



# Target for 2017-18

	Budget 2018	Actual 2017
Shop sales	218,674 (+4.0%)	210,233
Cost of sales	<u>(166,192)</u>	<u>(162,791)</u>
Profit on sales	<b>52,482</b>	<b>47,442</b>
Post Office income	12,094	12,094
Other inc. rental income	<u>10,545</u>	<u>9,810</u>
Gross Profit	75,121	69,346
Wages	(43,530)	(40,327)
Other operating expenses (incl depn)	<u>(21,317)</u>	<u>(18,762)</u>
Net Profit (before finance)	<b>10,274</b>	<b>10,257</b>
Finance costs (interest)	<u>(4,831)</u>	<u>(5,055)</u>
Net profit (after finance)	<b>5,443</b>	<b>5,202</b>
Other income – grants etc	<u>1,600</u>	<u>1,918</u>
Forecast profit for y/e 30.09.18	<b>7,043</b>	<b>7,120</b>



# Cash Forecast

	Forecast 2018	Actual 2017	Forecast 2017
Cash at beginning of year	27,092	40,163	40,163
Cash at end of year	39,496	27,092	38,813
<b>Increase (decrease) in cash during year</b>	<b>12,404</b>	<b>(13,071)</b>	<b>(1,350)</b>
<b>Profit on Society Trading</b>	11,810	12,175	9,518
<b>Add back:</b>			
Depreciation	3,800	3,815	2,705
Grant write-off & share donation	(1,600)	(1,813)	
<b>Less:</b>			
Finance costs (net interest)	(4,767)	(5,055)	(5,037)
Corporation Tax	(1,156)	(895)	(895)
<b>Cash generated from Trading</b>	<b>8,087</b>	<b>8,227</b>	<b>6,291</b>

## Cash Forecast (cont)

	Forecast 2018	Actual 2017	Forecast 2017
<b>Cash generated from Trading</b>	<b>8,087</b>	<b>8,227</b>	<b>6,291</b>
<b>Add:</b>			
New shares issued	-	210	-
Grants, donation etc		10,753	1,000
<b>Less:</b>			-
(Increase)/decrease in net debtors	14,059	(13,021)	895
Capital expenditure	(2,200)	(11,900)	(2,200)
Loan repayments	(7,542)	(7,340)	(7,336)
<b>Increase in cash during year</b>	<b>12,404</b>	<b>(13,071)</b>	<b>(1,350)</b>

# Trading Update

	Actual to 31 <sup>st</sup> Dec 2017	Budget to 31 <sup>st</sup> Dec 2017	Actual to 31 <sup>st</sup> Dec 2016
First quarter shop sales	<b>£55,865</b>	<b>£54,983</b>	<b>£53,083</b>

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# SHOP & Post Office

**Operations Report to Members for  
year ending 30<sup>th</sup> September 2017**

# Operations

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

## OUR SHOP

- Continued staffing resilience
- Range and merchandising continues to improve, leading to “destination” status
- More emphasis on Health and Safety
- Continuing efforts to control wastage
- Sense of “all pulling together”

## *OUR* VOLUNTEERS

- High level of expertise of core volunteers
- Thanks to the unseen volunteers – Ann-Marie Lawson, Jean Burgess, Ken Roper, Tony Gates, The Cardboard Club
- Special thanks to Jackie Bristow, who manages the rotas, and to Sheila Hayler for standing-in
- Some new recruits but even less “regulars” – makes rota scheduling increasingly difficult



★ ★ ★ ★ ★  
**WE NEED**

**YOU!**



## *OUR* **PROPERTY**

- Freezers replaced with Post Office Grant
- Unforeseen expenditure on shop water heaters and flat gas boiler
- Stability of tenants in flat and garage
- Unforeseen expenditure on gas boiler
- All lettings continuing satisfactorily
- Property income critical to HRCS finances

# Current priorities

- Data Protection – Committee needs help with this issue, must be compliant by May 2018
- Security Cameras – part of data protection – help needed
- External re-decoration to be done in spring
- Increasing the number of “regular” volunteers

# Future challenges

- Increasing turnover - £220k shop sales now within touching distance
- Maintaining profitability in a time of inflation
- Finding a new Chairman.....

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# SHOP & Post Office

**Membership Report for year ending  
30<sup>th</sup> September 2017**

# Membership Report

- 405 Individual and 19 Corporate Members at 30<sup>th</sup> September 2017
- 21 new members in the year
- 1 member sadly died in the year
- New residents are all encouraged to join
- 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 general handyman!*)
- Jeremy Rook - Treasurer
- David Wheeler - Company Secretary (*management accounts, membership, H and S*)
- Judy Craig/Jean Roberts (*Joint minutes secretaries*)
- Jackie Bristow (*Volunteer rota, marketing initiatives*)
- Les Farris (*PR and Newsletter*)
- Keith Hurse (*Post Office*)
- Nick Kirby (*EPoS and stock control*)
- Salle Wroblewski (*Licence holder*)

# Leavers and Retirements by Rotation

- There have been no notifications of resignations from the committee
- David Clements and David Wheeler retire from the committee 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
- No resignations since the last AGM
- Currently 9 elected continuing members
- 3 vacancies on the Committee
- No valid nominations received by the closing date

# Nominations for Election

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

- David Clements
- David Wheeler

# Election process

- Currently 9 continuing elected members of the management committee
- 2 valid nominations received for 3 vacancies
- Proposer and seconder, please?

# Comments

Before proceeding to the formal resolutions, are there any comments on the Annual Report and Accounts?

**Please state your name!**

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# SHOP & Post Office

## **Formal Resolutions**

# Resolutions

## I. **Quorum at General Meetings**

To give the Management Committee authority to change Article 4.11 of the Articles of Association from "a quorum is present if 5 members or 10% of the members entitled to vote at the meeting (whichever is the greater) are present" to "a quorum is present if not less than 30 members entitled to vote at the meeting are present".

*Proposer and seconder, please.*

# Resolutions

## **2. Committee Report to Members**

To approve the committee report to members for the year ending 30<sup>th</sup> September 2017.

*Proposer and seconder, please.*

# Resolutions

## **3. Annual Accounts**

To approve the annual accounts for the year ending 30<sup>th</sup> September 2017.

*Proposer and seconder, please.*



# Resolutions

## **4. Reporting Accountant**

To authorise the Management Committee to dispense with a full professional audit for the year to 30<sup>th</sup> September 2018 and to appoint a Reporting Accountant at its discretion.

*Proposer and seconder, please.*

# OPEN FORUM

**Please state your name!**