

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

**ANNUAL MEMBERS'  
MEETING**

**15<sup>th</sup> February 2019**

# Agenda

- **Chairman's welcome**
- **Apologies**
- **Approval of Minutes of Annual Members' Meeting of 2<sup>nd</sup> February 2018**
- **Committee Report including Annual Statement of Accounts for year ending 30<sup>th</sup> September 2018 and Membership Report**
- **Elections to the Management Committee**
- **Members' questions on the report and accounts**
- **Resolutions**
- **Open Forum**

# Comments from those not here:

- “Successful & vibrant place”
- “Thanks to Lizzie for encyclopaedic postal knowledge”
- “Many thanks to all who contribute to the continuing success of the shop”

# Minutes of last AMM

- **Any corrections?**
- **Approval** – proposer and seconder please
- **Those in favour**

# Matters raised at last AMM

- **Revaluation of buildings** – not done, committee reluctant to spend money
- **Data Protection** – major effort on this during the year – more to follow
- **Control of donations** – improved control measures in place, joint counting monthly
- **New floor covering** – quotation obtained, too expensive for the moment
- **Quorum for Members' Meetings** – done, now 30 members

# Report to Members

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

OUR

# SHOP & Post Office

**Overview for year ending  
30<sup>th</sup> September 2018**

# Overview - improvements

- External re-decoration completed
- New Our SHOP bags and aprons sourced
- Village leaflet produced for tourists
- New back office computer purchased
- Second till purchased to reduce queues
- New freezer purchased to increase stock
- Security camera installed
- £10k reduction in mortgage principal



# Overview - events

- GDPR compliance achieved
- Another successful Christmas Wine Tasting
- Another successful volunteer's barbecue

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# SHOP & Post Office

**Financial Report for year ending  
30<sup>th</sup> September 2018**

# Summary Profit & Loss Account

## Year ending 30 September 2018

	Actual 2018	Budget 2018	Actual 2017
<b>Turnover</b>	220,417	218,674	210,232
Cost of Sales	(169,498)	(168,160)	(162,790)
<b>Gross Profit</b>	<b>50,919</b>	<b>50,514</b>	<b>47,442</b>
	23.1%	23.1%	22.6%
Post Office income	12,111	12,094	12,094
Rental & other income	10,483	10,482	9,810
	<b>73,513</b>	<b>73,090</b>	<b>69,346</b>
Operating expenses ( <i>excl dep'n</i> )	(60,887)	(58,520)	(55,274)
<b>Trading Profit</b>	<b>12,626</b>	<b>14,570</b>	<b>14,072</b>
<i>(before finance &amp; tax)</i>			

## Profit/Loss after financing

	Actual 2018	Budget 2018	Actual 2017
<b>Trading profit</b> ( <i>previous slide</i> )	<b>12,626</b>	<b>14,570</b>	<b>14,072</b>
Finance costs ( <i>net interest</i> )	(4,613)	(4,767)	(5,055)
<b>Net profit</b> ( <i>after finance</i> )	<b>8,013</b>	<b>9,803</b>	<b>9,017</b>
Other income - grants	1,371	1,600	1,613
Other income - donations	3,228	-	305
	<b>12,612</b>	<b>11,403</b>	<b>10,935</b>
Depreciation	(4,585)	(3,800)	(3,815)
<b>NET PROFIT before tax</b>	<b>8,027</b>	<b>7,603</b>	<b>7,120</b>
Taxation	(1,270)	(1,270)	(1,156)
<b>PROFIT for the financial year</b>	<b>6,757</b>	<b>6,333</b>	<b>5,964</b>

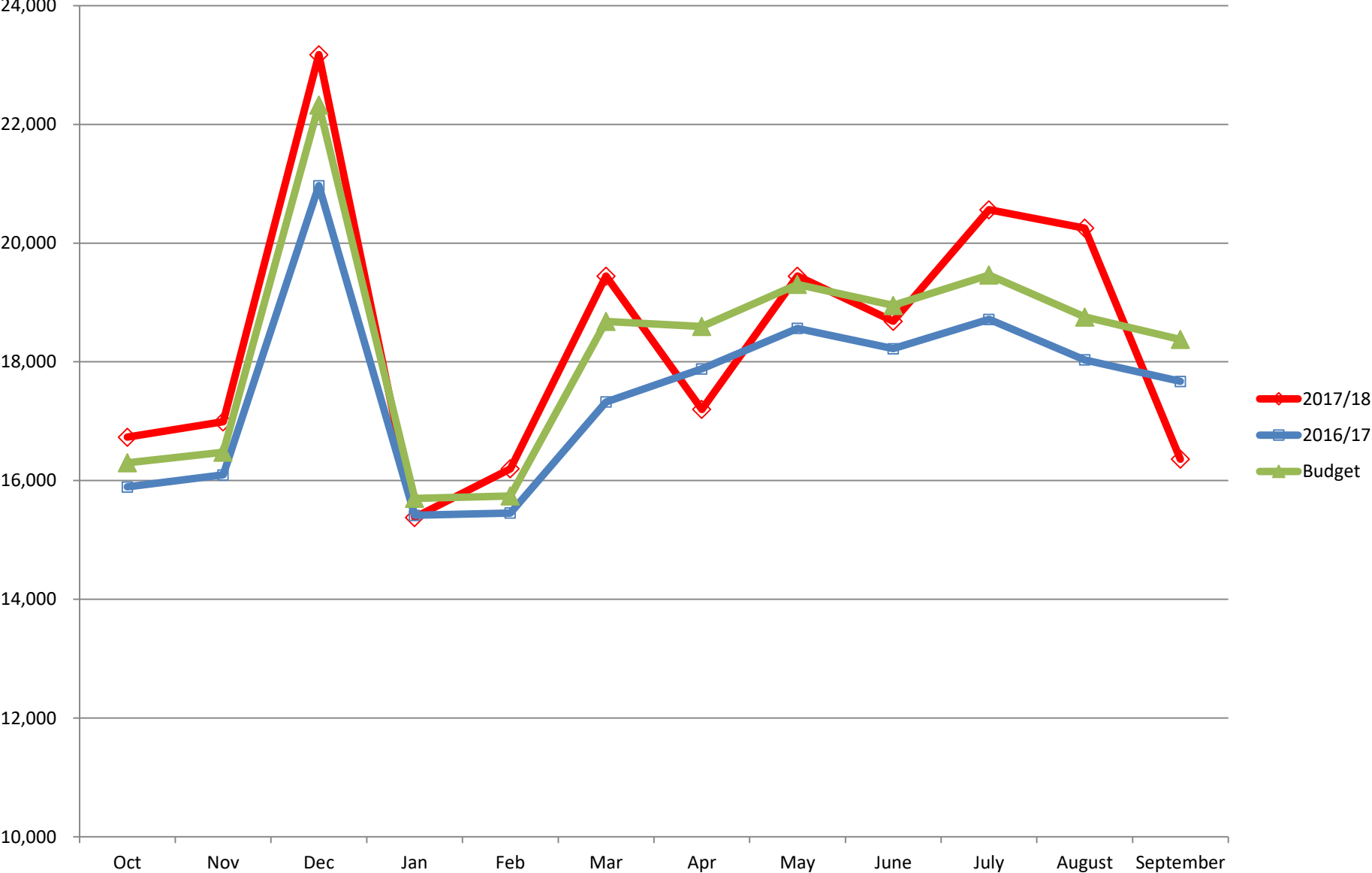
# Summary Balance Sheet as at 30th September 2018

	2018	2017
Fixed assets (property value etc)	400,975	402,212
Net current assets	24,109	33,682
<b>Total net assets</b>	<b>425,084</b>	<b>435,894</b>
Outstanding mortgage principal	(160,818)	(178,475)
Community loans	(9,430)	(9,430)
<b>Net assets as at 30<sup>th</sup> September</b>	<b>254,836</b>	<b>247,989</b>

# Operating Expenses breakdown

	2018	2017
Staff costs	44,010	40,327
Premises costs	11,001	9,072
Administrative costs	5,876	5,875
<b>Total Expenses</b>	<b>60,887</b>	<b>55,274</b>

# Monthly Total Direct Sales



# Target for 2018-19

	Budget 2019	Actual 2018
Shop sales	228,132	220,417
Cost of sales	<u>(175,189)</u>	<u>(169,498)</u>
<b>Profit on sales</b>	<b>52,943</b>	<b>50,919</b>
Post Office income	12,111	12,111
Other inc. rental income	<u>10,718</u>	<u>10,483</u>
<b>Gross Profit</b>	<b>75,772</b>	<b>73,513</b>
Wages	(45,342)	(44,010)
Other operating expenses (incl depn)	<u>(21,893)</u>	<u>(21,462)</u>
<b>Net Profit (before finance)</b>	<b>8,537</b>	<b>8,041</b>
Finance costs (interest)	<u>(4,273)</u>	<u>(4,613)</u>
<b>Net profit (after finance)</b>	<b>4,264</b>	<b>3,428</b>
Other income – grants & donations	<u>1,165</u>	<u>4,599</u>
<b>Forecast profit for y/e 30.09.19</b>	<b>5,429</b>	<b>8,027</b>



# Cash Forecast

	Forecast 2019	Actual 2018	Forecast 2018
Cash at beginning of year	26,479	27,092	27,092
Cash at end of year	25,433	26,479	39,496
<b>Increase (decrease) in cash during year</b>	<b>(1,046)</b>	<b>(613)</b>	<b>12,404</b>
<b>Profit on Society Trading</b>	11,097	12,640	11,810
<b>Add back:</b>			
Depreciation	4,500	4,585	3,800
Grant write-off	(1,165)	(1,371)	(1,600)
<b>Less:</b>			
Finance costs (net interest)	(4,273)	(4,613)	(4,767)
Corporation Tax	(1,270)	(1,156)	(1,156)

## Cash Forecast (cont)

	Forecast 2019	Actual 2018	Forecast 2018
<b>Cash generated from Trading</b>	<b>8,889</b>	<b>10,085</b>	<b>8,087</b>
<b>Add:</b>			
New shares issued	100	90	-
Decrease in net debtors	-	13,864	14,059
<b>Less:</b>			-
Increase in stock	-	(3,647)	-
Capital expenditure	(2,000)	(3,348)	(2,200)
Loan repayments	(8,035)	(17,657)	(7,542)
<b>Increase in cash during year</b>	<b>(1,046)</b>	<b>(613)</b>	<b>12,404</b>

# Trading Update

	Actual to 31 <sup>st</sup> Dec 2018	Budget to 31 <sup>st</sup> Dec 2018	Actual to 31 <sup>st</sup> Dec 2017
First quarter shop sales	<b>£60,253.00</b>	<b>£58,617.00</b>	<b>£56,895.00</b>

OUR

# SHOP & Post Office

**Operations Report to Members for  
year ending 30<sup>th</sup> September 2018**

# Operations

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

## OUR SHOP

- Range and merchandising continues to improve, leading to “destination” status
- Major effort to become GDPR-compliant
- Leaflet drops to increase sales
- New freezer purchased to help Cook sales
- Plant sales stand installed
- Great staff – welcome to Julie!
- 7 years and 5 years

# New Website

- Not completed during the year but now up and running
- Big Thanks to Mike Shaw and Jackie Bristow for all the work they have done on it
- Also Big Thanks to Andrew for running the old website since inception
- Hand over to Mike to explain the site

## *OUR* VOLUNTEERS

- Core of long-standing regular volunteers
- Thanks as ever to the unseen volunteers who do lots of essential jobs behind the scenes
- Once again, special thanks to Jackie Bristow, who manages the rotas, and to Sheila Hayler for being “First Reserve”
- Some new recruits but even less “regulars” – makes rota scheduling increasingly difficult





★ ★ ★ ★ ★  
**WE NEED**

**YOU!**

## *OUR* **PROPERTY**

- Stability of tenants in flat and garage
- All lettings continuing satisfactorily
- External re-decoration carried out
- One blocked drain to deal with!
- Higher utility bills
- Property income remains important

# Current priorities

- Assessing the core staff hours required to run the shop as turnover increases
- Increasing the number of “regular” volunteers

# Future challenges

- Maintaining income growth
- Maintaining profitability when faced with increasing staff costs
- Staying cash positive

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# SHOP & Post Office

**Membership Report for year ending  
30<sup>th</sup> September 2018**

# Membership Report

- 383 Individual and 17 Corporate Members at 30<sup>th</sup> September 2018
- 9 new members in the year
- New residents are all encouraged to join
- Sadly 5 members died this year
- Member communication continues by e-mail, Hinton Hound, website and Facebook

# How do we compare? (I)

- Members – av. 177, *HRCS has over 400*
- Turnover – av. £162k, *HRCS was £243k*
- Paid jobs – av. 4, *HRCS has 8*
- Volunteers – av. 30, *HRCS has 40+*
- Gross margin – av. 22.0%, *HRCS 23.1%*
- Net profit – av. £3,816, *HRCS £8,027*
- Man. Committee – av. 7, *HRCS 10*

## How do we compare? (2)

- 57% of shops have mix of paid staff and volunteers
- Only 26% of shops own their freehold
- 43% of shops have a café
- 59% of shops have a Post Office

**Conclusion: *we're not doing badly!***



# **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*)
- Salle Wroblewski (*Licence holder*)

# Leavers and Retirements by Rotation

- Nick Kirby has resigned from the Committee as he has left the village
- There are no retirements from the committee by rotation

# Elections to Management Committee

- Constitution requires not less than 4 and not more than 12 committee members
- Currently 10 continuing elected members
- 2 vacancies on the Committee
- 1 valid nomination received by the closing date

# Nominations for Election

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

- Mike Shaw

*Mike has already shown his worth to the Committee by taking a leading role in sorting out our GDPR issues and also in helping to design and implement the new website.*

# Election process

- 1 valid nomination received for 2 vacancies
- The Committee recommends election of Mike Shaw
- 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. Committee Report to Members**

To approve the committee report to members for the year ending 30<sup>th</sup> September 2018.

*Proposer and seconder, please.*

# Resolutions

## **2. Annual Accounts**

To approve the annual accounts for the year ending 30<sup>th</sup> September 2018.

*Proposer and seconder, please.*

# Resolutions

## **3. Reporting Accountant**

To authorise the Management Committee to dispense with a full professional audit for the year to 30<sup>th</sup> September 2019 and to appoint a Reporting Accountant at its discretion.

*Proposer and seconder, please.*

# OPEN FORUM

**Please state your name!**