

Hinton St George and Locality Rural Community Services Limited (HRCS)

Minutes of the Annual Members Meeting

Held on 15 February, 2019
St George's Village Hall, Hinton St George

Present:

Management Committee:

David Clements - Chairman

Andrew Norton - Deputy Chairman (IT, website and communications and handyman}

David Wheeler - Company Secretary

Keith Hurse - Post Office

Judy Craig - joint minutes secretary

Les Farris - Newsletter

Jean Roberts joint minutes secretary

1	Chairman's Welcome	
	<p>The Chairman, David Clements, welcomed Members and thanked them for attending. He outlined the information to be covered during the meeting. Copies of the signed accounts and the Committee Report to Members were available at the meeting.</p>	
2	Apologies	
	<p>Committee Members: Jeremy Rock ((Treasurer) and Jackie Bristow (PR). 31 apologies for absence had been received from Members.</p>	
3	Approval of Minutes	
	<p>The Minutes of the last AMM held on 2 February 2018 had been circulated prior to the meeting. There were no amendments and approval of the minutes was proposed by: Steuart Davidson-Houston and seconded by Bob Kefford.</p> <p>Matters arising from previous Minutes:</p> <p>Revaluation of buildings. - As there would be a considerable cost to this it had been agreed that it would be put on hold.</p> <p>Data Protection - This had been completed.</p> <p>Donations –a formal procedure had been put in place for control of donations, with a committee member counting the donations jointly with the Manager.</p> <p>Floor covering - The quotation received for new floor covering</p>	

	<p>was very high and it had been decided to put this on hold.</p> <p>Quorum – Approval had been formally sought and given to reduce the quorum needed for the AMM from 10% of membership to 30 members. Articles of Association had been amended accordingly.</p>	
4	<p>To present to Members</p> <p>Annual report of the Committee:</p> <p>David Clements presented the Annual Report</p> <p>External redecoration for the building had been carried out. The distribution of a PR leaflet in surrounding areas had increased the number of people using the shop. A CCTV camera was now in place We have reduced our mortgage by £10,000. The wine tasting event held before Christmas had been very successful</p> <p>Donations – these were made up mainly from produce donated by members of the village, small change and from the Antique dealer who rents a window in the shop.</p> <p>Capital expenditure - £2000 had been budgeted for but might not be spent.</p> <p>Products – choice of products continued to improve and is the main reason for increased sales.</p> <p>GDRP has now been completed. Mike Shaw and Linda Eardley were thanked for the time and hard work they put into completing this.</p> <p>The leaflet drop contributed to an increase in footfall. Jackie Bristow was thanked for designing and producing the tourist leaflet which appeared to have been a success.</p> <p>Cooks frozen food meals continued to be very successful</p> <p>Thanks to Tony Gates for making the plant sales stand and for helping with maintenance</p> <p>Julie Pearce was welcomed onto the shop staff.</p> <p>Jillian Fawcett was thanked for her huge contribution, hard work and management of the shop</p> <p>The Shop website designed by Mike Shaw and Jackie Bristow was now up and running and can be viewed on a PC, Tablet and phone.</p>	

Ordering in advance was now possible and if members want to subscribe they can be sent information of new products, offers, promotions etc. Additional use can be made of the website which is very accessible and easy to use. Jackie and Mike were thanked for their hard work

Volunteers were always needed; Jackie Bristow and Shelia Hayler were thanked for their work keeping the Rota of Volunteers up to date.

Property - the garage and flat continue to be let and are an important part of our income.

Utility bills – water and electricity bills had now been renegotiated and were under control.

John Hansell noted that there had been a 40% increase in electricity spend in spite of new freezers being installed. This was due to under budgeting and one month's payment being put into the wrong budget year, such that the previous year had been too low and this year was consequently too high.

Increase in staff hours had been necessary to cope with the increase in sales...

Future challenges

Maintain income growth

Maintain profitability

Stay cash positive.

Annual Statement of Accounts for the year ending 30th September, 2018

David Wheeler presented the Annual Accounts
Copies of the Financial Statement had been emailed to members prior to the meeting and further copies were made available at the meeting

The highlights of the accounts were:

- Shop sales up 4.8% on the previous year and 0.8% up on budget;
- Gross margin up from 22.6% to 23.1%;
- Operating expenses up 4% on budget, largely due to higher staff costs and higher utilities bills;
- Net profit after depreciation and finance costs down from £9,803 to £8,013;
- Once grants and donations were taken into account the pre-tax profit was up from £7,603 to £8,027;
- Net assets showed a satisfactory increase from £247,989 to £254,836,

	<ul style="list-style-type: none"> • there was a decrease in cash in the year, due to a variety Of reasons but principally the repayment of £10,000 of principal on the mortgage; <p>For the current year we were forecasting a further small decrease in cash but this was before any donations were taken into account. Donations received to date in the current year were in excess of the forecast decrease in cash</p> <p>John Hansell asked if we should be concerned that achieving positive cash flow was dependent on receiving donations. David Wheeler pointed out that we had budgeted to spend £2,000 on capital expenditure in the year although at this stage we were not aware of any requirements. If this was not spent, we would remain cash positive.</p> <p>Emma Way asked if it was sensible to continue to budget for increased sales. David Wheeler said that footfall was continuing to increase although average spend had not increased; the budget for increases sales at 3.5% was largely a recognition of inflation, with a 1% real increase and so was relatively modest.</p> <p>First quarter sales in the current financial year had been an encouraging 2.8% ahead of budget and 5.9% up on the previous year.</p> <p>Report on Membership for the year ending 30 September 2018</p> <p>There were now 383 members, 17 corporate members and 9 new members. 5 members had died in the last year.</p> <p>How do we compare with other shops? The Chairman presented a comparison of how HRCS was performing compared to other community-owned shops and it was recognized that our performance was above the average on all measures; in spite of not having a café and that we were supporting a considerable mortgage.</p>	
5	<p>Elections to the Management Committee</p>	
	<p>Nick Kirby had relocated and resigned from the Committee and the Chairman thanked him for his contribution...</p> <p>There were no retirements by rotation. The constitution required a Committee of not less than 4 and not more than 12 Members and, at the moment there were 10. Only one nomination had been received, from Mike Shaw. His election to the committee was proposed by David Colwill and seconded by Ann Larpent and agreed on a unanimous vote.</p>	

6	Members' Questions on Annual Report and Accounts	
	There were no further questions on the Annual Report and Accounts.	
7	Resolutions	
	<p>1. To approve the Committee Report to members for the year ending 30 September 2018. This resolution was proposed by Terri Hurse and seconded by Emma Way and approved unanimously by a show of hands.</p> <p>2. To approve the Annual Accounts for the year ending 30 September 2018. This resolution was proposed by Michael Phillips and seconded by Ann Larpent and approved unanimously by a show of hands.</p> <p>3. Reporting Accountants: To authorize the Management Committee to dispense with a full professional audit for the year to 30th September 2019 and to appoint a Reporting Accountant at its discretion. This resolution proposed by David Aubrey and seconded by Jane Jackson and approved unanimously by a show of hands</p>	
8.	Other Issues	
	John Hansell suggested that we should have a professional audit after 5 or 10 years. David Wheeler explained that the cost of Cadwallanders. The Reporting Accountant, was £600 per annum whereas a full professional audit would cost several thousand pounds. After discussion it was decided that this would not be value for money at the present time.	
	Andrew Norton thanked David Clements for all his work and commitment. There being no further business, the meeting was closed.	

Judy Craig
28.2.2019