



**Farmborough Community Shop
Minutes of the Annual General Meeting
held on Thurs 13 February 2020 at 7.00pm
Farmborough Memorial Hall, Little Lane**

Present: P Bryers, N Bryers, H Byers, J Byers, R Corcoran, P Corcoran, P Gray, T Gregory-Stevens, J Gregory-Stevens, J Hayes, J Jerome, K Jerome, J Miles, E Pearce, R Perry, S Ross, R Sirett, A Skeates, M Swabey, A Tyrrell, L Tyrrell, V Webster, A Willis, M Woods, A Wright (25 members), plus T Roberts, C Bullock

1. **Apologies for absence:** B Baker, J Barnes, L Brown, P Brown, S Brown, M Brown, M Carter, B Chatfield, J Coles, M Coles, A Conway, S Griffiths, A Griffiths, D Jones, F McGlynn, G Pattern, A Randall, T Roberts, A Swabey, N Till, A Wilson (21)
2. **Minutes of previous members meeting (8 November 2018)**
The minutes were agreed as being a correct account of the previous meeting and were proposed by A Tyrell and seconded by J Jerome.
3. **Annual review of the year from October 2017 to September 2018**
 - a) **Chairman's statement (M Swabey)**
Attached – Appendix 1
 - b) **Performance report (Chris Bullock) and accounts (P Gray)**
Attached – Appendix 2.

Accounts available separately at:
<http://www.farmboroughshop.co.uk/Accounts/FCSAccounts2018-2019.pdf>

A vote was held on the method of auditing to disapply the requirement to have a full audit as permitted within our Society Rules and under FCA Rules (turnover less than £2.8m). It was proposed by M Swabey and seconded by R Perry. Unanimously agreed – For: 25, Against: 0, Abst: 0.
 - c) **Membership report (M Swabey)**
Attached – Appendix 3
4. **Plans for the current and next financial year (M Swabey)**
Attached – Appendix 4: progress from Sept 2019 to 2021

Questions from members

- A. *T Gregory-Stephens: Please can the link to EasyFundraising be circulated regularly. It's an easy way for people to support the shop.*
S Ross to action.
- B. *R Sirett: What are the roles of the committee?*
Each committee member explained their role. In general, the committee currently covers Secretary, Treasurer, Chair, Grants, Fundraising and Events.

C. *J Hayes: Can the temperature be regulated better within the shop?*
The current air conditioning is as regulated and economical as it can be.

D. *T Roberts: Can the till be positioned further to the right (approx. 18")?*
It will be seen what can be done with PayZone now in operation.

5. **Election of Officers**

A vote to re-elect five members of the current committee *en bloc* was put to the members present. Proposed by J Hayes and seconded by A Willis.

Members standing for re-election: Mark Swabey, Valerie Webster, Phil Gray, Sam Ross, Jackie Gregory-Stevens.

Unanimously agreed – For: 25, Against: 0, Abst: 0

The above-named members will hold their positions on the Management Committee for the next three years and may stand for re-election in 2023.

Michael Woods was formally elected in 2018 and holds his position on the Management Committee until 2021, when he may stand for re-election.

Robert Perry stepped forwards to join the committee and after an introduction his election to the committee was put to the vote. Proposed by L Pearce, seconded by N Bryers. Unanimously agreed – For: 25, Against: 0, Abst: 0.

He will hold his position on the Management Committee for the next three years and may stand for re-election in 2023.

Any other business

Questions from members

A. *J Miles – will the energy initiative (see Appendix 4) be rolled out to the village?*

Yes, the AGM was the launch, announcing it to our members first, but donations from the wider community will be required.

A Tyrell thanked the committee for the work done and congratulated the appointment of R Perry.

H Byers appreciated the patience from Chris Bullock to the volunteers.

The meeting was closed at 7.52pm

Appendix 1

Chairman's Statement – Mark Swabey

In the period of October 2018-September 2019, we have completed our first full financial year of trading. The shop trading has increased steadily as a large proportion of the village now visit the shop regularly. The shop's impact on the community has been greater than we could have anticipated. In this period, it has:

1. become a community hub, with in-shop events and meetings of village groups, such as the book group, and newly formed knit and natter
2. become well known in the village and many people from surrounding areas, having a material impact on social aspects of the village community.

Sales Growth has increased about 14% in the year, and gross profit by 12%. Visitors to the shop are also up 9% in this period. This has been down to Chris' hard work and careful management in developing the shop this year. Chris has even won a grant through the Community Trade-up Programme, providing £2,000 for investment into the shop with the potential for additional funding if year on year profits continue.

You may well have noticed that the shop range of stock has grown:

1. Glass bottle milk became available in October 2018.
2. Refillable Ecover cleaning products in August 2019.
3. Magazines available in September 2019.
4. Chris has also taken great care to tune the stock to eliminate wastage.

Chris' work in managing the shop has been recognised by the Plunkett Foundation – an organisation which supports rural communities across the UK to tackle the issues they face through the provision of sustainable community businesses. Chris was runner-up in the People's Choice Award which recognises an outstanding individual who has contributed so much to their community business. The award is sponsored by Hastoe Housing Association.

We have signed the Plastic Free Pledge, a scheme promoted through BathNES in conjunction with Surfers Against Sewage to encourage businesses and community organisations to reduce single use plastic.

The volunteers have contributed so much to making the shop a success. Friendly faces, great service, catching up on news and having a laugh – they have provided all that and with Chris have made the shop a pleasant place to visit. We ran two events for the volunteers during this period: a snack supper with one of Patrick's inimitable quizzes, and a summer cream tea in the Manor House garden. Thank you, Tony and Angela Hardacre, for the delightful venue. Both events proved very popular!

The shop committee now meets quarterly, with reports from Chris monthly. This doesn't mean that we wait for each meeting. Using a committee shared email, problems are discussed and solved as they arise.

Appendix 2

Performance report – Chris Bullock

Figures (October 2018 – September 2019)

- Sales - £82,980.80
- Transactions - 17,751
- Average Spend - £4.67

The growth of the shop has been very encouraging, particularly since November 2019, with all the key indicators seeing healthy progress. January alone has seen a 20% increase in sales this year compared to last.

This has been achieved by adding new product ranges and finding points of difference from bigger competitors in the vicinity.

Top five departments – Coffee Shop, newspapers, bread, Tunley Farm meat, milk. These together account for 41% of the shop's takings.

Volunteers

The volunteers have helped immensely over the past year and their support has been vital in the smooth running of the shop.

We do however have a need for more volunteers as there is a shortfall at the moment. We particularly need help in the shorter 4:30-6 timeslot, but any help at all is valued as there are often other gaps to fill too. We rely on the help of our willing volunteers to keep the shop open during its current hours, and we have plans to extend these as the business grows so, please encourage anyone who may be interested in helping to speak to me about volunteering.

Treasurer's statement – Phil Gray

This financial year marked the first full year of trading.

The business is still yet to return a profit on trading income and has therefore been reliant on grants, fundraising events, and donations to remain solvent. However, together with trend of rising turnover, increased margin, and the identification of cost reduction through investment and waste elimination, we believe this will be turned around in the coming financial year. Mark will give further details of these initiatives.

To comply with FCA regulations, the governing body of Registered Societies such as ours, we again submitted our accounts to David Cadwallander & Co Ltd - a suitably qualified accounts company as recommended by The Plunket Foundation. As a member of Plunkett, we have been able to secure a 40% discount.

Their report has just been returned to us. For those wondering why the front cover states 'unaudited' this is because the FCA permit us to forgo a full audit providing our turnover is less than £2.8M and is agreed by our members. Therefore, I am now asking for a vote to permit this to be agreed.

The accounts are available as a separate document available from:

<http://www.farmboroughshop.co.uk/Accounts/FCSAccounts2018-2019.pdf>

Appendix 3

Membership report

Membership of Farmborough Community Shop Ltd is now just under 160. To date, membership has contributed over £30,000 to our community funding. This plays a crucial part in helping us apply for grants that have brought in the additional funding required to get us where we are today.

However, membership is not just about the income we receive, it is also about community involvement. Over time, your input will be invaluable in keeping the current and future management committee held to account, so that we may maintain and grow the valuable resource of a shop in our village for many generations to come.

Appendix 4

Plans for the current and next financial year (2018 – 2020)

As you will be aware from the accounts, the shop made an apparent loss last year of £13,407. However, £9,022 of this is due to asset depreciation. This is the estimated value that the assets, being the shop, fixtures, fittings and equipment, have reduced by in the last year. This is standard accounting practice. It has no effect on the bank balance or operations. So, our concern is the remaining £4,385 which is the operating loss.

While it is not unusual for a small business to make an operating loss in its first full year of trading, the committee and Chris are making every effort to move to an operating profit as soon as possible, through the following measures:

- Chris reports a sustained improvement in turnover for the shop for the last three months. When taken over the year, this will lead to an increase in turnover of £10,000. Using a gross margin figure for that of £20% (a conservative estimate) will give a gross profit of £2,000
- With the advent of Truespeed in the village, the shop will be connected to that for free, saving £480 a year. This should also allow us to resolve an issue with the Payment Sense card system, which will save a further £360 per annum.
- Finally, we have a plan to simultaneously reduce electricity consumption and dramatically reduce electricity payments, which I will discuss later. That would save the shop £960 per annum
- Taken together, this will improve profit by $£2,000 + £480 + £360 + £960 = £3,800$, thus getting the shop very close to a profitable situation that is sustainable. However, we aim to go further.

The shop committee and Chris are planning for the shop to offer further stock and services over the current year.

This has recently included a range of dried dog food and treats.

Next week, the shop starts offering some Post Office services using Payzone which will include:

- parcel collection for passing to the Post Office
- mobile phone card top-ups
- TravelWest card top-ups for use on local buses
- bill payment services
- and potentially more services in the future.

I am also delighted to announce that, from the start of April, we should be offering a dry cleaning and duvet/pillow cleaning service.

We will continue to hold events and activities at the shop, as well as continue raising the profile of the shop within the village and beyond to bring different people through the door, provide an opportunity to see what we have to offer, and help to increase footfall and profit, which will all contribute to making the shop a continued success.

We need the village community's help (that's you) with three things in the coming year:

1. **New Committee Members** - Bernadette Thorne is standing down from the management committee, having made a major contribution to making the shop a reality as soon as she joined, and more recently having bid for a number of grants. We are all very grateful for her hard work, determination and help in getting the shop to this stage. As a result of her stepping down, the grants work has been shared between others in the committee. **However, we could really do with one or two more on the committee, for fresh views, ideas and help.** We can co-opt members between AGMs, so if you are interested in finding out more about what we do, please talk to us to find out what is involved.
2. **More Volunteers** Chris really could do with more volunteer support. We have 26 weekly volunteers and seven more occasional volunteers. But we have a big shortage in the 4:30-6.00pm slot for three days a week. We could do with a few more for other hours as well, so that Chris can take his holidays! Can you help? Talk to the other volunteers – it's fun, stimulating, a great way to meet more people, and helps our village community.
3. **Let's get rid of the Electricity Bills** - As you have heard, we do have a problem with high electricity costs. We want to cut the electricity usage and cut the cost of buying it as well to ensure that the shop can become profitable and stay that way longterm. This means replacing the two vertical freezer units for one double unit (using the same power as a single unit) and fitting solar panels. We have permission from the hall to place panels on their roof, just below the existing panels. The investment totals £6,000. We have applied for a number of grants, but without success. This takes substantial time and effort from committee members and becomes frustrating. So we have decided on an alternative approach, and are asking for Farmborough Community to help by providing donations of a minimum of £10 a month for 10 months. The sooner we have pledges for the total sum, the sooner we can fit the panels and replace the freezers, and the sooner the shop becomes profitable, so please consider helping us to make this happen as soon as possible.