



**Farmborough Community Shop
Minutes of the Annual General Meeting
held on Thurs 31 March 2022 at 7.00pm
Farmborough Memorial Hall**

Present: A Skeates, V Yates, N Bryers, P Bryers, T Miles, J Miles, C Lovell, S Ross, P Gray, M Swabey, C Taylor (11 members) and C Bullock (manager)

1. **Apologies for absence:** M Hart, G Harris, J Jerome, J Jones, A Tyrell, L Tyrell, B Baker, V Webster, A Griffiths, S Griffiths, D Allen, A Willis, R Sirett, M Woods, J Gregory-Stevens, P Barnes, R Perry, A Randall, S Loudoun (19 members)
2. **Minutes of previous members meeting (22 April 2021)**
The minutes were agreed as being a correct account of the previous meeting and were proposed by C Lovell and seconded by P Bryers.
3. **Annual review of the year from October 2021 to September 2022**
 - a) **Chairman's statement (M Swabey)**
Attached – Appendix 1
 - b) **Membership report (M Swabey)**
Attached – Appendix 2
 - c) **Performance report (C Bullock, shop manager)**
Attached – Appendix 3
 - d) **Treasurer's statement and accounts (P Gray)**
Statement attached – Appendix 4

Accounts were not available at the time of the meeting but are now available separately at:

<http://www.farmboroughshop.co.uk/Accounts/FCSAccounts2020-2021.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 P Gray and seconded by M Swabey.

Agreed – For: 11, Against: 0, Abst: 0.

4. **Plans for the current and next financial year (M Swabey)**
Attached – Appendix 5: progress from Sept 2021 to 2023
5. **Election of Officers**
None this year.

Mark Swabey, Valerie Webster, Phil Gray, Sam Ross, Jackie Gregory-Stevens and Robert Perry were formally elected in 2020 and hold their position on the Management Committee until 2023, when they may stand for re-election.

Roger Sirett, Catherine Taylor and Michael Woods hold their positions on the Management Committee until 2024, when they may stand for re-election.

Any other business

Q. *Can there be more signage?* – A Skeates

A. Shop signage on the shop will need planning permission, but signs around the village could be put on existing posts. The Management Committee will consider as a part of the business review – M Swabey

C Lovell gave his thanks to Chris B for support of volunteers and the addition of the new dry goods section (refills).

The meeting was closed at 7.34pm

Appendix 1

Chairman's Statement – Mark Swabey

In the period of October 2020-September 2021, we completed our third full financial year of trading. Looking at the minutes of last year, we had assumed that we would be coming out of COVID soon after the meeting. How wrong can one be! The shop trading in this period was entirely under COVID restrictions, restricted to one customer or customer group in the shop at any time and no coffee shop. The number of people visiting the shop dropped back from its peak at the start of the pandemic, meaning that turnover also decreased.

However, Chris did a great job of improving the gross margin on sales, meaning that the shop closed the year with only a small loss.

The shop continued to serve the Farmborough community well, not only expanding the range of goods progressively, but also servicing phoned orders with card payments and delivery.

Chris worked tirelessly throughout the year to ensure that the shop ran smoothly, handling numerous stock supply issues, dealing with lower volunteer numbers as people self-isolated, training new volunteers who came forward, while increasing margin and minimising waste, so that the shop ran as efficiently as possible.

The volunteers have continued to contribute so much over the last year. New volunteers have joined, those self-isolating are now returning as the situation improves, and there is a regular group of delivery volunteers.

Unfortunately, we do not have the full accounts available tonight, as the accountants have failed to meet the deadline despite being given sufficient time. However, once they become available, they will be sent out to all members with an opportunity to ask questions.

Appendix 2

Membership report – Mark Swabey

Membership of Farmborough Community Shop Ltd is now just over 160. To date, membership has contributed almost £32,000 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 3

Performance report – Chris Bullock

Figures (October 2020 – September 2021)

- Sales - £117,521.23
- Transactions – 17,036
- Average Spend - £6.90

Although sales are down on last year's exceptional performance due to the lockdowns of 2020, we have still produced an increase of 42% on the 2018-19 period. The sales from last year were never going to be sustainable, but the extend of retained custom has been very positive.

Sales margin has continued to show good growth, up 4.4% on last year and 48.8% on the year before.

The area which needs more attention however is transactions, which have declined this year. Measures are already being discussed to attract more passing trade, and work has already been done in store to attract new customers with our various new ranges.

Volunteers

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

We are still in need of more volunteers, however, so please encourage those around you to contact the shop if they can spare two or three hours a week to ensure our opening hours are sustainable.

Appendix 4

Treasurer's statement – Phil Gray

Trading settled to a more consistent monthly income during this financial year with Covid restrictions having a reduced impact on shopping habits. Although no further government Covid support was received, we did receive a belated grant from the Energy Savings Trust towards the cost of the solar panels fitting in 2020.

The shop continued to show a trading profit and demonstrate the business is sustaining itself, however, when depreciation of assets are considered, the business was shown to still make a small loss and therefore not liable to pay any corporation tax.

Review of our overheads and identifying where these can be reduced or eliminated continued and resulted in a reduced card management and security fees during this financial year. We will also be looking to reduce this further when our contract expires next year and will be able to renegotiate with our current supplier or look for another.

This year also saw the accounting system change from QuickBooks to Xero as Xero offer reduced monthly subscription for organisations such as ours. This transfer was a little more problematic than anticipated, however the function the new software is much improved over its predecessor.

To comply with FCA regulations, the governing body of Registered Societies such as ours, we submitted our accounts to David Cadwallader & 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 not yet been returned to us. As before the front cover will state 'unaudited' and this is because the FCA permit us to forgo a full audit and instead submit a report of our accounts providing our turnover is less than £2.8M and is agreed by our members.

The accounts were finalised some months after the AGM and are now available from:
www.farmboroughshop.co.uk/Accounts/FCSAccounts2020-2021.pdf

Appendix 5

Plans for the current (2021-2022) and next financial year (2022-2023)

The shop is now in a small annual loss situation. Overheads have been minimised and Chris has improved gross margins to their best levels yet. The limit on customers in the shop has been removed. The coffee shop is open for business, but it is taking some time to get people back to the numbers that we used to see, pre-Covid.

The Committee are very aware of the difficulty in making the shop consistently profitable, and so have recently initiated a Business Review, to address each area of the business and look afresh at how each area can be improved. The areas cover:

- Marketing
- Financial
- Goods Offered
- Services Offered
- Shop Organisation
- Shop Layout
- Volunteering
- Customers' perceptions

The Marketing Review has just been completed and an Action Plan is being finalised. The rest will be completed in the next 3 months, and recommendations acted upon, once agreed by the committee.

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

1. **More Volunteers** An ongoing plea, but Chris really could do with more volunteer support. We have 32 weekly volunteers and 2 more occasional volunteers. We could always do with a few more, so that Chris can take his holidays and have more time with his family. Can you help? Or do you know anyone who may be interested? Talk to the other volunteers – it's fun, stimulating, a great way to meet more people, and helps our village community.
2. **Reducing plastic** Having signed up to the Plastic Free Pledge pre-pandemic, we have been working on ways to reduce single-use plastic both around the products we sell and as waste within the shop. This now includes the refill section, the new dry-goods section with zero waste, and Chris deliberately buying goods tinned or glass packaged goods, rather than plastic-packaged, wherever possible while remaining competitive. The dry-goods section was introduced because of customer demand. If you have seen any great innovations around this, or would like to suggest more sustainably packaged products, please share your suggestions with us.
3. **Please use the shop!** As lockdown eases and we all have more shopping choice, please don't forget the village shop. Its range of stock grows. If you want something specific, please ask. If you know someone who needs deliveries, please suggest that they use the shop. And please use the shop regularly yourselves. It's your shop, but it can only survive and serve the community well if the community values it and uses it regularly.