



**MINUTES OF THE BYTHAMS COMMUNITY SHOP ANNUAL SHAREHOLDER MEETING  
HELD IN THE CASTLE BYTHAM VILLAGE HALL ON 7 NOVEMBER 2024**

**Item 1. Attendees, Apologies & Proxies**

Details of the shareholders present at the meeting, those who sent apologies and, where appropriate, their proxies are at Annex A

**Item 2. Approval of the Minutes of the Previous Meeting**

The Minutes of the 2023 Annual Shareholder Meeting had been published on the shop's web site and distributed to shareholders by e-mail. There were no comments on, or corrections to, the Minutes which were unanimously accepted as a true record of the meeting.

**Item 3. Management Committee (retirements and elections)**

Mike Brooman was standing down from the committee having served on it since 2021. The Chairman paid a warm tribute to the enormous amount of work Mike had done over 3 very busy years. The committee has relied on his common sense, business savvy and willingness to roll his sleeves up to respond to short notice problems and guide longer-term progress in the business. His expertise has been invaluable in responding to technical issues and pivotal in the effective exploitation of the shop's Electronic Point of Sale (EPOS) system, stock control and stocktaking. He deserved and was given a huge ovation by everyone present.

Andrea Jones and Paul Bates had volunteered to join the committee during recent months and been co-opted. It was now necessary to formalise their membership by a vote by the shareholders. Both were successfully elected.

Under the shop's governance rules the term of office for committee members is 3 years; at the 3-year point committee members either stand down or stand for re-election. Four cttee members had reached the 3-year point and were willing to continue in post: Steve Barrett, Ingrid Goode, Dominic Sale and Ian Dugmore. All 4 were re-elected.

It was noted that the Chairman had given notice of his own retirement from the cttee in 12 months' time.

The shop's governance rules limit the size of the committee to a maximum of 12 members. Twelve would be unwieldy but there was certainly room for another 1 or 2 members and shareholders were asked to consider applying to join.

#### **Item 4.        Membership and membership strategy**

The shop's membership strategy has not changed. The aim is to encourage the widest possible membership through the sale of shares. Since the last meeting, 3 people have bought shares and the total investment in shares is over £48,000. Although it is possible that in future a different types of shares will be sold, currently shares are being sold under the original prospectus.

As part of the pre-reading for this meeting, shareholders had been e-mailed the new share Policy and Procedures document. This had been written because the share prospectus included the possibility of shareholders being refunded their investment after a period of not less than 3 years. The shop is not currently able to refund any shareholders – and is unlikely to be in such a position for 2-3 years. However, we now have a policy and appropriate procedures in place to cover that eventuality. The document also covers the procedures for shareholders to donate their shares to the shop; this is not something the committee wish to encourage as it is counter to the policy of the widest possible share ownership. The document also includes procedures for shareholders to donate their shares to the shop in the event of their death; otherwise shares would part of a deceased estate and be managed by the executors of the will.

#### **Item 5.        Annual Accounts Summary**

Since the last meeting, our accountants in Bourne, H & J Accounting Freedom, had ceased trading. It had proved impossible to find a local replacement firm willing to take on a business like the shop with its governance arrangement covered by the Financial Conduct Authority (FCA). Eventually MMBA London Ltd had been engaged; they are a company with offices around the UK, with the closest to Castle Bytham in Cambridge. The accountants had been sent the information required to produce their Unaudited Financial Statement but had not yet done so. Some of the material sent to the accountants, the Profit and Loss statement and the Balance Sheet, was included in the e-mail sent to shareholders prior to this meeting.

Since taking over in 2021, the management committee's aim has been to build on the foundations laid by its predecessors to maximise the retail and catering potential of the shop and cafe. The steady increase in the number of transactions, from 24,168 in FY 20-21 to 32,295 in FY 23-24, provides a measure of the progress made. Similarly there has been an increase in annual turnover, from £145,919 in FY20-21 to £205,601 in FY23-24, although inflation will have had some impact here. It is not clear what the ceiling might be for a shop of our size, but the ambition is to increase further the number of transactions and turnover in the coming year. It should also be noted that, just like other businesses and households, inflation has had an impact on the costs incurred by the shop. However, because the shop is being run as a community shop and not simply a convenience store, every effort has been made to minimise the impact of increased wholesale prices by changing suppliers, the careful selection of stock items and by absorbing some of the cost increases.

In FY23-24 the shop made an operating loss of £8,693; this figure does not include money raised by fundraising or received from grants. Although any loss is unwelcome, it was almost half the loss in the previous FY and less than a third of that in FY21-22. It can be seen, therefore, that the trend is towards zero loss and a positive operating profit.

Taking all outgoings and income into account the shop made a small profit (£2,358) after taxation in FY 22-23 and considerable profit of £26,577 in FY 23-24. However, the FY23-24 figure reflects the short-term benefit of the National Lottery grant of £50k over 2 years. The last instalment of this grant, which covers most the shop's labour costs, will be received in May 2025. At that point the shop will need to be profitable through its trading performance and any additional fundraising deemed necessary. A factor that gives grounds for confidence is the steady year-on-year reduction in the shop's indebtedness - the capital and interest it owes on loans. In 2021, as the result of the large loans required for the shop's construction and fitting out, it owed a total of £51,024. By the end of the FY23-24 the repayment of loans and capital had reduced indebtedness to £13,613. Under the planned repayment schedule indebtedness will halve by the end of FY24-25 and reduce to £1,773 by the end of FY 25-26.

To sum up the review of the shop's accounts, there have been times during previous years when the shop's future looked precarious. However, the data that has been accumulated and shows positive trends on every measure provides great confidence in a positive and sustainable future.

Answering a question about the split between the number of transactions in the shop versus the café, it should be noted that the range on offer in the café is far less than the shop. However, over the last 18 months great effort has been put into fine-tuning the café menu to meet customer expectations and now there is a loyal customer base of regulars. Whereas the volume of sales is higher in the shop, the margin on goods in the café is higher and therefore the relative value of café sales is higher. It is arguable that, with 20:20 hindsight, a larger café and smaller shop would have been a better balance of the available floorspace.

## **Item 6.        Performance In-year**

At the last shareholder meeting it was explained how EPOS data was being used to inform decisions about the shop's opening hours and product range. With another year of data there is great confidence in the information available. For example, it shows that Fridays and Saturdays are the busiest days in the shop in terms of transactions and items sold; for reasons not yet fully understood, Friday is the busiest day for transactions but more items are sold on Saturdays. Unexpectedly, Tuesdays are the 3<sup>rd</sup> busiest days in terms of both transaction and items sold. Sundays and Mondays are the slackest days; both are half days but Sundays are busier than Mondays despite being open for an hour less. As mentioned previously, transactions are up 5-6% year on year and items sold are up 3.5%. This is sustainable growth.

The top 25 product sales:

	Description	Qty
1	Sausage Roll (café)	2212
2	Eggs x 6	2058
3	Bassingthorpe milk	1924
4	4-Pint Semi Skimmed	1621
5	2-Pint Semi Skimmed	1417
6	Rutland & Stamford Mercury	936
7	Bacon Bap	927
8	Latte	850
9	Tea (cup of)	834
10	Cake of the Day Slice	826
11	Banana	777
12	Grasmere Ham	700
13	Bacon & Egg Bap	687
14	Cappuccino	581
15	Daily Mail (Saturday)	570
16	Americano (Black)	553
17	4 Pint Whole Milk	539
18	Fringe & Fray (Greeting Cards)	524
19	2pt Whole Milk	521
20	Grasmere Sausage Rolls	509
21	Lemon (loose)	475
22	Americano (White)	464
23	Bacon & Sausage Bap	449
24	Coke Can	448
25	Cheese & Ham Toastie	430

Of note, the 2<sup>nd</sup> and 3<sup>rd</sup> top selling items are sourced by suppliers located near Castle Bytham. Also, with reference to the question about the balance of shop and café sales, 4 of the top 10 products (sausage rolls, bacon bap, latte and cup of tea) are café sales. It is the café that offers the biggest opportunity for sustained growth.

#### Sales – Fun Facts!

16,555 pints of milk (up 35%)

13,897 individual eggs

Stella Artois – still top selling beer

Dairy Milk – still the village's favourite

3,055 Hot food baps (up 22%)

3,713 Hot beverages

2,151 homemade cakes & scones including 1,023 Rocky Roads

948 bottles of wine.

## The Team

The shop has 3 part-time managers. Lisa and Sara are salaried, whereas Ingrid is self-employed. The managers do a first-class job in managing the stock, suppliers and the volunteers; they are also responsible for, and good at, keeping the committee well-informed.

In October 2021 the shop had just 19 active volunteers working in the shop; following a sustained recruitment drive and training programme the pool of volunteers had grown to 52 by October 2022. The numbers had dropped to 43 by October 2023 and further reduced to 38 active volunteers by October 2024. Thirty-eight is not enough. The Duke of Edinburgh Scheme volunteers are a huge help, but additional adult volunteers are essential, particularly at weekends. More positively, there are 11 people, managers and volunteers, who are qualified to Level II Food Preparation Standards able to run the café. We also have 7 local volunteer bakers who do an outstanding job in supplying the shop with a variety of cakes each week that are, along with the Rocky Roads, hugely popular. Returning to the shortage of volunteers to work in the shop, please step up and/or spread the word; even one hour each week would help.

## National Lottery Grant

The National Lottery Grant of £50k has been in place since 1 August 2023. It is paid in quarterly instalments over 2 years and largely covers the costs of employment. It is a significant contributor the jump in profits and has been highly beneficial. However, it disguises the true running costs of the shop/cafe and other fund-raising will continue to be required when the Lottery funding ceases in 2025.

## South Kesteven District Council (SKDC) Lottery

Shareholders are encouraged to sign up for the SKDC lottery, which has good prizes and contributes to the shop's income. The shop receives half the value of each ticket sold. Last year 2941 tickets were sold and the shop received £1,470.50.

## Improvements and Investments

There have been a range of initiatives, improvements and investments over the year and shareholders were invited to recognise those who had contributed:

- New Exterior Signage – Thanks to Helen Lavelle and Ray Keiff
- External Promo Signage of Bikes, Posters & Boards – Thanks Ingrid Goode
- New Gates – Thanks to Claude Lavelle & Mark Sismey-Durrant
- Patio Building Team – Thanks to Dave, Mickey, Dom, Ian, Mark
- Fruit & Veg Display – Thanks to Mark

- Greetings Cards Display & Roof Window Shading – again, Mark
- Car Park Post Painting – Thanks to Sara
- Achievement of 5 Star food hygiene rating – Thanks to Lisa & team. The importance of this result and the work put in to achieve it are difficult to exaggerate. The shareholder's recognised Lisa's achievement with a round of applause.

### Fundraiser - 31 August 2024

The 31<sup>st</sup> of August Fundraiser was a partnership with the Fox and Hounds. It was a huge community event with an auction, live music, afternoon BBQ and chili supper that raised £10,000; it will be reported in the FY24/25 accounts. It followed a tried and tested blueprint for such events and is held every other year. The shop committee would like to thank the auction lot donators, cooks, bands and the range of supporters who served customers and set-up the location. Also, huge thanks to Danny & Jo at the Fox & Hounds and members of the community for their outstanding support.

### Recognition and Thank You

The Chairman extended a warm welcome to Sara Ford – who had joined the shop as an Assistant Manager and already showed that she would be a huge asset.

The Key Players without whom the shop could not function and prosper in the way it does:

- Lisa – Shop Manager 'Extraordinaire' whose tireless energy and enthusiasm thoroughly deserved the round of applause from the shareholders.
- Every single one of our superb volunteers; without the volunteers there could be no shop that the local community has come to value.
- The brilliant Bythams Bakers: Mary, Diane, Helen, Maureen, Ingrid, Rachel & Terri; producing outstanding cakes that have proved so popular.
- The Management Committee who have managed not to mess up too badly.

In addition, 3 individuals deserve the shareholder's recognition.

- Ingrid Goode – Committee member, baker, seasonal stock planning and management and assistant shop manager – Ingrid's contribution would be hard to exaggerate.
- Janet Coates – Janet's management of the volunteer roster day in and day out has been vital to the shop.

- Dave Goode – Dave volunteered to take on the role of processing invoices and has managed this unglamorous but essential task effectively and without fuss.

## **Item 7. Plans for our future**

The overriding aim for the future is to maintain profitability and become a sustainable community asset. The committee's view is that 'we are getting there' but of course there will always be work to do!

Retaining existing volunteers and recruiting more is a priority for the coming year. Also maintaining the quality of the products sold and further developing relationships with our suppliers.

Fundraising through community events will continue. A quiz night was already planned for later in the month. Bingo nights have proved popular but there was a need to deconflict from similar events arranged by other groups. A wine tasting evening is another ambition for the future, offering an opportunity sample potential new stock items provided by the shop's wine supplier.

The fabric of the shop and its fittings will need to be maintained or replaced as appropriate. High on the list is a replacement floor because the original has become worn and the gaps between the planking too large for safety. It is the Committee's view that closing the shop for several days or a week, as required in some estimates, is highly undesirable; it would result in a loss of business over the period of the closure and risk customers not returning when the shop re-opened. The option under consideration would require the shop to be closed only over a Sunday and Monday – both half days and therefore minimising the loss of business and inconvenience to customers.

The oven in the café also needs replacing and a search is under way for one that best meets the catering routine that has developed over the last 2 years. The costs of a replacement floor and cooker would take a large proportion of the £10k raised at the August 2024 fundraising event but will provide a clear demonstration to the local community that their generosity is being used in tangible ways to improve the business.

Finally, the layout of the shop and café are under review. The current arrangement works well but may not provide the optimum use of space as the shop's product range and café usage develop.

## **Item 8. Resolution to waive the requirement for an auditor**

Under the shop's governance rules, shareholders have the discretion to waive the requirement for an annual audit in favour of an unaudited financial statement prepared by our accountants. At last year's AGM shareholders approved a waiver for our FY23-24 accounts.

It was the committee's recommendation that shareholders agree again to waive the requirement for an audit for the current year's accounts in order to save money. In considering this recommendation, shareholders should be aware that, in addition to their

own examination of the accounts, they are scrutinised by our accountants in preparing their statement and by the Financial Conduct Authority as part of our annual submission to that body.

The shareholders voted unanimously to waive the requirement for an audit.

## **Item 9. Any other business**

There was no pre-notified other business but the floor was opened to questions.

It was suggested that the committee members and volunteers should enjoy a subsidised Christmas party in recognition for their efforts.

It was also suggested that the recruitment of volunteers would be assisted by emphasising that volunteers meet members of the community. This suggestion was agreed as it was coherent with the experience of new arrivals in the village using the shop (as customers and/or volunteers) to assist their settling into the community.

## **Summary**

In summing up the meeting, the Chairman chose several aspects to emphasise.

- We have a unified, committed and credible team.
- We have effective shop management & leadership.
- We are fortunate to have dedicated volunteers who put in huge amounts of time and effort - but more volunteers are required.
- Our systems & processes fully embedded and trained; confidence in the data and using it to inform decisions.
- Stock control is at an all-time high and no longer a concern.
- The shop has appealing range of established & seasonal products.
- The café is highly profitable, with a broader range of products & services.
- The National Lottery grant is a significant benefit but masks the operating profit challenge.
- Fund-raising continues to be essential; the huge fundraiser in August 2024 can only be done every other year. Smaller events are planned for 2025.
- The Committee will do its best to maximise the return on shareholders' investments and maintain the high quality shop and café the community deserves.

The meeting ended with the shareholders recognising the Chairman's outstanding leadership, guidance and hard work which have resulted in the shop's excellent performance.



## Annex A

### Present at the Meeting

Linda Padmore  
Peter Hinton  
Mark Hodge  
Maddy Dale  
Sue Dugmore  
Rod Morrow  
Diane Morrow  
Angela Davies  
Margaret Kent  
Richard Kent  
Sarah Gower  
James McLaren  
Patricia Maclaren  
Julie Miller

Vicky Dennis  
Ray Dennis  
Lindy Rudd  
Phil Wallis  
Janet Coates  
Lisa Hill  
Barry Payne  
Dave Goode  
Della Mellows  
Steve Mellows  
Gavin Pye  
Goodjohn  
Rod Goss

### Management Committee Members

Stephen Barrett (Chair)  
Ingrid Goode (Deputy Chair)  
Andrea Jones  
Paul Bates

Mike Brooman  
Mark Sissmeyer-Durrant  
Dominic Sale (Treasurer)  
Ian Dugmore (Company Secretary)

### Apologies

Judy Willmott  
Malcolm Willmott  
Sue Kieff  
Ray Kieff  
Sue Thomas  
Kaye Griffin  
Richard Griffin  
Chris Buckham

Peter Roberts  
Louise Wilson  
Jocky Wilson  
Emily Butler  
George Hayward  
Kathryn Stevenson  
Helen Lavelle  
Sara Ford

### Proxy Nominations

#### Secretary:

Malcolm Willmott  
Judy Willmott  
Sue Kieff  
Ray Kieff  
Kathryn Stevenson

#### Chairman:

Chris Buckham  
Louise Wilson  
Jocky Wilson