**MINUTES OF THE BYTHAMS COMMUNITY SHOP ANNUAL SHAREHOLDER MEETING HELD IN THE CASTLE BYTHAM VILLAGE HALL ON WEDNESDAY 1ST NOVEMBER 2023**

INTRODUCTION

Stephen Barra4, Chairman of the shop’s Management Commi4ee, welcomed everyone to the meeDng. The aim was to explain the performance of the shop over the previous 12 months and to look forward to things to come. The agenda also included compulsory items required under the Plunke4 Rules of governance.

ITEM 1.

ATTENDEES AND APOLOGIES

A list of persons a4ending is at Annex A.

Apologies had been received from Ray and Sue Keiﬀ, Malcolm and Audrey Whi4aker, Michael Goodjohn, and Peter Roberts. Christopher Samler and Chris Buckham had both sent apologies and nominated the Chairman, Steve Barra4 as their Proxy. Sarah Gower and Kathryn Stevenson had apologised and nominated the Secretary, Ian Dugmore, as their Proxy.

ITEM 2.

APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING.

The draX Minutes of the previous Annual Shareholder MeeDng, held on 20 October 2022, had been posted on the shop’s website and distributed to shareholders. There were no comments or correcDons oﬀered prior to or during this meeDng. A vote to accept the accuracy of the Minutes was proposed by Della Mellows, seconded by Peter Hinton and carried unanimously.

ITEM 3.

MANAGEMENT CTTEE (RETIREMENTS AND ELECTION OF NEW MEMBERS)

Two members of the C4ee had resigned during the year. Janet Coates and Ray Keiﬀ had both been C4ee members since Aug 2021 and provided enthusiasDc and invaluable support to the shop. It was excellent news that Janet would conDnue to assist with volunteer training and rostering.

Helen Lavelle and Mark Sismey-Durrant were proposed for elecDon to the C4ee. Helen had been co-opted to the C4ee during the year and Mark had been a4ending C4ee meeDngs as a consultant. Of note, Mark, along with Helen’s husband Claude, had built the gate at the back of the shop that had done so much to improve the ambience by hiding the bins. Both Helen and Mark were elected unanimously.

Notwithstanding the welcome elecDon of Helen Lavelle and Mark Sismey-Durrant to the C4ee, there remained a vacancy that shareholders were encouraged to ﬁll. AddiDonal members would help to share the workload, provide new ideas and avoid disrupDon when exisDng C4ee members stand down. To become a C4ee member it was necessary to own at least one share.

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ITEM 4.

MEMBERSHIP AND MEMBERSHIP STRATEGY

Two people had bought shares since the previous Shareholder MeeDng bringing the total number of individual memberships to 151 and the total amount raised through share ownership to £48,260.

The shares referred to above were the original issue. The intenDon, for the moment, was to conDnue to sell these shares to encourage people to become invested as members of the community, to be able to vote at Shareholder meeDngs and to be eligible to join the C4ee and steer the shop’s future. AlternaDve types of shares might be appropriate in the future but these would be kept under review unDl there was greater conﬁdence in the shop’s ﬁnances.

ITEM 5.

ANNUAL ACCOUNTS SUMMARY

The C4ee’s aim over the previous 2 years was to establish sustainable ﬁnances for the shop. Notwithstanding the lack of relevant retail experDse among C4ee members, and despite some failed iniDaDves, there had been considerable success. In reviewing the accounts, it was important to bear in mind that they referred to the shop’s 2022 -2023 Financial Year, which ended 4 months earlier on 30 June. The full Unaudited Financial Statements had been distributed to shareholders prior to the meeDng and posted on the shop’s website. Of note, the shop’s accounts reﬂect a debt (Creditors: amounts falling due aXer more than one year) that in pracDce does not exist. The sum is an accounDng device to reﬂect the giX of money to build the shop; it reduces annually. However, in the event of the business failing, the building and the land can be returned to the donor with a remaining liability of just

£1.00

Since the C4ee’s aim was to for the shop to be in proﬁt or, at the very least, breaking even by the end of its 3-year term, it was parDcularly saDsfying to reﬂect on a proﬁt £1,498 aXer just 2 years and a step change in performance from the £19,530 loss the previous year. The improvement reﬂected the eﬀorts of the C4ee, the shop managers and volunteers and the support provided by the enDre local community.

Breaking these ﬁgures down, the total turnover of £172k (up 23%) comprised turnovers of

£150k in the shop (up 24%) and £22k in the café (up 17%). At £124k, the cost of sales was 13% higher than the previous year; this would have been signiﬁcantly higher but for the aggressive search for best value and alternaDve suppliers. Overheads of £61k (up 8%) included employee costs of £30.5k (up 7%) comprising 52% of the total; there would be more about employee costs later in the meeDng. The cost of electricity in the shop at £6.6k (up 85%) reﬂected the increases in energy prices naDonally; with several fridges and freezers necessarily running 24/7 in the shop there was li4le scope for economising. The ﬁnal element contribuDng to overheads was £10.3k depreciaDon of assets. The shop conDnued to repay a Covid Bounce Back loan but the payment of the ﬁnal instalment of the Keyfunds loan in October (£1066 per month) represented the removal of a signiﬁcant ﬁnancial burden.

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Regarding the balance sheet, proﬁtable trading had reduced negaDve net assets and covered the £10.3k of asset depreciaDon; loan repayments of £17k had reduced liabiliDes to £18.4k. However, a key element in the achievement of a proﬁt was fundraising; £12,497 was raised in FY 2022-23. ConDnued fund raising would be criDcal for on-going investment and to cushion eﬀects of unforeseen problems unDl capital resources were strengthened further.

ITEM 6.

REPORT ON PERFORMANCE OVER PREVIOUS YEAR

During FY2022-23 the community in-shop management team comprised Amanda and Lisa as paid employees and the C4ee Chairman as an unpaid volunteer manager. The number of acDve volunteer assistants increased from 19 in October 2021 to 52 in October 2022 but reduced to 43 in October 2023. This reducDon was far from catastrophic but did occasionally cause problems. There is a range of tasks for volunteers in the shop and café depending upon the skills and ﬂexibility of each individual. Even one hour a week would be valuable. Everyone present was encouraged to volunteer and/or idenDfy potenDal recruits. Eight volunteers had qualiﬁed for a Level II Food PreparaDon CerDﬁcate enabling them to cook and operate to appropriate statutory standards in the café. Of note, a recent hygiene inspecDon of the shop and café resulted in the award of 5 stars thanks to Lisa’s preparaDon, hard work and careful management. The shop also enjoys the services of 6 volunteer bakers making a range of cakes and Rocky Roads. These ladies provide a good example of the beneﬁts and ﬂexibility the shop enjoys by using local experDse and supplies.

Over the year the shop has become more savvy in the choice of suppliers. Bloomsbury, Simpsons and Grasmere are good examples of local suppliers who can provide good service and quality at the right price. The shop has also begun to use 7 relaDvely local arDsan suppliers for items as diverse as sauces, biscuits and beer. Feedback has been very posiDve and the shop will conDnue to encourage customers to say what they would like to see in the shop and to meet their requirements.

To have conﬁdence in the stock management and accounDng processes, stocktakes are conducted by members of the commi4ee every 3 months. These stocktakes have demonstrated a very close correlaDon between the amount of stock purchased – less the number of items sold – and the actual amount counted on the shelves. Perishable items that are unable to be sold and items that are sold at reduced prices are tracked on the EPOS system. This tracking provides the data to idenDfy with conﬁdence any lines that regularly have high wastage and adjust the ordering accordingly.

The EPOS system is capable of automaDcally reordering stock from the larger suppliers. However, it doesn’t work for many of the local and arDsan suppliers who don’t have similarly automated systems. Also, the purchase of stock is quite dynamic with the shop responding to customer feedback, seasonal requirements and the requirement to buy only items that will be sold rapidly. In such a small business the shop managers have proved to be capable of managing stock levels and reordering manually.

The award of a NaDonal Lo4ery Community Fund grant reﬂected considerable eﬀort by the commi4ee. Probably the most important single factor in winning the award was the Lo4ery’s recogniDon of the importance of the shop to our community. The size of the award

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(£55,192) was predicated on the staﬀ wage bill over 2 years. It will enable the shop to build some ﬁnancial resilience and do some of the things that were previously unaﬀordable.

These will be small steps to begin with and will reﬂect the requirements and prioriDes of the Castle Bytham and Li4le Bytham Parish Councils which both bought shares in the shop in 2022.

Notwithstanding the award of the Lo4ery grant, the shop would conDnue to hold fundraising events for the foreseeable future. The large-scale event held in conjuncDon with The Fox and Hounds in 2022 raised £7500. It was judged that events with that level of ambiDon could not be held annually but every 2 years was do-able. Therefore, it was intended to hold another similar event in late August/early September of 2024.

Maintaining the fundraising theme, the shop was parDcipaDng in the South Kesteven District Council lo4ery. Tickets are available by scanning a QR code that is displayed in the shop and around the Village Hall. For each Dcket sold the shop receives half of the proceeds. With 2,284 Dckets sold to date, the shop had received £1,142. Currently there were 30 Dcket buyers each week. Shareholders were encouraged to sign up for great prizes and to assist the shop.

The loyalty scheme in the shop has proved very popular. Customers receive one stamp on their loyalty card for every denominaDon of £15 spent in a single occurrence. A full card is worth £5 oﬀ their next shop. A free hot drink loyalty scheme has also been launched successfully.

Turning to producDvity, the ePos system provides us with product and sales data on:

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top sellers

best days & Dmes of sale slow / low selling produce product wastage / write-oﬀ product margin

discounts

Top-sellers include:

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**2,169** sausage rolls (up 10%)

**13,668** eggs (up 25%) – the biggest selling product range by far. Also, the shop did not run out of eggs when there was a shortage naDonally and the prices were cheaper than the supermarkets.

**12,300** pints of milk

**Stella Artois** – sDll top selling alcohol

**Dairy Milk** – sDll the villages favourite

**845** Rocky Roads, all made by Ingrid and always snapped up as soon as they are put on display.

**2,500** Bacon / Sausage Baps (up **55%**)!

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TransacDon data show that over a 12-month period the shop’s busiest days are Fridays followed by Saturdays and Tuesdays; Wednesdays and Thursdays have some 15-20% fewer transacDons than the busiest days. This data allows the C4ee to make informed decisions about all manner of issues in the shop:

* No of volunteers at any one Dme
* When best to take deliveries
* Predict which food to cook in cafe
* When to reorder stock.
* Ensure stock processes are clearly trained, understood & applied by all

A quesDon was raised about the possibility of opening the shop on Monday aXernoons. The Chairman advised that a trial had been conducted to see if the presence of the Post Oﬃce van in the shop’s carpark on Monday aXernoons would encourage people to visit the shop. Regre4ably this had not been the case. The handful of customers visiDng the shop did not cover the costs of opening.

Personnel

The Chairman introduced Saﬁa Ha4on-Smith as the shop’s new Assistant Manager and welcomed her to the team. Lisa Hill’s hard work, iniDaDve and enthusiasm as Shop Manager have been pivotal in the shop’s success over the last year; her eﬀorts were warmly applauded. Similarly, the shop could not operate without its willing volunteers who do so much both pracDcally and in making shop a friendly environment. The Chairman recognised and thanked the “Brilliant Bakers”, Mary, Diane, Helen, Samantha, Maureen and Ingrid for their sterling eﬀorts experDse in making such desirable cakes. He also thanked the Management Commi4ee members for their work in supporDng the shop.

Although Janet Coates had stepped down from the Management Commi4ee she had conDnued in her role as trainer of volunteers and manager of the volunteer roster. Both responsibiliDes were essenDal to the shop and Janet was warmly thanked for this fulﬁlling these vital funcDons.

Ingrid fulﬁls many roles in supporDng the shop but as Deputy Chair and friend of the Chairman she has provided invaluable moral support and encouragement, especially when issues arose that made the Chairman’s responsibiliDes seem rather a slog. He thanked her warmly.

Kathryn Stevenson was unable to a4end the meeDng through illness but had provided outstanding service as the bookkeeper. In fact, she had taken on far more than simply bookkeeping – including the payroll – and acDng as a repository for all manner of tasks related to the shop’s ﬁnances. In January Kathryn had given 6 months’ noDce of standing down. Although the Chairman had taken on the payroll responsibiliDes, diﬃculDes in ﬁnding a replacement meant that Kathryn was sDll fulﬁlling the bookkeeper role. A potenDal soluDon was for Dave Goode to take over invoicing and bank payments and the Treasurer to take on other residual tasks. Whatever the outcome the Chaman wanted to recognise and

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thank Kathryn for her outstanding work and for her loyalty and ﬂexibility in conDnuing to support the shop so many months aXer wishing to stand-down.

Amanda Caulton’s contribuDon to the shop would be diﬃcult to exaggerate. She was instrumental in the smooth transiDon to the current commi4ee and her extensive knowledge of the local community has been invaluable to the commi4ee ever since. Her hard work, willingness to help and friendliness have been an enormous part of the shop’s material success and its appeal to the local community and beyond. Her understandable decision to prioriDse her family and resign from the shop is a huge loss and the meeDng recognised her eﬀorts with a huge round of applause.

ITEM 7.

PLANS FOR OUR FUTURE

The aim for the next 12 months is to maintain proﬁtability & become a sustainable community asset. The shop has gone some way towards these goals but it needs to embed itself in the fabric of the local community as a credible and sustainable enDty able to give back tangible and visible support.

It is intended to conDnue to hold community events in the coming year that will raise funds for the shop and be fun. The CoronaDon Quiz night was a successful event and a Xmas Quiz Night is planned for 25th November. Bingo sessions have also proved popular and will be repeated subject to them being deconﬂicted from similar events held by other organisers. A wine tasDng event is under consideraDon and, as menDoned previously, a major fundraising is planned for August/September of 2024.

A criDcal aim is to retain and grow the number of volunteers to work in the shop. In seeking to further develop our product range it is intended to use local suppliers as much as possible and to minimise risk by tesDng samples before commiwng to greater volumes. Improving uDlisaDon of outdoor space is planned; the new gates in July were a huge pracDcal and cosmeDc improvement; a paDo area planned for the spring will increase the outdoor seaDng area. The car park surface needs a4enDon was already on the C4ee’s to-do list.

ITEM 8.

RESOLUTION TO WAIVE THE REQUIREMENT FOR AN AUDITOR

Under the provisions of the Co-operaDve and Community Beneﬁt SocieDes Act 2014, the Society (i.e. the shop) has the power to decide not to appoint an Auditor to audit its annual accounts. The accounts do have some external scruDny in that they are prepared by H&J AccounDng Freedom, the shop’s accountants located in Bourne. The accounts also consDtute part of the annual report submi4ed to the FCA. The raDonale for waiving the audit is to save money. Last year the shareholders voted to waive the requirement for an audit of the FY23-24 accounts. By a unanimous vote the shareholders agreed to waive the requirement for an audit of the current year’s accounts.

ITEM 9.

ANY OTHER BUSINESS

In answer to a quesDon about budgeDng, it was explained that the nature of the business did not lend itself to classic budgeDng. The Treasurer maintains an annual forecast based on

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the previous year’s results in which monthly costs and revenue are predicted and tracked. There is a target ﬁgure for revenue as the break even point but no proﬁt budget as such.

In answer to a quesDon about staﬀ pay rates, shareholders were advised that staﬀ remuneraDon is kept under conDnuous review.

A quesDon was asked about the awtude of the shop’s bankers to the level of liability shown in the accounts. The shop banks with the Co-OperaDve Bank and has an overdraX limit of

£10k. Although the business has been overdrawn regularly, it has not breached its overdraX limit and was currently not overdrawn. As noted under Agenda Item 5, the major liability of some £130k falling due aXer more than one year shown in the annual accounts was for the land on which the shop is built. However, in the event of ceasing to trade the shop’s actual liability would be just £1.00.

The commi4ee members and staﬀ were grateful for the kind remarks and show of appreciaDon made by the shareholders.

And ﬁnally, Ingrid who claims to be terriﬁed of public speaking, proposed a vote of thanks to the Chairman for steering the commi4ee and all his hard work, including the Sunday mornings he has manned the shop, over the previous 2 years. This well-deserved proposal was enthusiasDcally endorsed by everyone present.

Ian Dugmore Secretary

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ANNEX A TO THE MINUTES OF THE ANNUAL SHAREHOLDER MEETING

DATED

PRESENT AT THE ANNUAL SHAREHOLDER MEETING

Sue and Peter Hinton Rod and Diane Morrow Bill Theedom

Sue and Charles Shaw

Delia and Nick Holland-Jones Louise and William Wilson Vicky and Ray Dennis

Teresa and Bobby Herman Margaret and Richard Kent Ben Cullis

Kirsty Mclaughlin Julie Miller Penny Payne Lindy Rudd Rachael Jerams Chris Johnson LeDcia Hill

James McLaren Samantha Brooman Dave Goode

Ann and George Hayward Antony Lee

Janet Coates

Della and Steve Mellows Sue Thomas

Judy Willmo4

Malcolm Goode Maddy Dale

Jean and Rod Goss Ian Rule

Helen Sismey-Durrant Mary and Jack Adkin Rachael Barra4 Charlo4e Vernon

Shop Managers

Lisa Hill

Saﬁa Ha4on-Smith

C4ee Members

Stephen Barra4 (Chair) Ingrid Goode (Deputy Chair) Dominic Sale (Treasurer) Michael Brooman

Helen Lavelle

Mark Sismey-Durrant Ian Dugmore (Secretary)

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