

Minutes of East Boldre Community Stores Limited Annual Members Meeting 2023

10am, 18th November 2023

Chapel Stores, Chapel Lane, East Boldre, SO42 7WP

1. Welcome (Nick Thompson) 45 members in attendance
2. Apologies for absence (Nick Thompson) - none
3. Resolution to approve the minutes of the annual members meeting 2022 (Nick Thompson) – Approved by AR, JR, MH, NT, RG
4. Receiving from the Management Committee:
 - A report on the Society's performance in the previous year - Rebecca Gabzdyl.
 - The Annual Accounts for the previous financial year - Mike Hawker.
Question – *is there any special tax relief for Community Benefit Societies.* No
 - Plans for the current year and the next year:
 1. Fundraising and project/business plan - Rebecca Gabzdyl. Thanks to Ian in recognition of his support and contribution
 2. Heritage Project - Judith Richardson.
 3. Financial forecasts - Mike Hawker
 4. A report on the state of the membership and the Membership Strategy (Rebecca Gabzdyl)

Question – *is SISR claimed by individuals or EBCS?* SISR is claimed by the individual's after 4 months trading. RG will organise necessary forms.

Question – *can relief be gifted back?* Yes, as a donation, thank you for this very generous suggestion

Resolutions to accept the management committee's reports (Nick Thompson).

- AR proposed. Sarah Thompson seconded. All agreed
5. Appointing any financial Auditors, and external Auditors of any other aspect of the performance of the Society.
Our rules allow for four audit options of our annual accounts:
 - No audit - we opted for this last year as we had very simple accounts.
 - Lay auditor's report.
 - Accountant's report - almost all community shops opt for this.
 - Auditor's report - very expensive for a small business.

Propose resolution regarding financial auditors for the annual accounts (Mike Hawker).

Propose resolution regarding audit of COF expenditure (Mike Hawker).

Question – *do we have any insurance for an HMRC investigation and should it be considered if we go for a cheaper option?* No but we could have full audit and still be investigated.

Question – *what is the difference in cost?* £2,500 v £5k. A full audit always takes a considerable amount of time for the committee

Question – *can we decide on the type of audit each year?* Yes at the AMM

AR proposed, RG seconded, all agreed

6. Members Resolutions - None

7. Resignations of all existing management committee members (Nick Thompson). Thanks to DMG who has decided not to stand for re-election
8. Declaring the results of Management Committee elections (Rebecca Gabzdyl).

RG, MH, AMG, NT, JR, Malvena Stuart Taylor and Simon Ricketts elected to the committee who each gave a brief introduction

Thanks, meeting closed

Reports included below.

AMM report on the year to date – Rebecca Gabzdyl

After 5 years of perseverance and hard work we are sat here today, just weeks from the opening of our shop.

People

An organisation is defined by its people and EBCS has been lucky in that respect.

- A strong management committee has driven this project forward with project management, financial and technical expertise being put to good use. We have worked together sharing information at regular and when needed, frequent meetings to ensure a joined-up approach.
- Our volunteers
 - The early and continued support of our team of 30 Lane reps gave us confidence in our goal to establish a community shop in the former Baptist Chapel and helped spread the word to get the community involved
 - Our share offer dream team
 - Our big help out participants who have helped us save £15,000 to offset the cost challenges
 - Those who have contributed their professional skills on an individual basis

Budget

When we bought the chapel on 12th May 2023 we had fully costed the project and our budget was £715k.

Detailed budgeting and rigorous cost management have ensured we have largely executed to our plan despite this 200 year old building's surprises, not all of them as good as the 2 fireplaces we discovered.

Building work costs have increased but we absorbed most of this in our planned contingency and through cost cutting, which included

- Writing all of the planning application documents ourselves
- Setting up and running the online share offer ourselves meant we kept the total raised and did not pay 7.7% of the amount in platform and card fees.
- Acting as the principal designer under the JCT contract for the building works rather than paying someone in this role - developing and maintaining a detailed schedule of works, full plans application to building control and day to day project management of our main contractor (Tuakana) and the other contractors we brought in where we could obtain an expertise/cost advantage.
- Reusing materials already in the chapel – panelling, fittings, etc
- Key individuals have kindly donated their professional services pro-bono.

Now our budget stands at £718,450 (just 0.5% higher).

Fundraising

We have a detailed and credible business plan in place (based on significant input from over 30 other community shops) which has underpinned our fundraising success and stands us in good stead as we come to start trading.

We have raised almost £700,000 in the last year, 97.5% of what we need

Our share offer exceeded expectation reaching its max target in 6 weeks and along with donations we raised £250k from local people towards this target in the first quarter of this year

All of our initial funding applications were successful, an extraordinary result especially given the competitive nature of the current funding landscape. However, more recently 2 key funds (Princes Countryside Fund and Charles Burnett) were not forthcoming so we identified alternatives, albeit not such a good match with our aims.

54k from the Lottery Heritage fund was secured but entailed us expanding the heritage elements of our work to create a specific £18,000 heritage project which Judith will talk about.

Our Crowdfunding campaign is a final last resort to cross the fundraising finish line as it is the only quick means to get the final monies that we need in place to hold our opening date. Our existing grant funding cannot be used for portable equipment but is given specifically for building purchase and refurbishment or to cover revenue costs.

Report on Accounts – Mike Hawker

The accounts reflect the position at 31 March 2023.

There is no trading; there is a strong cash position because of the share issue; the expenditure has been matched by a draw down of grants and donations so that there is a breakeven.

There is a taxable loss of approximately £50,000 because HMRC recognizes the input of unpaid volunteers.

Audit Options

- The audit options were set out on the schedule posted to our web page.
- Fawcetts have reported positively on the accounts but have not audited them. This is one of the two FCA 'audit' options available to EBCS (given our assets and turnover) and is the option selected by all of the community shops we have looked at.

Financial Forecast

There is no formal forecast beyond that included in the share offer. It will be dependent on the initial trading.

At 17 November there was a strong cash position (£74,785).

The balance sheet reflected the agreed treatment for grants and donations.

There is a short term challenge in respect of the remaining capital spend but there is £32,000 of unspent revenue grant that will stand us in a good position when we start to trade.

AMM report – Foci for the coming year - Rebecca Gabzdyl

Final fundraising push through our crowdfunding – then we can shift from fundraising to generating our own income by executing against our business plan. Key to this is

Achieving growth from the existing business

- Broader product range to increase spend/visit
- Increasing footfall
 - Longer opening hours including lunchtime,
 - retaining the Post Office,
 - local produce and green initiatives
- community ownership
- Campsite deliveries

Right team

We have a steep learning curve ahead as we have no trading history to draw upon

- Today's elections enable us to strengthen the EBCS management committee
- Recruiting staff and volunteers
- Ongoing networking and relationship building with the other community shops
- Collaborating with Ian to draw upon his experience

Rigorous processes

1. Our ProEPOS system will enable us manage our business and help us to reduce/manage waste
2. QuickBooks to track our financial position at any moment in time for robust financial management
3. We are defining our policies and procedures
4. Online systems will be used to manage staff and volunteer rotas.


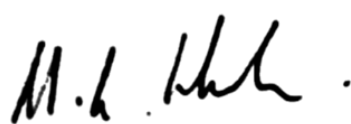

Membership Report – Rebecca Gabzdyl

- EBCS currently has 287 members
- Members will be able to claim SITR once trading four months - in May 24. EBCS has to apply for certificates for members. Members can then claim through the HMRC self-assessment process or directly to HMRC.
- EBCS cannot run an additional share offer at the moment under HMRC/FCA rules
- We will run an open share offer (rather than the time limited one we ran earlier this year) once we are trading as soon as HMRC rules allow to allow new members to join, e.g. those moving into the area. This will partially fund share withdrawals once members have held their shares for 3 years.

Heritage Project Report – Judith Richardson

- We have been collating information on the Baptist Church and its important role in the village for over 200 years
- Adding to and reprinting “A Light in the Forest”
- Collating information on Chapel History from 1985 to date to compile a second booklet
- Living memories – over 40 people contacted, 30 interviewed. More to follow up
- Hants Archive Office at Winchester – 2 visits made so far, collating historical information such as burial records and church minutes
- Gravestone interpretation with Wessex archaeology in March 2024
- The old vestry makes an ideal space to display an artistic timeline. Thanks to Lynn Clarke for her time with the graphic design
- There will be touch screens leading to more detailed information and access to the heritage pages on our website
- Thanks to Maria Regan at St Barbe who we are working in partnership with and we will host their touring exhibitions
- Thanks to the Lottery Heritage Fund and Hants Archive Trust for their funding and all the people involved to date. Any leads for other information or volunteers to help collate the information would be welcome

Signed by

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|  Rebecca Gabzdyl Secretary 21/11/23 |  Mike Hawker Treasurer 21/11/23 |  Nick Thompson Chair 22/11/23 |
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