



Draft Minutes

East Boldre Community Stores Limited Annual Members Meeting

10am, Saturday 28th September 2024

Village Hall, East Boldre, SO42 7WP

1. The Chairman (Mike Hawker) welcomed the members to their meeting. He noted that no resolutions had been submitted but asked members to ask questions without waiting to the end of the meeting.
2. The Secretary (Alison Moore-Gwyn) noted apologies for absence from John and Monica Harpur, Mollie Scott, Howard Moore and Isobel Taylor
3. The members resolved to approve the minutes of Annual Members Meeting of 18th November 2023. B
4. The Treasurer (Mike Hawker) presented the Statutory Accounts for the 12 months to 31 March 2024. He explained that ;

the accounts had been prepared by Fawcetts, a professional firm of Chartered Accountants. They were ready to sign the accounts which would then be filed with the annual return before the end of October. Fawcetts have also completed the work relating to the COF grant and signed the certificate of grant usage. This has involved some extra cost (£1000) but so far has not required a full audit. This was a transition year as we moved from fund raising and construction to the daily grind of running a shop.

The statement of comprehensive income shows that we initially traded at a loss; the profit arises because uncommitted project income was greater than the revenue costs attributed to the project. Behind the balance sheet there is a much bigger story. By March 2023 you had already purchased your shares and the work associated with grant applications was well underway; some smaller grants had already been received.

The most significant event last year was the purchase of the Chapel on 12 May 2023. There was then the continuing fund raising; the management of the refurbishment; and the specification of plant and equipment.

It wasn't straightforward ; the timing of grant receipts did impact on project timing; there were the other inevitable hiccoughs causing the planned opening to be delayed to February 2024. The shop opened with a well balanced offering of merchandise; this was the result of a huge amount of work; benchmarking and visiting /reviewing suppliers.

The work outs were a great success; it reduced our cost and also involved even more members of the community in the project.

None of us will forget the excitement and tension ahead of opening; adults delighted because a printer was producing price labels.

The balance sheet shows the investment we made; this was funded by the share issue and the grants; Included in creditors. As we depreciate the assets we will make a corresponding reduction in creditors.

The reserve of £42,000 is represented by cash (£47,000) and stock (£14,500) less accruals (£31,333)

I cannot understate the effort and commitment that went into this project; it was a team effort.

Question; What provision has the Committee made to cover the future costs of maintaining the building. Answer; the committee is concentrating on establishing a profitable retail business in this newly refurbished property. It is measuring itself against the business plan which underpinned the fundraising activities. It will set a new budget after Christmas based on the actual trading experience. The continuing priority will be to trade successfully in order to build the reserves. The budget will include repairs and maintenance but it is unlikely to include major capital projects.

5.Management committee reports

Current trading

Simon Ricketts used a sequence of charts to demonstrate that

- *weekly sales and spikes were attributable to events; gross margin stands at 26% with AWS of £7k and average transaction value of £7.43 - which we see as healthy. There were 29,000 transactions.*
- *groceries were the highest selling category, followed by cigarettes and alcohol and newspapers and these together represent 50% of sales; Greetings cards give us a good margin, We feel that our range of goods is good, although it can always be improved. For instance we are about to try out a small range of fresh meat.*
- *Product sales: strawberries are the most purchased product, we have sold 2.5 thousand bottles of coke, and Monster drinks are a new favourite.*
- *the fresh-made goods contribute annualised of £20k, this generated entirely by volunteers*
- *EPOS helps us plan for the future and helps us learn.*

Question – Are we seeing local customers or passing trade. Answer; We are hoping to be able to track the data on this question but the feedback from Val, Sarah and Ian is that the local numbers coming into the shop is high.

Financial result to 31 August 2024

The treasurer showed two charts he explained that:

- It was a positive start, fruit farm workers and visitors boosted customer the numbers, the operating surplus is £13.8k but the expectation is that lower levels of activity in the winter will make this hard to sustain; the gross margin and wages percentages are better than budget; the extensive use of price-marked merchandise constrains gross margin but generates confidence in our customers that we are not overpricing. Post Office: of the operating surplus profit £7.5k was represented by the Post Office (PO).
- The cash position is also positive and properly reflects the operating surplus.

Question; what is the Post Office contribution; Answer: it is very positive because we fought for the fixed payment recognizing our status as a community facility.

Volunteers

Annette Hayward (coopted member of management committee) talked about volunteers,

- 3000 hours that have been worked to date representing a major commitment;
- Need to recruit more volunteers
- Duty Managers making major commitment;

- the 120 hours contributed by volunteers in the previous 7 days would have paid for one member of staff, and thus a great saving to the shop.

Membership

Alison Moore-Gwyn (company secretary) reported on the state of the membership

- The membership that had supported the costs of buying and equipping the shop has remained as at 1 year ago.
- It is desirable to consider a new share offer to encourage diversity, to address the anomaly arising from husband's/wife's membership and the related qualification to stand for the Management Committee; to sell shares to newcomers; to attract necessary skills; and to create a sinking fund to maintain the building.
- The continual refresh of the membership will also address the challenge of maintaining quoracy as the Company matures

Question; Could we make certain that any new fundraising did not clash with the fundraising efforts of the Village Hall. Answer; Of course.

The challenges

The Chairman ran through some of the issues that the Management Committee was addressing;

Shop Manager

Our business plan was based on employing a shop manager. The manager would be responsible for;

- Customer service
- Staffing
- Supplier interface
- Stock control
- Health and safety
- Reporting to the committee

We have failed to recruit this manager and as a result created a major risk. The responsibilities have been taken up in the duty manager roles filled by two members of the management committee. This represents a continuous commitment of at least 40 hours per week for each duty manager which is unsustainable. The risk arises because two volunteers in their seventies represent a 'single point of failure' for the business.

We will address this by progressively transferring responsibility to paid members of staff.

Staff recruitment

We have an excellent team providing warm, friendly customer service. We discovered that it was not easy to recruit our first new member of the team; and it is similar now that we are recruiting to replace Ian, who is retiring. Weekend working is a big issue. However it does now look as if we will have a new member of the team in place in the next few weeks. We do need Post Office approval and because of the checks involved this can be an extended process.

Merchandise Management

We have a well stocked shop with well managed storage capacity. However the processes to achieve this are manual and time consuming.

We have an electronic point of sale system which captures information about purchase, sales; stock levels and can generate purchase orders based on rate of sale. We now need to move to implementing that capacity and defining the processes required to support it.

This work is in progress and is a prerequisite of transferring this work to paid members of our team.

Supplier Management

We have worked hard to create a more structured approach to our ordering. There is much to do.

We have a regular ordering rhythm for our major suppliers and the ownership is clear.

We are on the verge of Booker providing a delivery service subject to a minimum order of 125 packs. This will also benefit from the system based approach to ordering.

However we have a long tail of small suppliers ; the ownership is less clear; and the room for error is greater. Once again this will benefit from our new systems based approach.

Fruit and Vegetables

We sell huge quantities of strawberries and blue berries but we have discovered that it isn't easy to be a greengrocer. The product has a limited shelf life; our chiller space is remote from our shelf space; our display boxes are too large, and sometimes too high; prices and availability move with the market; our ordering is reactive rather than planned.

We did question our choice of Axtons as our supplier, but a visit to the Greengrocer in Stockbridge resolved that. Axtons is their supplier; the presentation and the actual and perceived quality was first class.

We will now reorganize the shop and the display to address the known issues; this will also place the merchandise closer to the air conditioning in hot weather; something we noticed at the many shops we visited. We will establish a regular ordering pattern.

Marketing/digital

Since we opened we have significantly overperformed in sales compared to budget. However we have always recognized that we could not rely on underlying demand and will need an events based marketing plan. This is now a priority together with a more measured use of social media and the internet.

Post Office

We are about to pay £9000 towards the relocation costs of the Post Office. Its proving to be a good investment because we fought to retain our community post office subsidy. Each month we receive around £1500 ; only £350 comes from transactions; the rest is our fixed payment.

The Post Office representatives have been very supportive; our Post Office is open for 57 hours which is great for customers; we have moved the final collection time from 12:00 to 16:00 which is also great service. Its something else for us to promote.

The members resolved to accept the Management Committee's reports

6.Heritage Project:

Rebecca Gabzdyl (volunteer) spoke about this, she highlighted

- the archaeological work on the graveyard and graves, which was accompanied by illustrations
- the display to be mounted in the Vestry is being progressed
- book - this had been enhanced with a section on shops in the village over the years.

- The continuing good relationship with St Barbe’s museum and the New Forest National Park Authority; more events would be planned;

7 Appointing Reporting Accountants

The treasurer recommended appointing Fawcetts to report on the Statutory Accounts for the 12 months ended 31 March 2025 in accordance with the FCA’s requirement. He pointed out to members the option to appoint Fawcetts to audit the Statutory accounts.

The members resolved to appoint Fawcetts to report on the Statutory Accounts

8 Members Resolutions - none were received.

9 Declaring the results of Management Committee elections

The secretary confirmed that Davina Downes; Jack Gabzdyl; Anna Rostand; Sarah Thompson; Kevin House had all been elected receiving at least 50 votes each and approximately equal numbers of votes.

There was no other business and the meeting was closed.

Signed by: Chair

Secretary

Committee member