Minutes of Leasingham Community Benefit Society Ltd.

Virtual Annual General Meeting

Sunday 23rd August 2020 at 3pm using Zoom

This year’s AGM was held using the Zoom platform due to theCovid-19 restrictions for social distancing, numbers allowed at meetings and that the usual venue of Leasingham Village Hall was not open due to the pandemic. There were 61 pre-registered to attend with 58 members attending on the day therefore a quorum was reached.

1. *Chairman’s Welcome –*

Dave Warner gave a preliminary welcome to those present, while everyone was waiting to be admitted into the meeting from the ‘waiting room’. He thanked all for joining us virtually and noted how in a short space of time during the pandemic and lockdown so many have got use to using platforms like Zoom and Facetime to keep in touch with family and work.

As soon as all had entered the meeting Dave handed over to Grant Beecham, who was acting as administrator and host for the day, to run through some ’housekeeping’ details.

Grant explained that he would mute everyone unless they were the main speakers and ran through how to find and use the chat room which should be used for voting and comments

Dave then formally welcomed all to this AGM, noting how we all have had to adapt and as we could not meet in the Village Hall this year as planned, this seemed the best option. He added that we were hoping to celebrate a busy second year of trading but then came along Covid-19 and spoilt everything in so many ways. He thanked all for taking this step into the virtual unknown and thanked Grant for his advice, help in the planning and acting as host and administrator for the meeting.

Dave then handed over to Joan Lawton who as Secretary was running the meeting

1. *Apologies*-

Joan greeted all and thanked them for attending and thanked Dave and Grant for welcoming all and setting the scene for this our first Virtual AGM. She noted that we have had fewer than normal formal apologies from those unable to attend, but that this was to be expected in the circumstances, she then stated that we have had apologies from

Alan Ford, Margaret Davidson, Bob Coxhead, Sir Baz and Lady Fiona North, Colin Hibberd and Pat Gould

Joan noted that there have been some very supportive comments from most of those who had sent in their apologies and that the committee would like to thank them for their kind words.

1. *Management Committee Reports*

Joan informed the meeting that the next items on the Agenda were the Management Reports and that she will be handing over to the relevant person. Joan noted that the reports had already been circulated to all members and that questions have been asked for prior to the meeting to make it less confusing and easier to manage on the day. It was explained that all questions would be answered at the end of all of the reports rather than after each one

Joan then handed over to Dave Warner

* 1. *Annual Chair’s Report*

Dave said that he presumed that all had read his long report in full, so rather than all to sit for 15 minutes watching him read all of it, adding that he will only be giving a brief summary.

He started by saying that the year had been going well, and we had lots of plans to improve The Duke, But Covid stopped everything.

He wanted to emphasise that we are in a strong position to weather the crisis and that we are making a profit on the day to day running of the Duke. This has been achieved by the hard work and dedication of Katie and her staff, who have had to adapt to a new way of working. He also said that in his report he highlighted that the volunteers have been amazing yet again to help with all the jobs that needed doing.

Finally, he thanked his fellow directors who have had to deal with a difficult few month in dealing with regulations and preparations that Covid 19 has thrown at us on top of the normal stuff that we need to do on a day to day basis

He added that he was sure that all would like him to thank Joan especially, who has put in an incredible number of hours and effort each week to guide us through this difficult time.

So, with that he handed back to Joan for the rest of the meeting

Joan then Handed over to Oliver

* 1. *Annual Treasurer’s Report*

Oliver reported that the year to February 2020, reported in the accounts, that have been circulated to all members, showed the pub is in a healthy position, with trade building up after the committee took back the management of the pub. The addition of food at the end of October increased the total income, encouraging additional bar sales, so that funds were generated for further repairs and improvement of the premises and also gave a reasonable profit for the year, though reduced by extensive spending on maintenance and repairs. The accounts show retained profits of £14,921 since the pub opened in July 2018. The bank accounts were in credit at the end of February and we should have been able to look forward to further improvements in our position in the current year. In the current year, unfortunately, we had only three weeks of normal trading before the Coronavirus crisis forced us to stop trading altogether for four months, and now that we have reopened, we are still greatly hindered by the restrictions on people’s gathering together. The best we can really hope for at present is to break even over the current accounting year. At least our bank balances are still in credit at the moment, but without the government grants, which so far total more than £31,000, we would have been in a very serious position. Last year at the AGM the members approved Meg Cowap to review and report on the accounts, as she had done for the first year of trading. However, once Simon Cowap was employed as chef, there was a conflict of interest for Meg, and she was therefore unable to act. Therefore, the committee appointed Duncan & Toplis, Chartered Accountants, to do the report for the year to 29th February 2020, and we are recommending their reappointment to report on the accounts for the current year (to 28th February 2021).

Joan thanked Oliver and informed the meeting that before we could move on to the Membership report we needed to pass the following resolutions. As she explained last year, given our legal structure we have the option of disapplying the requirements to undertake a full professional audit. We have been assured by expert advisors in this field that as we are a small society there is no requirement to have a full audit, which is much more expensive, as long as we pass correct resolutions. Subject to a vote of the Membership, the Committee proposes that we produce unaudited but reported accounts to the Financial Conduct Authority, therefor we need a vote on the following resolutions.

Joan then explained the process, firstly that we need a proposer and seconder, if a member is willing to propose or second the resolution, she asked them to please put their name in the chat room. Once this happens , a vote from all present will be requested, to do this if they approve each member can you put a yes in the chat room, furthermore that if there are more than one using the same device please indicate this for example - Yes x 2

Joan added that it will be then asked if there is anyone who does not agree, and if this is the case, they should put a comment in the chat room

Joan hoped that this was clear but as it was the first time, we have done this, she asked all to be patient with the procedure

Joan then announced the first resolution

* 1. *Formal Resolution* 
     1. To receive the year’s accounts ending 29th February 2020 and to dispense with the need for full audited accounts, as per Deregulation [Industrial & Provident Societies] Order 1996, and to substitute an accountant’s report in place of a full audit as permitted by the Rules and applicable legislation **Proposed by-** Chris Wright

**Seconded by-** Bill Raynor

**Votes to pass the resolution-** the majority voted yes

**Anyone in disagreement –** non

The second Resolution

* + 1. To dispense with the need for full audited accounts, as per Deregulation [Industrial & Provident Societies] Order 1996, for the financial year ending 28th February 2021

**Proposed by-** Angela Adams

**Seconded by-** Jean French

**Votes to pass the resolution-** the majority voted yes

**Anyone in disagreement-** non

Joan said that finallythe committee wished to propose Duncan and Toplis to report on the accounts for the current financial year, as Oliver has said in his report Meg Cowap felt unable to continue to do this due to a conflict of interest

The final resolution was

* + 1. To appoint Duncan and Toplis, Chartered Accountants to report on the accounts for the current financial year ending 0n 28th February 2021.

**Proposed by-** Chris Franklin

**Seconded by-** Andrew Barton

**Vote to pass the resolution-** the majority voted yes

**Anyone in disagreement-** non

Joan thanked all for their patience and support and handed over to Frances for the Membership Report

* 1. *Membership Report*

Frances said that as everyone has received an electronic version of the membership report, she was not going to read it out in full this afternoon. She said that she would just like to highlight the fact that since the last annual general meeting in July 2019 we have not had a share offer so no new shares have been issued. She added that she had also included a brief introduction in the report to the General Data Protection Regulations (GDPR) 2018, with regard to Leasingham Community Benefit Society.

Frances then hand back to Joan

1. *Questions Regarding the above reports*

Joan thanked Frances,and announcedthe next item on the Agenda which was Questions in regard to the above reports, which Joan read out and asked members of the Board to answer

*Question from - Neill Murray –* Thank you for your report, and for all the hard work that it represents on the part of the Directors. I am, however, rather bemused by page 5 (Final Accounts) in which you list "Administrative Expenses" totalling £54,500. If this truly is 'admin' costs, then this is a staggering figure; Could the committee please clarify, in broad terms, the components of this cost in terms of maintenance costs, capital expenditure and wage costs etc, which I must assume are included in this amount, since they are not detailed elsewhere?

For the answer Joan handed over to Oliver

Oliver explained that administration expenses includes everything except cost of sales (including wages) and interest. So that includes heating, water, repairs, accountants’ fees, insurance, telephone and internet, stationery and so on. They do not include capital expenditure.

The previous year’s active period was much shorter than this year’s because we did not get possession of the pub until near the end of July 2018 and then landlords were in place from December until the end of the financial year. That was only about 4 and a half months. This year it was ten months from when the landlords left. We also built the trade up considerably. Because the level of activity was much greater, these expenses were also much greater.

Finally, on the advice of Duncan & Toplis, over £14,000 was moved from property improvements, which would have been an addition to assets on the balance sheet, to repairs, which forms part of administration expense

*Question from* *Julian Lonsdale Thank you for the reports.* *I would appreciate a breakdown of the Cost of Sale - at 70% it sticks out like a sore thumb!*

For the answer Joan handed over to Oliver

Cost of sales includes not only the cost of buying drinks and food for sale but also the wages paid to staff. (There are no admin wages, because the committee are not paid.)

The cost of sales related to purchases alone is just under 40%, which is industry standard. It is the wage bill that increases it to 70%.

Joan then said the following two questions would be answered together

*Question from Phil Whitmore;* WHY IS THERE NO FOOD BEING SERVED WE ARE LOSING MONEY? AND THE WINDOW NEED SOME DECORE IN-SIDE TO MAKE IT LOOK LIKE THE PUB IS UP & RUNNING NOT EMPTY. PHIL. SHARE HOLDER

*Question from Paul Gould:* Why is no one using the expensive kitchen to make fresh food for takeaway? loads of other pubs are.

For the answer Joan handed over to Roy

Roy informed all that in the short time since we re-opened, we have been making a little profit but it is clear that many people are reluctant to eat or drink inside the pub. The majority of our customers have chosen to remain outside to eat or drink. If the sun does not shine on a day that food has been served food has been ordered and taken home to eat. With our reduced seating capacity, a reluctance for customers to be inside the premises and trading being at its best only when the sun shines it does not make it financially possible to open our kitchen at this moment in time.

As we move into Winter if the current conditions prevail then we shall be reliant upon our indoor trade. We have reduced the number of tables to ensure social distancing for the safety of staff and customers which remains our major concern. This reduction does not leave us with sufficient seating to make it financially sound to open up the kitchen even if customers had by then decided they wanted to eat and drink inside.

We are therefore having to find alternative ways to provide food be it on a different and reduced level with barbecues, baked potatoes and mobile food units being available to date.

We have a commitment to all our shareholders to ensure the financial standing of the Duke of Wellington. Currently we are managing to make a little profit and the serving of food as we currently do has helped by increasing our drink sales.

The DOW share offer stated that the pub was primarily a pub that sold food not a restaurant that sold drinks, and this has always been the priority.

We shall do everything we can to ensure a food service of sorts will be maintained and when we feel we are financially able to open our kitchen and restaurant again we shall do so.

Following this answer the following question was received in the chat room from:

*15:25:19* From Bill Rayner: - I appreciate the answers given but does not leave an opportunity to ask ancillary questions

Joan and Grant replied that we would accept ancillary questions and that these should be typed in the chat room and were as follows

*15:26:2 From Bill Rayner: Roy has said how it is difficult but other pubs have managed to do so*

Dave answered, that however many had not opened or had reduced opening and are not doing food

*15:27:32 From Bill Rayner: For instance, the Green Man at Ropsley continued their takeaway and actually broke even. Now they are really doing well with eat out to help out*

Dave answered that from what we know of the Duke we felt that it was not a viable proposition to open the kitchens for takeaways or to take the government’s initiative to eat out to help out

*15:29:34 From Bill Rayner: Dave so is The Green Man*

Dave answered that the same applies that we decided that it was not viable for the Duke

*15:30:34 From Chris Wright: With the pub infrastructure the Committee has found the correct balance between safety of customers and staff and sales*

Dave replied that this is what we hoped we have done

*15:32:11 From Gill Allenby: is Simon helping Katie on the bar if not serving food???*

Dave replied that that he was part of the staff rota as required

The following comments were received that required no specific answers

*15:32:36 From Andy Barton: Difficult balance between providing the services we all bought into and this being a profitable and a comfortable, enjoyable dining experience. Personally speaking, I don't believe the pub is ready for meals / dining.... yet.*

*15:33:50 From Neill Murray: the important thing is the long-term survival of the pub*

*15:34:20 From Andy Barton: Zoom has worked very well, part of the new "normal", thanks for organising.*

*15:34:33 From Peter Q & A K M Barnard: Totally agree*

*15:34:41 From Grant Beecham: Thank you!*

*15:36:17 From Bill Rayner: thank you from Ros and I*

*15:36:44 From Angela Adams: Well done to all Zoomers*

There then followed 12 messages of thanks to the committee and all involved in the organising this Virtual AGM, all were thanked for their comments

1. *Election to the Management Committee*

Joan announced thenext item which was Election to Management Committee, she explained that as there was only one member putting his name forward for the vacancy of treasurer, Oliver Elphick is duly re-elected to the post without a need for a vote, this post now runs for 3 years. Next year there will be 3 posts for re-selection

1. *AOB*

Joan announced that the final item on the agenda was any other business which she is sure all would agree has been covered in the answers to the questions and in Dave’s Chair’s report which not only covered the period up to the end of February but also talked about the issues around Covid-19 which I am sure are at the top of all our thoughts .

1. *Close*

Joan thanked all for supporting the committee and that as it was the end of LCBS Virtual AGM, she would like to hand over to Dave for the final few words

Dave closed the meeting by thanking Joan and thanking all for attending this strange virtual AGM today noting that it had been amazingly quiet. Next year he added with luck we will have the meeting in the village hall where you may then want a mute button to keep him quiet Adding “So it’s goodbye from us and goodbye from me. Enjoy the Duke and Cheers”