

## **Fox & Goose (Hebden Bridge) Ltd**

### **Annual General Meeting**

**Saturday 11 April 2015, 12.00 pm in the meeting room at  
St James the Great Church, Church Lane, Hebden Bridge**

Attendance: see signing-in sheet, noting that the quorum was comfortably exceeded.

Chris Greaves welcomed shareholders to the second annual general meeting and introduced attending Directors.

**1. Apologies for absence**

Apologies for absence were received from Sian Ahern, Adrian Ashton, John Bell, Alan Harris, Leila Harris, Ailie Kerrane, John Kerrane, Rob Morgan and Mark Wade.

**2. Minutes of the annual general meeting held on 26<sup>th</sup> April 2014**

2.1 The minutes of the annual general meeting held on 26<sup>th</sup> April 2014 were agreed as a correct record.

**3. Matters arising from the meeting held on 26<sup>th</sup> April 2014**

3.1 Social responsibility had been discussed at the previous meeting and was an agenda item for this meeting.

**4. Chair's report**

4.1 Chris Greaves thanked the Directors, past and present, who had volunteered their time. He also thanked volunteers who had helped with refurbishment projects, behind the scenes and at beer festivals, plus the pub's customers who frequented the pub. Chris also thanked the staff for their tireless work to improve the experience of customers.

4.2 Chris Greaves reported that financially it had been an ok year. There was room for improvement in margins, which could be achieved by keeping a lid on staffing, buying sensibly and making further reductions in wastage.

4.2 Chris Greaves said that the biggest issues for the incoming board was dealing with a range of staffing issues, and therefore Directors with this type of experience would be very beneficial.

**5. Buildings and premises report**

5.1 Steven McArdle reported on progress regarding a number of projects. The stone floor had improved the look and cleanliness of the pub. New central heating and a boiler, refurbishment of the bar and the new floor were welcome improvements, but there was still more to be done, for example electrical work in order to improve ventilation and solve the damp/humidity problem. Steven confirmed that a professional report had confirmed that the damp issue was not caused by water coming in from the outside: it was condensation. The solution was to install a ventilation system in order to move the air around and out of the pub. He was currently getting a second quote for this work.

5.2 Steven reported that Drew Marsh had kindly agreed to project manage renovation of the beer garden, putting it back to where it was and perhaps extending it. The garden was a superb asset for the pub.

- 5.3 Whilst he recognised that the ladies and gents toilets were far from satisfactory, Steven confirmed that they could not be moved and improved in the short term. However, some short-term improvements were planned.
- 5.4 Steven reported that some more work was needed in the beer cellar (ceiling, better door and making it easier to clean and keep temperature regulated).
- 5.5 A new boiler had been installed in the flat upstairs. The flat rental income was being used to make further improvements to the flat, with the bathroom being a priority.
- 5.6 A shareholder asked about the potential, as and when the flat became vacant, of doing up the flat properly, like a Wetherspoons, and using the first floor as an extension of the pub. Steven responded, saying that there were many things that could be done to use the first floor as part of the pub.
- 5.3 A shareholder asked whether they would be consulted about the potential changes. Chris Greave advised that if shareholders had suggestions, they should email them to [info@foxandgoose.org](mailto:info@foxandgoose.org).
- 5.4 Steven agreed to look at a suggestion from a shareholder to move the heating thermostat from behind the bar in order to regulate the temperature more effectively for the whole of the pub. **Action: Steven McArdle.**

## 6. Treasurer's report

### 6.1 Receipt of the year-end accounts and balance sheet for the period ending 31<sup>st</sup> December 2014.

Chris Greaves reported that the Treasurer, Mark Wade, had resigned, but had provided a report.

Chris confirmed that the report and accounts had been circulated previously. A graph showing income and expenditure by month was circulated at the meeting.

Chris reported the following (*NB figures rounded up in the verbal report, but exact figures available in the accounts*):

- Turnover was £161,000 for a period of just over 9 months. This was higher than the forecast of £150,000.
- The cost of sales was £80,000, giving an operating profit of £81,000. Administrative expenses of £69,000 left us with earnings of £12,000.
- Other income received came to £6000 (mainly flat rental income).
- Other operating expenditure (eg boiler and chillers) came to £8,000.
- Depreciation was valued at £12,000
- This left us with a deficit of £1,000 on nine months of trading.

- Assets at the year end were £3,000 stock, £180 owed and £44,000 in the bank (Unity Trust savings accounts and Co-op current account).
- Creditors at the year end totalled £7,000.
- This left us with a current asset value of £40,000 and a net asset value of £129,000.

Chris Greaves summarised the current position by stating that the value of what we had at the end of the year was £129,000, comprising a deficit of £1,000 and the original asset value of £130,000.

Gerry Crookes asked if the marketing strategy had showed any impact in terms of increased turnover. The Directors agreed to look at this. **Action: Directors.**

Gerry reported that the Fox and Goose currently had over 1000 Twitter followers. The marketing activities in May 2014 for the beer festival had definitely made a difference in terms of increased custom and people visiting the pub for the first time.

A shareholder asked why the cost of sales was higher than the budget. Chris Greaves reported that Directors were aiming for 50%, but thought that they could get this down to 48% or 49%. Chris said that he thought there was limited mileage in terms of improved buying prices, but there was room for improvement in terms of wastage. Stuart Daw said that the bottle buying policy could do with being reviewed and that we would be able to make more savings if we could order in bulk, but this was hampered by very limited storage space.

Gerry Crookes suggested that tea and coffee was made available. The Manager, Trevor Cobb responded by saying that this was currently being considered.

The year-end accounts and balance sheet for the period ending 31<sup>st</sup> December 2014 were received.

## 6.2 Receipt of the budget for the period 1<sup>st</sup> January to 31<sup>st</sup> December 2015.

The proposed budget was circulated at the meeting.

Chris Greaves reported that turnover for the year was forecast at £228,000, ie £19,000 per month.

Staffing costs were based on 125 hours per week, with three quarters of this being front line staff behind the bar and one quarter behind the scenes (eg cellar and administrative work). Chris said that if turnover was improved, there was potential to increase staffing.

Chris asked shareholders to note that the budget included £1,000 per month for the flat rate VAT scheme. This was an additional cost, inasmuch as for most of last year the Fox and Goose was below the threshold for VAT. Now that we are over the threshold, our accountant has recommended that we pay a flat rate scheme, rather than paying 20%.

The budget for the period 1<sup>st</sup> January to 31<sup>st</sup> December 2015 were received.

7. **Ordinary resolution regarding audit.**

It was proposed that Section 4(2) of the Friendly and Industrial Provident Societies Act 1968, now superseded by Section 83 of the Co-operative and Community Benefit Societies Act 2014, which requires the Society to appoint a qualified auditor (see paragraphs 113 to 117 of the Society's Rules) be disapplied and an independent accountant's report is provided.

Chris Greaves informed shareholders that this was a formality and had to be voted upon at every annual general meeting. The resolution was passed with a show of hands.

8. **Resignation of one third of the elected Directors.**

Chris Greaves reported that in accordance with clause 65 of the Rules of the Society, a minimum of two Directors had to stand down.

Chris Greaves resigned. It was also noted that Mark Wade had resigned.

9. **Determination of maximum number of Directors serving on the Board.**

It was proposed that in accordance with clause 64 of the Rules of the Society, and in light of the discussion at the previous annual general meeting, the maximum number of Directors serving on the Board of Directors be determined.

Dave Young proposed a maximum of nine directors. Jon Owen proposed a maximum of 7 directors, because if there are too many, this could hamper decision making.

There was a discussion regarding the quorum and the process for co-opting Directors.

Following a show of hands, it was resolved that there would be a maximum of seven Directors.

10. **Election of Board of Directors.**

In accordance with clauses 61 to 64 of the Rules of the Society, election of the Board of Directors took place. It was noted that the Directors remaining in post were: Hannah Nadim, Steven McArdle and Stuart Daw.

Details of shareholders who had submitted nominations to be a Director had been circulated prior to the meeting. Each nominee gave a brief, verbal introduction.

Following a ballot vote, it was reported that the following Directors were elected: Clive Greateorex, Barry Newton, Peter Read and Nigel Sagar.

11. **Ordinary resolution regarding social accounting and reporting.**

It was proposed that in light of clause 118 of the Rules of the Society, the shareholder members of the Society should undertake an account of the activities of the Society which would measure and report on the Society's social and environmental performance.

Shareholders identified the activities below as contributing positively to the Fox and Goose's social and environmental performance.

- Staff were paid the living wage as a minimum.
- Purchasing under the "locale" scheme – within a 25 mile radius.

- Using local tradespeople as much as possible.
- Ethically-sources stone for the new floor.
- The pub had hosted meetings for a number of groups including the Green Party, Halifax CAMRA, Incredible Edible, Treesponsibility, Hebden Folk Roots Festival, Upper Calder Valley Italian Circle and Bakehouse Workers' Co-operative.
- Telephone and broadband contracts supplied by a co-operative.
- Participation in the Plunkett Foundation's Community Pubs Network.
- Hosting visits from other pub co-operatives.
- Member of the Calderdale Co-operative Association.
- Music and quiz nights which involve a wide range of local people.

It was agreed that the Directors should consider signing up to an ethical energy supplier. **Action: Directors.**

It was agreed that the Directors would consider membership of Co-ops UK. **Action: Directors.**

A shareholder reminded those present that the Fox and Goose had received Cask Marque accreditation and was named by CAMRA's Halifax and Calderdale branch as pub of the season for Winter 2014/15. These were both great achievements, particularly in light of the fact that both occurred during the first nine months of trading as The Fox and Goose (Hebden Bridge) Limited.

The meeting closed at 13.00.