

The Fox and Goose (Hebden Bridge) Limited

**Minutes of the Annual General Meeting
held on**

**Saturday 21st April 2018, 12.00 pm in the meeting room at
St James the Great Church, Church Lane, Hebden Bridge.**

Attendance: Directors Dave Young, Nigel Sagar, Jonny Owen, George Parker, Phil Kennedy. See end of minutes for list of all shareholders present.

1. Apologies for absence

Director Steve Holland. See list at end of minutes for apologies received from Shareholders.

2. Minutes of the annual general meeting held on 22nd April 2017

The minutes of the 2017 AGM were approved by a show of hands.

3. Matters Arising from the meeting held on 22nd April 2017

Director Nigel Sagar reported on progress with actions requested at the last AGM:

(min 4.3) Action: Pub Manager to consider the need for a suggestion box in the Pub and take action, as needed. *Suggestion box in place in the pub, comments collected and acted on - CLOSED*

(min 4.3) Action: Directors to consider producing a marketing strategy by year end. *Draft in place – to be completed and actioned by the MEC - ONGOING*

(min 5.3) Action: Nigel Sagar and Mark Hill to consider the issue and if necessary withdraw the appropriate sentence (share valuation) from the 2016 Report and Accounts. *Statement withdrawn from the 2016 Accounts - CLOSED*

(min 6.16) Action: Pub Manager to review responses to the drinks survey and action responses where appropriate. *Actioned, range of drinks expanded - CLOSED*

(min 7.3) Action: Directors to review the level of the reserve noting that a minimum reserve level has been included in the Financial Procedures. *Reviewed and kept at £20,000 - CLOSED*

(min 7.4) Action: Directors to include a full balance sheet projection for three years at the next AGM. *Included in Treasurer's report - CLOSED*

(min 9.2) Action: Directors to discuss the audit resolution wording with Mark Simmonds. *Wording discussed and agreed - CLOSED*

(min 9.5) Action: Directors to set up a working group to propose how a share offer to respond to churn should be undertaken, if required. *Not set up, share offer successfully held - CLOSED*

4. Chair's report

Chair Dave Young read his annual report:

4.1 *Staffing* Hannah Thurman, Pub Manager, was in charge up to when she went on Maternity Leave in December 2017 when Julia Andrus took over her duties as Bar Manager and has done a sterling job. Drew Marsh has been doing a really good job as our Cellar man since Cayn White left. We have recruited some new Bar Staff over the past 12 months.

We continue to pay as a minimum the 'proper' living wage to all its Staff. This is the Living Wage as defined by the Living Wage Foundation. The Living Wage recently increased to £8.75 per hour.

We have recently enrolled our Staff in the Workplace Pension Scheme and the Directors have decided that we are paying at present the Pension Contributions for our Staff. The Pension Contributions rise from 2% to 5% from April 2018.

The Directors of the Fox & Goose would like to place on record our thanks to all our Staff for all their hard work over the last 12 months.

4.2 Volunteer & Paid Refurbishment work Volunteers have continued to support the Fox & Goose in many and varied ways: we rebuilt the bar and now have more room for equipment, stock and staff, redecorated the darts room, which is now a much more welcoming well used room, and the music room and stairway.

The outside has been repaired and repainted and further improvements made to the beer garden, especially to the lighting.

It's sad to report that the pub's marvellous hanging sign went missing during the refurbishment but has now been replaced with a new one, and the pub logo has been painted onto the gable wall.

We suffered from some water ingress during the 2015 Boxing Day floods and were able to get a Property Level Resilience Grant from Calderdale Council, topped up by the Calderdale Community Foundation, to make the inside easier to restore after any future damage and to direct rainwater run-off from the hillside away from the back door. We now have a resilient vinyl floor behind the bar and the lower bar shelving raised on blocks. The flagstones in the yard and beer garden were raised and re-laid to slope away from the back of the building to carry away surface water. A flood barrier at the top of the outside steps is extra insurance against water getting in through the back door.

There was a great unexpected benefit of having a new surface water drain in the yard behind the flat. The builder found seriously broken drains which had been allowing waste water from the flat to soak the ground behind the bar's back-to-earth wall. This was likely to have been the main cause of the bad smell and dampness in the pub which have now disappeared since the drains were repaired.

Thanks to our Volunteers for organising our very successful International Women's Day events and several other events over the last 12 months.

The Directors of the Fox & Goose would like to place on record our thanks to all our Volunteers for all their hard work over the last 12 months.

4.3 Directors Currently we have 6 Directors and one of these is currently not seeking re-election at the AGM. Director Rachel Loise resigned following breaking her ankle. Therefore we are seeking to elect 2 Directors at the AGM and personally I hope for some Gender Balance.

Director nominations have been received and details of these will be circulated at the meeting.

4.4 Finances The Gross Profit percentage figure for 2017 has greatly improved when comparing to 2015 & 2016. Please see the Treasurers Report and the 2017 accounts for a full report on the 2017 financial year and budget for 2018.

I am pleased to report that we are now in a position to recommend paying 3% interest on issued share capital and this is included later in the meeting agenda.

4.5 Drinks – quality & range We continue the high quality of the Beers & Ciders and continue to remain in the CAMRA Good Beer Guide. We continue to subscribe to the LocAle Scheme – Local beers providing local employment and reducing beer miles. This links well with the Fox & Goose's Sustainability and Environmental Ethos.

Following customer feedback we continue to stock gluten-free beers and a regular Vegan cask ale. In addition Mulled Cider has proved to be very popular over the winter months, whilst the addition of the tea & coffee machine have proved popular with walkers and people coming in for events. These initiatives have widened the range of customers who come into the Fox & Goose.

4.6 Marketing Grant Recently we applied for and received £10,000 Community Business Trade Up Grant from Power to Change and delivered by the School of Social Entrepreneurs. This will help us develop our Marketing Strategy. Julia has been attending Training Courses in York two days a month which is proving very helpful especially in areas around Staff & People Management. We have recently brought a new Lap Top funded by the grant and the grant is being drawn down quarterly.

We hope to employ a Part-time Marketing & Events Officer in the coming year to spread the good word that we do at the Fox & Goose and to expand our Co-operative Business.

4.7 Local Harvest Festival As a change from our usual Beer Festivals Drew Marsh put forward a suggestion to organise & host a Local Week long Harvest Festival last autumn. This proved very successful with Local Beers & Local Produce on Sale. Let's hope this will be repeated next autumn as a good time was had by all.

4.8 Music The Fox & Goose continue to host a lot of local musicians during the last year which always prove popular to our customers.

This year's highlights includes Attila the Stockbroker, Events as part of Hebden Bridge Folk Roots Festival, Catfish Skillet, The Shabbycats, Pennine Piperholics, Breton Musicians, Fran & Mark and several Impromptu sessions throughout the year.

4.9 Publicity The Fox & Goose continue to have a high profile in Hebden Bridge with our Web site and Friends of the Fox & Goose Facebook Page. We even had the Mayor of Warstein to visit us recently and he was very impressed with how we set up the Co-operative in the first place and was well impressed with the Beer.

4.10 Community involvement Community Involvement is a key part of what we do at the Fox & Goose. It demonstrates that we are part of the wider Local Community and more than just a pub.

Examples of community involvement over the last 12 months are listed below:-

- The Fox & Goose have sponsored the Hebden Folk Roots Festivals for the last 4 years.
- The Fox & Goose have sponsored the Calderdale CAMRA Beer Festivals.
- The Art Work for Sale and displayed on the pub's walls promoting Local Artists
- Several Local Community Groups hold regular meetings at the Fox & Goose.

5. Treasurer's report

Treasurer Nigel Sagar presented the 2017 Accounts and 2018 Budget, which had been previously made available to shareholders:

5.1 Turnover in 2017 was nearly £228,000, 7.2% down on 2016 but for part of that year, the Fox and Goose was the only pub in town after the Boxing Day 2015 floods. However, Gross Profit with respect to Turnover was up 4.5% to 54.5%, the result of greater efficiencies all round.

The extensive refurbishment programme totalled just over £15,000, but £7,000 of this was offset by external funding (grants). Overall, the profit for the year was £728.

5.2 Turnover for the 2018 Budget (£239,100) has been forecast at 5% above 2017 and the Cost of Sales is based on a (conservative) Gross Profit of 52.5%. Staffing costs are based on opening hours plus an allowance for double staffing at busy periods. The Living Wage increase of 3.5% has been applied from January 2018, and staff pensions contributions paid by the business. Non-staff expenses are based on historical figures plus inflation. VAT is at the standard rate, for which the business became eligible in 2017, and Business Rates include the reduction received in that year. The refurbishment programme has been set at £6,000. Overall, the 2018 Budget shows a profit of just over £2,000.

5.3 The three-year projection to 2020 includes an allowance for 3% interest payment, but this will be determined annually by the Board. The company accountant, Mark Hill, said the 2018 Budget surplus of £2,000 has to be earned before payment of Corporation Tax, and overall capital in the business will decline. The 3% interest payment will be funded out of slightly high capital reserves, and this requires a considered decision.

5.4 The Accountant addressed the Annual Report of Accounts: on page 4, the figures show that the new VAT regime is harsher than under the old Flat Rate Scheme, and there has been a large increase in staffing costs. The Treasurer said these will continue to rise as a result of increases in the independent living wage and as the pub gets busier, but management might be able to mitigate some of this. Mark Hill said the level of capital refurbishment cannot be sustained without grants. The decision to pay interest to shareholders has brought retained earnings down.

Page 6 shows that the original total shareholder capital of £130,000 has fluctuated slightly due to churn, £89,000 of it relates to the cost of the building and £20,000 is the contingency fund, which leaves £19,000 of unused share capital. In overall cash holdings, £44,000, the business is 'relatively rich', but Mark Hill has advised harsh and conservative accounting so that the business doesn't appear too profitable.

On page 11, Mark drew attention to the increased staff costs and stressed that these need to be managed effectively. If growth continues at this rate, savings will have to be made elsewhere.

5.5 After a question from the floor about the value of the building, Director Jonny Owen pointed out that, if the business were to close, any surplus above the share capital of around £130,000 would, according to the Rules, go to the community, not to shareholders.

5.6 The Annual Accounts were approved for submission by a show of hands.

6. Ordinary resolution regarding audit

'It is 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 disappplied and an independent accountant's report is provided.'

The above resolution was approved by a show of hands.

7. Ordinary resolution regarding interest payments

'The directors recommend paying 3% interest on issued share capital at 31st December 2017.'

The above resolution was approved by a show of hands.

8. Ordinary resolution regarding share offer

'It is proposed to hold another share offer in autumn 2018, as that in autumn 2017, to replace churn ie. shareholder members' requests for share capital withdrawal.'

There was some discussion from the floor. The last share offer had encouraged involvement by increasing the number of shareholders and replacing some larger with smaller shareholders. However, as shown by attendance at this meeting which was just quorate, there might be a problem with increased membership of achieving a quorum, currently set in the Rules at 10% of membership. It was pointed out that this AGM clashed with CAMRA's AGM. Since many shareholders are also members of CAMRA and some had sent apologies for not attending for this reason, it might be that arranging for AGM's not to clash will enable more to attend. **Action: The Board will look at the question of the size of the quorum required for future meetings and to avoid a clash of dates if possible.**

The above resolution was approved by a show of hands.

9. Resignation of one-third of the elected Directors

'In accordance with clauses 65 and 67 of the Society's Rules, a minimum of two Directors will stand down.'

Directors Steve Holland and Nigel Sagar stood down. Nigel Sagar will seek re-election at this AGM.

10. Election of Board of Directors

In accordance with clauses 61 to 64 of the Society's Rules, a Board of Directors shall be appointed, noting that a maximum of seven Directors was agreed at the Annual General Meeting held on 11th April 2015.

In response to the call for Directors before the AGM, just one person, Phil Kennedy, came forward, and was co-opted by the board in the month before the AGM. The Chair asked the meeting to vote to elect Phil Kennedy and re-elect Nigel Sagar. Both were elected by a show of hands.

The Chair thanked the Directors for their work on behalf of the Fox and Goose, and the shareholders present for attending, and closed the meeting at 12.55pm.

Attendees (29 shareholders):

Sian Ahern	Rachel Baines-Holmes	Julie Burrows
Peter Eells	Tudor Gwynn	Michael Hennigan
Mark Hill	Jack Hornby	Allen Keep
Phil Kennedy (Director)	Fran Labrom	John Lazenby
Andrew Magjera	Andrew Marsh	Steven McArdle
Hannah Nadim	Jonathan Owen (Director)	Peter Owen
George Parker (Director)	Nigel Sagar (Director)	Fyfe Sainsbury
Tom Sapey	Debbie Spurgeon	Michael Stocks
Hannah Thurman	Susan Turner	Gail Williamson
John Wilson	Dave Young	

Non-Shareholders present:

Julia Andrus (Deputy Manager)

Shareholder Apologies received:

Peter Judge, Alan Whitehead, Adrian Cornforth, Douglas Croxon, Stuart Daw, Amanda Daw, Anthony Peter, Janet Peter, Adrian Ashton, Gareth Wright, Leila Harris, Alan Harris, Gordon Cooper, Nigel Plant, Helen Plant, Andrew Bibby.