

REDGRAVE COMMUNITY SOCIETY LIMITED

Minutes of Annual General Meeting

Saturday 30th July 2022

At Rickinghall Village Hall

1. Welcome

The vice-chairman welcomed everyone.

2. Apologies

Jemma Shorten

3. Minutes of AGM held 21st August 2021

Approved unanimously

4. Minutes of Special Members Meeting held 23rd May 2022

Approved unanimously

5. Introduction and report on the Society's progress

Discussed – no questions

6. Accounts for period 1st February 2021 to 31st January 2022 and Income and Expenditure since 1st February 2022

The Chairman discussed the Report and Accounts noting there is £57,359 in the bank account prior to July wages being withdrawn.

Q. What are the current liabilities and current net assets?

A. Figures are not immediately available but the treasurer confirmed the figures are reasonable static.

Q. Why has no statement of proposed sale figures available showing expected purchase value, costs and net proceeds and why competitive tenders have not been requested by the management committee?

A. The expected outcome of the sale had been set out in the documents circulated to all shareholders. Given the responses from various interested parties

initially, both as possible tenants and purchasers, it is clear the offer made is “a good offer by anyone’s standards”.

The cost of having a formal Offer for Tender drawn up with further detailed audited accounts to date, would be unrealistic and result in significant delay. This would risk losing the current offer.

In the meantime, the pub would be closed indefinitely, with probability of deterioration to the premises inside and out, further reducing the possibility of a satisfactory sale price being achieved.

There are more pubs closing at present, the current market for pubs is flat and buyers are few and far between.

Q. Has an independent valuation been requested?

A. Opinions have been sought from trade and professional people and the consensus shows the offer made is right at the top end of the likely expectations, particularly bearing in mind the type of business model currently run by the prospective buyers.

COMMENT: Management Committee have done an excellent job, pubs can’t be sold or leased – look at the Manor House in Wortham, which has been closed for at least 2 years and The Kings Head in North Lopham that has been on the market for about the same length of time - so finding someone to take on The Cross Keys is very well done.

Q. What stage has Due Diligence reached?

A. Finance is available and the business model suits the community’s aspirations as far as the management Committee is aware. Discussions have been satisfactory and questions regarding the future prospects have been clearly answered.

Q. Please confirm shareholders can get back no more than they initially invested.

A. That is correct. Secretary said there is an Asset Lock which prohibits shares becoming speculative.

Q. Does “Freehold” include Stock, furniture fittings and equipment?

A. Yes.

Q. Assuming there will be some surplus value, where will this go?

A. Secretary stated it will be held within the RCSL account until a decision. If it is paid out, it will have to go to another Community Benefit Society, a Community Interest Company or a Charity. One member asked if the Redgrave Community Shop was a possible recipient.

Q. Could the Committee give any indication of possible surplus after all costs and liabilities have been paid?

A. extremely difficult to be precise but provided there are no unforeseen costs/liabilities etc and the full offer price is received, there may be approximately £10K-£20K surplus.

7. Approval of the Accounts and the Chairman's Report

Approved unanimously

8. The Future

James commented on the future prospects and confirmed the pub run by the prospective buyers, The Bull at Troston, looks smart and well managed. They have good trade contacts which bodes well for staffing and supplies.

They expect to use their existing business model while keeping their tenancy of The Bull. This could give them benefit of scale.

They also expect to be able to complete the purchase quickly.

Q. Will they live at the Cross keys?

A. Not yet known.

Q. Do we know what the opening hours are likely to be?

A. Not yet certain but likely to be similar to those at Troston and not greatly different to what the Cross Keys had.

Q. What if the worst happens and they don't succeed with the venture?

A. Not possible to say but the Committee expect the Parish Council will apply for Asset of Community Value status to offer some protection however limited.

COMMENT from shareholder: I've eaten at The Bull several times and If the Bull was run in Redgrave, the community would be very happy!

Q. Do we know how long it will be between sale completion and re-opening?

A. Not certain and depends on the eventual extent of refurbishment but an indication of approximately 6 weeks was given.

COMMENT from shareholder: This has to be a "no brainer – Money back, good type of buyer..."

No further questions.

9. Resolutions

- i. Agree to the sale of the freehold of The Cross Keys to people who will continue to operate The Cross Keys as a pub.

FOR: 132 AGAINST: none ABSTENTIONS: none

RESOLUTION APPROVED

- ii. Approval to tender for an accounting inspection by suitably qualified accountants instead of an audit.

Q. A shareholder did said he is qualified to examine the accounts and had offered previously without response. Discussion ensued prior to the show of votes.

(N.B. Co-operative & Community Benefit Societies Act 2014 S.85(2) requires the *examiner* to be a “qualified auditor” – S.91 defines “qualified auditor” as “..... a person eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006”.)

FOR: 107 AGAINST: 8 ABSTENTIONS: 15

RESOLUTION APPROVED

10. Any other Business:

Nothing submitted.

11. Results of the election of the Management Committee:

James Ramm and Matthew Smith were elected to the committee.

Julie Moore was re-elected, Neil explained that Julie had intended to step down at the end of her term, but agreed to stand for re-election to help see the sale through to completion.

12. Thanks, and close

The chairman thanked all attending and looked forward to the next developments in the sale process.

Thanks to all the Management Committee for their commitment in time and energy were expressed by shareholders with a standing round of applause. Their contribution to the community has been outstanding.