



Lyvennet Community Pub Ltd

Registered Office
Hall O'Th Gate
Crosby Ravensworth
Cumbria
CA10 3JP

An Industrial & Provident Society
Register No. 31175 R

www.lyvennetcommunitypub.com

Minutes of Annual General Meeting

**5th AGM of the Lyvennet Community Pub Ltd held at
Crosby Ravensworth Village Hall, Crosby Ravensworth
On Saturday 2nd July 2016 at 5pm**

1. Introduction and Apologies

Present: 42 shareholders were present; a register of attendance was taken.

Apologies: 87 shareholders gave apologies

2. Minutes of 4th AGM dated 4th July 2015

Minutes of the 4th AGM dated 4th July 2015 were **ACCEPTED** as a true and accurate record.

3. Annual Report

An Introduction and presentation was given by the Chairman, David Graham. He reminded shareholders of the LCP Ltd, its Objects and current Directors.

The Chair thanked two of the Directors; Glenn Walsh and Joan Raine, who had stood down leading up to the AGM. Joan was an LCP founding Director and Glenn had joined the Board in 2013. Both had made a significant contribution to the management and operation of LCP.

The Chair then focused on the tenancy renewal which had started in October 2015. He reported that it had been challenging, time consuming and costly (£1,853 in advertising) process with interest levels much lower than in 2014.

Steven Rossiter and Carrie-Anne Brumfitt had taken over the tenancy on 12th April 2016. This had been a busy time for the Directors requiring the agreement of the tenant's inventory, involvement with stocktake, completion of dilapidations, and updates for shareholders and to the LCP website along with the Premises Licence.

The Chair reported that the process had not been as smooth as wished. The Butchers Arms website domain was now owned by the LCP which will ensure continuity. In addition the new telephone line **01931 715500** will be secured and the handover file for any future tenancy renewal will be further developed.

The Butchers Arms website is currently under development by the tenants.

He then went on to give a little background detail on Steven and Carrie. This was their first venture as independent tenants. The Directors had secured excellent new tenants and he asked shareholders to look after and support them.

The usual range of activities had continued throughout the last year; the monthly Health & Wellbeing lunch Club, fortnightly walking group, Pool league and Tuesday night music night. A number of events had been organised for August including a wine tasting, live music, Bank holiday barbecue and the tenants were also providing the bar and a hog roast at the 'Kittyfest' concert. Keep an eye out for shareholder updates from the Secretary.

Entries in the pub visitor book showed the distance some visitors had travelled; a group of around thirty from Seville, friends of Mike Winterburn, Australia, Florida and a visit by one of our shareholders; Sharman Stanbaugh from Anchorage, Alaska.

The Butchers Arms booklet was promoted. This had been written and published in response to the interest levels from shareholders, visitors and other community groups. It details the history of the pub, through fundraising, community purchase and refurbishment through to 2015.

The Butchers Arms had continued with its community focus raising over £2,000 during the year for the Church, nursery, 1st Responder's, Mountain Rescue, Cumbria flood recovery and the children's Christmas presents. He added that getting a full picture on the sums raised had been difficult and in future the LCP will record in detail.

During the year elements of maintenance had been undertaken including:

- Water ingress during Storm Desmond had resulted in gable rake requiring repointing and replacement of damaged electrical equipment
- Erection of fencing to separate the Beer garden and operational areas to the rear of the pub
- External repainting had commenced
- Minor drainage issues had been investigated and works to remedy were being planned

Adoption of the Annual report by shareholders was unanimous.

4. Financial Report and Accounts at 31st December 2015

The treasurer took shareholders through the main items of income and expenditure in the 12 months since the last AGM. The main items were:

Income

- Rent; commercial and residential including insurance and VAT - £21,943

- Fundraising for the LCP - £477
- Donation - £750 from John Mullen in memory of Yvonne.

Expenditure

- Shareholder interest payments in 2015 - £8,564
- Maintenance - £1,222 – about 25% of the previous year's figure
- Tenancy renewal including Premises licence costs - £2,200
- Bank charges - £476 – the vast majority relating to shareholder interest payments
- Website and admin - £84 – the latter reflecting the minimal costs of the LCP. The Treasurer commented this reflected the substantial work done by the 'fairies'; all the time and effort provided free.

Paul Jones asked if there was a 'sinking fund'. The Treasurer reported that with the completion of various projects over the first few years, the Directors were focused on building up a contingency fund.

A summary of the accounts was then presented. Key points were that the LCP returned a profit of £7,501 in the year and fixed assets were valued at £340,568. The closing balance of LCP bank account at 30 June 2016 was £11,403. With two months of lease income due before shareholder interest payments on 1 September 2016 were due there was sufficient funds to pay the proposed 3% interest payment.

A small number of interest cheques remained undrawn from 2013, 2014 and 2015..

The treasurer also reported on share movement in the year since the last AGM with £10,250 withdrawn and £11,500 resold. There had been a dramatic fall in withdrawals during 2015/16 in comparison to the previous year. The current shareholding was £304,000.

The Secretary, Kitty Smith, is maintaining log of formal share requests and currently has a £5k waiting list.

5. Resolutions

A total of 11 Proxy and Postal voting forms were received prior to the meeting and these votes would be included in the outcome of voting

a) Interest payment

2015/16 has seen expenditure on the advertising and appointment of new tenants.

Shareholders need to be aware that funds are required for the last major element of the Butchers Arms refurbishment; the toilets. It is hoped that this work will be supported by grant funding and also utilisation of rent income and will be completed in 2016/17. Now that we are 5 years on from opening we also need to carry out general maintenance including repainting of the externals.

Shareholders were reminded that payments will only be made electronically as agreed at the 2014 AGM therefore it was important that bank details were available. In addition Resolution 5 (b) dependant on outcome may impact on payment arrangements.

Resolution: The Board of the LCP proposes a 3% share interest payment. The payment WILL ONLY be by direct bank transfer (dated 31 August 2016). Interest is paid gross and shareholders are responsible for declaring interest payments to HM Revenue and Customs.

For 46 Against 0 Withheld 0

The Resolution was approved.

b) Increased Shareholding in lieu of interest payment

In order to minimise bank charges and cover annual share withdrawals the Board proposes trialling the option for shareholders to increase their share-holding in lieu of 2015/16 interest payment. Detailed proposal attached. The Articles of the LCP to be suitably amended.

The Chair took shareholders through a detailed example of the proposal explaining the share increase, rounding down to nearest pound linked to the £1 share values, recording and some of the conditions.

He also confirmed that if the Resolution was adopted then shareholders would still have the option to donate their interest to the LCP or take their interest by Bank Transfer.

Resolution: The Board of the LCP proposes trialling the option for shareholders to convert their 2015/16 interest payment into additional shareholding. The trial to be reviewed during 2016/17 with its continuation subject to a further Resolution at the 2017 AGM.

For 48 Against 0 Withheld 0

The Resolution was approved.

The Chair confirmed that a proforma would be distributed to shareholders allowing them to choose between donation, increasing shareholding or taking payment of interest.

c) Adoption of accounts.

Dodd & Co, the LCP's accountants have now finalised the 5th set of company accounts covering the period to 31st December 2015

These accounts need shareholder approval before they are forwarded to the Financial Services Authority.

Resolution: The LCP Accounts for period ending 31st December 2015 are approved.

For 50 Against 0 Withheld 0

The Resolution was approved.

d) Auditors

Dodd & Co have completed the third set of LCP accounts to 31 December 2015. These accounts now need to be presented to the Financial services Authority.

As shareholders we are required to record through a formal resolution our requirements with regards external auditing of these accounts. From a legal perspective, given our turnover, there are no statutory requirements for auditing.

Dodd & Co, our accountants, are a fully regulated independent accountancy practice and it is therefore recommended that the LCP does not need to incur the additional expense of independent auditing.

Resolution: External auditing of the LCP financial accounts is not required for financial years ending 31st December 2016 and 2017.

For 47 Against 1 Withheld 0

The Resolution was approved.

6. Election of Board of Directors

In line with the LCP Rules one third of the existing Directors stood down at the AGM; Cameron Smith, Joan Raine and Stephen Holroyd. Joan Raine had opted not to stand again and the other two Directors were willing to be considered for re-election.

No additional nominations had been received. **The Chair asked that shareholders consider standing as Directors in future years to increase the number, provide some competition and increase the ager profile.**

Stephen Holroyd

For 48 Against 0 Withheld 0

Cameron Smith

For 47 Against 0 Withheld 1

Stephen Holroyd and Cameron Smith were elected to the Board.

The Board now comprises 6 Directors with two vacancies.

7. The next 12 months.

The Chair reported that the focus for the next 12 months would be;

- Business as normal – raising profile and continued promotion
- General maintenance including
 - Completion of external re-decoration
 - Drainage provision for the cellar
 - Re-design and installation of new guttering to rear of building – the existing arrangement has been proving troublesome and is in poor condition
- Planning and grant applications for toilet refurbishment
- Exploration of options for the replacement of the rear porch

8. Any Other Business

No questions had been lodged in advance of the meeting and although given an opportunity no questions were forthcoming from shareholders present.

Finally Ginny Holroyd proposed a vote of thanks to the Directors and this was unanimously agreed.

The next AGM would be held in Crosby Ravensworth Village Hall at 4pm on Saturday 1st July 2017

Kitty, Secretary LCP