



## Lyvennet Community Pub Ltd

*Registered Office*  
9-10 Stoneworks Garth  
Crosby Ravensworth  
Cumbria  
CA10 3JE

An Industrial & Provident Society  
Register No. 31175 R

[www.lyvennetcommunitypub.com](http://www.lyvennetcommunitypub.com)

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### Minutes of Annual General Meeting

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**8<sup>th</sup> AGM of the Lyvennet Community Pub Ltd held at  
Crosby Ravensworth Village Hall, Crosby Ravensworth  
On Saturday 27<sup>th</sup> July 2019 at 5pm**

#### 1) Introduction and Apologies

Present: 35 shareholders were present; a register of attendance was taken.

Apologies: 69 shareholders gave apologies

Directors' Apologies: Cameron Smith, Douglas Henderson

#### 2) Minutes of 7<sup>th</sup> AGM dated 14<sup>th</sup> July 2018

Minutes of the 7<sup>th</sup> AGM dated 14<sup>th</sup> July 2018 were **ACCEPTED** as a true and accurate record.

#### 3) Annual Report

An Introduction and presentation was given by the Chair, David Graham. He reminded shareholders of the LCP Ltd's formation, as a Registered Industrial and Provident Society, and its Objects.

There are currently 6 Directors; David Graham (Chair), Cameron Smith (Treasurer), Christine (Kitty) Smith (Secretary), Keith Taylor, Stephen Holroyd and Douglas Henderson

Shareholders were reminded of contact details for the Butchers Arms;

Telephone 01931 715500

Web page [www.thebutcherscrosby.co.uk](http://www.thebutcherscrosby.co.uk)

Facebook @the butcherscrosby

Twitter @arms\_butchers

The tenants Jon & Katie are now in their third year of tenancy and are supported by a team of 3 full time and 12 part time staff. The hard work of the tenants and of all their staff was recognised and appreciated

The existing established pub activities including the music group, walking group and lunch club continue with additional events including themed food nights, live music, dominoes, pool and darts evenings along with birthday parties and other celebrations.

The Chair reported that the feedback from customers had been exceptional and had been clearly demonstrated via Trip Advisor reviews. For 2019, the majority, 89% were excellent, 10% Very Good with a single Average review. In addition the Pub had received a 2015-2019 Certificate of Excellence from Trip Advisor.

The Trip Advisor ratings put the Butchers Arms;

Cumbria

- Pubs - No. 1 of 462
- Restaurants – No.6 of 1,743

Lake District

- Pubs - No. 1 of 304
- Restaurants – No. 4 of 1083

Most important – Crosby Ravensworth

- Pub + Restaurant – No. 1 of 1

The feedback and rankings are an excellent reflection of the quality and service being provided by our tenants and their team.

The Chair reported that over the last year the customers had raised £4,429 from various fundraising events which had supported numerous national and local charities. This figure was in line with previous years. The Chair thanked all the fundraising organisers and participants.

Over the last year various works had been carried out to maintain the fabric of the building and also replace the catering oven, back door, smoking shelter window and bar stools.

The Chair thanked the many local volunteers who painted, took rubbish to the tip, carried out odd jobs, and organised and managed fundraising events.

The Chair's report was unanimously accepted.

#### **4) Financial Report and Accounts at 31<sup>st</sup> December 2018**

##### **Financial report – 12 months to end June 2019**

The Chair (on behalf of 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 – £29,282 (including building insurance + VAT). This figure included some of the previous year's rent.

Grants - £1,234 (balance outstanding toilet refurbishment grant)  
VAT - £1,125 ( VAT reclaimed on toilet refurbishment works offset tax liabilities)

### **Expenditure**

Shareholder Interest - £7,066 – this figure demonstrates the additional shares taken in lieu of interest by some shareholders.  
Toilet refurbishment - £15,108 (balance of expenditure on the major toilet refurbishment works)  
Maintenance - £2,297  
Oven replacement - £5,814  
Accountants - £1,500  
Premises Licence - £180  
Bank Charges - £385 (Down from £586 and £471 in previous years)

The closing balance of LCP bank account at 30 June 2019 was £9,628.67. The Chair (on behalf of the Treasurer) reported that this balance would increase with a further two months' rent before any shareholder interest payments were due at the end of August.

### **Accounts at 31<sup>st</sup> December 2018**

A summary of the accounts was then presented. Key points were that the Fixed Asset value had increased by £23,809 reflecting the works carried out on the toilet refurbishment. The shareholding had increased by £1,349 to £308,983 and profits in the year were £10,889 as compared to £7,619 the previous year.

### **Shareholding**

The Chair (on behalf of the Treasurer) also reported on share movement in the year since the last AGM with £96,842 withdrawn, £4,819 transferred as the result of bequests and £6,100 resold. As ever the withdrawals and resold figures do not match as the LCP sells shares and banks the income in advance of paying out on withdrawals. The current shareholding was £309,052.

The Secretary, Kitty Smith, is maintaining a log of formal share requests and this currently sits at £17,500.

### **Share Statistics**

There are currently 327 shareholders with 391 live share certificates. Where shareholders have bought additional shares these result in an additional share certificate. This ensures we can track individual holdings and dates of purchase etc.

Of the 391 share certificates 56 shareholders opted to increase their shareholding in 2018 in lieu of interest payment, 8 individuals kindly donate their interest to the LCP funds, and 5 shareholders despite numerous reminders have not advised the Secretary of bank details so receive no interest.

Since 2011 a total of 49 shareholders have withdrawn their shareholding with a total value of £61,711.

The annual interest payment is a major exercise each year managing individual shareholder requests and bank details for our bank who make the BACS payments. We then have payments that bounce back due to bank details that are not up to date. Finally all the individual transactions have to be reconciled between bank statements and shareholder spreadsheet.

From the Directors' perspective the simplest interest payments are those where shareholders opt to take additional share in lieu of interest.

## Questions

a. How does the increased shareholding in lieu of interest work?

If a shareholder has shares to the value of £1,000 and the agreed interest payment is 3% then their shareholding increases to £1,030. In the next year a 3% interest payment would increase the shareholding to £1,060 etc

b. Is the conversion of interest due into an increase of shareholder capital sustainable?

b. The total shareholding value is increasing. Are there any limits?

When the resolution was passed to enable shareholders to elect for their interest payment to be converted into an increase in the value of their shareholding it was agreed that this would be subject to an overall shareholding cap of £315,000. The overall shareholding figure will be managed by simply not selling withdrawn shares. The withdrawal costs will come from the LCP bank balance.

## 5) Resolutions

The Chair reported that no shareholder Resolutions had been received.,

A total of 17 Postal voting forms were received prior to the meeting and these votes would be included in the outcome of voting

### a) Adoption of Accounts

Dodd & Co, the LCP's accountants have now finalised the 8th set of company accounts covering the period to 31st December 2018

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

The Resolution is therefore:

The LCP Accounts for period ending 31st December 2018 are approved

For	52	Against	0	Withheld	1
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The Resolution was approved.

### b) Auditors

Dodd & Co have completed the 7th set of LCP accounts to 31 December 2017. 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.

The Resolution is therefore:

External auditing of the LCP financial accounts is not required for financial years ending 31st December 2017 and 2018.

For	34	Against	0	Withheld	0
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The Resolution was approved.

## 6) Election of Board of Directors

In line with the LCP Rules a minimum of one third of the existing Directors stood down at the AGM; Christine (Kitty) Smith, Keith Taylor and Douglas Henderson. Yet again no additional nominations had been received.

Christine (Kitty) Smith

For	52	Against	0	Withheld	0
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Douglas Henderson

For	50	Against	0	Withheld	2
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Keith Taylor

For	47	Against	3	Withheld	2
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Christine (Kitty) Smith, Keith Taylor and Douglas Henderson 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 – support for the new tenants where requested
- Ongoing maintenance of the building and equipment
- Internal painting
- Focus on building up bank reserves

As to the next project; the tenants were keen to see development and refurbishment of the beer garden. Proposals and quotes are currently being sought with the first work the re-routing and silencing of the kitchen extraction system.

### Question

a. How does the LCP intend to build up its bank reserves?

The LCP receives rent from the tenant. The LCT incurs expenditure in maintenance, equipment replacement, accountancy and Premises Licence. The Tenant is responsible for all rates and utility costs.

**8) Any Other Business**

Mike Winterburn thanked the Directors for their hard work over the year

**The next AGM would be held in Crosby Ravensworth Village Hall at a date to be announced.**

**Kitty, Secretary LCP**