



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

Minutes of Annual General Meeting

**12th AGM of the Lyvennet Community Pub Ltd held at
Crosby Ravensworth Village Hall, Crosby Ravensworth
On Saturday 8th July 2023 at 4pm**

1. Introduction and Apologies

Present: 27 shareholders were present; a register of attendance was taken.

Apologies: 66 shareholders gave apologies

Directors: Apologies D Henderson

2. Minutes of 11th AGM dated 4th August 2022

Minutes of the 2022 AGM were **ACCEPTED**. This meeting was delivered electronically.

3. Annual Report

An Introduction and presentation was given by the Chairman, David Graham. He reminded shareholders of the LCP Ltd, its current Directors and Objects. He stated that it was valuable occasionally reflecting on the detail of the Objects and how well these were being delivered.

There are currently 6 Directors.

Shareholders were reminded of contact details for the Butchers Arms;

Telephone 01931 715500

Web page www.thebutcherscrosby.co.uk

Facebook @the butcherscrosby

Twitter @arms_butchers

The Chair reported on the strong team led by our tenant, Jon Metcalfe. Jon now employs 5 full time staff and a further 15 part time staff and a further 4 who are drafted in occasionally. The pub provides a fantastic environment for local teenagers to develop and

mature starting on pot wash, waiting on to bar work. The increase in personal confidence is a pleasure to watch.

The tenant continues with existing established pub activities including walking group quiz nights, lunch club, pool team, occasional live music and family events.

The lease with current tenant has just been signed for a further 3 years.

The chair reported that the LCP website was being maintained with the last major update carried out in March 2023. The website focuses solely on LCP shareholders information with a link to the Butchers Arms website.

The Chair reported that the feedback from customers had been exceptional with Trip Advisor postings all excellent. The pub had received 22 individual rating in the year and these were all 5-star excellent. The pub has had 477 reviews during Jon's tenancy with an overall rating of 5.0. It is also rated as the 2nd best pub in Cumbria.

The Chair had chosen shareholding for closer scrutiny at this AGM noting the following points:

- The waiting list of new shareholders currently stands at £8,000
- Any shares that become available are sold to the individual who has been registered the longest.
- Current shareholding £312,656
- £12,538 withdrawn in year and £12,750 sold
- 392 'live' share certificates at present
- Last year's interest payment included
 - 71 who opted to take increased shares in lieu of payment
 - 15 who donated to LCP
 - 4 where we have failed to get hold of bank details
 - 4 tied in Probate
 - The remainder were paid by BACS
- Since 2011 there have been 94 withdrawals (£132,144) making an average of £11,012 per year
- The Secretary and Chair manage the share spreadsheet which is updated monthly

The Chair reported that a minor tweak had been made to interest payment arrangements in 2022. Where there are multiple family members with individual shares all wanting payment to the same bank account LCP paid via a single BACS transaction. This saves the business bank transaction fees.

The payment of interest payments against 392 share certificates is a challenging process and it is important that shareholders ensure LCP has the correct personal and bank details. The Chair asked shareholders to make contact with the Secretary if in any doubt.

The Chair also provided detail of the shareholding by value with comparison figures for 2011 and 2022.

The Chair reported that the financial focus during the year was to build the business reserves. There was some capital outlay on new chairs and tables which was the final part of the previous year's 10-year refurbishment. Other than that expenditure on general equipment maintenance and fire system test and compliance.

Finally on behalf of the Directors the Chair thanked the many volunteers who carry out minor maintenance and organise and manage events. Our tenant, Jon, a shareholder present at the meeting was also thanked.

The Chairs report was unanimously accepted.

4. Financial Report and Accounts at 31st December 2022

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

Building insurance (£1,643) is organised by the LCP, giving surety that appropriate insurance is in place and this is then recharged to the tenants.

Fundraising - £575

Expenditure

Shareholder Interest - £7,164 – with the share interest due around £9,000 this figure demonstrates the shares taken in lieu of interest, donations given to the LCP and the small number of investors who have yet to provide bank details.

Completion of 10 yr refurbishment

Maintenance - £3,249

VAT - £3,588

Accountants - £1,680

Building insurance - £1,643

Premises Licence - £180

Bank Charges - £366 – almost entirely associated with interest payments

Admin / website - £393

A summary of the accounts was then presented. Key points were that the LCP returned a profit of £21,352 in the year and fixed assets were valued at £353,530.

The Treasure reported that the closing balance of LCP bank account at 30 June 2023 was £32,738.42.

Finally, a graph was presented showing the annual account balance at end of June each year since 2011. The reductions in 2015 and 2019 could be clearly linked to expenditure on tenant accommodation and toilet refurbishment. The graph clearly showed the work over the last few years to build reserves.

5. Resolutions

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

A total 44 emailed voting forms were received prior to the meeting and these votes would be included in the outcome of voting

Item 5

a) Interest payment

Directors have been building up the LCP financial reserves with the aim of reroofing the main pub building and installing a substantial bank of in-roof solar panels. This work will cost circa £30,000.

Directors considered the option of paying a 4% interest payment but this would delay the proposed works by a further year. Electricity costs are a substantial cost for our tenant and power from solar panels would reduce this burden and help maintain viability.

The Board once again propose making a 3% interest payment for 2023/24

The **Resolution** is therefore

The Board of the LCP proposes a 3% share interest payment. The payment WILL ONLY be by;

a) Direct bank transfer (dated 31 August 2023) or

b) The purchase of additional shareholding or

c) Donation to the LCP funds

Interest is paid gross and shareholders are responsible for declaring interest payments to HM Revenue and Customs.

For 70 Against 0 Withheld 0

b) Resolution – Adoption of Accounts

Dodd & Co, the LCP's accountants have now finalised the 12th set of company accounts covering the period to 31st December 2022

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 2022 are approved

For 70 Against 0 Withheld 0

c) Resolution – Auditors

Dodd & Co have completed the 12th set of LCP accounts to 31 December 2022. 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 2022 and 2023

For 70 Against 0 Withheld 0

6. Election of Board of Directors

In line with the LCP Rules one third of the existing Directors stood down at the AGM; David Graham and Stephen Holroyd. No additional nominations had been received.

David Graham

For 70 Against 0 Withheld 0

Stephen Holroyd

For 70 Against 0 Withheld 0

Cameron Smith

David Graham and Stephen Holroyd 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 tenant when requested
- Ongoing maintenance of the building and equipment
- Full fixed electrical test and inspection

As to the next project; roof replacement and solar panels,

- A grant had been secured from COP26 - £14,081
- Bat survey is organised
- Architect has been engaged to produce drawing for Yorkshire Dales planning application
- 11 Kw embedded solar installation with full re-slatting of main two storey pub roof
- Total cost circa £28k

Works are also underway on a grant application for new windows and an improved kitchen extraction system.

The Secretary wanted to minute the assistance provided by the local MP (Neil Hudson) in identifying grant funders.

Minor works to improve the beer garden are also planned.

8. Any Other Business

- Thanks were given to the Directors for their ongoing commitment and work
- The need for new Director recruits was raised. It was agreed that a separate request would be circulated with the Minutes to all shareholders. This would include a brief summary of time commitments and other expectations.
- The impact of taking interest as additional shares and the impact on overall shareholding was queried. It was reported that when the option to take additional shareholding was introduced in 2016 the overall shareholding was set at between

£300k and £315k. The upper figure has never been exceeded and the overall shareholding is managed by not selling new shares when there is a withdrawal.

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

Kitty, Secretary LCP