

Dear Member

Please find below some background information for each of the resolutions to be voted on at the March 2021 AGM. The Management Committee confirm their recommendation to members for a vote in favour of each of the resolutions.

Background to resolutions

1. Adoption of the accounts for the year ended 31st October 2020 – Full accounts have been maintained by the Treasurer during the year, the accounts reflect 11 months of expenditure in the preparation & delivery of the shop, café & community buildings to the community and 1 month of trading following the shop opening on 5th Oct 2020. The key highlights are that the project has been delivered on budget using only those funds raised through share subscription, grants obtained & donations made. Our first month of trading produced a small profit for the society and at the year end the society has a fantastic community facility fully paid for with an asset value of £225.7k and no debt. At the close of the year the stock valuation was £12.1k and the society had cash at bank/in hand of £61.3k inclusive of a £50.0k interest free loan from the Co-op Society. The society has made full use of the tax allowances available to it and consequently has no corporation tax to pay and retained profit in capital & reserves of £2.0k. Such profits are not distributable to members and as Community Benefit Society profits are retained, for the future development of the Community facility. The society has engaged the firm of professional accountants, Lovewell Blake, to prepare an independent accountant report a copy of which can be found here : <https://thewalledgardenshop.co.uk/perch/resources/final-dated-accounts-2020.pdf>

The Management Committee confirm they are satisfied the accounts represent a true and fair view of financial affairs of the society and are happy to recommend that members adopt the accounts.

2. To disapply section 83 (duty to appoint auditors) of the Co-operative & Community Benefit Societies Act 2014 (the Act) – Provided that the society turnover does not exceed £5,600,000 in the prior financial year and that the value of assets does not exceed £2,800,000 it is not necessary to appoint auditors, provided that a resolution to this effect is passed at a general meeting. As noted above, the Management Committee have engaged Lovewell Blake to undertake the preparation of an unaudited independent accountants report and retain Lovewell Blake for the current financial year in order that they may continue to undertake this role.

The Management Committee confirm that the financial criteria for the excise of the power conferred by section 84 of the Act will be met and are of the opinion that it is unnecessary to incur the expense to undertake a full audit. The Management Committee are confident that full and proper accounts are maintained and that engaging Lovewell Blake to undertake an independent accountants report is wholly appropriate for the society and as such recommend that members pass the resolution to exercise the power conferred by section 84 to disapply section 83 of the Act.

3. Election onto the Management Committee (MC) – The management committee members are required to step down by rotation & seek re-election, should they desire, every 3 years. Also any members co-opted onto the MC during the year are required to seek election by the members at the first AGM following their joining the MC, and any members seeking election to the MC are required to do so at the AGM. This year we have 3 members stepping down, Vicki Malcolm, James Richards & Debbie Tomkins. Vicki has been with the project in a marketing/publicity/communications role since the project started in 2017 and is seeking re-election to the MC, Debbie joined the project in 2018 as Treasurer and is also seeking re-election, James has for personal reasons decided not to seek re-election at this time.

Andy Carty was co-opted onto the MC in November 2020 and has taken on the role of Chair and seeks election to the MC at this AGM.

Vic Tomkins has been on the committee since joining the project in Feb 2019 and has been membership secretary since that time and Company Secretary since March 2020 and seeks election to the MC at this AGM.

Vic Tomkins - Secretary