

METFIELD STORES *cic*

ANNUAL REPORT 2010-11



Our 3rd Apple Day proved just as popular as ever. Our resident expert in all matters botanical, Eddie (far right), was on hand to identify apples and lead the walk to Wakelyns. Inside the Stores, John (faithful Sunday volunteer and Wednesday opener too!) was very busy and takings that day were boosted by about £200.

REPORT FROM THE CHAIR

I am pleased to report that Metfield Stores is still in business at the end of its fifth year of trading as a community-run shop! The board is delighted to announce a modest profit – a fitting result for all the hard work and positive energy that has gone into keeping this valued village amenity open.

Turning a £14,178 loss in 2009 –10 into a £4,978 profit in just 12 months is a wonderful achievement. Lack of a salary commitment has made a significant difference, but we can congratulate ourselves on surviving a whole year of recession.

The Stores needs a period of financial stability and growth so that it can move towards employing someone. The debate is ongoing as to what this employee(s) would do: open, close, buy stock? Current Board thinking is that paying an opener would cause the least disruption and is the most finite and easily definable job.

In July 2010, Metfield Stores became a cooperative *cic* and shareholders now hold either Ordinary (*voting*) shares or Equity (*non-voting*) shares. This has allowed those share-

holders who do not wish to attend meetings or vote to just support the shop by investing in Equity shares. The number of voting shareholders is smaller and now confined to those that want to take a more active role or at least to have a voice.

It is risky to mention by name those who are responsible for turning the shop's fortunes around for fear of offending others, but I hope you will agree with me that special mention for the regular dedication they show and the hours they spend on your behalf, ensuring the shop stays open 364 days a year, is well deserved.

So, I thank our very able and hardworking team of openers, closers and stock-buyers: in particular, Miranda Mitchley, Janet Rusted and Bridget Morley, but also John Austin, Lynn Banham, Chris Harvey and Flick Price.

Some of our regular daytime volunteers also take on more responsibilities such as ordering stock, cleaning, shelf stacking and cutting cheese etc. Bob Williams has re-joined the closing team 2 days a week to help with hoovering and floor washing – a valued contribution and one that we hope

others will take on. I also thank each daytime volunteer for doing their shift, without your dedication the shop could not function.

Our bank balance has been sufficiently healthy to allow us to consider whether improvements inside the shop might help to increase sales in the longer term. The board is of the opinion that such changes would enhance sales and plans are to be implemented, step by step, as we can afford it.

Phase 1 installation of solar film to control the temperature more effectively and prevent sun/heat damage to stock (completed early in May).

Phase 2 disposing of the large open-fronted chiller and rearranging shelving along the south wall, incorporating a new upright veg and fruit chiller and special fruit and veg shelving.

Phase 3 rearranging shelving on the north wall, extending the counter and creating a new display space for cakes, pastries and sweets.

Phase 4 turning round the existing gondola and, possibly, getting a second one.

Phase 5 removing the cigarette/tobacco unit and replacing with a small glass fronted display cabinet.

The Board's aim is to increase stock display and unify the interior design. We hope this will attract more customers and be an easier working environment for volunteers.

Although we can look forward to a more secure financial future, our troubles are not over. Last year we had a financial crisis, this year it is a personnel crisis.

We need more directors to guarantee the survival of the business. We have recently been operating with our minimum legal requirement of 5 directors.

Also, we need more help with opening and closing. The current 'managers' each spend between 12 and 35 hrs a week and cannot sustain this level of commitment for much longer. When one falls ill, the strain is immense and none of us are spring chickens!

As shareholders, you might ask whether it is fair to expect this of so few individuals. If your conclusion is that it isn't, then how can we change the situation? It would be unfortunate to have to close the shop through lack of help, just as we seem to have got back onto a more secure financial footing.

Please remember, we need you to use the shop as much as you can, with high fuel costs, it will cost you much more to shop in Harleston or Halesworth. We will do what we can to stay competitive and offer an appealing and consistent range of stock.

I am passionate about our village shop and optimistic about its future. I hope that you will be able to offer the help needed to carry us forward to another successful year.

Linda Norris, CHAIR

Our new Company Secretary writes:

Following the acceptance of the Special Resolution at the Extraordinary General Meeting on 19 July 2010, Metfield Stores cic was registered with Companies House as a Community Interest Company with Co-operative Memorandum & Articles of Association. Co-operative shares were made available and existing shareholdings were transferred to Equity share status.

There are now 43 co-operative shareholders, each holding a £1 co-operative share which entitles these members to vote at an AGM. Anyone wishing to purchase either co-operative or equity shares should contact the Company Secretary or pick up a form from the shop.

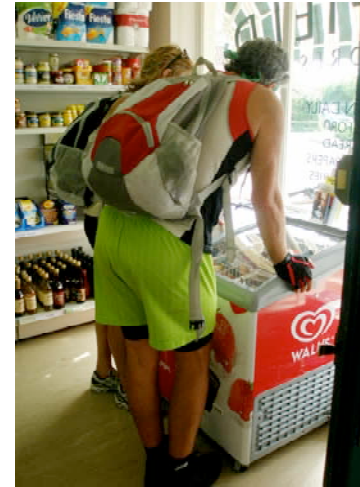
The Annual General Meeting will be held on Monday 6 June 2011 in Metfield Village Hall at 7pm. At the meeting, shareholders will be asked to approve two new nominations to the Board of Directors in accordance with the papers circulated in advance of the meeting. The current Memorandum & Articles state that we must have between 5 and 9 Directors on the Board.

Barbara Bailey, COMPANY SECRETARY

BOARD OF VOLUNTEER DIRECTORS

K Eliff	resigned 19 July 2010
Miss R Kellett	resigned 19 July 2010
Ms B Morley	resigned 19 July 2010
Mrs G Mortimer	
Mrs L Norris	
Ms F Price	
Ms J Rusted	resigned 6 May 2010
Mrs N Virgo	appointed 19 July 2010
Mrs A Wolfe	

Secretary Miss R Kellett resigned 19 July 2010
Secretary Mrs B Bailey appointed 19 July 2010



Ice cream This year we bought 2 snazzy ice cream freezers, in a deal which netted us about £600 of vouchers for Wall's product. The smaller of these freezers is in the rear salesroom and contains fish fingers, burgers, raspberries, vegetarian sausages etc.

HR

We have lost the help of several volunteers who have moved away:

Doreen Sharpe, a loyal regular, since we opened in 2006. John and Jean found the home they had been searching for. Thanks, John, for your help and sense of fun on the busy Friday morning shift. Thanks to Pat Morris for helping Jan price up the Booker order for so many months.

Flick has been ill with post viral syndrome and missed about 3 months. Both Chris Harvey and Tessa have been out of action for a long period, happily, both are now back on board.

We have been fortunate to recruit new volunteers this year as well as getting some favourites back!

Wandia Brinton has become a regular fixture in the 9-11 Saturday slot. Jenny, Tessa and Chris have covered 11-1pm. Margaret and Maurice continue to do Sat afternoons of course! Tony Morris has recently been helping Malcolm with the 9-1pm Wednesday morning shift, they

make a great double act. Monique Gregson from St James joined us in February and her formidable date checking skills have upgraded and revitalised our bargain trolley! David Bennett has returned despite ill health. His wife Barbara has recently been covering 2 shifts, one with the help of Gill Martinez, a loyal customer from St James who has recently jumped over the counter. Carol Tween has come back after taking a break. Jane Williams has been able to rejoin us too. Judy Game, a recently retired First Responder, has taken on the Wed afternoon double shift. Lynn Banham, Kit Beaton and Jean Lee have all helped greatly by stepping in to provide a lot of emergency cover when people have been ill or away on holiday, Kit is also doing two regular shifts.

With help from Miranda we have managed to organise the rota between us this year. New volunteers are urgently needed, most especially openers and closers but also to double up on long solo shifts.

Group members: Ann Wolfe, Flick Price, Linda Norris

FINANCE

The Finance subgroup met in the first week of each month throughout the year and provided reports to the board on daily takings, profit and loss, analysis of purchases from individual suppliers etc.

We can now monitor expenditure and keep track of our financial status at the touch of a button. Most suppliers are paid by electronic banking. Cash payments from the till have been reduced, but some suppliers will only do business on that basis and so we have to live with this.

It has been a struggle to get back on track but all the hard work has paid off. Finishing the year with a modest profit has shown us that the Stores can have a viable future as a volunteer-run operation. It is remarkable that we have achieved this with a reduced turnover! However, we need to grow this profit further so that we can afford to pay staff once again. We estimate that an annual profit of at least £10,000 would cover, for example, the wages of someone to open the shop 6 days a week. The board will continue to closely monitor the situation

throughout the current financial year.

It is hoped that adjustments to the shop interior will help to increase footfall and therefore sales and that other improvements like the purchase of a new vegetable chiller and the installation of solar film on the windows will maintain the quality and increase the shelf life of some stock.

Annual stocktake This year, Barbara Bennett, Miranda, Jan, Nong and Bridget worked together to record the stock held at 31 March and work out its value for the annual accounts.

The closing stock figure of £9,389 is about £2,000 higher than in most previous years and this reflects the rise in the cost of food generally. We are also carrying more stock than last year.

You will note that the stock purchase figure is about £7,000 less than last year, no doubt reflecting our reduced income (£7,286 less this year).

Metfield Stores Lottery This year the income from the lottery was £472. New members are welcome to join at any time for just £12 a year. Forms are in the shop. This is a fun way to contribute to MS.

Group members: Linda Norris, Bridget Morley (retired September 2010), Gill Mortimer, Jan Rusted

STOCK

In September 2010, Bridget took a step back from stock management. Miranda, Linda and Jan have all stepped up their contributions, assisted by Flick and Chris Harvey. Openers and/or closers have continued to place bread, milk, veg, deli and meat orders. Thanks go to Lynn, Bridget, John, Linda, Jan, Miranda, Peter and Sue, Chris Harvey and Janet Cobill.

Newspapers Openers and closers continue to deal with these, thanks particularly to Linda and John who have handled the weekend papers for most of this year. Also to Peter and Sue who took on general admin work and keep the system in good order for us.

A streamlined system In recent months Linda has trialed a 4 week ordering system to try to reduce workload, avoid congestion

METFIELD STORES <i>cic</i>		
BALANCE SHEET 31 MARCH 2011		
	31. 3. 11	31. 3. 10
FIXED ASSETS		
Tangible assets	8,393	6,985
CURRENT ASSETS		
Stocks	9,389	7,024
Debtors	248	1,004
Cash at bank and in hand	7,613	10,677
	17,250	18,705
CREDITORS		
Amounts falling due within one year	2,067	7,433
NET CURRENT ASSETS	15,183	11,272
Total assets less current liabilities	18,257	21,906
CAPITAL AND RESERVES		
Called up share capital	24,400	24,060
Profit and loss account	(824)	(5,803)
Shareholders' funds	23,576	18,257
RESERVES		
At 31 March	4,978	(5,803)

Average daily takings			
<i>June 06</i>	£426	<i>June 09</i>	£410
<i>Best month – July</i>	£478	<i>Best month – August</i>	£460
<i>average over year –</i>	£396	<i>average over year –</i>	£362
<i>June 07</i>	£390	<i>June 10</i>	£367
<i>Best month – August</i>	£470	<i>Best month – July</i>	£475
<i>average over year –</i>	£364	<i>average over year –</i>	£342
<i>June 08</i>	£379		
<i>Best month – August</i>	£429		
<i>average over year –</i>	£343		

in the stockroom and save us £20 a month on delivery charges. This new system is: Booker/Suma/Booker/Aldi and Lidl. You will note that the Booker order is now biweekly rather than weekly. However, it may be necessary to revert to a weekly order in peak season, to replenish soft drinks, snacks, chocolate and ice cream which tend to fly off the shelves.

METFIELD STORES <i>cic</i>		
TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2011		
	31. 3. 11	31. 3. 10
Turnover		
Sales	124,253	132,079
Grants, Donations, Lottery Club	2,590	2,919
	126,843	134,998
Cost of Sales		
Opening stock	7,024	10,111
Stock purchases	107,457	115,688
dry cleaning purchases	314	-
	114,795	125,799
Closing stock	(9,389)	(7,024)
	105,406	118,775
GROSS PROFIT	21,437	16,233
Other income		
Flat and Village Kitchen charges etc	1,348	1,074
Deposit account interest	-	1
	22,785	17,298
Expenditure		
Rent	7,201	8,628
Pest control	98	239
Rates and Water	713	197
Light and heat	3,711	3,761
Repairs to property	-	200
Wages	-	9,398
Hire of plant and machinery	-	10
Telephone	156	1,442
Post and stationery	34	-
Advertising	401	212
Implement repairs	-	136
Subscriptions	?	25
Licences and insurance	394	619
Repairs and renewals	417	107
Household cleaning	15	-
Sundry expenses	143	375
Training	-	1,277
Accountancy	500	670
Consumed goods	?	698
Legal fees	?	15
	14,577	27,994
	8,208	(10,696)
Finance costs		
Bank charges	276	331
Credit card	1,014	649
	1,290	980
	6,918	(11,676)
Depreciation		
Improvements to property	191	579
Plant and machinery	716	1,650
Fixtures and fittings	1,033	273
	1,940	2,502
NET PROFIT (LOSS)	4,978	(14,178)

The above mentioned are the largest deliveries, Other major suppliers, Springvale (cakes and biscuits), Tastes of Anglia (frozen veggie meals, local jams and crisps and Alder Tree ice cream), Hulley's frozen (Wall's ice cream etc.) deliver as and when required to replenish stocks.

Booker This large account is handled by Jan with help from Chris Harvey. Miranda took over the online ordering from Bridget in the autumn, and Pat Morris helped Jan with pricing deliveries for most of this year.

Metfield Organic Bakery Linda has started doing a new order for each delivery. This has enabled a greater range of bread to be trialed and reflects MOB's recent takeover of another artisan baker with an extended range of sourdough and rye breads. Those of you with long memories may like to know that Phil Smith is once again working for MOB.

Kevin at **Old Barn Bakery** (Flixton) is still supplying us most days of the week.

As always we encourage you to place a regular order if you have a favourite loaf. Bread mountains come and go, and we always have some frozen bread which we sell at reduced prices from time to time.

Village Kitchen The Village Kitchen range continues to be popular, now with an expanding range and a growing volume of sales. We now buy cakes from Lorraine, (carrot cake, Eccles cakes and flapjack being especially popular) rather than having everything on a sale or return basis. Sausage rolls, priced at £1.45, are still our best seller, and we look forward to stocking Metfield Pig Herd pork pies which will be produced in the new meat kitchen at Fir Tree Farm. Lorraine and Garry will continue to make and bake non-meat products in the shop's kitchen.

Mel's Fruits We have increased our stock of fruit and vegetables and we now refrigerate as many as possible. This has reduced our wastage considerably and we plan to buy another upright chiller to further improve storage. Thanks to all the morning volunteers who help to price up this order, prices can fluctuate on a daily basis.

Suma continues to be an important source of income for us, the range is good and margins are excellent. If you buy in bulk

(larger pack) sizes you will find that prices are usually lower and when you place a bulk order you will also get an 8% discount. Please ask to look at the catalogue. To further encourage you, we have a system whereby if your order is for more than £100 a discount of 13% will apply. Please contact Miranda who continues to be in charge of this account.

Aldi and Lidl Trips happen once a month but it may be necessary to go back to a 3 week interval as products are so popular. Offers of help to do this trip to Lowestoft would be most welcome, please contact Bridget.

Cleveleys We have resumed stocking anchovies, sundried tomatoes and capers, now displayed alongside our usual stock of humous, olives and salted butter in the rear salesroom. As ever, the Ford Farm Mature Cheddar is our biggest seller, at a minimum of 5kg a week, although lately the goat's log has also been flying off the shelf.

Bird and dried cat food sales have been a steady source of income throughout the year. Thanks to Linda and Peter Norris who took over duties previously carried out by Flick and Kingsley, for monitoring and keeping our supplies topped up. And, of course, thanks to all those volunteers who bag it up for us!

Bulk orders We have been very pleased to supply an increasing number of our customers with bulk orders ranging through crystallised ginger, flour, biscuits, toilet cleaner, wine, Alder Tree ice cream, bottled water, crisps, goat's log – you name it we hope to do it for you! This is a service we would like to expand – it is guaranteed income and not subject to the vagaries of customer taste!

The Stockroom Earlier this year we increased Jan's happiness by improving the shelving and organisation of the stockroom. This has made it a safer working environment for us all and it is now much easier for the stock managers to see what we have before placing orders.

Finally, please do tell us what you would like us to stock, we depend on your feedback and will try to supply you. We know that there are some areas where we cannot ever compete with supermarkets – mostly in

the range of chilled and frozen product. We understand why you have to go to Budgens or the Co-op, and have deliveries from T, S, A, W or M. But we hope you will continue to come in and buy as much of your weekly shop as you can in our wonderful little shop, and save yourselves money on petrol in these hard times!

Group members: Chris Harvey, Miranda Mitchley, Bridget Morley, Jan Rusted and Flick Price

GOVERNANCE

The Governance group specialises in stuffy, boring things that require great attention to detail and that simply have to be done right. Last year's big effort was getting the new Memorandum and Articles of Association sorted out in time for the AGM. We could not have done that without the legal and technical expertise of the Guild in Norwich. This year we have reviewed the Business Plan, first produced on our behalf in 2008 by rural business expert Richard Rampton. Recommendations for updating it and developing it further have been put to the Board. Other jobs have been to update the 'Information for Shareholders' so that it reflects our new status as a co-operative and developing draft policies for the shop. These policies are statements of principle governing how the shop is run, for example regarding local food or how volunteers should be treated. A draft will be put to the Board following the AGM.

Group members: Tessa Harding, Bridget Morley, Gill Wells

COMPLIANCE

We are very proud that the shop was awarded 5 stars following an inspection by Mid Suffolk environmental health officers. This is the highest level achievable and is a result of the care taken by and hard work of all the volunteers. Those volunteers, who requested training in Food Safety handling, have been given the opportunity to complete this online. All procedures are in the process of being updated.

Group members: Gill Mortimer, Jan Rusted

PROMOTING THE STORES

The PR group aims to ensure public awareness of Metfield Stores by promoting product and suppliers, with posters, flyers and counter signs, by blogging, tweeting and maintaining the website.

Special events such as Apple Day, Sausage Day and the Quiz Night + Sausage Supper fall within our remit, though also depend on contributions from managers, volunteers and others.

The PR group has not been quite so active recently, partly because Rachel retired from the group in July 2010. Her energy, enthusiasm and networking skills are greatly missed.

We have produced a few newsletters and are grateful to Peter and Sue for delivering these in the village and outside.

Linda has started to email shareholders and volunteers, keeping them up to date with what's going on. We would like to build a longer list of customers interested in receiving such emails and would welcome help with this task.

Holiday visitors can be an extra source of income during the summer months and we had planned to follow up on Rachel's leafletting of local B&Bs within a 30-mile radius of Metfield but didn't have the manpower to do so.

After two years prospecting for sites, getting local permissions and extensive explorations of the planning and highways departments, 2010 was the year when two black and white road signs pointing towards Metfield Stores were finally given the go-ahead and erected. Thanks are due to Suffolk Highways Department for their assistance but especially to Gill Wells, who has spent so much time and effort pursuing this objective!

Last October, Rachel organised another fantastically successful Apple Day, linked into the Aldeburgh Food Festival. Eddie K led the apple walk to Wakelyns where Martin and Ann Wolfe welcomed and informed us, walkers were returned to the shop by Kingsley in the community bus, where apple pie and soup were very welcome. Participants were encouraged to spend money in the shop instead of paying a fee.



Apple Day, clockwise from top left, Eddie informs some attentive walkers. Kit and Valerie line up the tasters. Trouping to the farm, bathed in autumn sunlight. Old varieties which are grown at Wakelyns. Martin introduces us to his apples.



Right, Kingsley brings walkers back to the shop on the community bus.

In 2011 Apple Day will take place on Sunday 16th October and will be just a little different! A touch of poetry will spice up the usual activities. Put it in your diary and watch out for more information.

Sausage Day went with a bang, with lots of enthusiastic participants enjoying locally produced Metfield Pig Herd and Thorpe Hall sausages washed down with tasters of local beers and apple juice.

Christmas Order Forms were distributed in Metfield and to surrounding villages, proving even more popular than last year.

In January, our Quiz Night and Sausage Supper was a roaring success. Over 70 people gathered to eat Metfield Pig Herd sausages, mash and onion gravy (cooked by Bev and Janet) at the Village Hall before fighting it out for 1st prize in the quiz (pre-

sented by Barry Cable) and parted with most of their life savings on the raffle (collected by Lynda Austin). The event raised £746 and funded the solar film recently installed on the shop windows.

The group has dwindled in numbers and we urgently need new blood to stimulate creativity and find innovative ways to promote the shop. Ability to use a computer, write copy, design skills, facilities to print, ideas, useful contacts, legwork, devotion to the shop... any of these would be welcome attributes for new members of the group.

Group members: Rachel Kellett (retired July 2010), Nicky Virgo, Gill Wells, Linda Norris, Vivien Berry-Webb, Honorary members: Peter Cook and Sue Down (distribution of newsletters and flyers)