

# FITTLEWORTH COMMUNITY SHOP LIMITED

## 2018 AGM

### CHAIR'S REPORT

1. We would like to welcome you to this very first AGM of Fittleworth Community Shop Limited.
2. We will be reporting on the first accounting period of Fittleworth Community Shop Limited – which is the period from 23 August 2016 to 31 August 2017. There is plenty to report on from this initial period. We would, however, also like to provide you with a brief update on the period since September 2017 and on our plans for the year ahead.

#### **23 August 2016 to 31 August 2017**

3. Much of our first reporting period has been spent on initial set up activities and, crucially, on raising the funds we need to build and equip the shop. Some of the key activities from the formal reporting period are as follows:
  - We began with tackling some of the formal approvals that were required for the project to proceed. We applied for planning permission to build the shop and café on the recreation ground on the land currently occupied by the children's playground (which is the site we identified as the preferred location for the shop following extensive consultation with the community). The submitted plans reflected the useful comments and input we received at the earlier October 2016 Consultation Day. After an anxious wait, planning permission was granted in March 2017.
  - It was not just planning consent that was needed for the shop to be built. The recreation ground on which the shop will be built is owned by the Parish Council and is subject to a charitable trust under which the use of the land is restricted. We therefore had to contact the Charities Commission to obtain their consent to the use of part of the recreation ground land for a community shop – and this consent was granted in July 2017.
  - With so much to keep the village informed on we launched our email shop newsletter in February 2017 to supplement the information made available through our community shop page on the village website. Along with our Facebook shop page (@fittleworthstores) we have been able to keep everyone up to date with developments along the way. We would like to thank Kerry Coughtrey who volunteers so much of her time to post up our facebook posts with eye catching imagery and who does the monthly layout of our email newsletters and other shareholder communications and investor update newsletters.
  - We decided we needed a brand identity for use on the various marketing and grant materials we needed to produce (and on the shop too of course once open) -so we enlisted the support of one of our village residents, Paul Middleton, to design us a logo - and the Fittleworth Stores name was born. At the same time, we commissioned an artist's impression drawing to bring our architects plans to life.

Our artists impression has been much used and admired and serves as a wonderful visual reminder of what we are striving to create.

- We conducted extensive market research of the community shop market, meeting with the Management Committees of other shops to learn about how they set up and run their own businesses. We have drawn hugely from these visits, extracting what we feel are the key elements to ensure that our own shop is successful and sustainable. A Business Plan was prepared which includes details of our review of the market, our vision for our own shop and the projected costings and financial forecasts.
- Aware of the long road ahead of us in finding funding for such an ambitious project we sought advice from the Plunkett Foundation, the South Downs National Park Authority and other community shops to develop our strategy for raising the required funds. We created a Funding Plan which identified various sources of potential funding – from a share offer and village fundraising events to grants and donations. Linked to this was the development of a structure through which we could raise funds and operate the business in the most efficient way. We are grateful to Warwick Dean-Taylor for his advice in helping us to set up a financially efficient structure.
- June saw the launch of our share offer. Our Treasurer's Report to come will say more about the share offer but the end result is an impressive 250 shareholders. We were delighted by the response from the village and from those living in neighbouring villages and hamlets and from even further afield.
- We have also held a number of village fundraising events over the past year to raise funds and at the same time bringing the village together. We are very grateful to the many villagers (too many to mention by name) who have stepped forward to organise or contribute to these events and to the great number who have turned out to support these events.

#### **August 2017 to date**

4. Over the summer and autumn last year we submitted a series of grant applications. Grant funding was a key part of our Funding Plan and we spent a considerable time identifying the funds which were the best fit for the project, filling in forms and compiling the supporting information. We have submitted 11 applications to date and again the Treasurer's Report will cover in more detail the impressive sums raised to date. The vast majority of our applications have been successful which is testament to the strong business case and established need for the project.
5. We have also spent time this autumn reviewing and validating the costs model. During the summer we went out to tender, obtaining 3 quotes initially for the cost of the build (and more subsequently) to ensure that we were obtaining value for money. We have selected Agincourt as our build contractor. We have reviewed all aspects of the building design and specification with Agincourt. Their current quote for the build is £251,000. We would note that as well as the work in building the shop this also includes the groundworks for the playground area. We are still in discussion over a small amount of further changes which will deliver another anticipated £30,000 of costs savings. We have also investigated alternative options (such as using a partnership of local contractors, moving to a timber frame structure or using a pre-fabricated building). The alternative options all resulted in a more expensive cost being quoted.

6. We now estimate that the total costs for the build of shop will be in the region of £276,000. This figure includes all fees (including those of the architects, solicitors, commercial valuers and other professional advisers), the construction work, the fit out and working capital and stock, but excludes the cost of the groundworks for the playground.
7. As you will all be aware we are also building a new children's playground and youth area. The new playground and youth area will be owned by the Parish Council and the detail is beyond the scope of this AGM but we have co-ordinated the fundraising for the 2 combined projects. The total combined project costs for the shop, playground and youth area projects is £403,000. So far, we have raised an incredible total of £376,000 through a combination of grants, village fundraising events, the share offer and donations. We anticipate receiving a further £14,000 through some outstanding grant applications and from gift aid on some of our qualifying donations. This leaves a shortfall of just under £13,000 which we still need to source. We hope that the community will rally around so we can raise this final amount – please consider donating to the project if you are in a position to do so.
8. We must make mention of our donors. We have been fortunate to have received many generous donations from those within our community (both individuals and businesses), totalling a staggering £192,650. We have been quite overwhelmed by the generosity and support of those around us. Without these donations the project would not have been able to proceed. In addition to the financial donations referred to, we have also been offered wood from the Barlavington Estate for use in the build.
9. We would therefore like to thank our donors for supporting us and to all of you in the village (and wider) who have contributed to the success of the project, whether through the purchase of shares, participating in fundraising events or otherwise. In return, we promise to create a truly wonderful shop, playground and youth area that will provide many benefits to our community for years to come.
10. As we have now secured almost all the necessary funding, we have begun to focus our attention on the fit out of the shop and the set- up of all the suppliers, systems and processes required.
11. We aim to commence the construction in April with the shop opening planned for October.
12. The local press have picked up on our story and from time to time you may have seen articles in the local papers about our project and its progress. We often refer to our project as a “small shop with a big vision” and this remains at the heart of our plans. We see the shop as providing such a wide range of benefits for our community – not just somewhere to shop but a much- needed social hub and a platform from which we can launch future community outreach services.
13. Finally, I would like to thank all my fellow members of our Management Committee who have given up so much of their time, energy and enthusiasm over the past 2 years to progress the project.

Alison Welterveden