



**MINUTES OF THE  
ANNUAL MEETING OF MEMBERS  
OF EAST OF ENGLAND CO-OPERATIVE SOCIETY  
LIMITED HELD AT 11.30 A.M ON SATURDAY, 13<sup>TH</sup>  
MAY 2017 AT WHERSTEAD PARK,  
IPSWICH, IP9 2BJ**

**Present:**

Directors: Mrs S Chicken President  
Mr C Barrett Vice-President  
Mrs B Bulsing  
Mr J Cook  
Mrs N Fox  
Mr P Hartwell  
Mr J Hawkins  
Ms E Howard  
Mrs C Johnsen  
Mr C E Mann  
Mr C Matthews  
Mr C J Newbury  
Ms B Perkins  
Mr S Shaw  
Ms M Veronese

Executives: Mr N Denny, Joint CEO, Property  
Mr D Field, Joint CEO, Finance and Technology  
Mr R T Grosvenor, Joint CEO, Retail  
Mr M O'Hagan, Joint CEO, People and Performance  
Ms M Moll, Joint CEO, Membership and Marketing  
Mr M E Faulkner, Secretary

141 Other voting Members of the Society

41 Associate Members, and non-participating partners and colleagues.

**In Attendance** Mr S Ormiston, PWC, auditors

**Apologies for Absence**

Apologies for absence were received from 1 Director and 8 other Members of the Society.

**Election Results – Board of Directors**

The President reported that there had been 9 candidates standing for 5 vacancies on the Board of Directors. The results of the election were as follows:

		<u>Votes Cast:</u>
<u>Elected for 4 years:</u>	John Cook	1,944
	Fiona Powell	1,819
	Judi Newman	1,702
	Chris Newbury	1,600
<u>Elected for 2 years:</u>	Richard Youngs	1,452

### Unsuccessful Candidates

Cyril Liddy	1,336
Natasha Harpley	1,127
Harry Shearing	569
Mike Caplin	564

Total Votes Cast:	
By Post:	2,364
Online	472
Spoilt papers:	11
Total Valid votes	2,836

### **Minutes – 2016 AGM**

RESOLVED: That the minutes of the Annual General Meeting held on 7<sup>th</sup> May 2016 be approved as a correct record and signed by the President.

### **Report and Accounts – Year Ended 28<sup>th</sup> January 2017**

#### Trading Report

The Joint Chief Executive, Finance and Technology, presented the Report and Accounts for the year ended 28<sup>th</sup> January 2017.

Key highlights included:

- Turnover had increased by £9.2m (2.7%) to £347.7m
- Trading profits had increased by 17.0% (£0.6m) to £4.4m
- Profit before tax and distributions had fallen from £7.8m to £6.1m
- Members' funds remained strong at £207.5%

Food store sales had risen by 2.3% on a like-for-like basis, reflecting the success of the intensive store refurbishment programme and helping to drive up gross profit. Funerals had suffered slightly as a result of squeezed margins and the cost of operating an expanded footprint but the opening of 8 new branches should deliver results in future years. The Distribution Centre, the Fuel Forecourt operation and the Travel business had all performed well. The property business had also delivered strong rental income.

The fall in Members funds from £233m to £208m reflected increasing pension liabilities for the two (now closed) final salary pension schemes.

Significant capital expenditure had taken place during the year to protect and grow the business, including:

- Acquisition and fitting out of the new Woodbridge supermarket (£6.1m)
- Food store refurbishment programme (£4m)
- Rosehill development, Ipswich (£1.2m)
- New funeral branches (£1m)
- New funeral vehicles (£0.5m)

In addition to the encouraging financial returns, the Society had received recognition for its business, employment and community practices with the Princess Royal Training Award and the Alzheimer's Society Dementia Friendly Award being particular highlights.

Thanks to the Society's robust strategy and hard work all round, the balance sheet remained strong and would enable further investment to safeguard the future of the business. However, the Society was not just a business for profit – it also worked for the collective good of communities, customers and colleagues. The Society would remain true to its values and principles, taking long-term decisions for the ultimate benefit of the members.

#### Audit Opinion

Mr Simon Ormiston, Partner of PwC Chartered Accountants presented the unqualified audit opinion for the Statement of Accounts for the year ended 28<sup>th</sup> January 2017.

#### Remuneration Report

Mr J Cook, Chair of the Remuneration and Search Committee, presented the Remuneration Report and the Board's proposal regarding Directors' fees for 2016-17.

#### Questions and Comments from Members

Members had had the opportunity to raise questions and make comments at the workshops that had taken place before the meeting. A query raised formally at the meeting concerned the Society's vulnerability to the recent global IT malware attack to which, in response, it was reported that the Society did not appear to be affected and had acted swiftly to disconnect links to the National Health Service systems, some of which were known to have been affected.

The President then put the Board's recommendations to the meeting and it was:

RESOLVED: That the Report and Accounts for the year ended 28<sup>th</sup> January 2017 be received.

RESOLVED: That the Remuneration Report for the year ended 28<sup>th</sup> January 2017 be received.

RESOLVED: That the Directors' fees be increased by 2.4% (£195) to £8,305 for 2017-18.

RESOLVED: That PwC be re-appointed Auditors for 2017-18.

RESOLVED: That a Dividend of £3,040,000 equivalent to 2% of qualifying purchases, be paid on the value of Members' qualifying purchases made from the Society during the year ended 28<sup>th</sup> January 2017.

RESOLVED: That the Society maintain its affiliation to the Co-operative Party for the 12 months ended June 2018 at a subscription of £32,000.

#### **Vote of Thanks**

The President proposed and Members approved a unanimous vote of thanks to the following Directors leaving the Board of the Society:

Colin Barrett (retiring after 23 years' service)  
Maria Veronese

Phil Hartwell, on behalf of the Board of Directors, proposed and Members approved a vote of thanks to Sally Chicken (standing down after 8 years' service).

**Close**

The President closed the meeting in order to open a Special General Meeting to approve a complete amendment of the Society Rules.

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President

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Date