

**MINUTES OF THE ANNUAL MEETING OF MEMBERS OF
EAST OF ENGLAND CO-OPERATIVE SOCIETY LIMITED
HELD AT 10.30 A.M ON SATURDAY, 19TH MAY 2012
AT WHERSTEAD PARK, IPSWICH, IP9 2BJ**

Present: Mr J R Pendle President
 Mr G F D Bober Vice-President
 12 Other Directors
 128 Other Members of the Society
 3 Associate Members (non-participating)

In Attendance Mr C Maw, PricewaterhouseCoopers

Apologies for Absence

Apologies for absence were received from 2 Directors and 11 other Members of the Society.

Appointment of Scrutineers

RESOLVED: That the following Members be appointed scrutineers for the meeting:

Lesley Frost
Patricia Woods

Minutes

RESOLVED: That the minutes of the Annual General Meeting held on 14th May 2011 be approved as a correct record and signed by the President.

Vote of Thanks

The President proposed and the meeting approved a vote of thanks and best wishes to Roger Smith and Vanessa Gregory who were retiring as Directors after 13 years' and 2 years' service respectively on the Board.

Roger Smith responded, thanking the Board and Members for their best wishes and reporting to Members the significant progress made by the Society in relation to critical business matters and governance practices whilst he had been a Director.

Report and Accounts – Year Ended 28th January 2012

The President and Executive Officer, Finance and Technology, presented the Report and Accounts for the year ended 28th January 2012. Profit before tax was £11.7 million, the highest for five years, and underlying trading profit amounted to £12.7 million. However, to address the difficult economic situation, tough competition and continuing changes in consumer behaviour the Board and the Leadership Team had identified the need for significant investment in personnel, retail activities and the property portfolio. This investment programme was expected to result in reduced profits and cash balances over the next few years but would steer the Society to long-term success.

Audit Report

Mr Colin Barrett, Chair of the Audit Committee, presented the report of the Audit Committee.

Audit Opinion

Mr Chris Maw, Partner of PwC Chartered Accountants presented the unqualified audit opinion for the Statement of Accounts for the year ended 28th January 2012.

Remuneration Report

Mrs Sally Chicken, Chair of the Remuneration Committee, presented the Remuneration Report, outlining recent progress made by the Board in relation to Executive remuneration, and the establishment of the new employee Stakeholder pension scheme.

Membership and Community Committee

Mr John Pendle, as Chair of the Membership and Community, reported on the work of the committee during the year under review including the establishment of co-operative groups within the trading area, support for communities and charities throughout the area and the commissioning of a research project with the University of Essex.

Questions and Comments from Members

Questions and comments raised by Members referred to the following matters:

- Pricing policy for convenience stores
- Identification of opportunities for new food stores
- Reporting of turnover and profit for the Society's various businesses
- Competitive threat at Walton on the Naze and vacant units at Frinton
- Community Dividend grant policy
- The potential for offering paper bags to food store customers

The President or the appropriate Committee Chair or Officer responded in each case.

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

RESOLVED: That the Remuneration Report for the year ended 28th January 2012 be received.

RESOLVED: That the Report and Accounts for the year ended 28th January 201 be received.

RESOLVED: That the formula for the calculation of Directors' fees that had been in place since 2006 be retained for 2012-13, namely that:

i) Half the 2006 base fee of £6,000 be increased in line with Society wage inflation; and

ii) The other half be increased in proportion to the increase in the Society's disposable profit when compared with that for the accounting year ended 28th January 2006.

RESOLVED: That PricewaterhouseCoopers be re-appointed Auditors for 2012-13.

RESOLVED: That a Dividend of £3,171,000, equivalent to a rate of 2.0%, be paid to Members upon the value of qualifying purchases made from the Society during the year ended 28th January 2012.

RESOLVED: That the Society maintains affiliation to the Co-operative Party and pays subscriptions for 2012-13 of £30,860.

Member Motions

The meeting considered two motions submitted by Mr Peter Mellor:

- 1 “That the Board of Directors bring forward to a Special General Meeting of Members, to be held no later than the date of the next Annual General Meeting, a proposal to amend the Rules of the Society to provide for joint Membership of husbands and wives, if they request it.”

The motion was formally seconded by Gill Gibbs. Clive Mann responded on behalf of the Board, recommending Members to vote against the motion. The President opened the matter for discussion, after which the motion was put to a vote by show of hands.

Votes for the motion: 8
Votes against the motion: 119

- 2 “The Board of Directors be requested to make every effort to obtain the agreement of the Co-operative Group to the introduction of reciprocal membership card arrangements without the requirement for the adoption of a common co-operative brand.”

The motion was formally seconded by George Craft. Graham Bober responded on behalf of the Board, giving the background to the Board’s efforts to secure a reciprocal Membership card arrangement with the Co-operative Group and recommending Members to support the motion. The President opened the matter for discussion, after which the motion was put to a vote by show of hands.

Votes for the motion: 108
Votes against the motion: 9

Election Results – Board of Directors

The President reported that there had been 9 candidates standing for the 4 vacancies on the Board of Directors and that the results of the election were as follows:

<u>Elected for 4 years:</u>	<u>Votes cast:</u>
Nicola Boyce	2,147
Gillian Bober	2,013
John Hawkins	1,557
John Cook	1,277

<u>Unsuccessful Candidates</u>	
Karen Corley	1,184
Cyril Liddy	1,103
Scott Grimmer	1,037

Susan Poole
Edwina Child

910
581

Society Chosen Charity 2012

The president announced that following consultation with Members, the charity chosen to receive special support during 2012 would be local hospices within the Society's trading area.

Close

There being no other business, the President closed the meeting, thanking Members for their attendance and participation.

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President

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Date