



Annual Members Meeting for the Society's Year Ending 30th September 2023:

The Victory Hall, Stockland, Thursday 29th February 2023

Minutes

The doors opened at 7.00pm and by 7.30pm it was noted that 91 members of the Society were present.

Chair: Philip Burnett

Vice Chair: Damian Clay

Treasurer: Andy Kippax

Secretary: Sheelagh Dawes **Committee Members:** Jane Yates, Nick Chance, John Vickery and Tim Shephard-Walwyn

There being a clear quorum of members present, the Chairman opened the formal meeting at 7.30pm.

The Chair's Report

The PowerPoint slides used during the meeting are included in Appendix 1.

Phil Burnett presented the Chair's Report.

A Q&A session was held at the end of the Chair's Report:

Q There has been much more pressure and stress on the committee than people have realised. Has SCPL been able to change the new lease in any way to prevent this happening again.

A No, from a legal perspective the previous lease was watertight, it was just that Ben Walker and Gail Caddy did not act in accordance with the terms of the lease. The lease terms in conjunction with having guarantors for the lease provided and continue to provide the basis for an "irrefutable" claim if it came to going to court.

Q At one point another tenant was going to take over with Christie, should we have had an extraordinary meeting at that time?

A There was a planned assignment to another tenant. SCPL's only involvement was to make sure we were happy with the assignment and the new tenant had satisfactory guarantors. SCPL were not party to the discussions between Ben Walker and the prospective new tenant. However, Ben Walker put his company Bar & Good Food Ltd into liquidation before the lease was assigned and so the lease became the property of the liquidators.

At several points the Management Committee considered carefully about holding a Special Members Meeting (SMM). However, to be effective any SMM needs to have a clear objective and resolutions to be put to the members to determine a course of action. Over this

Stockland Community Pub Limited (SCPL) is a Registered Society for the Benefit of the Community, registered with the FCA no. 32191R
Registered Office: Shorms, Shore Bottom, Stockland, Honiton, Devon EX14 9DQ www.scpl.org.uk
We are supported through the 'More Than A Pub' program by:



period the situation was moving rapidly and changing on a daily basis so it was not possible to define any meaningful objective/resolution and so we decided an SMM(s) would not be appropriate unless circumstances changed.

Q What is happening with the share redemption policy?

A As a result of moving to a new set of governance rules at last year's SMM, SCPL can now develop its own redemption policy, and a draft policy document has been produced. The management committee believe that now is not the right time to allow shares to be redeemed, instead we believe we need to build up the cash reserves of the society.

The Treasurer's Report

Andy Kippax presented the Treasurer's Report.

The following resolutions were voted on by members in the hall, by show of hands:

1. To receive the accounts for the year ended 30 September 2023

This resolution was accepted unanimously.

2. Do the members present agree to commission an Independent Review rather than a full Audit of the accounts for the year ending 30th September 2024

This resolution was accepted unanimously.

A Q&A session was held at the end of the Treasurers Report:

Q It was stated in the presentation that SCPL's reserves reached a very low level during the dispute with the tenants, how do you intend to build up the reserves in the future?

A The rent for the first year together with the money from the assets being purchased by the incoming tenant are to be paid monthly. These provide a small surplus each month. In subsequent years when the tenant is paying the rent in full SCPL will be in a position to further build the reserves.

Q Did SCPL incur any of the insolvency costs resulting from Ben Walker placing his company into liquidation?

A The liquidation was of Ben's company Bar & Good Food Ltd (B&GF) and so the costs were borne by its creditors. Although SCPL were creditors, we have subsequently recovered most of what we were owed as we had a rent guarantor.

Stockland Community Pub Limited (SCPL) is a Registered Society for the Benefit of the Community, registered with the FCA no. 32191R
Registered Office: Shorms, Shore Bottom, Stockland, Honiton, Devon EX14 9DQ www.scpl.org.uk
We are supported through the 'More Than A Pub' program by:

Q Are there many other creditors of B&GF and will this have an impact on the business going forward?

A Yes, we understand there were many creditors, but this should not be a problem; the incoming tenant has no connection with B&GF and is an entirely separate legal entity.

Q Were the sums that were owned to SCPL by B&GF received voluntarily?

A No, SCPL had to start the litigation process before Ben Walker and Gail Caddy agreed to pay SCPL a surrender settlement.

Q Is it sufficient to keep reserves that will cover only 12 months expenses?

A Probably not, the management committee will reconsider this.

Q Has the final settlement been paid in full?

A SCPL has received the agreed settlement amount, but the exact accounting details are subject to some VAT questions.

Q If SCPL build up the reserves what will we do with the money?

A Paying off some of the SCPL debt would put us in a better financial position.

Q Can you talk us through the process of finding the new tenant?

A Until SCPL had possession of the lease we could not get into the building. The process of regaining the lease was very protracted and uncertain and so were not able to advertise the lease for sale, although we had expressions of interest from several parties. Andrew Marshall has an excellent track record of building up and running various pubs in London. He has a house in Axminster and was looking for a business opportunity in this area, he was also willing to wait until we had possession of the lease. The management committee are confident that Andrew Marshall is our best option as tenant.

Q Has Andrew Marshall put forward a prospectus for the hospitality and food offering and when will the pub be open?

A Andrew Marshall was attracted to the Kings Arms because it is a community owned pub. His intention is that it will be a pub for 'locals' but will also have a good food offering. The expectation is that the pub will be open by Easter.

Q The choice of tenant is crucial to having a successful pub, in future when looking for a new tenant perhaps the management committee could seek advice from the members?

A With a long-term commercial lease, the landlord has no control over the tenant if they wish to assign the lease, as long as the new party is credible and experienced, and the outgoing tenant has fulfilled their financial obligations to the landlord. With the Caddy/Walker lease, it was not possible to consult the members until we had control of the lease. From experience, a search for a tenant from scratch would take significant amount of time for building interest,

Stockland Community Pub Limited (SCPL) is a Registered Society for the Benefit of the Community, registered with the FCA no. 32191R
Registered Office: Shorms, Shore Bottom, Stockland, Honiton, Devon EX14 9DQ www.scpl.org.uk
We are supported through the 'More Than A Pub' program by:

assessing candidates and negotiations. Whilst we clearly encourage members to express their thoughts and give them the greatest of considerations, for practical and financial reasons, it is the management committee's opinion that the selection of the tenant should be the responsibility of the management committee.

Q What is the length of the lease?

A 20 years

Q Will Andrew Marshall live in the pub?

A No, he has a house in Axminster.

Election to the Management Committee

As a result of the new governance rules introduced in 2023, proxy votes were allowed for members who could not attend in person. 25 members allocated their votes to a proxy and so a total of 116 ballots were cast.

Anyone who has been on the committee for 3 years must stand down and stand for re-election if they wish to remain on the committee. At the end of the meeting Andy Kippax and Damian Clay stood down, and they both stood for re-election.

Tim Shephard-Walwyn resigned from the committee and we thank him for all the good work he has done on the committee, especially in the last few months.

There were 9 candidates standing for election, and 7 places were available on the committee (maximum allowed is 12 people). The vote was by secret ballot on papers issued at the door upon registration. The ballot boxes were opened in the Committee Room in front of the candidates except for Tony Thompkins who could not attend in person and whose Proxy declined to witness the vote.

Successful candidates now elected to the Management Committee:

Craig Bernhardt
Damian Clay (re-elected)
Catherine Derryman
Martin Gundry
Andy Kippax (re-elected)
Anna Trott
Steve Whitley

They now join the other members of the Management Committee:

Phil Burnett
Nick Chance
Sheelagh Dawes
John Vickery
Jane Yates

Stockland Community Pub Limited (SCPL) is a Registered Society for the Benefit of the Community, registered with the FCA no. 32191R
Registered Office: Shorms, Shore Bottom, Stockland, Honiton, Devon EX14 9DQ www.scpl.org.uk
We are supported through the 'More Than A Pub' program by:

End of minutes

Appendix 1 – PowerPoint Presentation Slides

The slides used during the AMM can be found in the accompanying PDF document entitled 'AMM Presentation 2024'.

Stockland Community Pub Limited (SCPL) is a Registered Society for the Benefit of the Community, registered with the FCA no. 32191R
Registered Office: Shorms, Shore Bottom, Stockland, Honiton, Devon EX14 9DQ www.scpl.org.uk
We are supported through the 'More Than A Pub' program by: