

TAMWORTH CO-OPERATIVE SOCIETY LTD.

INTERIM REPORT

Half Year Ended 20th July, 1970



Registered Office:
5, Colehill, Tamworth



Officers of the Society

Chairman: MR. C. W. DEAKIN

Secretary and Executive Officer: MR. G. W. WAGSTAFFE, A.C.S.A.

Assistant Secretary: MR. A. GLOVER, C.S.D. Cashier: MR. R. H. WHITE, A.C.S.A.

Auditors: MR. T. WILSON, F.C.A., and MR. D. MACDONALD, F.A.C.C.A.

Approved Auditors, of Messrs. English and Partners, *Accountants*, 113 Corporation Street, Manchester, M4 4DS.

Arbitrators: LORD PEDDIE, M.B.E., J.P., T. GWINNETT, Esq., SIR R. SOUTHERN, C.B.E.,

H. TAYLOR, Esq., O.B.E., and JULIAN SNOW, Esq.

General Committee's Attendances, Half Year ended 20th July, 1970

NAME	Appointment Expires	Possible	ACTUAL		APOLOGIES			Society's Business
			General	Sub.	Ill	Holidays	Work	
*MR. F. DAY	September, 1970	26	20	2	3	—	—	—
*MR. C. W. DEAKIN	September, 1970	27	23	4	—	—	—	—
*MR. A. HEATHCOTE, MBE, JP	September, 1970	26	22	3	—	—	—	—
MRS. H. FOWLER	March, 1971	27	22	4	—	1	—	—
MR. K. A. MUGLESTON	March, 1971	24	21	1	—	—	—	—
MR. F. R. WOOD	March, 1971	24	22	1	—	1	—	—
MR. F. W. MORGAN, BEM, JP	September, 1971	24	23	1	—	—	—	—
MR. T. HILL	September, 1971	24	23	1	—	—	—	—
MR. L. HARPER	September, 1971	24	23	1	—	—	—	—
MR. E. COLLINS	September, 1971	24	23	1	—	—	—	—
MR. A. E. SMITH	March, 1972	26	21	3	—	1	—	—
MR. J. HINDS	March, 1972	25	23	2	—	—	—	—

Those marked * retire, but are eligible for re-election.

Education Committee's Attendances

NAME	Appointment Expires	Possible	Actual	APOLOGIES		
				Ill	Holidays	Not Possible
MR. A. HEATHCOTE, M.B.E., J.P.	September, 1970	12	12	—	—	—
MRS. P. HEATHCOTE	September, 1970	12	10	1	—	1
MR. M. SUTTON	September, 1970	14	14	—	—	—
*MRS. H. FOWLER	March, 1971	13	13	—	—	—
*MR. G. LANE	March, 1971	13	12	—	—	1
*MR. F. R. WOOD	March, 1971	12	11	—	—	1
MR. G. COTTERILL	September, 1971	13	11	—	—	—
MRS. K. JOHNSON	September, 1971	13	12	—	—	1
MRS. F. KELEHER	September, 1971	12	7	—	1	1

Those marked * retire in March, 1971, and are eligible for Nomination at this Half-yearly Meeting.

Nominations for General Committee

The following have been nominated for Three Vacancies on the General Committee:

Candidate	Proposer	Seconder
*MR. F. DAY	Mr. R. Brain and others	Mr. R. Bell and others
*MR. C. W. DEAKIN	Mr. J. Miles and others	Mrs. R. Eden and others
*MR. A. HEATHCOTE, M.B.E., J.P.	Mr. G. Perkins and others	Mr. H. Osborne and others

* Retiring Members eligible for re-election.

As only Three nominations have been received, voting will not be necessary.

Nominations for Education Committee

The following nominations were received for Three Vacancies on the Education Committee:

Candidate	Proposer	Seconder
MRS. P. HEATHCOTE	Mr. C. Ball	Mr. F. Wood
MR. M. SUTTON	Mrs. F. Wood	Mr. G. Cotterill
MR. A. HEATHCOTE, M.B.E., J.P.	Mr. G. Lane	Mr. C. Ball

As only Three Nominations have been received, voting will not be necessary.

Nominations for General Committee

Nomination Papers for Candidates for the General Committee may be obtained at the Office. All nominations, together with the names of the Proposer and Seconder, with Share Numbers and Addresses of such Members, shall be received by the Secretary not later than 5.30 p.m. on Tuesday, 5th January, 1971.

NOTE.—Any member nominating a candidate without his knowledge or consent is liable to a fine.

No person is eligible to be nominated until he has been a Member of the Society 12 months and shall have no less than one paid-up Share.

No person shall nominate more than one candidate.

No member of the Committee, or Member who is himself a candidate or an employee, shall be allowed to nominate any Member for this Committee.

THE HALF-YEARLY MEETING

will be held in the

CO-OPERATIVE ASSEMBLY HALL, COLEHILL, TAMWORTH

ON WEDNESDAY, 9th SEPTEMBER, 1970

Members will be admitted to the Business Meeting of the Society only upon production of their Pass Cards at the door, in conformity with Rule 25

Chair to be taken at 7.15 p.m.

AGENDA

- Confirmation of Minutes of the last Half-yearly Meeting.
- The Report of Committee of Management.
- Elections:
 - Delegate to the C.W.S. Meeting.
 - Scrutineer—Mr. T. Lea retires, but is eligible for re-election.
 - Auditors.
- Report of Delegates:
 - C.W.S. Meeting at Manchester.
 - Co-operative Congress, Blackpool.
- Declaration of the election of Three Members to the General Committee.
 - Declaration of the election of Three Members to the Education Committee.
- Nomination of Three Members to serve on the Education Committee (Election March, 1971). Mrs. H. Fowler, Mr. G. Lane, Mr. F. R. Wood, are the retiring Members, but are eligible for re-election.
- Any other business.

AT THE CLOSE OF THIS BUSINESS THE MEETING WILL BE
DECLARED SPECIAL — SEE PAGES 6 TO 8 FOR AGENDA

If any Member has a complaint relative to the working of the Society, it is requested that such complaint be put in writing addressed to the Secretary, as provided by Rule 34. Otherwise it may not be possible to deal with the matter satisfactorily at this Meeting.

Committee's Report

FELLOW MEMBERS,

We present for your consideration and approval an interim report which covers the first half of the Society's activities in 1970.

MEMBERSHIP—A large number of people are entering and leaving the district all the time and there is definitely a higher than average turnover in the new estates. Our total membership therefore, includes many families who are unsettled which is bound to affect their trading habits. The net figure after allowing for all additions and withdrawals is 25,871.

CAPITAL—Whilst we would like to see increases, even the maintenance of our capital position could be regarded as satisfactory. We are very pleased to report a much steadier flow with the total of Share, Loan and Small Savings at the end of this six months standing at £1,184,275.

SALES—Though the increase is only nominal, our sales have exceeded what was a previous record for a July period to reach a figure of £1,461,255.

In view of continuing inflation and the enormous rise in expenses, we needed an increase of at least 5%, and we are therefore, a long way short of target. The closure of two units accounts for some £20,000 and at least the same amount can be attributed to a reduction of our sales in cigarettes and tobacco in the Grocery Department. The combined effect of central heating, smokeless zones and the warmer weather has depressed coal sales whilst consumer resistance also intensifies against price increases. Increased prices, and once again we emphasise most strongly that they are not of our making, do not bring corresponding increases in sales because many housewives are forced to seek alternatives in order to balance the budget. A national decline in liquid milk sales is an example of this trend. For most of the half year the Supermarket was handicapped by the extension work in progress and although we finished with an increase we most certainly would have anticipated a much bigger one under normal conditions. By far the most serious adverse factor in our sales position can be found in delivery trade which is largely due to the shortage of suitable labour and the consequential high turnover in staff. We must also draw attention to the incidence of short time working and industrial disputes which have had a very considerable effect on the purchasing power of many of our members. On the credit side a number of departments, particularly in the main store, have recorded good increases with Footwear taking the honours for the highest percentage.

EXPENSES—The collapse of the Prices and Incomes Board created a wage explosion such as never before experienced in this country, and the full effects have yet to be felt. Our wage bill has risen by nearly £1,000 per week and is likely to rise still further by the time all outstanding claims have been dealt with. Already, however, fresh claims are in the pipe line and the vicious circle revolves at an even faster pace as different Industries and Unions seek to maintain their traditional differentials. The rise in our wage bill is the highest on record but it is unlikely that our position in the average earnings scale has altered even one place. Practically all the major headings of expenses show steep increases and our control over them is limited or non-existent.

DEVELOPMENTS—The completion of the Supermarket Extension right on schedule was a very creditable performance and our thanks were extended to both the Contractors and to our own Staff. It was a most difficult time for all concerned which makes it all the more worthy of your full support.

INTERIM DIVIDEND—Our first priority is to protect and improve the financial stability of the Society and this has been done. In our attempt, however, to cushion the shock of rising wholesale prices and to absorb expenses as much as possible, there is inevitably somewhat less to distribute in dividend. We recommend that the rate of dividend should be 9d. in the pound with 1s. 6d. on all double dividend promotions. This recommendation reflects the determination of the Board of Management to face up to present day problems fairly and squarely. We believe it to be a good dividend in relation to all the circumstances and it is certainly well above the national average.

On behalf of the Committee,

C. W. DEAKIN, *Chairman.*

G. W. WAGSTAFFE, *Secretary and Executive Officer.*

RULES 38 and 39

Delete the whole of these rules and substitute the following as a new Rule:—

38 (a) There shall be appointed in each year of account a qualified auditor to audit the Society's accounts and balance sheet for that year. In this rule "qualified auditor" means a person who is a qualified auditor under Section 7 of the Friendly and Industrial and Provident Societies Act, 1968.

- (b) None of the following persons shall be appointed as auditor of the Society:
- (i) An officer or servant of the Society or;
 - (ii) A person who is a partner of or in the employment of or who employs an officer or servant of the Society; or
 - (iii) A body corporate.
- (c) Save as provided in paragraph (d) of this rule every appointment of an auditor shall be made by resolution of a general meeting of the Society.
- (d) The Committee may appoint an auditor to fill any casual vacancy occurring between general meetings of the Society.
- (e) An auditor to audit the accounts and balance sheet of the Society for the preceding year of account (whether by a general meeting or by the Committee) shall be re-appointed as auditor of the Society for the current year of account (whether or not any resolution expressly re-appointing him has been passed) unless,
- (i) A resolution has been passed at a general meeting of the Society appointing somebody instead of him or providing expressly that he shall not be re-appointed, or
 - (ii) He has given to the Society notice in writing of his unwillingness to be re-appointed, or
 - (iii) He is not a qualified auditor or is a person mentioned in paragraph (b) of this rule, or
 - (iv) He has ceased to act as auditor of the Society by reason of incapacity.

Provided that a retiring auditor shall not be automatically re-appointed if notice of an intended resolution to appoint another person in his place has been given in accordance with paragraph (f) of this rule and the resolution cannot be proceeded with because of the death or incapacity of that other person or because that other person is not a qualified auditor or is a person mentioned in paragraph (b) of this rule.

- (f) A resolution at a general meeting of the Society:
- (i) appointing another person as auditor in place of a retiring auditor, or
 - (ii) providing expressly that a retiring auditor shall not be re-appointed

shall not be effective unless notice of the intention to move it has been given to the Society not less than 28 days before the meeting at which it is to be moved. On receipt by the Society of notice of such an intended resolution the Society shall forthwith send a copy of the notice to the retiring auditor. If it is practicable to do so the Society shall give notice to its members of the intended resolution at the same time and in the same manner as it gives notice in accordance with these rules of the meeting at which the resolution is to be moved or, if that is not practicable, by advertisement not less than 14 days before the said meeting in a newspaper circulating in the area in which the Society conducts its business. Where the retiring auditor makes any representations in writing to the Society with respect to the intended resolution or notifies the Society that he intends to make such representations, the Society shall notify the members accordingly as required by Section 6 of the Friendly and Industrial and Provident Societies Act, 1968.

The auditor shall in accordance with Section 9 of the Friendly and Industrial and Provident Societies Act, 1968, make a report to the Society on the accounts examined by him and on the revenue account or accounts and the balance sheet of the Society for the year of account in respect of which he is appointed.

- (g) Audit of Accounts—The Committee shall cause the accounts of the Society to be submitted at least once in every year to the auditor for audit.
- (h) Rights and Powers of the Auditor—For the purposes of any audit the auditor shall be given access to and be entitled to call for and examine all books, deeds, documents and accounts of the Society. He shall be entitled to require from the officers of the Society such information and explanation as he thinks necessary for the performance of his duties. The auditor shall be entitled to attend any general meeting of the Society, to receive all notices of and other communications relating to any general meeting which any member of the Society is entitled to receive, and to be heard at any meeting which he attends on any part of the business of the meeting which concerns him as auditor.

- (i) The Committee shall cause to be kept proper books of account with respect to the transactions of the Society, its assets and liabilities, and establish and maintain a satisfactory system of control of its books of account, its cash holdings and all its receipts and remittances in accordance with Sections 1 and 2 of the Friendly and Industrial and Provident Societies Act, 1968.
- (j) The Committee shall in respect of each year of account:
 - (i) Cause to be prepared a revenue account or revenue accounts which singly or together deal with the affairs of the Society as a whole for that year and which give a true and fair view of the income and expenditure of the Society for that year.
 - (ii) Cause to be prepared a balance sheet giving a true and fair view as at the date thereof of the state of the affairs of the Society.

The Committee shall have power to prepare in addition a revenue account or revenue accounts for less than one year of account and a balance sheet at the end of the period covered by such revenue account or revenue accounts.

Every balance sheet presented to a meeting of Members shall be accompanied by a report of the Committee, signed by the Chairman of the meeting of the Committee adopting the report, on the state of the Society's affairs.

- (k) The Committee shall not cause to be published any balance sheet unless it has previously been audited by the auditor and it incorporates a report by the auditor that it gives a true and fair view of the income and expenditure, or the state of the affairs of the Society, as the case may be. Every revenue account and balance sheet published shall be signed by the Secretary and by two of the Committee acting on behalf of the Committee of Management.
- (l) A copy of each balance sheet made during the period included in any annual return shall be sent by the Secretary to the Registrar together with the annual return and such copy shall incorporate the report made thereon by the auditor.
- (m) The Society shall keep a copy of the last balance sheet for the time being, together with the report of the auditor, always hung up in a conspicuous place at its registered office.

RULE 43

Delete the whole of this rule and substitute the following as a new rule:—

- 43 (1) The Society shall not later than 31st day of March in each year send to the Registrar a general statement in the prescribed form, called the annual return, relating to its affairs during the period covered by the return, together with a copy of the report of the auditor on the Society's accounts for such period.

The annual return shall:

- (a) Contain the revenue account(s) for the year to which the return relates and a balance sheet as at the end of that year.
 - (b) Not contain any other account which has not been audited.
 - (c) Be made up for the period beginning with the date of the Society's Registration or with the date to which the Society's last annual return was made up, whichever is the later, and ending—
 - (i) With the date of the last balance sheet published by the Society before the appropriate date (31st March of the year in which that return is required to be sent or the date on which that return is sent whichever is the earlier).
 - (ii) If the date of that balance sheet is earlier than 31st August immediately preceding the appropriate date or later than the 31st January of the year in which the appropriate date falls, with the 31st December immediately preceding the appropriate date.
- (2) With copies of the annual return there shall be supplied the report of the auditor on the accounts and balance sheet as contained in the return.

RULE 44

Delete the whole Rule.

RULE 45 (as amended in 1966)

Clause (b), line 2: Delete the words "two shillings" and substitute "ten new pence."

RULE 46

(3) Delete this paragraph and re-number paragraphs "4 and 5" to read "3 and 4."

RULE 49

(d), line 3: Delete "10/-" and substitute "fifty new pence."

RULE 51 to 66 inclusive

Delete the whole of these rules.

5, COLEHILL, TAMWORTH

G. W. WAGSTAFFE,
Secretary and Executive Officer.