

Lyvennet Community Pub Ltd

Registered Office
9-10 Stoneworks Garth
Crosby Ravensworth
Cumbria
CA10 3JE

An Industrial & Provident Society
Register No. 31175 R

www.lyvennetcommunitypub.com

9th Lyvennet Community Pub Ltd 2020 Annual General Meeting

Record of 2020 electronic / postal AGM

Annual Report

Usually the Annual Report by the Chair forms a key part of the Annual General Meeting (AGM). This year with the continued prevalence of Covid 19 the Directors took the decision that an open shareholder AGM could not be carried out in a Covid secure fashion. All normal business will therefore be carried out by electronic and postal means.

Directors

The current six Directors are:

| | | | |
|-------------------------|-----------|-------------------|-----------|
| David Graham | Chair | Cameron Smith | Treasurer |
| Christine (Kitty) Smith | Secretary | Douglas Henderson | |
| Stephen Holroyd | | Keith Taylor | |

Tenants

Our tenants Jon & Katie are now in their fourth year of tenancy and continue to be supported by a strong and loyal team. During the year Jon and Katie moved from the flat above the Butchers to a home on Stoneworks Garth in the village.

Trip Advisor + Statistics

Feedback from customers continues to be exceptional again demonstrated via Trip Advisor reviews. For 2020, the majority, 95% were excellent, 3% very good with 1 out of the 62 reviews poor.

| | 2017 | | 2018 | | 2019 | | 2020 | |
|-----------|------|-----|------|-----|------|-----|------|-----|
| | % | No. | % | No. | % | No. | % | No. |
| Excellent | 87% | 34 | 90% | 117 | 89% | 80 | 95% | 59 |
| Very Good | 12% | 5 | 10% | 13 | 10% | 9 | 3% | 2 |
| Average | 0% | 0 | 0% | 0 | 1% | 1 | 0% | 0 |
| Poor | 0% | 0 | 0% | 0 | 0% | 0 | 2% | 1 |
| Terrible | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 |

Fundraising

Once again the pub has raised funds for various local and national charities this year amounting to £3,162

Maintenance

Over the last year we have continued with our routine programme of maintenance; fire alarm system, electrical testing, internal painting and numerous small repairs and replacement parts. We also replaced the following major items; Dishwasher (£2,630), glass washer (£1,153), and kitchen window (£475)

Website

During the latter part of 2019 we undertook a complete refresh of the LCP website moving its focus to a shareholder platform.

We moved from the previously extremely cluttered home page below

The screenshot shows the homepage of the Lyvennet Community Pub website. At the top, there is a green banner with the pub's name and logo. Below this, a navigation bar includes links for 'LCP LTD.', 'WHAT'S HAPPENING?', 'GALLERY', 'DOCS & LINKS', and 'CONTACT LCP LTD.', along with a phone number '01931-715500'. The main content area features a large photo of a group of people in front of the pub, a 'Pub Booklet on Sale' advertisement, and a 'Live music sessions' section. A large blue privacy notice overlay is present, stating: 'You are now protected by stronger privacy law. Thank you for visiting. Lyvennet Community Pub website and blog use Cookies associated with third party service providers. We use Adobe's Flash technology in the photo galleries which uses Flash cookies in their operation. You can control these from modern browser controls or Macromedia's website if you wish, click here for Adobe's Website Storage Settings control panel and associated information. Our Blog, provided via wordpress.com, uses html Cookie files and carries a Cookie warning banner. These Cookie files are small text files stored on your computer as identified in our Privacy Policy's Cookies section that send information about your use of this website and linked banner advertisements should there be any, to the named third parties' web servers. You can learn more about Cookies and how to control them with your preferred browser at www.aboutcookies.org. You can choose to use this website without Cookies by selecting to block your browser's acceptance of Cookies via your browser's preference settings if you wish. Seek instructions on how to do this via your chosen browser's 'Help'.' A smaller cookie consent box is also visible, with the text 'I accept Cookies from this site and blog' and a green checkmark.



LYVENNET COMMUNITY PUB

LCP LTD. WHAT'S HAPPENING? GALLERY DOCS & LINKS CONTACT LCP LTD ☎ Book a table or event 01931-715500

Contact The Butchers Arms



IMAGE BY DEREK HORN, CUMBERLAND & WESTLORLAND HERALD PHOTO COMMUNITY PUB

WELCOME TO LYVENNET COMMUNITY PUB LTD. HOMEPAGE

This is the LCP website. Here you can find information about the community purchase of The Butchers Arms community pub in Crosby Ravensworth, Eden Valley, Westmorland, Cumbria. **Cumbria Tourism Awards TOURISM PUB OF THE YEAR 2013 Finalist!**



Live music sessions
Tuesday evenings

Pub Booklet on Sale

Buy your copy NOW

GOOD PUB FOOD AND A FINE SELECTION OF WINES AND CASK ALES



FOR DETAILS OF OPENING HOURS, MENU, AND FORTHCOMING EVENTS FOLLOW THE LINK TO OUR TENANTS; KATIE AND JON'S WEBPAGE –

WWW.THEBUTCHERSCROSBY.CO.UK



WHAT'S HAPPENING AT THE PUB? →



Lyvennet Community Pub Ltd. The Butchers Arms, Crosby Ravensworth

New Site
under
Beta Test

- Home
- Our Pub
- Shareholders
- The Journey
- Docs
- Gallery
- LCP News



The old website had become dated, was not mobile phone user friendly, and also included shareholder and Butchers Arms pub information. Details specifically relating to the pub and our tenant's business can be found on their website. Links from the LCP website clearly direct visitors to the Butchers Arms site.

Focusing on the four key sections; Our Pub, Shareholders, The Journey and Docs.

Our Pub – This section details the pub, its location, directions to get there, our current tenants, reviews and awards.

Shareholders – This section aims to provide all the information required by current and prospective shareholders. It details our company structure, the current Directors, information on the building – the “bricks and mortar” owned by the shareholders, the tenancy arrangements, and shareholding details. In effect this section covers all the details contained in a Share Prospectus.

The Journey – This section takes you through the history of the pub, and the LCP journey which was contained in the Pub book we published.

Docs – This is the legal part containing details on the LCP policies and all our Annual General Meetings

Shareholders are reminded of contact arrangements for the Butchers Arms pub

- Telephone 01931 715500
- Web page www.thebutcherscrosby.co.uk
- Facebook @the butcherscrosby
- Twitter @arms_butchers

Volunteers

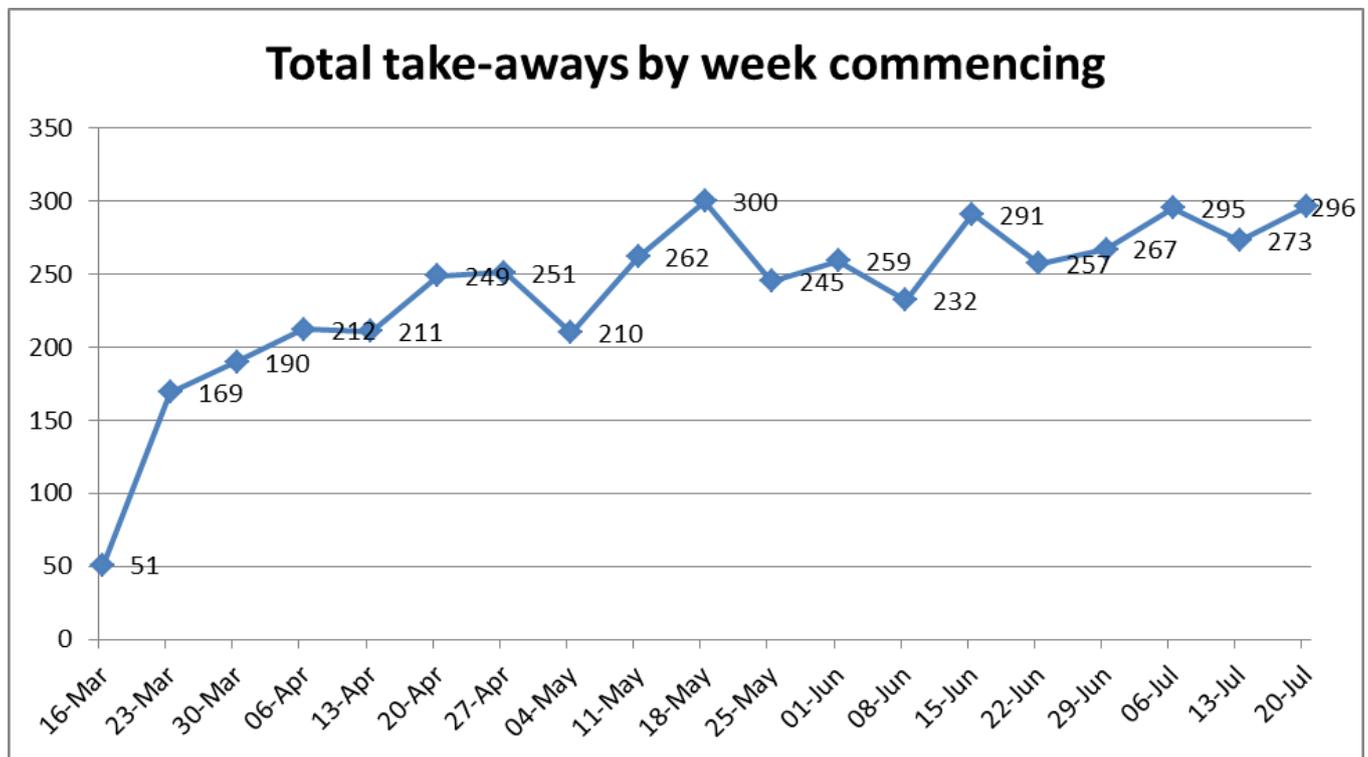
Once again the Directors would like to thank the numerous volunteers who helped out during the year, repainting the public rooms and front door, erecting the gazebos and the myriad of minor bits and pieces that help maintain the pub and assist our tenants.

Post Lockdown

This year has certainly been out of the ordinary with the restrictions brought about by Covid 19 and business closure on 20th March 2020.

As previously reported Directors have maintained regular dialogue with our tenants; Jon and Katie, providing support where required and ensuring the continued financial viability of their business. We continue to review the Butchers cash flow at the end of each month to ensure our tenants receive the required level of support from the LCP to ensure they can maintain a sustainable financial model throughout the current restrictions. All Government support options have been accessed.

The take-away service has been a huge success clearly seen by the graph of meals provided weekly below



The success of this service clearly reflects Jon and Jim's efforts in the kitchen turning out quality meals with a regularly changing menu, and also most importantly reflects the huge support from community, shareholders and customers.

A lot of work went into preparing the pub for re-opening on 4th July including putting in place, the external gazebo's and seating, sanitiser stations, safety screens over the bar, a one way system, track and trace, and various safety signs. This is all aimed at ensuring customer and staff safety.

The transition back to the service pre-lockdown is going to be particularly challenging for our tenants and we have little doubt that the LCP will have to continue supporting them financially until we return to true normality which could be many months away. All Government funding was accessed during lockdown but now on re-opening this support disappears making the next few months financially testing.

Be assured LCP Directors will continue to have regular dialogue with our tenants; Jon and Katie, and provide support where required.

Finances – 12 months to end June 2020

The LCP bank account balance at the end June 2020 after commitments was £15,401. The major financial movements in the year were as follows:

Income

- Rent - £23,717 including VAT
- Grant - £868 (remainder of Eden District Council grant for toilet refurbishment)

Expenditure

- Shareholder dividend - £7284

- VAT - £2,342
- Maintenance - £1,979
- Capital expenditure - £4,684
- Accountants - £1,536
- Premises licence - £316 (included revised Licence / Fire Plan)
- Insurance - £1,134
- Bank charges - £425

Share payment 2019

At the end of August 2019 the total shareholding was £308,890 with the 3% interest payment equating to £9,266. Total payments were as follows:

- £225 - Interest donated to LCP
- £46.50 – No bank details so retained by LCP
- £1,681 – taken in increased shareholding
- £7,284 – paid as interest by bank transfer
- £30 – held by LCP for deceased shareholders – awaiting instructions from Estate

Shareholding and Movement

At the end of June 2020 there were 336 shareholders holding 391 'live' share certificates with a total value of £310,478.

During the 12 month period there have been £3,444 of withdrawals and a further £3,750 where shares were transferred.

We still have a substantial waiting list of potential shareholders and have over the last couple of weeks sold £6,000 of shares to cover a forthcoming single shareholder withdrawal.

Annual Financial Accounts to 31st December 2019

The key points to note in the Accounts are that

- the Net Asset value has increased by £6,260 to £326,132
- The shareholding has increased by £1,877 to £310,860
- Profits in the year were up from £12,319 in 2017/18 to £13,103

Interest Payment 2020

The Directors have recommended that no interest payment is made this year. This was not a decision taken lightly but reflects our continued concerns about Covid-19 and potential future restrictions as we move through the remainder of the year into winter with local lockdowns, a 2nd wave of infections or pub closures versus school opening all being mentioned.

The future is very much unknown and at this time Directors felt that maintaining maximum financial flexibility was crucial.

The Next 12 months

The next 12 months are without doubt going to be challenging for our tenants with suggestions of a winter resurgence or second wave of Covid cases and the possibility of local lockdowns.

The LCP focus must be on supporting our tenants and their business through the difficult period.

Routine maintenance will obviously continue.

Shareholder Questions

Question - S Latham

I note the comment in the Annual Report that states “We still have a substantial waiting list of potential shareholders and have over the last couple of weeks sold £6,000 of shares to cover a forthcoming single shareholder withdrawal”

My first question is – “In light of the challenges created by COVID-19 have the Directors considered issuing “C Class Shares” to take advantage of the waiting list of potential shareholders whilst protecting, in the short term, the annual dividend be it distributed or not? I am sure the Directors are fully conversant with the difference between the various Classes of Shares but this would seem a logical way of raising capital through a C share issue with the shares initially traded separately from the ordinary shares with the capital being retained to provide the additional protection against the pandemic as we move back towards normality. The C shares could convert to ordinary shares when either a predetermined level of investment is achieved or at a future date once the risks are considered manageable.

The issue of C class shares is unnecessary in the current circumstances. We raise capital through the resale of existing shares and to date we have never had a problem in achieving this. Issuing Class C shares would also add to the administrative burden for LCP Directors with no direct benefit to the LCP or shareholders.

My second question is – “Can the Board advise the shareholders as to how much cover (measured by time) the current cash reserves provide in terms of maintaining the viability of the pub should all other matters remain equal”?

We are in a unique position to tailor the assistance we can give according to the needs of the tenants' business to ensure that there is a business at the end of the crisis. To date we have supported the business through partial rent reduction. We have therefore not utilised reserves simply not increased our bank balance as per our budgetary expectation.

This is a particularly difficult question to answer as the whole problem for businesses such as the Butchers Arms is that “all other matters do not remain equal”; Government guidance changes, local lockdowns are possible, the potential of pub closure versus school opening, winter 2nd wave etc etc. As Directors of the LCP we are confident we can provide the requisite support and weather the pandemic through to the summer 2021.

The likelihood of attracting new tenants in a Covid world is very low but we are fortunate in having

- a) a substantial capital asset which more than covers the issued share capital and
- b) committed tenants who seem enterprising enough to weather the storm with carefully managed support and
- c) reserves if required.

AGM OUTCOMES

Email / post to shareholders dated 14 September 2020

9th Lyvennet Community Pub Ltd Annual General Meeting

Firstly can we thank all shareholders for their continued support of Lyvennet Community Pub and the Butchers Arms.

We received 67 completed Voting Forms and all were supportive of the Board's Resolutions and re-election of Stephen Holroyd and David Graham as Directors.

As we previously reported we are continuing with support for our tenants as they gradually move their business back towards a full offering.

This week saw the installation of a new marquee (14m x 3m) along the front of the building to replace the original gazebos which lasted a couple of months before self-destructing in gale force winds. The new marquees are a commercial product with much heavier framing and sheeting.

With the additional seating in the marquee the pub now has the capacity for increased socially distanced drinking and eating.

Jon and Katie have therefore moved from a carry-out service to fully seated dining with the first menu already circulated by Kitty, our Secretary.

Covid risk assessments have been updated and the pub continues to be fully compliant with all Government requirements albeit they are regularly changing. There is little doubt with the current increase in cases and local lockdowns that this autumn and winter are going to be very challenging for the business and us all individually.

Directors continue to work with Jon and Katie with joint monthly financial reviews and appropriate financial support. This will continue until restrictions are fully lifted and we get back to full business as normal.

Once again on behalf of the Directors and our tenants, Jon and Katie, can I thank you for your support.

The 2020 agree resolutions were:

- 1. The Minutes of the AGM held on 27 July 2019 are approved**
- 2. The 2020 Annual Report is approved**
- 3. The Board of the LCP proposes no interest payment for 2019/20**
- 4. The LCP Accounts for period ending 31st December 2019 are approved**
- 5. External auditing of the LCP financial accounts is not required for financial years ending 31st December 2019 and 2020**
- 6. Directors**
 - a) The re-election of Stephen Holroyd as a director of LCP Ltd**
 - b) The re-election of David Graham as a director of LCP Ltd**