The Mortimer Community Benefit Society Ltd

Special Members' Meeting

Thursday 15th October 2026, 19:00 at the Yarpole Village Hall

1	**Attendees** 40 shareholders and 6 non-shareholder observers were present. This was sufficient for a quorum (24 members), however no resolutions were planned.
2	**Apologies for absence** Were received from Paul Beeden, Liz Brasnett, Christine Cheshire, Gillian Crudduck, Linda Finney, Michael and Helen Norris, Mary Rogers, Susan and Peter Russell, Andrew Thompson and Graham Whitlock.
3	**Committee Members present** All committee members were present: Chairman: Julian Stokes Vice Chair: Amanda Horden Treasurer: Lesley Bradford Secretary: David Moore David Bradford Martyn O'Brien Neal Graham (Anthony Kinsey has resigned from the Committee)
4	**Introduction by Chairman** The Chairman welcomed members and observers and explained that this was a Special Members Meeting, not the normal Annual Members Meeting. It had been called because of the change in the Society's financial year, which meant that there was an 18 month period between AMM's. Given the many changes at The Bell in the past year, the Committee felt that an SMM would be useful to keep members fully informed. As such no resolutions were planned at this SMM, and there were no audited accounts to present. All such business will take place at the next AMM, to be held in the first half of next year. Instead the Chairman and the Treasurer would update Members now and after that questions would be welcome.
5	**Chairman's Report** Julian Stokes (JS) noted that the main achievement of the year had been getting tenants in to take over the running of The Bell. He explained the background – the loss of our previous chef, the difficulties in finding another, and the potential closure of The Bell as a result. Faced with this, JS had put an advert in the Hereford Times seeking tenants. There had been only two responses, the first of whom, a person who runs a number of pubs in the region, had lost interest on sighting the pub's accounts. The second was Michelle and Blaine (M&B). The pair came down from Scotland to view the pub and ultimately agreed to take on the tenancy. They had together managed pubs for around twenty years, most latterly The Crown in Shropshire, which they ran for seven years. The tenancy agreement is a Memorandum of Agreement, not a formal legal contract. However, JS pointed out that formal legal contracts had provided the Society with little protection in the past. The tenancy runs for one year and thereafter is on a rolling six month's notice period. Thus at the start of the tenancy M&B were committed to at least 18 months. They have paid a £5,000 bond, which the Society will hold against due performance, and a £5,000 premium. Rent is set at £1,450 per month for the first year, rising thereafter. This is lower than the previous

	(failed) tenant, but that tenant also had three months free of rent, whereas M&B have only one month rent-free. It works out much the same. As experienced publicans M&B made it clear that they wished to set up and run the pub according to their own ideas. The Society is merely the Landlord, and the success of the pub is in the hands of M&B. Any comments from customers should be directed to M&B, not the Committee. However the Society retains responsibility for the building and its exterior decoration, and certain other specified aspects of its maintenance. JS noted that the loan to the Yarpole Shop would be paid off in November, and the Border Oak loan by the end of next year. The Society's finances will only start to improve once the loans are paid off. The Society has 243 shareholders with a share capital of £259,000. Ongoing costs include the maintenance of the building, with the boiler and exterior painting being near-term expenses, as well as general admin expenses. The Chairman told the meeting that electricity had been installed in the Dutch Barn and the Men's Shed, financed jointly by the MCBS and the Men's Shed; and water and drainage laid to the barn, which can be connected at any time. He noted that if The Bell was not able to survive when run by experienced publicans such as Michelle and Blaine, it would likely close. Thus he urged everyone to support it as much as possible. He also noted that although the work of the committee had reduced we still need additional support and new committee members would be most welcome. He noted that Anthony Kinsey had resigned from the Committee and thanked Anthony for his years of support and hard work. JS wrapped up by emphasizing that the MCBS was not yet financially secure, though the future looked brighter than it had done a year ago. He confirmed that the MCBS is not yet in a position to repay ordinary shareholders. He thanked those families who had donated their inherited shares to the MCBS and urged all members to consider adding a codicil to their wills which would provide for the same. The codicil can be found on the MCBS website. .
6	**Treasurer's Report** Lesley Bradford (LB) presented the draft accounts for the 18 months from June 2025 to December 2026. She emphasized that these were un-audited draft accounts, and that the last three months of the period were merely forecasts. The final audited accounts will be presented at the AMM next year. Profit and loss figures were presented. Those for Sales and Gross Profit represented only the first 10 months of the 18 month period, as that was when the MCBS was running the pub directly. Sales of £162,622 were down somewhat, as was Gross Profit of £25,262, but in both cases that reflected the shorter ten-month period of operation. Expenses for the full 18 months were marginally higher than the previous 12 months, reflecting the longer time period. After Depreciation (a non-cash entry) the Net Loss for the 18 months was £19,999. However this was offset by Other Income, being the rent from the new tenants as well as donations from deceased members, income from events, and from renting the stables. This produced total Other Income of £27,424, leading to an Overall Profit forecast of £7,425 for the 18 months ending December 2026. This compares to an Overall Loss for the previous financial year of £2,927. Looking in more detail at the Expenses for the 18 months period, LB noted that the biggest expense was energy, as it had been for the past two years. Maintenance costs included a new flat door, bin storage, gas thermostat, with the largest item being the electricity to the Dutch Barn and Men's Shed. Other Expenses were in line with expectations – insurance, accountancy, cleaning and waste disposal, followed by kitchen costs, health and safety, licence fees, pest control, advertising, and numerous smaller items. LB presented a forecast for the next financial year, seeking to answer the question as to whether we had enough income to continue. The forecast was for an overall profit of £793, after (non-cash) depreciation of £6,000, thus an increase in net cash of around £6,793. This is after Expenses of £12,207, offset by Other Income, being rent from the tenants and stables, of £19,000. Breaking down the expenses, the biggest one is Maintenance at £7,750 (such as the boiler and external decoration), followed by insurance (lower than previous years because we

	no longer have to insure against business expenses, only the actual building and management liability), and smaller costs from subscriptions, IT and Bank Fees. Referring to the loans, the Treasurer presented a graph showing the decline in money owed coming down from £30,350 in January 2024 to a forecast zero by December 2027. She noted the amount owed now was £9,025. LB reminded the meeting that the profit and loss she had just been through does not show the repayment of the loans, but the repayments do affect our bank balance. She presented a graph showing our bank balance at various times over the past two years, noting that it appeared to be gradually coming down, but this was partly because in past times the bank balance included money owed to suppliers and the VAT bill. Thus the drop in the balance between June and October 2026 was due to the end of supplier debt and VAT payments. Thus the bank balance forecast of £15,866 at end December 2026 was expected to remain fairly steady through 2027, as most of the money coming in would be spent on debt repayments or expenses. Finally LB presented a graph and table showing current assets net of liabilities. In June 2024 current assets, being mainly cash and stock, less current creditors and loans gave us a net current asset position of negative £14,300. By September 2026 the net current asset position was essentially zero, and the forecast for December 2027 is for net current assets of positive £8,600. A very substantial turn-around over a two and a half year period.
7	**Questions from the Floor** The Chairman invited questions from the floor: Committee Member David Bradford thanked all those in the room and wider community who had provided help and assistance to the committee over the past year. A member congratulated the committee on the level of debt reduction achieved. Questions were asked regarding the insurances, what was covered, and were the tenants fully aware of their responsibilities with regard to our insurance obligations, as well as the insurance costs. These were satisfactorily answered. A member asked whether the Committee knew how much money the tenants were expecting to make, and if not how could we set an appropriate rent? It was explained that the committee had no insight into the tenant's business, that the MCBS is essentially a commercial landlord and needed to judge the rent by understanding the broader market for pubs in Herefordshire, with no expectation that normal commercial tenants would be expected to share their business plan with the landlord. The rent had been agreed on the basis of the current market and the particular circumstances of The Bell, and would steadily increase over the coming years. It is in the interests of the community that the pub is financially successful.
8	**Meeting closed** There being no more questions the Chairman reminded members that they could choose to leave their shares to the MCBS in their will, thanked attendees, and closed the meeting at 7.40pm with an invitation to stay for a drink and chat.
9	**Members present at the meeting** Val Ainsworth, Lesley Bradford, David Bradford, Brian and Audrey Brooks, David Cheshire, Melanie Clemmy, Brenda Cooper, Jane Cross, Tony Dawson, Helen Dawson, Michael Denny, David Edwards, Mary Edwards, Trevor Edwards, Helen Edwards, Neal Graham, Diane Hill, Amanda Horden, Francis Kay, Tony Kinsey, Jeanette Kinsey, Lesley Lane, Viv Mitchell, David Moore, Robert Morley, John Nurse, Martyn O'Brien, Tom Rogers, Adam Scott, Hetty Scott, Rosemary Sheridan, Julian Stokes, Challis Stokes, Richard Tandy, Norman Taylor, Richard Walker, Eric Waters, Ann-Jane Wilcox, Jeff Woodfield.