

Mustard Seed Property Limited
Annual General Meeting – MINUTES

Zoom 1600 – 1800 18th February 2021

Attendees:

Paul Ashton, Daniel Brewer, Mike Lowe, Liz James, Stephen Clague, Suzie Mumme, Adam Langer, Jacob Lee, Nick Smith, John Bilkey, Joan Bush, Richard Death, Nicky Hatherell, Andrew Hill, Judith Humble, Angela Lintott, Julian Macro, Michael McMaster, Marian O'Regan, Priscilla Park Weir, Lee Paterson, Barbara Reid, Sarah Hedley, Ian Smout, Elizabeth Stacey, Elizabeth Thompson, David Willis, Sian Edwards, Paul Heal, Ruth Knagg, Dean Evans, Bethan (Co-operatives UK), Christopher Smith, David Uren, Christine Harbottle, Helen Carlin, George Bunting, Ian Pye, John Oversby, Martin Stanley, Mike Trounson, Patricia Sharman, Paul Smith, Peter Sellar, Sue Barrowcliffe, Vera, Silberberg

AGENDA

Apologies

Jackie Allen, Anne Buchanan, Nigel Ferris, Stephen Gee, Elizabeth Jones, Damian Kenny, Gabriele Moulson, Franklyn Moyle, John Summerscales, Rosemary Swithinbank, John Warburton, Ann Capwell, Janet Longden, Sue Roberts

Introduction

Mike Lowe (ML) gave a brief introduction followed by some Zoom “housekeeping” for the meeting. A statement was also made with regards to Ethex taking over the share registry service imminently, and apologies for all shareholders from the final close on 30th November 2020, their share certificates will be processed very soon.

Approval of minutes of previous AGM

The minutes of the previous AGM were approved as a true and accurate record.

Chair's Report

- ML began with thanking all investors and discussed in brief the breakdown of the 246 current shareholders as 238 individuals and 8 organisations, and the geographical spread of these investors. The recent share offer through Ethex resulted in a final total of £601,246 investment raised increasing the number of shareholders from 75 by 171 to 246.
- Daniel Brewer (DB) then discussed various Social Impact details relating to St Petroc's and Karrek Community CIC. There will be a very detailed Social Impact Report distributed very soon.
- ML explained property development details with photographs to illustrate works at both Godolphin Road and Alma Place. He provided a more detailed analysis for Alma Place, showing different views, floorplans and cross-sections, while discussing the current layout versus the final plan. Alma Place works are due to begin soon.
- ML ended with a brief introduction to a couple of third property options, along with the MSP spiral diagram process of analysing each property's potential.

Presentation of Annual Report & Accounts

- Nick Smith (NS) presented the accounts. Profit increased by £18k on prior year, made up of a £15k grant for professional fees towards the Alma Place project, and some additional

rental income from an existing tenant at Alma Place on purchase. Admin Expenses increased by £7k, made up of new property costs of £3k for insurance, council tax and utilities. Accounting fees increased slightly, as well as legal and professional, being covered by the additional grant income received. This resulted in an overall loss of £12.7k for the year.

- Fixed Assets increased by £215k. This was made of £162.5k property purchase price, £21k refurb costs for Godolphin Road & £31k for Alma Place costs by year end. Share Capital also increased by £100k investment during the year.
- NS discussed a breakdown of the operational profit. Based on the performance of the first property, the annual profit generated is £23.5k. This ensures cover for both the share interest & mortgage payments for this property still leaving a small profit to be added to reserves for future projects. The difference between this and the final loss for the year is the impact for the work carried out on the 2nd property. The overall loss is therefore expected until Alma Place or the 3rd property option becomes operational.
 - o Vote to adopt the accounts: Majority approved = 97%; Abstained = 3%.

Approval of general resolution to dis-apply the requirement to undertake a full audit

- NS explained that under section 83 of the Co-Operative and Community Benefit Societies Act 2014, MSP are required to appoint auditors each year. However, as per the provisions of section 84 of the Act, as MSP falls well below the required Fixed Asset (£5.1m) & Turnover (£10.2m) values for this requirement to be compulsory, the members of the Society may elect not to require such an audit, in an effort to reduce costs for the organisation. The annual accounts are currently finalised and prepared for presentation by an external, independent firm of Chartered Accountants as unaudited accounts
 - o Majority approved = 88%; Objected = 1%; Abstained = 11%.

Election of Directors

- ML thanked Paul Ashton for his service on the board over the last few years. ML then introduced each new proposed director who then each provided a brief introduction of themselves. ML then requested members to vote:
 - Stephen Clague: Approved = 100%
 - Suzie Mumme: Approved = 98%; Objected = 2%
 - Adam Langer: Approved = 95%; Abstained = 5%

Date of Next AGM

- Proposed Thursday 24th February 2022 as provisional date to be confirmed by January 2022

Close of formal AGM

16:42

Presentations from key partners

- Liz James from Mustard Seed (SW)
- Paul Ashton from Karrek Community CIC
- Adam Langer from Newquay Lighthouse