

LINDEN
CO-OPERATIVE
SOCIETY LTD



Silvergate House, 32 Clasketgate

Report

for the Period ended 6th March 1976

Lincoln Co-operative Society Ltd

DIRECTORS

President: Mrs. K. M. Edlington, J.P. (11)

Mr. W. R. Walker	(11)	Mrs. L. Wright, J.P.	(13)
Mr. G. Pamley	(13)	Mr. Len F. Clark, B.A.	(12)
Mr. A. Middleton	(13)	Mr. H. R. Taylor	(13)
Mrs. E. S. Ogden	(13)	Mr. A. Raby	(13)
Mrs. A. A. Brailsford	(13)		

Figures in parentheses denote Directors' attendances—possible 13.

MANAGING SECRETARY Mr. S. H. J. Bett, A.C.S.A.

DEPUTY MANAGING SECRETARY Mr. T. Agar, F.C.I.S., C.S.D.

GENERAL HALF-YEARLY MEETINGS

Notice is hereby given that the General Half-Yearly Meetings will be held as follows—

LINCOLN Silvergate Restaurant, Free School Lane, Lincoln.
Monday, 17th May 1976 at 7.30 p.m.

GAINSBOROUGH Co-operative House, Gainsborough
Thursday, 13th May 1976 at 7.00 p.m.
(Representatives: Mr. A. Middleton, Mr. A. Raby)

Members must produce their Share Books to gain admittance to these Meetings.

AGENDA

1. Minutes of last Meeting.
2. Directors' Report.
3. Member Relations Committee's Report.
4. Appeals and Recommendations of the Directors:—
 - (a) Lincoln C.E.T.S. £2-10.
 - (b) Marie Curie Memorial Cancer Relief Appeal, £5-25.
 - (c) N.S.P.C.C., £5-25.
5. Declaration of Election:—
 - (a) Seven Directors.
 - (b) Two Delegates to C.W.S. Meeting.
 - (c) One Member to Member Relations Committee.
6. Election of Four Members to the General Council of the Lincoln Co-operative Society Co-operative Party.
7. Election of Auditor.
8. Questions.

DIRECTORS' REPORT

To the members.

Ladies and Gentlemen,

We have pleasure in submitting for your approval the Report for the Half-Year ended 6th March 1976.

1. **SALES**—The total turnover, which includes the sales of the Lincoln Co-operative Chemists Limited, amounted to £10,305,697. This is an increase of £1,775,746 or 20.8% when compared with the corresponding Half-Year. Our shops have found it difficult to sell more goods than last year, although higher prices mean they are taking more cash. There have been pressures on the consumers' pockets from essential services and this has made it harder to achieve the extra sales which are necessary to cover increased costs. We are fortunate in having a number of different spheres of activity and being so successful in our larger departments, namely Grocery and Dairy. The Grocery Department in particular has responded to an aggressive marketing policy that has produced a good increase in volume terms. The Electrical and some other departments have had to cope with difficult trading conditions following the accelerated buying that occurred before the commencement of the higher V.A.T. rates, and the public has not yet adjusted its sense of values to V.A.T. at 25%. During a time of growing discomfort in the retail sector of the economy, we should find the Society's interim results very reassuring.
2. **MEMBERSHIP**—The present membership is 57,707.
3. **CAPITAL AND RESERVES**—The Reserve Fund has increased to £2,600,000 by the addition of £178,745 from revenue and £21,255 from the surplus on sale of items of a capital nature. This can be said to have maintained the value of the fund in accordance with the rate of inflation. Cash and investments have increased by £199,350 to £2,553,698. Members' share and loan capital has decreased by £10,699.
4. **DEVELOPMENT**—The policy of continually rebuilding, improving and altering established branches has been maintained and, although a real trading recovery could still be some way off, we shall be well placed, thanks to our development programme, to reap the benefit when it comes.
 - (a) **Spalding**—The first phase of the re-development of the Winsover Road premises was opened in November and is doing very well. The second and final stage is due for completion on 13th May.
 - (b) **Woodhall Spa**—The new Branch is planned to open on 26th April and the two residential flats to be occupied in June.
 - (c) **Gainsborough**—Work has commenced on the new funeral parlour in North Street.
 - (d) **Ruskington**—The shop adjoining our Branch premises, which was acquired some time ago, has been merged into an enlarged retail unit.
 - (e) **North Hykeham**—The new Chemist section is now open and will serve the needs of the new Health Centre. A flat has also been erected on the roof of the Branch.
 - (f) **Sincil Street Superstore**—Negotiations with the City Council are proceeding and our Architect's plans for the area have been deposited with the Planning Officer. We hope to be in a position to make a start on the site towards the end of the year.
5. **DIRECTOR'S RETIREMENT**—After twenty years' service on the Board, Mr. W. R. Walker retires as a Director at the Half-Yearly Meeting of Members on 17th May 1976. This marks the end of an era unrivalled in the history of the Society; he was President in 1960-1, 1967-8, and also an employee for fifty-one years. The whole of his adult life has been devoted to serving the best interests of the Society and his considerable experience and loyalty will be greatly missed. He carries with him into retirement the warm thanks and best wishes of all who have had the pleasure to be associated with him.

6. **DIVIDEND STAMPS**—The redemption value of dividend stamps issued during the Half-Year amounted to £146,343. In addition a sum of £2,125 has been given as discount in lieu of dividend on funeral accounts.
7. **DEATH BENEFITS**—Claims amounting to £3,165 have been paid during the Half-Year, the average payment being £16.58.
8. **LINCOLN CORN EXCHANGE & MARKET COMPANY LIMITED**—The Society, through its subsidiary company Cosim of Lincoln Limited, has now acquired a majority holding in this Company. Plans are now being considered to renovate and upgrade the properties over the next few years and we shall commence with the Exchange Arcade, which is nearest to the pedestrianised area of High Street. We would describe this acquisition as opportune and valuable.
9. **SELECTIVE PRICE RESTRAINT SCHEME**—Members will be pleased to learn that the Co-operative Movement was represented on the Consortium which has been in consultation with Government Departments to consider this Scheme, known as "Price Check", and will agree that we are right to support it and have voluntarily extended it. This requires that we do not increase the retail selling price of any items included in the Scheme, unless the supplier's price to us is increased within the 5% limit. The Scheme extends over a six month period starting 16th February 1976 and should prove to the housewife that inflation is beginning to slow down.
1. **STAFF RETIREMENTS**—The following employees retired during the Half-Year and we wish them long and happy retirements:
- | | | |
|-------------------------|---------------------------|-------------------|
| Mr. W. H. Andrews | Butchery Department | 50 years' service |
| Mr. L. F. Holmes | Grocery Department | 49 years' service |
| Mr. H. Foster | Watchman | 40 years' service |
| Mr. E. Paulger | Butchery Department | 40 years' service |
| Mr. F. Draper | Lincoln Dairy | 38 years' service |
| Miss E. Borman | Grocery Department | 28 years' service |
| Mr. A. Guy | Pinchbeck Dairy | 21 years' service |
| Mr. C. Clench | Works Department | 16 years' service |
| Miss M. Mason | Restaurant | 9 years' service |
| Mrs. C. M. Wilson | Grocery Warehouse | 5 years' service |
11. **OBITUARY**—We deeply regret having to report the deaths of the following employees and pensioners:—
- | | | | |
|--------------------|--------------------|-------------------|----------------------------|
| Mr. R. Douglas | Works Department | Mr. W. Dufty | Gainsborough Footwear Mill |
| Mr. C. Hart | Grocery Department | Mr. A. S. Overton | Mill |
| Mr. J. W. Proudley | Gainsborough Dairy | Mr. H. Semper | Grocery Department |
| Mr. M. Sharman | Tailoring Manager | Mr. R. Taylor | Footwear Repairs |
| Mr. H. Whiteley | Bakery Department | | |
12. **ACKNOWLEDGEMENT**—We thank our members for their support and confidence and the staff at all levels for their loyalty and willingness to serve the Society in its best interests.

For and on behalf of the Directors:—

MRS. K. M. EDLINGTON, J.P., *President*

S. H. J. BETT, *Managing Secretary*

CONSOLIDATED REVENUE ACCOUNT

For the Period Ended 6th March 1976

	(26 weeks) 1976	(26 weeks) 1975
	£	£
Group Turnover	10,310,855	8,554,989
Group Sales	<u>9,843,507</u>	<u>8,204,826</u>
Trading Surplus	455,959	365,160
Investment Income and Rents	<u>107,836</u>	<u>95,104</u>
	563,795	460,264
Less: Interest paid and Property Expenses	<u>55,186</u>	<u>46,099</u>
	508,609	414,165
Less: Taxation	<u>165,000</u>	<u>110,000</u>
	343,609	304,165
Balance Brought Forward	<u>19,410</u>	<u>21,024</u>
	<u>£363,019</u>	<u>£325,189</u>
Distribution :—		
Interest on Shares	14,500	14,300
Dividend Stamps	141,814	129,076
Added to Reserve	178,745	134,616
Employees' Bonus	11,732	10,445
Long Service Awards	431	1,075
Grants	4,434	4,777
Investment Written Off	1,311	—
Balance Carried Forward	<u>10,052</u>	<u>30,900</u>
	<u>£363,019</u>	<u>£325,189</u>

MEMBER RELATIONS COMMITTEE REPORT

For the Period ended 6th March 1976

We have pleasure in submitting our Report for the half-year ending 6th March 1976.

On 8th October 1975 we held the Autumn and Winter Fashion Show, this very popular event was well attended and is most appreciated. The following week the Show was repeated at Gainsborough and was very well received by a packed audience, and it is now intended to make this a regular feature. Our grateful thanks are due to Mr. Thorpe and his staff for their enthusiastic manner and hard work in making these Shows so successful.

In November we had our Annual Social Evening with an attendance of over 100 and this was thoroughly enjoyed by everyone. Unfortunately the future of this event is in doubt due to a complaint by the Musicians Union to the British Phonographic Performances Limited, who control the use of records, that a band should be used instead of records.

The Darby and Joan Club at Gainsborough is well attended with weekly meetings. Their Annual Christmas Dinner was most successful with the usual Christmas fare followed by entertainment. The oldest member of the Club, Mrs. Mary Clark, formerly of North Hykeham, who has been a member for 25 years, celebrated her 95th birthday, and to mark the occasion the Club held a party for her with cake and sherry being provided.

Forthcoming events include a demonstration by the Milk Marketing Board and the Spring and Summer Fashion Shows at both Lincoln and Gainsborough.

There will be vacancies on this Committee and should anyone wish to serve on the Committee please apply to the Secretary for details.

Members' suggestions for future activities would be welcomed and receive the consideration of the Committee.

L. WRIGHT, J.P., *Chairman*

T. O. P. DEWAR, *Secretary*

Attendances (Possible 5)

*Mrs. L. Wright, J.P.	4	Mrs. J. Parker	5
Mrs. B. V. Chapman	5	*Mr. H. R. Taylor	5
*Mrs. E. G. Ogden	4	*Mrs. A. Brailsford	1

*Honorary Members elected from Board of Directors.

NOMINATIONS FOR SEVEN MEMBERS OF THE BOARD OF DIRECTORS

BURCHNALL, Phyllis	Housewife	35 Geneva Avenue, Lincoln.
CHAPMAN, Blanche Vera	Deputy Matron	5 Nettleton House, Thurlby Crescent, Lincoln.
*CLARK, Len F., B.A.	Teacher	322 Burton Road, Lincoln.
*MIDDLETON, Alan	Local Govt. Officer	29 Lansdowne Avenue, Lincoln.
†*PAMLEY, George	Grocery Manager	19 The Green, Nettleham, Lincoln.
†*TAYLOR, Hector Rowland	Clerk	26 Thurlby Crescent, Lincoln.
*WRIGHT, Lily, J.P.	Housewife	85 Camwood Crescent, Birchwood Estate, Lincoln.

*Retiring Members, eligible for re-election

†Employees, only two eligible

As only seven Nominations were received no Election will be required

For and on behalf of the Directors,

S. H. J. BETT, *Managing Secretary*

NOMINATIONS

Members may nominate persons to whom their capital in the Society shall be transferred or paid at death. The limits of the amounts so nominated are as follows:—

Nominations made before 5th August 1954—Maximum amount £100.

Nominations made before 4th September 1965—Maximum amount £200.

Nominations made after 4th September 1965—Maximum amount £500.

Nominations made after 9th July 1975—Maximum amount £1500.

Members can make new nominations to take advantage of the new limit—full details at the office.

DEATH BENEFITS

The Society pays a Death Benefit based on average annual purchases on the death of a member or the husband/wife of a member. Death Benefits are only payable when the Society conducts the funeral, unless the deceased resided over 12 miles from Lincoln or Gainsborough when half rates are paid.

The rate of Benefit is as follows.

Deceased	Rate per £ of Purchases	Maximum Claim
Husband	p 22½	£ 40
Wife	10	20
Widow/Widower	10	30
Unmarried Member	10	40

Each full book of Dividend Stamps spent or used as a Share Contribution will count as purchases of £15 for the calculation of Death Benefits.

**LINCOLN
CO-OPERATIVE
SOCIETY LTD**



Silvergate House, 32 Clasketgate

Annual Report & Balance Sheet

for the Year ended 4 September 1976

Lincoln
30th September 1976

LOOKING TO THE FUTURE



The chance to put something by—for a home to call your own, the children's education, holidays, or maybe for security in retirement. This, the L.C.S. can offer you.

For over one hundred years the L.C.S. has been providing easy accessible ways of saving.

Consult us at your leisure at our Head Office in Silvergate House.



FACILITIES AVAILABLE

- | | Rate of
Interest
per cent
per annum |
|---|--|
| ● SHARE CAPITAL —Your members Share Book is an easy way to save, minimum holding £5, maximum £5,000. Compound interest accumulates FOR YOU. | 2$\frac{3}{4}$ |
| ● LOAN AND SPECIAL CAPITAL —Sums can be deposited up to any amount. | 2$\frac{1}{2}$ |
| —Six months' notice. | 3$\frac{1}{2}$ |
| ● PENNY BANK —Deposits, convenient for thrifty savers, ideal for starting the juniors of the family on the right lines. Up to £2 accepted at any one payment, maximum deposit £50. | 2$\frac{3}{4}$ |
| ● DEVELOPMENT BONDS .—Repayable after two years, £10 with additional multiples for £10 units—safe, attractive investment for the future. | 10 |

INVEST IN YOUR OWN
SOCIETY

SOLID SECURITY—EASY WITHDRAWALS

LINCOLN CO-OPERATIVE CHEMISTS LIMITED

Registered Office - Silvergate House,
32 Clasketgate,
Lincoln

DIRECTORS:

PRESIDENT: Mr. G. Pamley

DIRECTORS: Mr. W.R. Walker, Mrs. L. Wright, J.P., Mr. A. Middleton, J.P.,
Mrs. K.M. Edlington, J.P., Mr. Len F. Clark, B.A., Mr. H.R. Taylor,
Mrs. E.S. Ogden, Mr. A. Raby, Mrs. A.A. Brailsford, Mrs. P. Burchnall,
and Mr. A. Briggs, M.P.S.

SECRETARY: Mr. S.H.J. Bett, A.C.S.A.

REVENUE ACCOUNT, YEAR TO SEPTEMBER 1976

	1976	1975
Sales	496,123	458,532
Trading Surplus	19,088	16,070
Less Taxation	10,000	5,000
Balance to Lincoln Co-operative Society	£9,088	£11,070

BALANCE SHEET AS AT 4th SEPTEMBER 1976

	1976	1975
<u>Capital Employed</u>		
Share Capital	17	17
Lincoln Co-operative Society Limited	110,060	105,233
	<u>110,077</u>	<u>105,250</u>
<u>Use of Capital</u>		
Stocks	110,077	105,250
	<u>110,077</u>	<u>105,250</u>

Note: Payments amounting to £14,584 due October 1st 1976 in respect of National Health Prescriptions have not been included in these accounts.

G. Pamley President
K.M. Edlington, J.P. Director
S.H.J. Bett Secretary

AUDITOR'S REPORT TO THE MEMBERS OF THE LINCOLN CO-OPERATIVE CHEMISTS LIMITED

In our opinion, subject to the note on the Accounts, the foregoing Revenue Account and Balance Sheet give a true and fair view of the income and expenditure of the Society for the year ended 4th September 1976 and of the state of affairs as at that date and comply with the requirements of the Friendly and Industrial and Provident Societies' Act, 1968, and the Industrial and Provident Societies' Act 1965.

J. Nicholson & Co., *J. Nicholson & Co.*
Chartered Accountants,
67 Newland,
Lincoln

30th September 1976

DIRECTORS

President: Mr G. Pamley (25)

Mrs L. Wright, JP	(24)1†	Mr Len F. Clark, BA	(25)
Mr A. Middleton, JP	(25)	Mrs K. M. Edlington, JP	(23)
Mr H. R. Taylor	(26)	Mrs E. S. Ogden	(25)
Mr A. Raby	(26)	Mrs A. A. Brailsford	(26)
Mrs P. Burchnell	(7)*	Mrs B. V. Chapman	(8)*

Figures in parentheses denote Directors' attendances—possible 26.

* Elected May 1976—possible 8.

† Denotes absence on Society business.

CHIEF EXECUTIVE OFFICER

Mr S. H. J. Bett, ACSA.

DEPUTY CHIEF EXECUTIVE OFFICER

Mr T. Agar, FCIS, CSD.

GENERAL HALF-YEARLY MEETINGS

Notice is hereby given that the General Half-Yearly Meetings will be held as follows:—

LINCOLN

Silvergate Restaurant, Free School Lane, Lincoln
Monday 15 November 1976 at 7.30pm

GAINSBOROUGH

Co-operative House, Gainsborough
Thursday, 11 November 1976 at 7.00pm
(Representatives: Mrs L. Wright, JP, Mr A. Raby)

Members must produce their Share Books to gain admittance to these Meetings.

AGENDA

1. Minutes of last Meeting.
2. Directors' Report and Annual Balance Sheet.
3. Member Relations Committee's Report and Accounts.
4. Lincoln Society Co-operative Party Report and Accounts.
5. Appeals and Recommendations of the Directors:
 - (a) St. John Ambulance Brigade £2.10.
 - (b) National Fund for Research into Crippling Diseases £5.25.
 - (c) The Manor House Hospital £5.25.
 - (d) The Sailors' Children's Society £2.10.
 - (e) St. Dunstan's £3.15.
6. Nominations (Closing date 12 November 1976).
 - (a) Five Directors.
 - (b) Two Delegates to CWS Meeting.
 - (c) Three Members to Member Relations Committee.
7. Questions.

DIRECTORS' REPORT

To the Members,

Ladies and Gentlemen,

We have pleasure in submitting, for your consideration and approval, the Report and Statement of Accounts in respect of the financial year ended 4 September 1976.

1. **SALES**—The total turnover, which includes that of the Lincoln Co-operative Chemists Limited, amounted to £20,800,440, an increase of £3,242,704 or 18.5% when compared with the previous year. The food departments have contributed most of this increase, the Grocery and Dairy Departments in particular recording a most successful year. The whole of the non-food sector, in common with other retailers, has suffered in the second half of the year for a variety of reasons. The down-turn of the economy has inevitably led consumers to cut out inessential items and comparisons are distorted by the 1975 post-Budget buying spree which took place before the higher rates of VAT came into effect. The hot summer weather has proved to be a boon to sales of freezers and leisure goods, but not conducive to the sale of rainwear and coats. However, the mixture of our activities is a defensive strength in these circumstances and it is most encouraging to note that we have held on to our sales growth in total and shown increases in excess of the rate of inflation.
2. **MEMBERSHIP**—The present membership is 57,273.
3. **CAPITAL AND RESERVES**—We have continued to further strengthen the Balance Sheet by applying strict controls on stocks, debtors and capital expenditure; this will enable us to finance our expansion out of a healthy cash flow. The Reserve Fund has increased to £2,850,000 by the addition of £395,341 from revenue, £44,155 from the sale of surplus assets and £10,504 from over-provision for dividend stamps. Cash and investments have increased by £487,826 to £2,841,603. Members' share and loan capital has increased by £6,718 to £1,447,447. Share capital is covered 2.4 times by Reserves.
4. **DIVIDEND**—The redemption value of stamps issued during the year is £292,247. This represents an increase of £5,935 or 2% over the previous year. The amount of discount given in lieu of dividend on funeral accounts was £4,842.
5. **DEATH BENEFITS**—Claims amounting to £6,641 have been paid during the year, the average payment being £16.65.
6. **DEVELOPMENT**—
 - (a) **Spalding**—The new Winsover Road Branch premises were completed on 25 May 1976 and have made shopping a pleasure to our members who trade there. We are delighted with the high level of turnover, which has made the development an outstanding success.
 - (b) **Woodhall Spa**—The new Branch was opened on 13 April 1976 and has fully justified the cost. The flats will be completed during early September 1976.
 - (c) **Gainsborough**—The new Funeral Parlour will be completed and in service by the end of September 1976.
 - (d) **Wragby**—Extensions and improvements to the shop commence in September 1976.
 - (e) **Brant Road Housing Scheme**—The four houses comprising this development are due for completion early 1977.
 - (f) **Sincil Street Superstore**—Members will be pleased to learn that we received planning permission on 1 July 1976 to erect a 35,000 sq. ft. Superstore. We will be taking occupation of the site early in 1977 and the building programme will be planned for the store to open at the earliest possible date, viz. around June 1978.
 - (g) **Lincoln Corn Exchange & Market Company Limited**—The refurbishing of the Exchange Arcade building is due for completion at the end of October 1976 and is visual evidence of our determination to clean up this area and make it most attractive to the general public.

7. **REVISION OF DIRECTORS' EXPENSES**—Delegation Fees, £2.00 for a full day and £1.00 for a half day, were last reviewed in February 1971 and are no longer realistic in view of the pressure of inflation that has occurred since this date. This year's Co-operative Congress overwhelmingly approved that members of Committees of the Co-operative Union be paid £4.00 per day. We ask you to approve recommendations for revision of expenses to members of the Board of Directors and such other Committees appointed by the Members of the Society as follows :—

(a) Delegation Fee—Full Day: £4.00,
Half Day: £2.00,
Evening: £1.00.

(b) Directors also to be reimbursed for meals on journey and expenses incurred in travelling where the most economical and convenient method of transport has been used.

(c) Hotel expenses to be paid for delegations involving overnight absence from home.

(d) Payment for loss of earnings upon production of a statement supplied by the employing organisation.

8. **STAFF RETIREMENTS**—The following employees retired during the Half-Year and we wish them long and happy retirements:—

Mr H. Clarke	Gainsborough Credit Office	50 years' service
Mr W. Bartle	Funeral Furnishing Department	29 years' service
Mr L. Wright	Works Department	22 years' service
Mr A. Willcock	Lincoln Dairy	20 years' service
Mr F. Potterton	Lincoln Dairy	18 years' service
Mrs D. King	Gainsborough Outfitting Dept.	13 years' service
Mrs A. Phillips	Gainsborough Cleaners	10 years' service
Mr F. Dent	Acacia Avenue, Spalding	8 years' service

9. **OBITUARY**—We deeply regret having to report the deaths of the following employees and pensioners:—

Mr L. F. Clarke	Grocery Department
Mrs J. Ellis	Metheringham Branch
Mr F. Grainger	Trading Club
Mr H. Hotson	St. Giles Branch
Mr H. S. G. Ward	Works Department
Mr G. Watmough	Gainsborough Butchery Department

10. **ACKNOWLEDGEMENT**—We thank our members for their continued support and the employees at all levels in the Society for their loyalty and hard work during the year.

For and on behalf of the Directors :—
G. PAMLEY, *President*
S. H. J. BETT, *Chief Executive Officer*

CONSOLIDATED REVENUE ACCOUNT

For the year ended 4 September 1976

	Notes	(52 weeks) 1976 £	(52 weeks) 1975 £
Group Turnover		20,805,598	17,533,704
Group Sales	2	19,967,528	16,765,577
Trading Surplus	3	999,994	799,661
Investment Income and Rents	4	219,053	202,786
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
<i>Less:</i> Interest paid and Property Expenses	5	1,219,047	1,002,447
		112,585	86,968
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<i>Less:</i> Taxation	6	1,106,462	915,479
		365,000	272,000
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Surplus on Sale of Assets		741,462	643,479
Previous Over-Provision for Dividend Stamps		44,155	19,997
		10,504	15,362
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Balance Brought Forward		796,121	678,838
		19,410	21,024
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Available for Distribution		£815,531	£699,862
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
Distribution:		£	£
Interest on Shares		29,606	29,158
Dividend Stamps		286,241	263,427
Add to Reserves—General		450,000	350,000
Employees' Bonus		22,919	20,179
Long Service Awards		532	1,223
Grants	7	9,262	10,450
Investment Written Off		1,311	6,015
Balance Carried Forward		15,660	19,410
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		£815,531	£699,862
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NOTES ON CONSOLIDATED REVENUE ACCOUNT

1. The Group Accounts include Lincoln Co-operative Society Limited and the wholly-owned subsidiary Lincoln Co-operative Chemists Limited. The accounts of Cosim of Lincoln Limited and its wholly-owned subsidiary Lincoln Corn Exchange and Market Company Limited have not been consolidated as their activities bear no relationship to the Society's normal trading activities. Lincoln Co-operative Society Limited's investment in Cosim of Lincoln Limited at 4th September 1976 is Shares £75 (1975 £2). Loans £360,000 (1975 NIL).

2. Net Sales are the total amounts receivable for goods and services supplied excluding VAT.

3. Trading surplus is arrived at after charging the following expenses:—

	1976 £	1975 £
(a) Depreciation	319,854	265,654
(b) Leasing	13,547	9,655
(c) Directors' Fees	2,466	2,027
(d) Auditors' Fees	1,732	2,050
	<hr/>	<hr/>
4. Investment Income and Rents		
Interest—Quoted Securities	35,037	31,897
Unquoted Securities	128,072	123,358
Mortgages	36,067	31,606
Rents	19,877	15,800
Sundry	—	125
	<hr/>	<hr/>
	£219,053	£202,786
	<hr/>	<hr/>
5. Interest payable and Property Expenses		
Loans and Small Savings	11,159	11,068
Superannuation Fund	73,190	57,267
Bank Interest	7,778	4,080
Property Expenses	20,458	14,553
	<hr/>	<hr/>
	£112,585	£86,968
	<hr/>	<hr/>
6. Corporation Tax estimated at	40%	40%
Grants		
Donations	421	571
Death Benefits	6,641	7,679
Board Discretionary Fund	1,200	1,200
Member Relations Fund	1,000	1,000
	<hr/>	<hr/>
	£9,262	£10,450
	<hr/>	<hr/>

LINCOLN CO-OPERATIVE SOCIETY LIMITED
BALANCE SHEET
AS AT 4 SEPTEMBER 1976

	Notes	1976 £	1975 £
Capital Employed:			
Share Capital		1,173,695	1,159,782
Reserves	1	2,865,660	2,419,410
Loans	2	1,052,135	986,884
Future Taxation	3	689,428	488,749
		<u>£5,780,918</u>	<u>£5,054,825</u>
Use of Capital:			
Fixed Assets	4	2,201,000	1,979,000
Investments	5	2,663,105	2,117,717
Current Assets	6	2,769,210	2,608,808
		<u>7,633,315</u>	<u>6,705,525</u>
Less: Current Liabilities	7	1,852,397	1,650,700
		<u>£5,780,918</u>	<u>£5,054,825</u>

Auditors' Report to the Members of the Lincoln Co-operative Society Ltd

In our opinion, the Revenue Account, Balance Sheets and Notes of the Society and the Group give a true and fair view of the Income and Expenditure and the Source and Application of Funds of the Society and Group for the year ended 4 September 1976 and of the state of the affairs of the Society and Group as at that date.

GROUP BALANCE SHEET

AS AT 4 SEPTEMBER 1976

	Notes	1976 £	1975 £
Capital Employed:			
Share Capital		1,173,695	1,159,782
Reserves	1	2,865,660	2,419,410
Loans	2	1,052,135	986,884
Future Taxation	3	689,428	488,749
		<u>£5,780,918</u>	<u>£5,054,825</u>
Use of Capital:			
Fixed Assets	4	2,201,000	1,979,000
Investments	5	2,663,088	2,117,700
Current Assets	6	2,769,227	2,608,825
		<u>7,633,315</u>	<u>6,705,525</u>
<i>Less: Current Liabilities</i>	7	1,852,397	1,650,700
		<u>£5,780,918</u>	<u>£5,054,825</u>

G. PAMLEY, *President*
 K. M. EDLINGTON, JP, *Director*
 S. H. J. BETT, *Chief Executive Officer and Secretary*

and comply with the requirements of the Industrial and Provident Societies Acts 1965 to 1975 and the Industrial and Provident Societies (Group Accounts) Regulations 1969.

J. NICHOLSON & CO.
 Chartered Accountants

Nicholson & Co.

67 Newland, Lincoln
 30 September 1976

NOTES ON BALANCE SHEETS

	1976 £	1975 £	
1. RESERVES (Society and Group)			
Reserve Brought Forward	2,400,000	2,050,000	
Allocation of Surplus	450,000	350,000	
Surplus Carried Forward	15,660	19,410	
	<u>£2,865,660</u>	<u>£2,419,410</u>	
2. LOANS (Society and Group)			
Development Bonds	68,670	67,528	
Savings Bank	25,449	26,148	
Employee Thrift Fund	15,424	15,332	
Loans	133,823	144,217	
Stamps and Clubs	25,116	22,422	
Unclaimed Accounts	11,988	12,018	
Superannuation Fund*	771,665	699,219	
	<u>£1,052,135</u>	<u>£986,884</u>	
*Secured on Co-operative House, Lincoln			
3. FUTURE TAXATION (Society and Group)			
Corporation Tax Due 1/1/78 (1/1/77)	225,000	227,000	
Future Corporation Tax	464,428	261,749	
<small>Future Corporation Tax is a provision for the excess of the Book Value of Fixed Assets and Rented TVs qualifying for taxation allowances over their written down value for tax purposes, and deferred taxation on increases in stock values for the four years ending 6 September 1976 as per Finance Acts, 1975 and 1976.</small>	<u>£689,428</u>	<u>£488,749</u>	
4. FIXED ASSETS (Society and Group)		Plant Machinery and Vehicles	
	Leasehold Property £	Freehold Property £	
Cost to beginning of Year	81,618	2,664,407	1,481,029
Additions during year	—	198,846	352,200
	<u>81,618</u>	<u>2,863,253</u>	<u>1,833,229</u>
Less: Disposals	—	41,149	38,496
	<u>81,618</u>	<u>£2,822,104</u>	<u>£1,794,733</u>
Depreciation brought forward	58,618	1,189,407	1,000,029
Depreciation this year	2,000	84,046	233,808
Less: Depreciation accumulated on disposals	—	41,149	29,304
	<u>£60,618</u>	<u>£1,232,304</u>	<u>£1,204,533</u>
Net Book Value September 1976	<u>£21,000</u>	<u>£1,589,800</u>	<u>£590,200</u>
<small>The charge for depreciation is calculated to write off the Assets over their effective lives by equal instalments, based on historic costs.</small>			
Net Book Value September 1975	<u>£23,000</u>	<u>£1,475,000</u>	<u>£481,000</u>

5. INVESTMENTS

	Society		Group	
	1976 £	1975 £	1976 £	1975 £
Quoted*	296,371	419,573	296,371	419,573
Unquoted	1,950,514	1,307,060	1,950,497	1,307,043
Mortgages	416,220	391,084	416,220	391,084
	<u>£2,663,105</u>	<u>£2,117,717</u>	<u>£2,663,088</u>	<u>£2,117,700</u>

*Market Value £275,384

6. CURRENT ASSETS

	Society		Group	
	1976 £	1975 £	1976 £	1975 £
Stocks*	1,944,437	1,755,699	2,054,514	1,860,932
TV Rentals§	180,696	185,505	180,696	185,505
Clubs	24,462	38,649	24,462	38,649
Hire Purchase†	134,330	68,348	134,330	68,348
Accounts‡	131,422	197,817	131,422	197,817
Co-op Card‡	48,792	5,942	48,792	5,942
Cash and Bank				
Balances	179,069	236,631	179,069	236,631
Prepaid Accounts	15,000	14,000	15,000	14,000
Subsidiary	110,060	105,216	—	—
Balance—Member				
Relations Account	542	621	542	621
Balance—Co-operative				
Party Account	400	380	400	380
	<u>£2,769,210</u>	<u>£2,608,808</u>	<u>£2,769,227</u>	<u>£2,608,825</u>

* Stock is valued at Cost or Net Realisable Value whichever is less.

† Accounts and Co-op Card Accounts are stated after providing £62,361 (£62,376).

‡ Hire Purchase Balances are reduced to Cost Values.

§ The depreciated value of Television sets on rental.

7. CURRENT LIABILITIES (Society and Group)

	1976 £	1975 £
Creditors	1,402,377	1,283,360
Corporation Tax (1/1/77)	219,322	167,000
Sales Receipts in Advance	80,728	66,430
Dividend Stamps	148,528	132,409
Member Relations Grant	500	500
Member Relations Account	542	621
Co-operative Party Account	400	380
	<u>£1,852,397</u>	<u>£1,650,700</u>

8. FUTURE CAPITAL EXPENDITURE

Outstanding contracts for Capital Expenditure not provided in the accounts amounted to £12,000 and Capital Expenditure authorised by the Directors for which no contracts have been placed at 4 September 1976 totalled £1,600,000.

SOURCE AND APPLICATION OF FUNDS

For Year Ended 4 September 1976

Source of Funds

	1976 £	1975 £
Surplus before taxation	1,106,462	915,479
Proceeds from sale of assets	53,347	29,518
Adjustment for items not involving the movement of funds		
Depreciation	319,854	265,654
Previous provision not required	10,504	15,362
Total generated from operations	1,490,167	1,226,013
Funds from other sources		
Share Capital	13,913	17,721
Loans	65,251	(1,876)
	79,164	15,845
	<u>£1,569,331</u>	<u>£1,241,858</u>

Application of Funds

Distributions	348,560	324,437
Fixed Assets	551,046	557,175
Investments	545,388	273,872
Investments Written Off	1,311	6,015
Tax Paid	111,999	137,107
Increase (Decrease) in Working Capital		
Stock	188,773	273,207
Debtors	29,191	(22,994)
Creditors	(149,375)	(312,571)
	68,589	(62,358)
	1,626,893	1,236,248
Increase (Decrease) in Cash and Bank Balances	<u>(57,562)</u>	<u>5,610</u>

MEMBER RELATIONS COMMITTEE

Report for Half-Year Ending 4 September 1976

We have pleasure in submitting our report for the half-year ending 6 September 1976 for your consideration.

Three promotions were held during the Spring, and unfortunately the dates coincided with other events and consequently this affected the size of the audiences.

The Milk Marketing Board kindly presented their show on the Values of Milk, and this included cookery demonstrations and films. This was much appreciated by the small audience, but a show of this type deserves a full house.

The Fashion Shows at both Lincoln and Gainsborough maintained their high standards of presentation with fashions to suit all tastes and purses. Once again the Committee are grateful for the assistance given by the staff of various departments in maintaining the high standard of the Shows.

We are pleased to report that Mrs B. Chapman, who served on the Education Committee and then the Member Relations Committee since its conception, has been elected to the Board of Directors, but fortunately we have not lost the use of her services and experience as she has returned as a representative of the Board of Directors, Mrs Brailsford having unfortunately resigned due to travelling difficulties.

We trust that after next year's elections the two vacancies for elected Members will be duly filled.

The Committee take this opportunity of reminding Members that suggestions for future promotions would receive their full consideration.

H. R. TAYLOR, *Chairman*

T. O. P. DEWAR, *Secretary*

Attendances

Possible 5

*Mr H. R. Taylor	5	Mrs I. Parker	5
*Mrs B. V. Chapman	5	*Mrs L. Wright, JP	5
*Mrs E. S. Ogden	5		

*Honorary members elected from Board of Directors.

LINCOLN SOCIETY CO-OPERATIVE PARTY

Report for the Year ended 4 September 1976

Fellow Members,

We have pleasure in submitting our Report for the year under review.

Executive Meetings have been held monthly and pamphlets received from Head Office were distributed to members.

The various activities which were organised during the year included a Fancy Dress and Dance held in the Newport Co-operative Hall, together with a Social Evening at which Mr Dick Knowles, National Organiser, spoke on the aims and function of the Co-operative Party. This event was very well patronised and new members were welcomed.

Our delegate to the Co-operative Party Annual Conference was Mr A. Searby; Mrs B. V. Chapman was the Executive's representative to the Lincoln Labour Party, and Mrs C. I. Brooke, along with Mrs A. Searby, were our representatives to the East Midland Regional Council of the Labour Party.

The Executive received with regret the resignation of Mrs Elsie Smith, owing to ill health, both as Treasurer and a member of the Committee. We wish to express our sincere thanks and appreciation to Mrs Smith for her valued services to the Co-operative Party over a long period of years. We would also like to extend good wishes to Mrs M. Eagle, JP, whose health for some time has not permitted her to take an active role in the work of the Party, but her continued interest is very much appreciated.

Our thanks are due once again to the Board of Directors for their interest and support, and we also wish to express our gratitude to the Branches of the Co-operative Women's Guild for allowing us the use of their Guild rooms on various occasions throughout the year.

We are extremely grateful to everyone who has supported our work during the previous year and look forward with optimism to a continuation of this interest and increased membership in the year ahead.

LILY WRIGHT, JP, *Chairman*

BLANCHE V. CHAPMAN, *Secretary*