

CHADLINGTON  
QUALITY FOODS

BUSINESS  
PLAN

APRIL 2001

Chadlington Quality Foods Limited. Registered office: 6 Southill, Cornbury Park,  
Charlbury, Oxfordshire OX7 3EW. Registered in England & Wales No. 4167764

# CHADLINGTON QUALITY FOODS

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## **1 Executive Summary**

### **1.1 Background**

Since November 2000, the Committee working to preserve the village shop in Chadlington has made significant progress towards its goal. The Committee has formed a limited company, *Chadlington Quality Foods Limited*, which will purchase the business from its present owners if it can raise enough funds to cover the purchase and working capital. This document outlines the business plan for the Company.

Through the Committee, the Company has employed a manager, Nick Burgess, who has over 30 years of food retail experience running his own delicatessen businesses.

### **1.2 Company Objectives**

The Company has three objectives:

- Stabilise and grow the business year on year
- Ensure the long term future of the business in the village
- Grow the shop as a centre of the village community

### **1.3 Marketing and Business Development Strategy**

The Company will adopt marketing and business development strategies appropriate to the various target audiences that we have identified. These include different types of consumers and other businesses. We will use various traditional and online marketing methods. An important aspect of the marketing strategy is the development of a customer database, which will capture information for more targeted campaigns in the future, and support customer mailings and newsletters. Section 4 of this document contains further details of the marketing and business development strategy.

### **1.4 Financial Summary**

The minimum sum required to move forward with the purchase of the business is **£30,000**. This includes the cost of the equipment, goodwill, stock, and the working capital. A breakdown of financial information is included in Section 5 of this document.

### **1.5 Important Dates**

The proposed date for the handover of the business to Chadlington Quality Foods Limited is the 1<sup>st</sup> June 2001. Those wishing to purchase shares or make a donation must return the form from the covering letter using the S.A.E. provided.

**FORMS MUST BE RETURNED TO THE SOUTHILL PARTNERSHIP  
USING THE S.A.E. NO LATER THAN FRIDAY 27<sup>TH</sup> APRIL 2001.**

## 2 Background

### 2.1 The History

Slatters Quality Foods (the shop) has been for sale as a business for over a year. Although there was some interest from other local businesses, it fell to a group of people within the village to try to retain the shop. Originally, Clare Summers and Helena Oldroyd were involved in this project; Clare did a lot of research into ways to keep the shop open, and involved ViRSA (The Village Retail Services Association) for assistance.<sup>1</sup>

At a public meeting in November 2000, Mac Dick presented a summary of the shop's finances, and Clare presented the findings from her research. Clare knew that a dedicated group was required to take matters further, and some of the people who responded to her requests for help formed a management committee.

### 2.2 The Committee

The Committee now consists of five local residents who feel very strongly that the village shop should be preserved.<sup>2</sup> The functions of the Committee are:

- To preserve the shop for the village and the local community
- To represent the best interests of the village with respect to the shop
- To represent those people who have pledged funds for the purchase

In order to achieve these goals a considerable amount of work and research has been involved. Following the work that Clare Summers had started, the Committee discussed various company types and investment schemes with ViRSA. The Committee sought legal and financial advice on all aspects of its activity, and assessed the various products and services that the shop currently provides.

It was determined that the Committee would need to achieve the following in order to be successful:

- Find a skilled manager for the shop itself, who could help us build the business up and meet the needs of existing and new customers.
- Establish a sound legal and financial framework for the purchase of the business.
- Develop a solid business plan.
- Raise the funds to purchase the business at an appropriate price and to provide sufficient working capital to implement the business plan.

The Committee has been able to put enough of these pieces in place to move forward with the acquisition of *Slatters Quality Foods* as described in this document.

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<sup>1</sup> For more details about ViRSA, refer to Section 7.4.

<sup>2</sup> Details of the Committee members can be found in Section 6.3 and Section 6.4.

### **2.3 The Company**

In consultation with our professional advisors, the Committee formed a company, *Chadlington Quality Foods Limited*.<sup>3</sup> It was determined that a company limited by shares was the most appropriate format, and that the Company will purchase the business from the present owners, Martin Slatter and Graham Fitzpatrick.

### **2.4 The Manager**

To sustain and grow the business will require a skilled manager with appropriate food retail experience, the ability to meet the needs of present and future customers, and the vision to effectively identify and develop new areas of business. In addition, the Committee felt that it was very important to find the right “sort” of person to manage the shop – we needed someone who would be welcoming and who would be able to make the shop a pleasant place to be.

The Committee has secured the services of Mr. Nick Burgess as General Manager of the shop on a part-time basis.<sup>4</sup> We feel that Nick fits all the required criteria, and we are confident that the experience and enthusiasm Nick will bring to the business will ensure its success in the future. Mr. & Mrs. Burgess have run various delicatessen businesses over a period of 30 years.

### **2.5 The Sale and Purchase**

As a result of the work undertaken by the Committee and its advisors, *Chadlington Quality Foods Limited* has come to an agreement with Martin Slatter and Graham Fitzpatrick to acquire the goodwill, assets and stock of the existing village shop. The purchase is dependent on raising sufficient funds through a combination of the sale of shares in the Company and donations made to the Company.

This document forms the business plan and illustrates the funds required for the purchase to go ahead. These must cover both the purchase of the business and the working capital required for the operation of the shop. We provide financial information in Section 5 of this document.

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<sup>3</sup> Information about the Company, its Directors and Advisors are included in Sections 6 and 7.

<sup>4</sup> Information about Nick Burgess is included in Section 6.5.

### **3 Objectives**

Chadlington Quality Foods, in conjunction with its advisors, has defined three guiding objectives for the business. We believe that these objectives will provide a framework for activities that will contribute to the long-term success of the business, and therefore meet our ultimate goal of retaining a village shop in Chadlington.

The objectives are summarised here and detailed below:

- Stabilise and grow the business year on year
- Ensure the long term future of the business in the village
- Grow the shop as a centre of the village community

#### **3.1 Business Stability and Growth**

The business has not been trading profitably for some time and it must grow to become economically viable and sustainable. Growth of the business will in turn generate opportunities for expenditure on new business opportunities, such as a new type of service offering or a new product that requires specific equipment. We have defined five key requirements for business growth that are detailed below:

##### **3.1.1 Stability**

In the first year of operation, the Company will need to achieve a stable financial environment that will support more accurate business planning in the future. A number of factors will change when the business transfers to new ownership, and we envisage that these will have a positive effect (particularly with the addition of skilled management, new product lines, marketing, etc.) Our first effort will be to create this stable environment so that we can understand the effect of our initial changes, and so that we can decide any further significant changes from a position of knowledge and experience.

##### **3.1.2 Financial Management**

Sound financial management is a characteristic of all successful businesses, and this will be a major factor in guaranteeing the long-term future of Chadlington Quality Foods. Working with the shop Manager, we will establish a number of financial controls, such as requiring expenditure above certain levels to be reviewed by the Directors and Committee. These financial controls will ensure that the working capital available at the launch of the business is used very carefully and made to last as long as possible.

With our financial advisors, The Southill Partnership, we will engage in regular business reviews, monthly in the first instance and then quarterly after the first 12 months. Management accounts for the business will be produced for each meeting. The purpose of these business reviews will be to identify trends, seek regular advice, and adjust strategies as appropriate based on ongoing results.

##### **3.1.3 New Business Development**

In order to ensure financial growth, it will be necessary to explore new areas of business that can bring additional profits and new customers to the shop. One of the most important reasons for employing a manager with extensive food retail

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experience is to determine and develop these new areas of business. Nick Burgess brings this experience to the Company and he will be primarily responsible for new business development in consultation with the Committee. Whilst it is beyond the scope of this initial business plan to describe all of these new business opportunities, some of them are listed in the marketing and business development strategy, Section 4 of this document.

## **3.1.4 Customer Loyalty**

Whilst the existing business enjoys a wide range of loyal customers and supporters, we believe it is necessary to extend and encourage this group through some more formal methods. Once we extend the community of loyal customers, there will be opportunities for more targeted marketing and customer profiling with this group. Whereas the supermarkets learn about customers habits by the use of “loyalty cards”, we will develop our understanding of our customers through surveys, feedback forms, and (most importantly) the natural shopkeeper/customer relationship.

## **3.1.5 Marketing**

The present owners of the business have undertaken some level of marketing. For example, some leaflets relating to businesses within the village were prepared, and some documentation produced which showed the variety of home cooked food available. We will need to build on this foundation. Marketing is one of the most significant methods of generating new business, and the results of effective marketing should be recognised very quickly. The business will develop a budgeted marketing plan, the outline of which is included in Section 4 of this business plan, with initial cost projections shown in the financial information in Section 5.

## **3.2 Long Term Vision**

Under some previous owners, the shop has benefited from clear direction and dedicated experienced management. The number of ownership changes has led to a lack of long-term vision for the business. Our second objective is to try to ensure that the shop exists in the village under the ownership of the Company for a significant period, with clear direction, and marked differentiation from other local businesses.

### **3.2.1 Business Direction**

The business will need to establish a clear direction over time. For example, one might consider that extending the supply of basic groceries alone and marketing the ability to supply a wide range of low priced goods would be a suitable direction to follow. However, in this case, all the evidence suggests that this would not be a sound business decision.

The overall direction (and therefore future) of the business should naturally be founded on the most profitable areas of business – those with the highest gross margins and a greater sales volume. For instance, home cooked food has both these attributes, and it is likely that we will expand this area as soon as possible. As part of the constant business review process, the Committee and the Manager will guide and adjust the business in the most appropriate direction based on profits and customer requirements. However, different product lines “complement” each other and it is recognised that there will have to be a balance – the Committee will have to ensure that the objectives of the business are met.

## **3.2.2 Management and Staffing**

To ensure the long-term success of the business it will be necessary to look carefully at staffing levels and staff skills. Although we will have a skilled manager in place on a part-time basis, it is envisaged that the shop may require a full-time manager if the volume and variety of business grows significantly. The provision of a full-time manager will be dependent on the success of the business in the first 24 months.

Besides management staff, the other area that will probably require more staff is food preparation. Providing another pair of hands would significantly increase the productivity from the kitchen. Examples include having someone to deal with washing up, blind baking of pastry, labelling, etc. To allow for an increase in staff in this area, there will need to be a matched increase in sales of home cooked produce, or another high margin product.

At the moment, the sales assistants in the shop are working extra hours to cover the lack of management staff. When Nick Burgess begins his employment, this situation will be relieved to a certain extent; however, we will consider the potential requirement for changes in this area of staffing, particularly if extended opening hours prove financially viable once we consider the staffing costs.

## **3.2.3 Business Strategies**

The Company will consider a variety of business strategies as appropriate to meet the overall objectives set out in this plan. These are detailed below:

### **3.2.3.1 Joint Ventures**

There are various possibilities for joint ventures, especially with a marketing focus, between the Company and other local businesses either in the village or in the local area. These might include joint advertising, sponsorship, or the combination of products from the shop with those of other businesses.

### **3.2.3.2 Expansion**

The business should be in a position to expand in the future. The business must expand and increase its profitability if it is to survive. Expansion would either increase the direct availability of services to the village, or provide revenues that would secure the long-term future of the business. Some examples of expansion would be:

- Regular provision of home cooked foods to other businesses for resale
- Provision of a home delivery service
- Provision of other village services

### **3.2.3.3 Ownership**

We must consider that the long-term future security of the business would be best served by finding a buyer at the appropriate time and it is possible that another business, organisation, or individual will wish to purchase the business outright. If this issue were to arise, the sale would be decided by shareholders at an Extraordinary or Annual General Meeting.

### **3.3 Community Development**

Much of the research that the Committee has undertaken shows that village shops and businesses are fundamental to the overall wellbeing of the local community. One important example relates to house prices – if local amenities such as shops and Post Offices exist, house prices in the immediate area are generally higher. We believe that the village shop could take a more active role in the village community, either explicitly through activities or implicitly by the provision of further appropriate retail services to the village. This objective is described in more detail below:

#### **3.3.1 Becoming a Focal Point in the Community**

The village shop is well placed to act as more of a focal point in the community. The benefits to the shop are many – increased customer throughput, potential for increased sales, and greater visibility for new products as they become available. The benefits to the community are also clear – a safe, friendly location where everyone is welcome and the concepts of good customer service are important to all that work there.

#### **3.3.2 Additional Community Services**

There is a potential to run further community services from the shop itself. These could include simple concepts like a “sales & wanted” board, village diary, etc, through to other services such as providing hot coffee to take away, or receiving faxes on behalf of customers. The goal is to make the shop a more common place to visit, which, over time, will grow the number of customers who visit the shop. The Committee will track the number of people who visit the shop over time, so that we can understand the effect of any new “community” services.

#### **3.3.3 Community Schemes and Events**

In line with the objective of becoming more of a focal point in the community, the shop could easily become involved with more village organisations. For example, the shop and the school might work closely together, with the shop acting as a collection point for voucher schemes, or displaying schoolwork in the windows. Some very simple connections between the shop and the community could help to make the shop a more attractive and interesting place for customers of all ages.

The shop may consider running a regular informal event for its customers and the village as a whole.<sup>5</sup> These events would allow the Company to present its progress to investors and the village, gain feedback, and discuss new ideas with its customers.

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<sup>5</sup> Any such informal events would be in addition to the legal obligations that the Company has to its members. The Company’s obligations to its members are described in Section 6.2.

## 4 Marketing and Business Development

A successful marketing and business development plan is fundamental to meeting the objectives as defined in this overall business plan. As mentioned previously, the shop has had limited marketing investment in the last year or so, and it is believed that marketing will be very effective if it is done well, within a controlled budget and targeted at the right audiences.

Over time, we will develop the marketing strategy further as the new management of the business gets experience of the local market conditions.

### 4.1 Target Audiences

The target audiences for marketing activities can be split into domestic and business. Potential domestic customers of the village shop fall into a number of different categories:

- Village or local residents who see no value in using the village shop on a regular basis
- Village or local residents who use local shops exclusively
- Village residents who are mobile, and would normally shop at a supermarket at a local centre, but might supplement their shopping at the village shop and/or use the village shop for home cooked food or speciality/one-off purchases. It would appear that the majority of people living in the village fall into this category.
- Village residents who for whatever reason are unlikely to use a local centre such as Chipping Norton without the cost and inconvenience of using a taxi or public transport. A parent without a car could potentially fall into this category, or an elderly person. One of the challenges to using the local public transport is the difficulty of transporting children and bags of shopping.
- Temporary residents within the village or the local area. There are a number of existing customers who only visit the district at the weekends or holiday periods.
- Customers who live in other local villages (or further away) who visit the shop or Slatter's butchers because of a unique selling point – such as the home cooking, cheese, quality of meat, quality of service, etc.
- Potential customers from anywhere within a reasonable radius of Chadlington who do not know about the existence of the shop, and who would be unaware of quality services such as the home cooked food unless they actually went into the shop, even though they might drive past it.

Potential business customers fall into these categories:

- Other businesses within Chadlington who might resell or use the home cooked food or other specialist products from the shop
- Retail or service businesses within a reasonable radius of Chadlington, such as other local butchers, hotels, pubs, small food retail outlets and potentially, larger food retail stores looking to supply “home cooked” produce.
- Other businesses outside a reasonable radius of Chadlington who might use the shop as a speciality supplier (e.g. for business lunches).

## 4.2 Business Development Opportunities

The following table shows some of the ideas which have been discussed by the Committee and its advisors over the last few months. Whilst some of these are simple to introduce without significant expense or risk, others will require further qualification and detailed planning before implementation.

<i>Opportunity</i>	<i>Brief Description</i>
Delicatessen	Nick Burgess has a lot of experience of this area and has suggested that the current range of delicatessen style products be extended
Wet fish	The current range of wet fish and seafood could be similarly extended, to include prawns, crab, etc.
Coffee	With the purchase of a grinder, fresh coffee could be provided with a wider range of beans.
Bread	With the addition of a suitable bread oven, fresh baked bread could be provided, along with heated croissants, rolls, etc. This would allow for a greater variety of breads than are provided by the current supplier, and could include speciality bread to order.
Wine	Although there is a reasonable range of wines currently on offer, there are almost no mid price range wines (£4 to £6) available. The selection of wines will be adjusted to include more “new world” offerings that could plug this gap.
Flowers and plants	On a seasonal basis, flowers and plants could be offered.
Hardware	Examples to include kindling wood, candles, etc
Jams	Homemade jams to be offered in place of some existing ranges – with a much higher margin available.
Catering	Extend the opportunities for outside catering services to order
Home cooking	Whilst there is an extensive range of home cooked food available, there is a great opportunity to find new outlets for the products. For example, collaborating with other businesses in nearby villages to resell the homemade products, or for supplying other local businesses.
Home deliveries	It may be feasible to arrange for home deliveries on orders over a certain value, or for account customers, potentially at a small extra cost to the customer.
Opening times	Subtle adjustments to opening times may increase the amount of business through the shop. For example, staying open later on a Friday evening, or opening for a limited period on Sunday morning.
Hot food	Microwave to heat food for customers may entice further individual sales of home cooked products. Serving hot drinks may also be a possible venture, particularly when the village green is completed and available for villagers to use.
Organic produce	There is a potential to focus on organic produce in some areas where appropriate.
Sandwiches	Home made sandwiches available from the shop

### **4.3 Marketing Priorities**

It will be necessary to prioritise marketing activities, after analysis of the likely outcomes and methods required to make a significant return in each case. Whilst such detailed prioritisation is outside the scope of this document, it would be logical to focus initially on those activities that will increase awareness of the business in the immediate community, and activities that will generate the best returns in either clear profit or significant extra volume of customers.

### **4.4 Traditional Marketing Methods**

The Company will use a wide range of marketing activities to target the various kinds of customers identified. Some of these are detailed below, and will be built into the detailed marketing plan as it develops.

- Local newspapers, etc, Chipping Norton News, Charlbury & Wychwood Advertiser, Oxford Times
- Local radio features
- Summer launch event, with local celebrity, press/radio/TV coverage
- Flyers in local stations, pubs, caravan park, etc
- Press editorials in conjunction with advertising by suppliers
- Demonstrations/tasting sessions for local WI, social club, etc
- Parish Magazine
- Co-marketing with Slatter's butchers and other local businesses
- Building a customer marketing database (see Section 4.5 below)
- Customer newsletter
- Leaflet drops
- Sponsorship of local sports
- Special events in the village
- Posters
- Blackboards in the shop

### **4.5 Customer Database**

By collecting details from our customers, the Company will build a marketing database that will allow us to target promotions or campaigns to groups of customers. We will ask customers to provide their name and address, (and email or fax if available) so that we can contact them on a regular basis. As a result of collecting this information, we will be able to publish a quarterly or monthly newsletter with items of interest to customers, and promote various offers through the communications, such as discount vouchers or similar schemes.

### **4.6 Online Marketing**

An ever-increasing number of people regularly access the Internet to send/receive email and look at the World Wide Web. Some of the shop's existing and potential customers will fall into this group. The greatest advantage of online marketing is to be able to reach a wide audience for low cost. In conjunction with the traditional marketing methods employed above, we will use a number of "online" marketing tools. These are explained overleaf to illustrate the benefits of this newer medium.

## **4.6.1 Web Site**

The Company will maintain a website at <http://www.chadlington.com>. The website can provide information such as price lists, cooking instructions, details of current special offers, and methods for placing and potentially paying for orders of food from the shop. The site will also provide information about the village, local businesses and village organisations and the local area, furthering the position of the shop as a centre of the community. Copies of this information would also be available from the shop in printed format.

## **4.6.2 Affiliate Marketing**

There is a significant opportunity for marketing via the web in conjunction with other similar small shops and businesses. The concept of affiliate marketing is to generate trade and awareness across a number of businesses that operate with similar sets of customers, values, and principles. The value of the web in this case is important, because it helps to associate the shop with other businesses of similar quality, and therefore prompts new customers to visit the shop.

## **4.6.3 Email Contacts and Newsletter**

As an extension of the marketing database described in Section 4.5 above, we will provide an email version of the shop newsletter or communications. The shop will also have an email address where customers can submit orders, questions, etc.

## **4.6.4 Web Directories, References, and Search Engines**

We will register the shop in popular web directories and Internet search engines. This would ensure that anyone looking for information about the village or local area would be directed towards the shop's website. In addition, there are various county and small business reference sites where details of the shop can be included. All of these options are available at no cost to the business itself.

## **4.7 Branding and Design**

In the short term, the shop will retain a brand and design style very similar to that already in use. There are various advantages to this, including reuse of existing artwork, continuation of brand, and reduced costs. There will be a requirement to obtain new labels and stationery, etc. We will also need to replace the signage outside the shop itself.

## 5 Financial Information

### 5.1 Business Assumptions

We have analysed the business financial information, to which the current owners have very kindly given us access. To this, we have added our own assumptions about the potential to expand the business and to improve the margins (these are described in Section 4 “Marketing and Business Development”).

In acquiring the business we have had to determine the amount of money that is required, not only to acquire the business, but also to make the necessary investments in equipment and stock that Nick Burgess considers are required. There are also the start-up costs of acquiring the Company, the legal costs for the lease, building surveys, licenses and licensee training – all of which are necessary to ensure that we have all the information to enable us to run the business properly. We have also added a contingency, as there will undoubtedly be unforeseen expenses, particularly in the first year.

A number of the shop’s customers have enjoyed credit accounts in the past and it would make good business sense to continue these (although we are looking at offering a debit card service). This will affect the cash flow and we have calculated how much this will be.

To plan more than one year in advance at this stage would not be realistic. We will monitor the actual performance of the shop against our present plan and then begin the process of longer term planning once the financial performance becomes clearer.

### 5.2 The Investment

The minimum amount required is **£30,000**. This will be spent as follows:

Purchase of the business from Martin Slatter and Graham Fitzpatrick:

Equipment	£10,999
Goodwill	£1
Stock <sup>6</sup>	£6,000
<b>Sub Total</b>	<b>£17,000</b>
New Stock	£4,000
New Equipment	£1,450
Account Customers	£3,825
Working Capital	£3,725
<b>Sub Total</b>	<b>£13,000</b>
<b>Total Required</b>	<b>£30,000</b>

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<sup>6</sup> This is the maximum amount that we have agreed to pay. The actual sum will depend upon the amount, condition and saleability of the stock at 31st May 2001 (the day before we take over).

### ***5.3 Funding the Investment***

The funding will be a combination of the sale of shares in the Company and the receipt of donations. Shares will be sold on the basis of £1 ordinary share in the Company for each £1 invested to persons who have previously expressed an interest. A separate letter explains the investment process in further detail.

The Directors of the Company have not made any commitments to the payment of a dividend or any other form of return on the investment. In the years to come, this situation may change, but that will be a matter of business performance and the decision of the Directors and Shareholders of the Company at a General Meeting.

If you require any further information on the financial assumptions described in this business plan, the investments, or the share structure, please do not hesitate to contact any of the Directors of the Company, or Mike Leggett of The Southill Partnership, our Accountants (see Section 7.1 for contact details).

## **6 Company Information**

### **6.1 Company Registration**

**Company name:** Chadlington Quality Foods Limited

**Registered Office:** 6 Southill, Cornbury Park, Charlbury, Oxfordshire OX7 3EW.

**Registration No.:** 4167764

**Registration Date:** 26/02/2001

### **6.2 Obligations to Company Members**

Formal access to Company information will be provided at an Annual General Meeting, the first of which will be held no later than 18 months after the formation of the Company. At an A.G.M., the members of the Company may:

- Receive the accounts of the Company for the previous financial year
- Receive the Directors' report on the Company's activities since the previous A.G.M.
- Accept the retirement of those Directors who wish to retire
- Appoint auditors
- Elect persons to be Directors to fill the vacancies arising
- Discuss and determine any issues of policy or deal with any other business put before them.

The Company Secretary must give every member of the Company 21 days notice in writing of the A.G.M. Only Company members shall be allowed to vote at the A.G.M., although the Meeting will be open to the public. Members may vote to exclude non-Members for part of the Meeting, if necessary.

Any general meeting which is not an A.G.M. is an Extraordinary General Meeting. An E.G.M. can be called at any time by the Board of Directors, and must be called within 28 days of a written request stating the business to be raised from at least five members of the Company. Only Company members shall be allowed to vote at an E.G.M., although the Meeting will be open to the public. Members may vote to exclude non-Members for part of the Meeting, if necessary.

Further information about the operations of the Company is included in the Memorandum and Articles of Association of the Company, a copy of which is included as an Appendix to this business plan in Section 8.

### **6.3 Company Directors**

#### **6.3.1 Karen Burling, Director and Company Secretary**

**Telephone: 01608 676 894**

Neil and I moved to Chadlington from Birmingham almost 2 years ago when Neil took a job in Oxford. Moving from the relative anonymity of a large city, we were looking for a community in which we could settle and become a part of. Chadlington, from the outset, struck us as friendly with much going on.

After 20 years of working in book retailing with Dillons Bookstores and W H Smith I now buy books to export to the USA and manage relationships between Barnes and Noble Inc and UK publishers. I work from home, and it was essential that the village we chose offered a range of services within walking distance – Chadlington did just that.

I do believe it would be a great loss to the village if the shop was to close and I am very pleased to be able to offer my help in keeping it open.

#### **6.3.2 Helena Oldroyd, Director**

**Telephone: 01608 676 314**

My husband, a retired RN Captain and businessman, and I moved to Chadlington with our two young children from Wootton in 1978. We bought our house from the Slatter family, where they had lived and run a shop before moving to their present premises. From the outset we have been friends as well as customers, with the whole family, and they were very supportive when my husband died and during his illness.

I have always been a supporter of this enterprise, from the first village meeting last summer. I have experience of being in charge of my husband's companies together with our Manager while he was away at sea. I ran my own Riding School and was a founder member of the Riding for the Disabled in 1965. I have also worked behind the counter in the retail business. The shop is important to the village, and with good management, I am sure this enterprise will be a success.

#### **6.3.3 Mike Smith, Director**

**Telephone: 01608 676 595**

Our family was attracted to Chadlington because of its location, character, and facilities. A visit to Slatters (and lunch at the Tite) added to our conviction that Chadlington was the place to settle, and we moved into The Stocks in August 2000, having previously lived in the centre of Reading. As I am the only driver in our family, the village shop and Post Office are essential to us.

# CHADLINGTON QUALITY FOODS

I graduated as a classical musician but have always worked in the IT industry. I have been with Microsoft since 1994, most recently helping Internet Service Providers and Telecommunications companies develop new products. Whilst the customers I deal with day-to-day are very different businesses from our village shop, many of the skills I need to complete projects at work apply equally well to this one closer to home.

I am happy to donate my time and resources to this, as I believe that all local small businesses are important, and that we cannot afford to lose these excellent resources from our village.

## **6.4 Committee Members**

### **6.4.1 Pat Brewster**

We settled in Chadlington in June 1994. Apart from its lovely scenic location, we chose to live here because with its school, garage and two shops this was evidently a thriving community, and not just a “dormitory” village.

Our daughter has attended the local schools; I have been welcomed into various local groups, including the Women's Institute and have served on the committee almost continuously since arriving here. I am still a W.I. member but am having a short break from committee in order to spend more time on other interests, including studying for a City & Guilds Certificate in Ceramics. My husband, Martin and I take an interest in Parish Council matters, attending Council meetings whenever possible.

Our family is also vegetarian, and although I am not militant on this matter, I am a keen sponsor of the vegetarian options available from the shop.

### **6.4.2 Sonia Hopkins**

Our family moved to Chadlington two years ago from London. We had decided to make a long-term commitment to a rural community and Chadlington was an ideal location for us. I am a teacher at the Chipping Norton School, and contribute to The Friends of Chadlington School.

I am also interested in books, and am a member of the village book club that meets once a month. Keeping the shop in the village is something I feel very strongly about – we would be at a great loss without it and I am very keen to see it survive.

### **6.5 Manager: Nick Burgess**

I've been involved with shops all my life. I grew up in the village of Helmdon in Northamptonshire, which had a village stores and a mobile shop on a van. Whilst I was at school, I helped with the shop and the deliveries, and then took a permanent job with the shopkeeper when I left school at sixteen. I was and still am very keen on sports, and I had to give up work on the van when I broke my leg badly playing football. After six weeks in hospital, my old job had long gone so it was time to look for something new.

I took a job as manager of "Dossetts", a first class grocer's shop on Parsons Street in Banbury. I married my wife, Kathleen, in 1967 and we moved in over the shop. Dossetts was a very traditional place to work. Besides groceries, the shop also provided a delicatessen, wines, and fresh ground coffee. Working at Dossetts gave me a lot of good experience as the business was run in a very strict and proper way – "a place for everything and everything in its place" including a separate cashier just to take your money!

In 1968, it was time to spread our wings and we bought our first shop in Summertown, Oxford. At that time, supermarkets like those that we have today just didn't exist, so we were able to reach a wide range of customers. Although the shop was rundown when we bought it, we built it up, selling groceries, fruit and veg, a wide range of delicatessen products, and a full selection of cheeses (including huge truckles of cheddar that had to be turned in the cellar every day). We also sold flowers and plants outside. Generally, we employed four staff to help us, but one Christmas we needed 14 extra people just to get us through the shopping rush!

In 1983, we moved to Woodstock, and bought "Pitts" fishmongers. Pitts also sold basic fruit and veg, but we increased the range and added delicatessen, cheeses, and other goods as in Summertown. In 1997, we retired and have since lived in Gagingwell.

One of the skills I picked up along the way was plucking and preparing game birds. I got to know Martin Slatter by supplying him with pheasants to sell in his butcher's shop, and I was curious about the future of the village stores when I saw that it was for sale. At the same time, the village shop Committee got wind of my interest via Martin and asked me to work for them as manager of the shop on a part-time basis, to which I agreed.

Now I am eager to get started, and hopefully you'll see a lot more of me in the future. There's such a lot we can do with the shop to develop it, so expect to see a few changes (as in this plan). Nothing too drastic to begin with – we'll start with Test Match Special on the radio and go on swiftly from there!

## 7 Advisors to the Company

### 7.1 Mike Leggett, The Southill Partnership



6 Southill, Cornbury Park, Charlbury,  
Oxfordshire. OX7 3EW  
Telephone: 01608 811533  
<http://www.southill.co.uk>

The Southill Partnership are a firm of Chartered Accountants based in Charlbury. Mike Leggett BSc FCA and Kaye Gooding BA FCA have been in business together for nearly 4 years, having previously worked at a practice in Chipping Norton for 5 years. Both of them have significant business, accounting and taxation expertise. The firm focuses on small businesses and enjoys a client base of over 300 customers ranging from business start-ups to an £8 million company. A staff of five supports Mike and Kaye. They take pride in delivering good, solid, practical, “no frills” advice.

Chadlington Quality Foods has engaged Mike Leggett of The Southill Partnership to act as Accountants and Tax Advisors to the Company. The Southill Partnership has a very strong understanding of the small business community and has already shown that it is willing to work alongside us as a valuable member of the team. Their advice has been invaluable in many areas, and we are confident that their enthusiasm and local knowledge will be fundamental to the smooth financial operation of the Company.

Many local people will know Mike Leggett through his work with The Friends of Chadlington School. He is accountant to many local businesses, including other shops in nearby villages; he is also joint chairman of the Oxfordshire branch of the Federation of Small Businesses.

### 7.2 Stanley Beckett, Linnells Solicitors



Linnells Solicitors, Greyfriars Court,  
Paradise Square, Oxford.  
Tel: 01865 248607  
<http://www.linnells.co.uk>

Established over 90 years ago, Linnells has long been recognised as one of the leading firms of solicitors in the Thames Valley region, with branch offices located in Oxford and Bicester. Linnells provides specialist legal services of the highest quality for both businesses and individuals.

Stanley Beckett lives in Chadlington and is a partner in the commercial property team. He joined the firm in March 2000 having worked at Addleshaw Sons & Latham and then as a partner at Halliwell Landau, two of Manchester's premier commercial firms. He has more than 12 years' experience in all aspects of commercial property work with particular specialisms in retail and industrial landlord and tenant work (acting for two national chains), the property aspects of corporate acquisitions and disposals, property investment and secured lending.

### **7.3 HSBC Bank Plc**



HSBC Bank plc  
18, Market Place, Chipping Norton  
Oxfordshire OX7 5NE  
Telephone: 08457 404 404

The Company has selected to open current and deposit accounts with HSBC in Chipping Norton as this branch still retains a local manager and is within easy reach of the shop.

### **7.4 Village Retail Services Association**



ViRSA Educational Trust,  
The Little Keep, Bridport Road,  
Dorchester, Dorset, DT1 1SQ  
Telephone: 01305 259383  
<http://www.virsa.org>

#### **7.4.1 Involvement with ViRSA**

ViRSA has provided valuable encouragement and technical assistance to the Committee through their fieldworker, David Fisher. In particular, they were very helpful in describing the different types of company structure that might serve the business.

David lives near Taunton and after a career in general management, with an international trading conglomerate, became associated with ViRSA during early 1997 undertaking specific projects as the resources manager answering to the Director for all areas of administration, office management, and accounting functions. After a short period back in the furniture industry David re-joined ViRSA as the field worker for Oxfordshire, Berkshire and Hampshire. He is passionate in his support for rural services and is an advocate of all advances that provide cohesion in the rural community.

#### **7.4.2 ViRSA Objectives**

- Acting as a national focus, it is the only organisation with a single minded and dedicated approach to helping village communities to keep their retail services.
- Having the expertise to help Parish Councils and Village Groups install village backed investment rescue packages.
- Producing model systems that can be tailored to suit the individual village's needs and capabilities whilst offering guidance to ensure that the schemes are properly established and sustainable.
- Establishing the Rural Shops Alliance (RSA) with key organisations, authorities and other interested groups to provide a national voice for rural shopkeepers.
- Maintaining a field worker network in England and Wales, providing accessible experience, expertise and guidance.

# CHADLINGTON QUALITY FOODS

- Helping to plan ahead as well as advising on setting up new shops.
- Working closely with the Countryside Agency and its Retail Consultants, Rural Community Councils, District Councils, regional and national agencies and Post Office Counters Ltd.
- Being in close touch and lobbying Central Government.
- Informing subscribers of new ideas, updates on legislation, retailing techniques and other matters of concern to retailers through its quarterly magazine, Talking Shop.
- Responding rapidly and warmly to those seeking information, support and advice.
- Regularly reviewing new ideas and promotional schemes.

## **Longer Term Objectives**

- Create and manage a national database identifying those village shops at risk.
- Expand activity in the promotion of local shopkeepers' associations via the Rural Shops Alliance.
- Conduct business and retail skills training programmes.

## **7.5 Oxfordshire Rural Community Council**



Oxfordshire Rural Community Council (ORCC) (Witney)  
Jericho Farm, Worton,  
WITNEY OX8 1EB  
Telephone: 01865 883488  
Email: [oxonrcc@ruralnet.org.uk](mailto:oxonrcc@ruralnet.org.uk)

### **7.5.1 Involvement with ORCC**

ORCC introduced us to ViRSA. Although the ORCC has had little involvement with our project so far, their representative for village shops and post offices and the Oxfordshire Village Shop Association is Helen Datson. Helen ran the village shop in Chadlington some years ago and the community considers that she was extremely successful. Her help in the future, in her role with the ORCC, will be invaluable.

### **7.5.2 ORCC and its Objectives**

Oxfordshire Rural Community Council (ORCC) is an independent registered charity founded in 1920. It brings together individuals and representatives of other organisations who share a concern for the well-being of rural communities in the county. ORCC co-operates with other voluntary bodies and statutory authorities to help local people to improve the quality of life for all who live or work in Oxfordshire villages.

ORCC has two key strategic objectives: to increase public awareness and understanding of rural issues and problems in Oxfordshire, with the aim of influencing the policy makers to the advantage of rural communities; and to help village communities in Oxfordshire to identify and tackle local needs and problems, by encouraging and supporting local initiatives and voluntary activities.

## 8 Appendix: Memorandum and Articles of Association

**THE COMPANIES ACTS 1985 to 1989  
PRIVATE COMPANY LIMITED BY SHARES  
MEMORANDUM of ASSOCIATION**

of

**Chadlington Quality Foods Limited**

1. The name of the Company is **Chadlington Quality Foods Limited**
2. The Registered Office of the Company will be in England.
3. The object of the Company is to carry on business as a general commercial company.
4. Without prejudice to the provisions of section 3A of the Companies Act 1985 the Company shall have the following powers:
  - (A) To acquire and undertake the whole or any part of the goodwill, assets or liabilities of any person, company or firm carrying on any business which this company is authorised to carry on, or to purchase or acquire any interest in or rent or hire any other real or personal property whatsoever which may be necessary or convenient for the purposes of the company.
  - (B) To purchase, sell, exchange, improve, mortgage, charge, rent, take on lease or in exchange, hire, surrender, licence, accept surrenders of and otherwise acquire and deal with any freehold, leasehold or other property, chattels and effects, erect, pull down, repair, alter, develop or otherwise deal with any building or buildings and adapt the same for the purposes of the company.
  - (C) To grant any leases, privileges, concessions or rights whatsoever in or in respect of any of the property of the company.
  - (D) To invest and deal with the monies of the company not immediately required for the purposes of the company in or upon such securities and subject to such conditions as may seem expedient.
  - (E) To promote any other company, and to underwrite the shares or debentures of that company.
  - (F) To amalgamate with or enter into any partnership, joint venture, union or profit sharing or other business arrangement with any other company, firm, association or person.
  - (G) To execute, accept, endorse, issue, buy and discount promissory notes, bills of exchange, bills of lading and any other negotiable and transferable instruments.
  - (H) To borrow, raise and secure the payment of money in such manner as the company shall think fit; in particular to borrow money by the issue of debentures or debenture stock, perpetual or otherwise and at par or at a premium, or a discount, and to secure any money borrowed or any other liabilities or obligations of the company by mortgage or charge of all or part of the company's property or assets, including future property and uncalled capital.

# CHADLINGTON QUALITY FOODS

(I) To invest the funds of the company in shares or debentures or such other investments or securities as the company may determine, to make loans or advances or give credit to any person, company or firm on such terms as may seem expedient, and to guarantee or give security for any liability or obligation of any person, company or firm.

(J) To sell all or any part of the undertaking, goodwill and assets of the company for such price and upon such terms as may be thought fit.

(K) To establish any scheme, whether by the issue of shares or otherwise, whereby employees may share in the profits or take part in the management of the company.

(L) To pay the expenses of or incidental to the promotion and incorporation of the company.

(M) To do all such other things as are conducive or incidental to the attainment of the above objects or to any of them.

It is hereby expressly declared that each sub-clause of the foregoing clause shall be deemed to be an independent object of the company and shall be construed independently of anything contained in any other sub-clause.

5. The liability of the members is limited.
6. The share capital of the company is £1,000 divided into 1,000 ordinary shares of £1 each.

I, the subscriber to this Memorandum of Association wish to be formed into a company pursuant to this Memorandum; and agree to take the number of shares shown opposite my name.

<b>Name and address of subscriber</b>	<b>Number of shares taken</b>
Temples (Prof. Services) Ltd 152/160 City Road London EC1	one

Dated this 23 February 2001

Witness to the above signature

John Carter  
7 Kemp House  
160 City Road  
London EC1

# CHADLINGTON QUALITY FOODS

## THE COMPANIES ACTS 1985 to 1989 PRIVATE COMPANY LIMITED BY SHARES ARTICLES of ASSOCIATION

of

### Chadlington Quality Foods Limited

#### PRELIMINARY

1. (a) The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied hereby and such Regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the regulations of the Company.  
  
(b) In these Articles the expression "the Act" means the Companies Act 1985, but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

#### SHARES

2. The directors of the Company are generally and unconditionally authorised to allot, grant options over or otherwise dispose of the unissued share capital of the company, whether forming part of the original share capital or not, for a period of five years from the date of incorporation to such persons at such times and on such conditions as they think fit, subject to the provisions of Section 80 of the Act.
3. (a) Subject to the statutes the Company may purchase any of its own shares, including any Redeemable shares whether out of capital or distributable profits.  
  
(b) The Company shall, before allotting any unissued shares, offer them to the Members in proportion as nearly as possible to the nominal value of the existing shares held by them and the offer shall be made by notice specifying the number of shares to which the Member is entitled (subject to clause 3(a) above) and a period of time (not less than 14 days) within which the offer if not accepted will be deemed to declined, and after the expiration of the time limit or on receipt of a written notice from the Member declining the shares then the directors may dispose of them as they think proper.  
  
(c) The provisions of Section 89(1) and Sections 90(1) to (6) inclusive shall not apply to the Company.

#### DIRECTORS

4. Regulation 64 in Table A shall not apply to the Company. Unless and until otherwise determined by ordinary resolution in General Meeting of the Company there shall be no maximum number of directors and the minimum number shall be one. A sole director shall have authority to exercise all the powers and discretions by Table A and by these Articles expressed to be vested in the Directors generally, and Regulation 89 is modified accordingly.
5. The directors shall not be required to retire by rotation and Regulations 73-77 (inclusive) and Regulation 80 of Table A shall not apply to the Company. In Regulation 78 the words "and may also determine the rotation in which any additional directors are to retire" shall be deleted, and the final two sentences of Regulation 79 shall not apply to the Company.

# CHADLINGTON QUALITY FOODS

6. A director may vote as a director in respect of any contract or arrangement in which he is interested or upon any matter arising therefrom, and if he shall so vote his vote shall be counted and he shall be reckoned in estimating a quorum at any meeting at which any such contract or arrangement is under consideration; and Regulations 94 and 95 of Table A shall be modified accordingly.
7. In the case of an equality of votes at any Directors Meeting the Chairman of the Meeting shall not have a second or casting vote and Regulation 88 of Table A shall be modified accordingly.

## **TRANSFER OF SHARES**

8. A member desiring to transfer shares otherwise than to the Company shall first give notice in writing handed personally or sent by registered or recorded delivery post to the Registered Office of the Company and to the last known addresses of the Directors and all Shareholders of the Company of such intention, giving full particulars of the shares in question. The Directors as agent for the member giving such notice may dispose of such shares or any of them to members of the Company in a direct and pro rata proportion to their existing holdings at a price to be agreed between the transferor and the Directors or failing agreement at a price fixed by the Auditors of the Company as a fair value thereof. If within 28 days of the date of the said notice the Directors are unable to find a member willing to purchase all such shares on such conditions then but not before then the transferor may dispose of so many of such shares as shall remain undisposed of in any manner he may think fit within three months from the date of the said notice, but the Directors may in their absolute discretion and without assigning any reason therefore decline to register any such transfer whether or not it is in respect of a fully paid up share or shares and Regulation 24 of Table A shall be modified accordingly.

## **THE COMPANY SEAL**

9. If the Company has a seal it shall only be used with the authority of the Directors or a committee of Directors. Any instrument to which the seal is affixed shall be signed by a Director and by the Secretary or second Director. The obligation under Regulation 6 of Table A relating to the sealing of share certificates shall only apply if the Company has a Seal. Regulation 101 of Table A shall not apply to the Company. The Company may exercise the powers conferred by Section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

## **PROCEEDINGS AT MEETINGS**

10. At any General Meeting a Resolution put to the vote of the Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or any member in person or proxy and Regulation 46 of Table A shall be modified accordingly. In the event of an equality of votes the Chairman shall not have a second or casting vote and Regulation 50 of Table A shall not apply to the Company.

## **Name and address of subscriber**

Temples (Prof. Services) Ltd 152/160 City Road London EC1

Dated this 23 February 2001

Witness to the above signature

John Carter  
7 Kemp House  
160 City Rd  
London EC1