

# Half Yearly Report

For the 6 months ended 5th March 2016



Our new Health Pod launch

## Directors and Officers

Vice Presidents

**Stuart Parker** *BSc. (Eng)*  
**Julia Romney**

Chief Executive Officer

**Ursula Lidbetter**  
*MBE, BSc. Hons, FCIS, DL*

Group Secretary

**Jane Powell**  
*LLB. (Hons) MBA*

Directors

**Rev Barbara Hutchinson**, **Sue Neal**, **Carol Bratton**, **David Maltby**, **Steve Hughes** *B Pharm*  
**Kevin Shaw** *BSc. (Hons) ACA*, **Mark Bowen** *MSc, PgCert, Dip CG, FCMI, CMgr*, **Peter Gault** *MBA*

## Sales

The Society had a strong half year, with an increase in both sales and profit. Total sales for the six month period rose by £3.7m to £146.8m.

Our food store sales rose by a strong 6.6 per cent with customer numbers growing well. At our bakery, Gadsby's, sales increased by 7.8 per cent. We sold over 11m litres of fuel at our filling stations, a like for like increase of 6.6%.

2.7m prescriptions were dispensed by our 49 pharmacies, up 4.7 per cent. We also provided a wide range of health services including NHS Medicines Use Reviews and New Medicine Service, flu vaccinations, health checks and stop smoking clinics. More than 8,000 patients used these in the last six months.

Our funeral homes and crematorium provide a trusted service to people in their time of need and revenue rose 4.2%. Funeral bond sales were also strong.

Our 41 post offices carried out millions of transactions although the income received from government for this important service fell once again.

Over 12,500 people enjoyed holidays booked by our travel agencies and sales increased by 1.7%. Cruises and escorted tours were particularly popular choices as world events restricted bookings to some destinations.

## Financial

Our good sales performance resulted in a group trading surplus of £10m, up 3.7% on the same period last year. This has allowed us to pay out £2.2m to members in dividend and dividend bonus.

After accounting for tax and member benefits we transferred £5.7m to reserves.

## Developments

An **£8.3** million capital programme brought to fruition new services and developments.

We have made significant progress on two of our major projects. Planning permission was granted for the first phase of the Cornhill Quarter and we will begin work on site this summer. This investment will preserve and transform the historic eastern part of Lincoln's city centre.

We've also started construction of the Boole Technology Centre, which will house innovative businesses. It's part of the Lincoln Science and Innovation Park, a joint venture between the Society and the University of Lincoln.

We opened four new food stores. Three replaced our small stores in Collingham, Wragby and Heapham Road Gainsborough. Our new store in Long Bennington also gave us the opportunity to construct seven houses on the site, in a joint venture with Lindum, a well-respected local building company. Two more replacement stores, in Woodville Road, Boston and Old Leake, open in May and June.

We have invested in upgrades to our food stores in Kirton Lindsey, Washingborough and Hykeham, giving them a fresh new look and layout with new product ranges.

Following on from our successful Waddington library, in January we found space for the local library in our Spilsby food store. We are also accommodating the Holbeach library when we remodel our food store there over the coming months. We are grateful to all the volunteers who are supporting the three libraries which we have given a home.

Updates have been made to 18 of our post office branches to convert them to the new post office format and to support this key community service.

We built a further extension to the Tawney Street doctors' surgery in Boston which also houses our popular Healthy Living Pharmacy. This concept has also transformed our pharmacies in North Hykeham and Donington and we will use this modern format for an upgrade of Heckington pharmacy which we have acquired.

We believe community pharmacy is vital and takes the strain off other health services, like A&E departments and GPs, so we have serious concerns about the Government's proposals to cut community pharmacy provision. Thanks to the thousands of our pharmacy customers who have signed a national petition calling for services to be safeguarded. We have also made representations on the issues to our local MPs.

## Membership and Community

13,435 new members joined the Society this half year, taking us to over 250,000 members, quite a milestone. In October we launched our junior members' website which includes the option for members to sign up online.

Our members help create our profits which are then distributed locally. Community Champions links each member to a good cause. Each time they shop with their dividend card a proportion goes to that local Champion. This half year £145,000 was raised for 169 Community Champions, including for the first time over £51,000 from the carrier bag levy.

Our employees did a brilliant job raising £113,000 for Teenage Cancer Trust and are now fundraising for local branches of the MS Society.

We've also worked with the East Midlands Ambulance Service and LIVES to house 20 defibrillators at our stores in south Lincolnshire.

We've held 6 events with our Health Pod (as shown on the front cover), delivering body mass indicator analysis to 122 people and 32 health checks.



The opening of Spilsby library in our food store



Our fundraising total for Teenage Cancer Trust

## Employees

We now have a record 2,861 colleagues. They have received a profit share for the six months of 80 per cent of a week's wage to recognise their contribution to delivering great service.

We partnered with the Prince's Trust on its Get into Retail programme, helping and training young people to find a route into a career. Following the successful programme we were pleased to welcome 11 new colleagues into our food stores.

Our apprenticeship schemes in food, pharmacy and travel continue to be popular and this year we added post office apprenticeships.

We are sad to report the deaths of colleagues and pensioners.

**Malcolm Hoskins** aged 69. Malcolm worked for the Society from 1987 in personnel and training and later as Health, Safety and Environment Manager until his retirement in 2008. He was President of the Society in 2013/14 and served as a valued director until last year and will be missed by us all.

**Rowland Taylor** aged 95. Rowland was employed by the Society from 1934 and spent his whole 50 year career with us, broken only by a period of war service. He became cash controller and was a trusted and much loved colleague. On retirement he became a director and in later life was our returning officer for society elections.

Also our colleagues

Gillian Clark	pharmacist	66
Jackie Adams	stocktaking team	66
Alexander Sutherland	dairy	70
Pauline Waylen	Sleaford dairy	71
Vernon Walshaw	footwear manager	87
Roy Hanson	Newark motor dealership	88
Bill Scoffins	grocery manager	92
Doris King	Gainsborough	99

We were also sad to hear about the recent death of one of our members, Jane Hayes, who was secretary of the Co-op ladies for a number of years.

We send our condolences to their families and friends.

# Half Yearly Members' Meeting

10am on Saturday 4th June 2016

The Epic Centre, Lincolnshire Showground, Lincoln

## Agenda

1. Minutes of the Members' Meeting held on 25th November 2015
2. Directors' Half Yearly Report
3. Results of the election for 3 members to the Board of Directors

