



Clevedon Community Bookshop

Clevedon Community Bookshop Co-operative five-year plan 2018 - 2022

Clevedon Community Bookshop Co-operative was formed in 2011 and started trading on 31st December 2011. We are a successful member owned and volunteer run bookshop. This document outlines our ambitions for the next five years

Our objectives are to:

- Provide a bookshop in Clevedon specialising in good second-hand books
- Be a community led and operated co-operative enterprise
- Offer opportunities for various community based arts, educational and social activities through the co-operative.
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Legal Structure

Clevedon Community Bookshop is a Co-operative was incorporated as a Co-operative Society and started trading in December 2011.

Co-operatives operate under set of Values and Principle that are laid down by the International Co-operative Alliance. These are:

Co-operative values

Co-operatives are based on the values of **self-help, self-responsibility, democracy, equality, equity and solidarity**. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

Co-operative Principles

The co-operative principles are guidelines by which co-operatives put their values into practice.

1. Voluntary and Open Membership

Co-operatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.



Clevedon Community Bookshop

2. Democratic Member Control

Co-operatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organised in a democratic manner.

3. Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

4. Autonomy and Independence

Co-operatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5. Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

6. Co-operation among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

7. Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.



Clevedon Community Bookshop

Membership

Clevedon Community Bookshop is owned by our members. Members can buy a minimum of 10 shares at £1 each. These shares will:

- Make you a member of the Bookshop
- Provide working capital
- Give you an equal vote regardless of the size of your shareholding.

As at 01/11/2017 membership stands at 648 and our share capital stands at £16,130.

Governance.

The Co-operative members elect a Board of Directors to run the Co-operative at a strategic level. The day to day management of the Co-operative is in the hands of our volunteers who give up their time to support the Bookshop and our internet store. Our business model relies upon the members to volunteer their time and the Board would like to thank every volunteer for their on-going support.

Projected financial results from first five-year plan.

	Sales £	Profit £
2012	12915	6750
2013	19132	9250
2014	24460	10250
2015	29788	12,500 *
2016	32242	13,500 *
Total	118537	26250

- Not quoted in the original plan, but the same ratio as the 2014 figures

Actual results

	Sales £	Expenses £	Profit £
Up to March 2012	7510	6610	900
Year 12/13	33255	26201	7054
Year 13/14	35842	27116	8728
Year 14/15	35763	32927	2836
Year 15/16	36525	31102	4423
Year 16/17	43463	37724	5547
Total	192358	161680	30758



Clevedon Community Bookshop

Current Provision

CCBC operate a second hand high quality bookshop in Copse Road Clevedon and an internet bookshop and storage facility out of Unit 15, Tweedie Road Clevedon. We employ no employees and run with the support of over 70 volunteer members All our stock is donated by our local community. We have members who support our Bookshop through volunteering either at our two outlets or behind the scenes, cataloguing, bindery, IT support, marketing, social media, Clevedon Community Press, window dressing and courses and events.

Market position

We operate a second-hand bookstore and internet offer. There are no other dedicated second-hand bookshops in Clevedon and the nearest dedicated second-hand bookshop is in Bristol. As such we have a dominate market position for high quality books. We also sell a lot of popular fiction and this market is competed by many charity shops in the surrounding area. Our strength is maintained in this market by our high-quality presentation of our books in our store. Our internet business competes with the entire world. We attempt to maintain a good internet offer, by good descriptions of our books, accurate pricing and where appropriate repairing books to increase their value.

Swot analysis



Clevedon Community Bookshop

In preparing the new plan the Board undertook an SWOT analysis

<p>Strengths</p> <ul style="list-style-type: none"> • Bookshop sales • Bookshop location • Volunteers • Growing internet sales • Voluntary management structure • Member owned • Book donations • Sustainable Co-operative Model • In store marketing • Links to local media • Links to community groups e.g. Curzon and Pier. 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Rent -we don't own building • Leasehold tenure of both the bookshop and unit 15 • Business Rates • Lack of technology in Bookshop. I.e. inventory and tills. • Book donations- type and frequency • Hidden Location • Limited Member benefits • Lack of awareness of existence • Too many books V volunteers • Low book price/ inappropriate stock
<p>Opportunities</p> <ul style="list-style-type: none"> • Community outreach e.g. Courses, book club's events etc. • Greater volunteer engagement • Greater member engagement, • Social media • Cross promotion with Hill Road traders • New channels i.e. Hive • Complete online inventory • Branded goods • Alternative fundraising • Annual membership fee • Restructure rules to be a Community Benefit Society discounted business rates • Greater media exposure • Wider Co-operative Movement 	<p>Threats</p> <ul style="list-style-type: none"> • Bookshop and unit tenure • Competition physical and online • Size of Bookshop constrains growth • Small player in a big internet sales field • Lack of volunteers. • Lack of technology in bookshop e.g. no accurate stock inventory, no analysis of sales. • Relies on volunteers – threat to model if numbers drop off.

Five-year financial forecast

The Treasurer has produced the following five-year financial plan based upon the assumptions listed below.



Clevedon Community Bookshop

2017/8 Draft Budget

		2017/8		Year 2	Year 3	Year 4	Year 5
Bookshop	Sales (Books only)	£27,000	plus 5%	£28,350	£29,768	£31,256	£32,819
	Shop running costs	£15,620	plus 5%	£16,401	£17,221	£18,082	£18,986
	Co-op running costs (excl. contingency)	£1,450	plus 5%	£1,523	£1,599	£1,679	£1,762
	Surplus	£9,930		£10,427	£10,948	£11,495	£12,070
Unit 15	Sales (Gross)	£17,500	plus 5%	£18,375	£19,294	£20,258	£21,271
	Costs of sales	£8,700	plus 5%	£9,135	£9,592	£10,071	£10,575
	Sales (Net)	£8,800		£9,240	£9,702	£10,187	£10,696
	Unit 15 running costs	£13,000	plus 5%	£13,650	£14,333	£15,049	£15,802
	Deficit	-£4,200		-£4,410	-£4,631	-£4,862	-£5,105
Others	Income	£2,260	plus 10%	£2,486	£2,735	£3,008	£3,309
	Expenditure	£2,120	plus 5%	£3,180	£3,339	£3,506	£3,681
	Surplus	£140		-£694	-£604	-£498	-£372
Contingency		-£3,200		-£2,400	-£2,400	-£2,400	-£2,400
Net Surplus		£2,670		£2,923	£3,313	£3,735	£4,192
Additional Resources*				£3000	£3,150	£3,308	£3,473



Clevedon Community Bookshop

- Altering the constitution in year two, could generate additional surplus which CCBC could use to develop our community outreach, our members and our volunteers.

Questionnaire

The Board issued a questionnaire to members to gauge their opinions on what our priorities should be in the next five years. Appendix 1 outlines the response to these questions. There emerged four main themes that were strongly supported by the members

- Support our volunteers, including investing in technology to achieve this.
- Involve and educate our members so that they can have the opportunity to engage with and to support their bookshop
- Expand our community out reach
- Develop our co-operative.

Next steps.

The five-year business plan demonstrates that whilst our trading position does produce a surplus each year, the level of profit is relatively small. To enable the Co-op to achieve the four aspirations we will need to generate additional resources, either from more profitable trading or from another avenue.

One opportunity does stand out that will quickly allow the Co-operative to release some additional resources to put towards these aspirations.

When our Co-op was formed in 2011, the preferred legal structure adopted was a Co-operative under the Industrial and Provident Act 1965. This enabled the Bookshop to become a member owned co-operative.

An alternative Co-operative model would be the Community Benefit Society model. This structure is still a Co-operative, with members owning the business and electing the Board. The main difference between this and our current structure is that Community Benefit Societies trade for the benefit of their local community rather than the interest of members. It is clear from the members questionnaire that people did not join our bookshop for personal gain but for wider sense of community. Thus, a Community Benefit Society would be a better vehicle for our co-operative.



Clevedon Community Bookshop

The second difference is that as a Community Benefit Society, the Bookshop can claim Exempt Charitable Status from HMRC. Effectively this treats the Bookshop as a Charity with all the tax advantages. For the Co-op these means we would automatically receive 80 % discount on our business rates and an exemption from Corporation tax. As the five-year financials indicates this would free up £3000 per annum. This would allow the Board to increase the level of resources to the other three areas that members felt were important.

The last advantage is that Community Benefit Societies has an asset lock that prevents the assets of the society from being sold. Again, members in the questionnaire felt that they did not want a personal benefit from their membership and that profits should be used to support our community. It would be appropriate to have an asset lock in place to prevent members demutualising our society in the future

The Board will therefore work towards putting a resolution to the members meeting in June 2018 to adopt a new set of rules to change to a Community Benefit model.

Future work streams.

To take the other three issues forward, the Board intend to ask our members to become involved with three working groups that will be responsible for drawing up the plans for these issues.

- Supporting our volunteers
- Educating and involving members
- Community out-reach.

The Board wish to involve as many members into this process. The Board proposes to ask members to volunteer to one of these groups in 2018. The Board will ask each of the groups to develop and to present their plans for adoption by the Board in the summer of 2018.