

Chelmsford Star Co-operative Society Limited

annual

report and financial
statements **08/09**

For the year ended 31st January 2009



All Co-operative tea
now **Fairtrade**



Chelmsford Star
at the heart of essex

www.chelmsfordstar.coop

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Directors, Elected Representatives, Management Executive and Advisers

As at 26 March 2009

BOARD OF DIRECTORS

President (appointed by the Directors)

Mr T G Haggerty

Directors

Mr M P Austin - Vice-President

Ms A K Bearman

Mrs P Dodd

Mr C Fegan

Mr F P L Gardner

Mrs J E Martin

Mr A Price

Mr R Simons

Mr M F R Whalley

Mrs J Goodridge also served on the Board during the year under review

Audit Committee

Mrs J E Martin (Chair)

Mr F P L Gardner

Mr T G Haggerty

Remuneration committee

President (Mr T G Haggerty)

Vice President (Mr M P Austin)

Mrs J Martin

Mr R Simons

Succession planning sub-committee

Mr C Fegan (Chair)

Mr M P Austin

Ms A K Bearman

Mr F P L Gardner

Mrs J E Martin

Mr R Simons

Mr M F R Whalley

Membership Committee

Mr M F R Whalley (Chair)

Ms A K Bearman

Mr C Fegan

Mrs P Dodd

Elected Members' Representatives -

Mrs H Corby

Mr L Hope

Co-opted member -

Mrs P Green (Members' Council Chair)

MEMBERS' COUNCIL

Mrs L Bowser

Mr B Fillery

Mrs P Green

Mr A Gunn

Mrs P Joughin

Mrs F Mockett

Mrs J Saunders

Mr M Wallace

MANAGEMENT EXECUTIVE

Mr A W Gudgeon - Chief Executive Officer

Mr R Ducker - Department Stores Operations Manager

Mr K Grinsted - Member Relations Officer

Mr S B Hammond - Specialist Services Manager

Miss V J Howard - Marketing and PR Manager

Mr K McDonald - Food Operations Manager

Mr R Myddelton FCCA - Head of Finance and Secretary

Mrs A Rowland - Human Resources Manager

Mr B J Wood MCMI CIRM - Deputy Chief Executive Officer

ADVISERS

Auditors

MacIntyre Hudson LLP

Moulsham Court, 39 Moulsham Street Chelmsford

Solicitors

Wortley Redmayne Kershaw

Stonebridge House, Stonebridge Walk Chelmsford

Principal Banker

The Co-operative Bank Plc

1 Balloon Street, Manchester

REGISTERED OFFICE

Chelmsford Star Co-operative Society Ltd., 220 Moulsham Street, Chelmsford CM2 0LS

www.chelmsfordstar.coop • email: members@chelmsfordstar.coop

Registered by the FSA 973R

Annual General Meeting of Members

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF MEMBERS

will be held on
Monday 27th April 2009
at 6.30pm in the 'quadrant'
Department Store,
220 Moulsham Street,
Chelmsford

Entrance from 6.00pm at the
Riverside Entrance only

AGENDA

1. Directors' Social Report, Membership Committee Report & the Report and Accounts of the Chelmsford Co-operative Party Council for the year ended 31st January 2009.
2. Minutes of the Annual General Meeting held on 28th April 2008.
3. Minutes of the Special General Meeting held on 28th April 2008.
4. Minutes of the Special General Meeting held on 13th October 2008
5. Directors' Report and Financial Statements for the year ended 31st January 2009 including ratification of Final Dividend at £7.00 per 1,250 stars accrued on Starcards at 31st January 2009, to be credited to Members' Starcards on 28th April 2009.
6. Appointment of Scrutineers.
7. Election of 4 Directors:
3 vacancies for 3 years and 1 vacancy for 1 year - 9 nominations received.
8. Membership Committee Election:
1 vacancy for 2 years -
12 nominations received.
9. Members' Council Election:
4 vacancies for 2 years -
16 nominations received.
10. Management Presentation:
 - Review of 2008/09 Trading Year
 - Future prospects and business developments.
11. Appointment of Auditor.
12. Charity of the Year 2009.

The following candidates have been nominated for the positions indicated by the letters after their name:

**B = Board, M = Membership Committee
C = Members' Council:**

Maurice Austin	B	-	-
Lois Bowser	-	M	-
Selwyn Cross	-	-	C
David Edwards	-	M	C
Andy Fletcher	-	M	C
Evelyn Flint	B	M	-
Pauline Green	B	M	C
Tony Gunn	B	M	-
Roy Hilsley	B	M	-
John Hodds	-	-	C
Robert Jones	-	-	C
Pamela Joughin	B	-	-
Barbara Lucas	-	M	C
John Manning	B	-	-
Jennifer McLean	-	-	C
Fiona Mocket	-	M	C
Rita Pembroke	-	-	C
Lynn Regan	-	M	C
Kathleen Rouse	-	-	C
Sharon Beverly-Ruff	-	M	C
Anna Sandbach	-	-	C
Judy Saunders	-	-	C
Roger Simons	B	-	-
Malcolm Wallace	-	-	C
Michael Whalley	B	M	-

Candidates' Statements are available on request from the Secretary.

Members who have registered for a Postal Vote will receive their Ballot Paper by post to be returned by 23rd April 2009.

Admission to the Members' Meetings

RULE 9.10 states "Every member who has a vote under these Rules shall be entitled to attend Members' Meetings on the production of such evidence as the Board may from time to time determine'. *Such evidence includes STARCARD or Members Share Pass Book.*

RULE 9.12 states 'Every member of the Society shall be entitled to cast one vote on any resolution put to the members at a Members Meeting.

TRANSPORT - Members who require transport to this Meeting should contact the Secretary of the Society at the Registered Office, 220 Moulsham Street, Chelmsford, Essex, CM2 0LS (01245 216912) before 5.00pm on 20th April 2009.

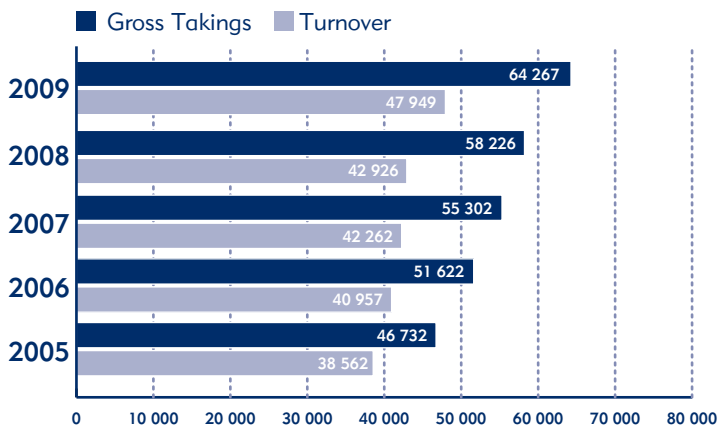
Five year comparative statement

Year ended:-	29 January 2005 52 weeks	28 January 2006 52 weeks	27 January 2007 52 weeks Restated	26 January 2008 52 weeks Restated	31 January 2009 53 weeks
	£	£	£	£	£
Gross Takings	46 731 978	51 621 694	55 301 947	58 226 381	64 267 052
Turnover (per FRS 5)	38 561 709	40 957 031	42 262 035	42 926 022	47 949 208
Net Sales	35 850 594	37 897 519	39 228 393	39 800 647	44 462 643
Members' Benefits & Grants	154 355	54 377	162 773	175 361	210 867
Trading Surplus	640 553	740 176	895 109	905 895	1 020 355
Share Interest	214 484	238 932	231 870	239 000	244 297
Retained Surplus (Deficit)	(107 690)	2 760	740 767	(39 404)	803 627
Depreciation	882 150	969 131	1 109 526	1 000 586	1 047 822
Capital Expenditure	2 381 403	1 730 572	1 518 949	1 658 650	1 025 437
Fixed Asset - Net Book Values	13 068 336	13 821 648	14 113 071	14 915 635	14 514 937
Net Current Liabilities	(440 241)	(788 836)	(893 404)	(1 582 401)	(1 345 724)
Total Assets less Current Liabilities	12 628 095	13 032 812	13 219 667	13 333 234	13 169 213
Long Term Liabilities	(4 600 637)	(4 863 976)	(5 132 084)	(5 836 648)	(5 473 131)
Pension Liability	(2 292 000)	(1 970 000)	(1 300 320)*	(1 291 680)*	(1 512 000)
Deferred Tax	-	-	-	-	461 545
NET ASSETS	5 735 458	6 198 836	6 787 263	6 204 906	6 645 627
Share Capital	5 149 632	5 249 602	5 228 056	4 870 635	4 883 539
Reserves	585 826	949 234	1 559 207*	1 334 271*	1 762 088
MEMBERS FUNDS	5 735 458	6 198 836	6 787 263	6 204 906	6 645 627
Membership	50 147	51 957	52 937	55 020	57 438
Average Shareholding per Member	£102.69	£101.04	£98.76	£88.52	£85.02
Trading Surplus as % of Net Sales	1.79	1.95	2.28	2.28	2.29
Members' Benefits as % of Net Sales	0.43	0.14	0.41	0.44	0.47
Fixed Asset additions as % of Net Sales	6.64	4.57	3.87	4.17	2.31
Gearing	83%	85%	87%	117%	105%
Interest cover (Net interest as % of Surplus before Interest)	158	190	221	188	203

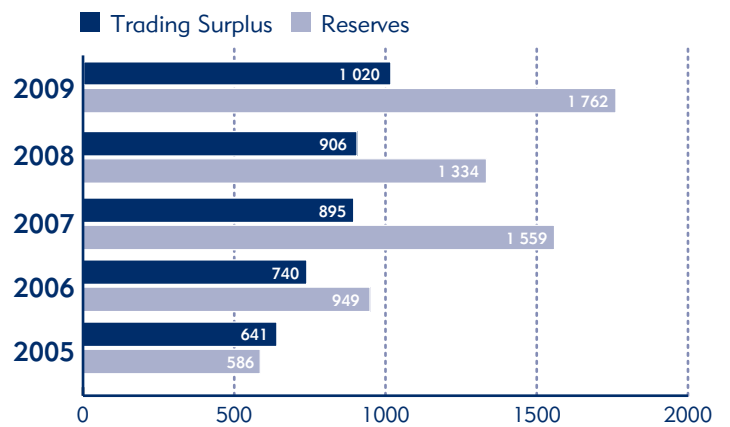
*Restated in part for deferred tax re FRS 17.

Five year comparative charts

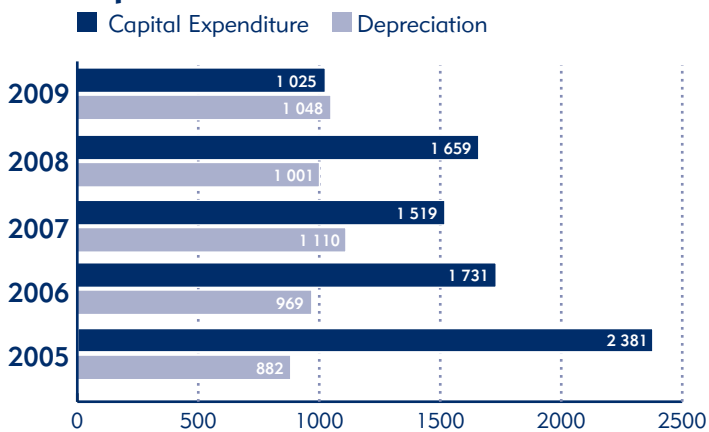
Gross Takings & Turnover £000



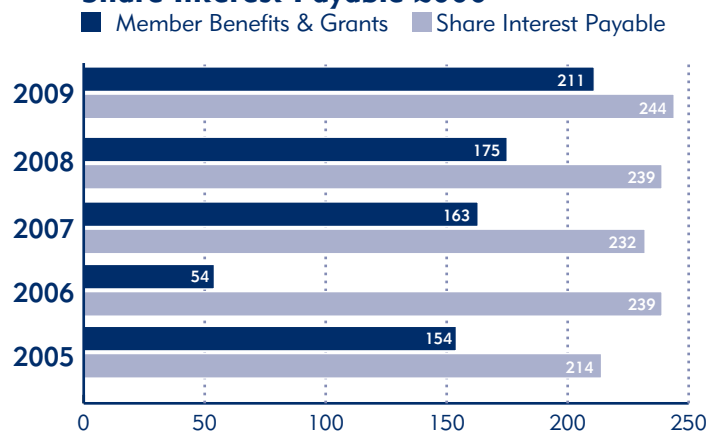
Trading Surplus & Reserves £000



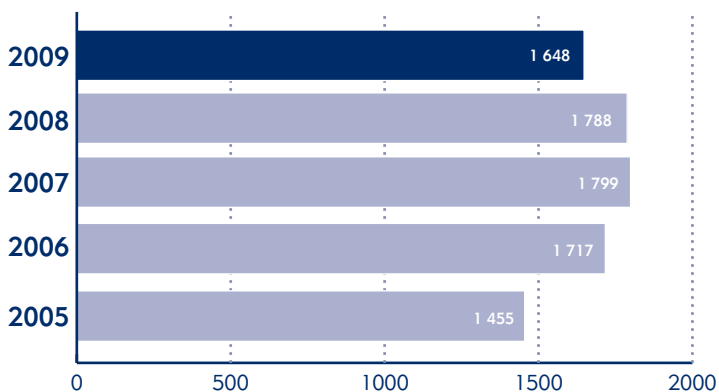
Capital Expenditure & Depreciation £000



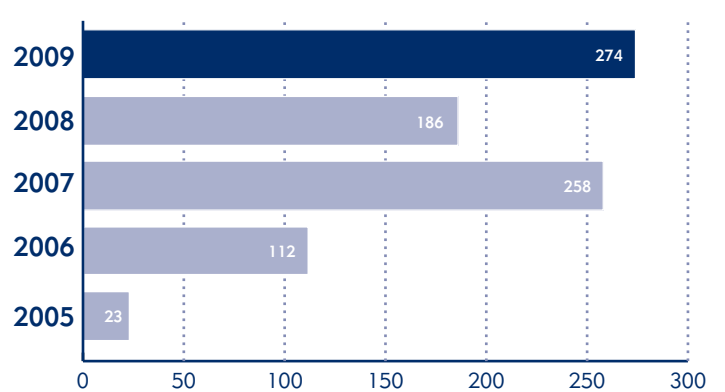
Member Benefits & Grants / Share Interest Payable £000



Cash Flow from Operating Activity £000



Operating Profit £000 (Surplus less Interest)



Directors' Report

To the Members

Your Board of Directors has pleasure in reporting to you on your Society's performance for the year which ended on 31st January 2009, and which was of 53 weeks duration.

Economic Background

In reporting to members last year, your Board made reference to the very challenging economic situation that had arisen in 2007, which materialised with the Northern Rock crisis.

At the time of writing last year's report, your board had hoped that the crisis had peaked and that better was to come. Unfortunately, this has proved to be anything but the case, and conditions for retailing have worsened to such an extent that some long established household names have disappeared from the High Street during 2008.

Your Society is, of course, not immune from the economic realities, but it is your board's opinion that your Society has risen to the challenges and performed creditably throughout 2008.

Financial

Gross takings have risen by 10.4% to reach a total of £64,267,052, which is a new record for the Society and our eleventh successive year of above inflation growth.

As previously mentioned, this financial year is one of 53 weeks, which therefore distorts comparisons. Adjusting for this, together with new openings and closures, gives "like for like" growth of 6.4%. Given the dire economic situation that has persisted throughout the year, it is the directors' considered opinion that the Society's business model has proved to be extremely resilient.

Operating costs have been an issue in this financial year, and continuing increases in electricity well above inflation are a major concern. The Society has also had to absorb material increases in the costs of fuel for transport, unexpected costs for escalator and lift repairs, and a number of building repairs resulting from the inclement weather in the weeks leading up to the end of the financial year.



Your directors are however, very pleased to be able to report that despite the foregoing, trading profit for the year is £1 020,355, an increase of £114,460 or 12.6%.

To have achieved a result such as this in the circumstances that have prevailed throughout 2008 is, in the opinion of your directors, further evidence that the business reforms put in place over recent years are very robust, and capable of enabling the Society to continue its resurgence.

Food

Convenience Food retailing is the Society's principal business activity and at the year end, we traded from 28 shops. Following the adoption of the brand "The Co-operative" by the Society, a progressive programme of refurbishment and refits to the Brand standard was put in place. To date, we have completed 13 refits and plan to complete the remainder during 2009.

In the financial year under review, the Food business has performed admirably and has achieved financial results that compare favourably with the industry and have outperformed the 2008/09 budget.

Gross turnover in food amounted to £50,730,767, which is a year on year increase of £5,398,027 or 12% adjusted for 53 weeks trading.

Adjusting for all non comparable factors, "like for like" growth was 8.65%. The Society monitors the quantity of food products sold and, on a "like for like" basis, these have increased by just over 3%. Equally encouraging, sales of Fairtrade products have again increased, this year by

48%, whilst sales of own label products have grown by 7.4%.

Departmental Stores

The past year has been particularly difficult for all operators of Departmental Stores, not just for independents such as ourselves but also the big multiple chains, with trade declines appearing to average some 6%. Sales of "big ticket" items such as electrical appliances, TV's and furniture have been particularly depressed with decreases of more than 10% commonplace.

Your directors are very pleased to be able to report to members that the Society's two 'quadrant' stores have performed very creditably during the year; furniture trade in particular has been outstanding, recording an adjusted turnover increase of 12.7%.

Other departments have also made a valuable contribution in terms of turnover growth, notably Housewares 18.9%, Nursery 54.2% and Restaurant 9.9%.

In fact, the only area of serious decline has been ladies' fashions where we were down 8%. This market has been particularly difficult for everyone during 2008, with Marks & Spencer, Next, Debenhams, BHS and many others sharing our experience in Fashion.

During the year, we appointed Robin Ducker as our Operations Controller for Departmental Stores. Robin joined us from Rooms of Upminster but he also has extensive Co-operative retail experience and has worked for Chelmsford Star previously.

Directors' Report

Travel

At the end of the financial year, we operated from two locations - Chelmsford and Braintree. Our Travel outlet in Ingatestone was closed in August. The outlet had not been particularly successful in travel terms, and we have been able to use the space to enlarge our Food operation, which has experienced exceptional growth.

Travel bookings in "like for like" terms, show growth of 2.1%, but we have experienced a decrease in the second half of the year of 1.3%.

There is no doubt that the serious economic plight of the country has dented consumers' confidence and dissuaded many people from booking a holiday. Equally, the relative weakness of the pound to the dollar and the Euro has reduced the number of bookings to the USA and the Eurozone.

Encouragingly, however, bookings for UK based holidays and for destinations outside of the Eurozone are beginning to show signs of growth and this is where we are presently pitching our marketing effort.

Funerals

The gross takings of our Funeral business amounted to £1,222,704, which is an increase of £107,137 or 9.6%. Adjusting for non-comparable factors, like for like growth is 2.7%.

Given that the death rate has again declined slightly, the directors are pleased to be able to report that the Society has held its share of the market and that the business has generated levels of profitability in line with the industry average and better than our budget.

It is also pleasing to report to members that sales of Funeral Plans were our highest ever, year-on-year growth being an impressive 89%. Our Funeral staff are always willing to discuss any client's requirements, please contact your nearest branch.

During the year, we organised our first-ever Remembrance evening. The event was very well received and we are looking at ways that we might be able to hold an improved service this year.

Finally, our Funeral business won the Mid-Essex Business Award for Excellent Customer Service for the sixth successive year. This is clearly an impressive achievement and the directors would wish to place on record their sincere thanks to our Funeral team for their dedication and professionalism.

Funding and Interest

The Society's costs for interest and charges on our borrowings amounted to £502,100, which on a "like for like" basis is an annual increase of 2.4%.

In securing funding from the Banks, the Society entered into a number of covenants, one important covenant being the ratio between trading profit and interest. The covenants are tested annually, and the directors are pleased to be able to report to members that your Society has operated comfortably within the covenant conditions.

Members will be aware that during 2008, interest rates fell dramatically and that the Bank of England's Base rate presently stands at an all time low. The Society did benefit from falling rates in 2008, but not substantially. However, the Society will enjoy a significant advantage in the forthcoming year.

Distributions

Directors took the decision to maintain the rates of interest paid on share capital, despite the falling market, until the end of the financial year.

The directors are conscious that for many members the interest on their investment in the Society is an important source of income.

New rates of interest apply to share capital investments effective from 1st February 2009. The new rates include a loyalty bonus element. Full details are available via the Society's website, in-store or by contacting the Investment department.

Your directors took the decision not to pay an interim dividend on purchases, preferring to wait for the outcome of the full year's financial result. Given that the Society has performed creditably, your directors propose to recommend payment of a final dividend at a rate of £7.00 for each 1,250 stars earned, which is a year-on-year increase of 7.69%. It is hoped that this is a further help to members in these difficult times.



Terry Haggerty - President since 1998

Board of Directors

Our President for the past 11 years, Terry Haggerty, has advised that he will be retiring from Co-operative service following our Annual General Meeting on 27th April.

Terry has served the Society as a Director for 21 years and his contribution towards the Society's progress cannot be underestimated.



Directors' Report

The directors are naturally very sorry to lose him, but would wish to place on record our gratitude to him for all he has achieved and to wish him a long and happy retirement.

Members will have an opportunity to pay further tribute at the Annual General Meeting, when a presentation will be made.

Somerfield plc

Members will be aware that following Office of Fair Trading clearance, the Co-operative Group has acquired the business of Somerfield. In order to obtain clearance, the Group has had to agree to the disposal of a number of shops for perceived competition reasons, one such outlet being the Somerfields in Newlands Spring, Chelmsford. The Society has now been advised that this store will be sold to William Morrison plc. The directors are naturally disappointed by this outcome, but fully understand that the Group's hands were tied.

The acquisition of Somerfields by the Group is of such magnitude that it has implications for the whole of the Co-operative Movement and naturally, we hope it proves to be an outstanding success.

Employees

That your Society has been able to make further progress in the most challenging of years is testament to the continuing commitment of our employees, and your directors would wish to thank all of them for their efforts during the past year.

Directors are also very aware that, for many



employees, job security is a major concern, given that many thousands of retail employees have lost their jobs in the past year and that there is probably more to come. The Society is confident that it will continue to build upon the growth of recent years and thereby sustain employment for our workforce.

The key to job security from the directors' perspective is for employees to continue to give excellent customer service, thereby retaining the loyalty of our members and customers.

Directors would also take this opportunity to remind employees of the many training courses which are available and which can lead to career progression and greater job satisfaction.

Bereavements

It is with great sadness that the directors report the passing away of Mrs Dora Norrington and Mrs Marion Hall. Sincere condolences are extended to both families.

The Year Ahead

It is now clear that we are, as a country, in economic recession, as is most of the world. In the opinion of your directors it would be unrealistic and probably foolish to anticipate a recovery of any substance in 2009.

Your Society has therefore put together a business plan that expects trading conditions to continue to be extremely challenging. As a significant part of our strategy for future growth, we intend to complete the re-branding of all our Food stores to "The Co-operative" by the end of the year. We believe that our strategies are appropriate for the prevailing circumstances and capable of sustaining the progress made over recent years.

Approved by the Board of Directors and signed on behalf of the Board.

Roger Myddelton - Secretary

26 March 2009



Remuneration Report

Year ended 31 January 2009

To the Members

The Remuneration Committee is appointed by the Board; it has met on four occasions in the past year. It is chaired by T Haggerty; other members are M Austin, J Martin and R Simons.

The Society's Secretary, Mr Roger Myddelton, has acted as Secretary to the Committee throughout the year. The Society's Chief Executive and Deputy Chief Executive have also been in attendance.

The underlying principle that no Executive should be present for any part of a meeting when their own terms and conditions are being discussed has been fully observed.

All meetings of the Committee have been minuted and circulated to all Board members, thereby ensuring that everyone has been kept fully informed.

The Society's policy on Executive remuneration has been reviewed during the year but it has not been changed. The policy remains as follows:

Board Policy - Remuneration

- i. The Society aims to be a fair and reasonable employer by remunerating its Senior Executives in line with market rates for organisations of similar size and complexity, and also having due regard to other matters such as the cost of living in the South East.
- ii. It is also the Society's policy to both retain and attract Senior Executives of the right calibre, as the Society seeks to build on its progress of recent years.

External Advice

The Remuneration Committee is authorised to seek independent external professional advice whenever it deems it necessary.

The Society's principal external advisor is the Co-operative Employers Association and this has remained so throughout the year. The Remuneration Committee has met with the Co-operative Employers Association during the year.

Bonus and Incentive Payments

No bonus or incentive payments have been paid to any of the Senior Executives in the past year.

The Remuneration Committee is continuing to give the issue of bonus schemes consideration. No conclusions have yet been drawn.

Service Contracts

There has been no change in the service contract arrangements of any of our Senior Executives in the past year.

Pension Benefits

There has been no change to the Pension arrangements of any of our Senior Executives in the past year.

Senior Executive Emoluments

The remuneration package of the Chief Executive, Deputy Chief Executive and Head of Finance & Secretary are determined by the Remuneration Committee upon receipt of external advice.

During the course of the past year, the salaries of all three Senior Executives were moved to the market median of the Hay scale, a reputable benchmarking database used by our external advisers to effect meaningful comparison with other Executives.

Directors' Emoluments

The fees and expenses paid to the Directors, the Membership Committee and Employee Trustees were agreed by members at the Annual General Meeting held in April 2007. At that meeting, members agreed to a three year review; the next full review will therefore, be in April 2010. In the periods between reviews, fees are increased subject to movement in the Retail Price Index.

Annual fees and expenses applicable since April 2008 are detailed below:

President	£4,420
Vice President	£3,120
Directors	£1,820

In addition to basic fees, Directors and Members' Representatives are entitled to receive fees for service on sub-committees of the Board, the scale being as follows:

Chair	£780 per annum
Member	£520 per annum

Directors and members' representatives are also reimbursed expenses necessarily and reasonably incurred on Society business. Such expenses are approved by the Board and recorded in the Minutes accordingly.

Senior Executives

	A Gudgeon Chief Executive Officer	B Wood Deputy Chief Executive Officer	R Myddelton Head of Finance/ Secretary
Date of Appointment	07.04.98	01.02.04	28.01.02
	£000	£000	£000
Basic Salary	137	103	95
Bonus	-	-	-
Benefits in Kind	10	9	10
Employers' Pension Contributions	<u>22</u>	<u>16</u>	<u>15</u>
Total Emoluments	169	128	120

Details of the total remuneration of the Management Executive are given in the notes to the Financial Statements.

Remuneration Report

The scale of expense reimbursement operated during the year is as follows:

Daily Allowance - £21.

Use of own car 40p per mile plus 5p per mile per passenger up to a maximum of four passengers.

Overnight Allowance - (i.e. Bed, Breakfast, Evening Meal) up to £90.

2nd Class Rail Fares - As incurred.

Air Travel -

The Board has determined that air travel will only be authorised in exceptional circumstances, having regard to the Society's policy on the environment.

The total emoluments of Directors who have served during the past financial year are as follows including all main Board and sub-committees fees as detailed above.

T G Haggerty*	7,280
(President)	
M P Austin	5,070
(Vice President)	
A K Bearman	2,470
P Dodd*	1,755
C Fegan	3,055
J Goodridge**	715
F P L Gardner	2,535
J E Martin	3,770
A Price	1,820
R Simons	3,380
M F R Whalley	3,250

* From April 2008

** To April 2008

*The President also receives a telephone allowance of £250 per annum.

Occasionally, a Director may be co-opted to a sub-committee to ensure that a quorum is achieved, in which case the appropriate fee is paid.

In addition, £1,430 was paid to members' representatives elected or appointed to the Membership Committee. Employees serving as Trustees of the Employees' Superannuation Fund were paid fees totalling £2,080.

By Order of the Board



**T G Haggerty -
President and Chair of the Remuneration
Committee**

26 March 2009

ATTENDANCE RECORD FROM FEBRUARY 2008 TO JANUARY 2009

BOARD MEETINGS

Director	Total Meetings	Attendance
T Haggerty (President)	13	12
M Austin (Vice President)	13	12
A Bearman	13	13
P Dodd	10	10
C Fegan	13	12
L Gardner	13	11
J Goodridge	3	3
J Martin	13	9+
A Price	13	11
R Simons	13	10
M Whalley	13	12

+Sickness

AUDIT COMMITTEE MEETINGS

Director	Total Meetings	Attendance
J Martin (Chair)	4	3
L Gardner	4	3
T Haggerty	4	4
M Austin (Co-opted)	2	2

REMUNERATION COMMITTEE MEETINGS

Member	Total Meetings	Attendance
T Haggerty	4	4
M Austin	4	4
J Martin	4	3
R Simons	4	3

RULES SUB-COMMITTEE MEETINGS (Wound-up January 2009)

Member	Total Meetings	Attendance
T Haggerty	2	2
M Austin	2	2
R Simons	2	2
M Whalley	2	2

SUCCESSION PLANNING SUB-COMMITTEE (Formed October 2008)

Member	Total Meetings	Attendance
M Austin	2	2
A Bearman	2	2
C Fegan	2	2
L Gardner	2	1
J Martin	2	1
R Simons	2	1
M Whalley	2	2

Remuneration Report

MEMBERSHIP COMMITTEE MEETINGS		
Member	Total Meetings	Attendance
A Bearman	7	7
H Corby	5	5
P Dodd	4	4
C Fegan	7	4
J Goodridge	2	2
P Green	4	4
R Hilsley	2	1
L Hope	7	7
S Saxton	2	2
M Whalley	7	7

MEMBERS' COUNCIL MEETINGS		
Member	Total Meetings	Attendance
S Beverly-Ruff	1	0
L Bowser	4	4
P Dodd	1	1
D Edwards	1	1
B Fillery	3	3
P Green	4	4
A Gunn	3	3
R Hilsley	1	1
P Joughin	3	2
F Mockett	3	3
J Saunders	4	4
M Wallace	4	4

TRUSTEES OF THE SUPERANNUATION FUND		
Member	Total Meetings	Attendance
Board Representatives:		
T Haggerty	5	4
M Austin	5	5
J Martin	5	5
C Fegan	5	3
R Simons	3	2
J Goodridge	1	1
Employee Representatives:		
A Reynolds	5	5
I Paterson	5	5
F Golden	5	3
A Price	5	5

Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements

The directors are required by Industrial and Provident Society law to ensure that the financial statements give a true and fair view of the state of affairs of the Group at the end of each financial period, and of the profit and loss for that period. In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping proper accounting records which disclose

with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Industrial and Provident Societies Acts. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities. After making all appropriate enquiries the directors have a reasonable expectation that the Group has adequate resources to continue in existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Group's financial statements in accordance with section D1.1 of the Co-operatives^{UK} Limited's Corporate Governance Code of Best Practice Volume 1.

Board Certification

The financial statements on pages 11 to 25 are hereby signed on behalf of the Board of Directors pursuant to the Friendly and Industrial and Provident Societies Act 1968.



T G Haggerty - President



M P Austin - Vice President



A W Gudgeon - Chief Executive Officer



R Myddelton - Secretary

26 March 2009

Directors' Statement on Corporate Governance

Internal Control

The Group operates under the Co-operatives^{UK} Corporate Governance Code of Best Practice (the code) with the Board of Directors having the ultimate responsibility for the system of internal control and for reviewing its effectiveness. A revised code was issued in May 2005 which requires the Board to "comply or explain".

Accepting the responsibilities imposed by the code, the board has established a sub committee - the **Audit Committee** - to receive reports - financial, audit, management and corporate - in order to properly discharge its duties in monitoring and assessing risk to the business, both internally and externally, and to meet with the auditors and such other external advisers as deemed necessary. During 2006 the Audit Committee appointed Mutual One to provide an independent Internal Audit service in furtherance of its responsibility and promoting openness and transparency. The Audit Committee chair is not the society president.

The Board has also established a **Remuneration Committee** whose responsibility is to review Senior Management remuneration and the Board's own fees after seeking external advice. The Remuneration Committee Report is on pages 7 to 9.

The Board has reviewed and reported on internal controls in accordance with the code. During 2006 the Board embraced compliance with the requirements of the revised code, in order to move the society's governance forward in line with best practice. Rule Changes adopted by members in October 2006 embraced, amongst other provisions:

- abolition of the age rule for member representation;
- the implementation of maximum terms of office for directors;
- less stringent initial qualification criteria for the 'feeder' committees (Members' Council and Membership Committee) to encourage progressively greater involvement by members and permitting candidates to be better prepared and more knowledgeable when seeking election to the Board;

creating an environment that encourages

- more democratically elected members' representatives (20 elective opportunities with at least 8 vacancies each year);
- greater variety in member involvement activity;

and thereby providing for the Board of Directors to be 'refreshed' with competent nominees more frequently.

The process used by the Board to satisfy themselves of the effectiveness of the system of internal control includes the following:

- regular receipt and examination of comprehensive financial and trading information and statistics;
- reviewing specific matters reserved for directors' consideration and decision;
- receiving reports of banking relationships, membership movements and Key Performance Indicators regularly;
- reviewing sealing, audit, remuneration and membership committee reports.

The group's systems are designed to manage and minimise risks to the business and can provide only reasonable but not absolute assurance against material mis statement or loss.

Control Environment

The group is committed to the highest standards of business conduct and seeks to maintain these standards throughout the Group with the Chief Executive Officer being responsible for the management of the Group within the policies laid down by, and under the direction of, the Board of Directors. The Group has in place an appropriate management and organisational structure with defined lines of responsibility and delegation of authority for planning, controlling and monitoring the business operations.

Risk Monitoring and Management

The Audit Committee and society management have responsibility for identifying, evaluating, reporting, monitoring and taking necessary action to mitigate internal and external risks to the business, from whatever source, on a continuing basis.

The Board has adopted a risk management policy and framework that requires regular risk assessments with a focus on areas of greatest risk. Reports are made to the Audit Committee on significant risks which could affect the group.

Information and Communication

The group undertakes periodic strategic reviews including the evaluation of business alternatives. Each sector of operations prepares annual budgets and performance against budget is actively monitored at sector management level, supplemented by forecasts. Results and forecasts are consolidated for presentation to the board on a regular basis. Through these mechanisms, Group performance is continually monitored, risks identified in a timely manner, their financial implications assessed, control procedures re evaluated and corrective actions agreed and implemented.

Control Procedures

There are control procedures and authorisation levels in place designed to ensure complete and accurate accounting for financial transactions and to limit the potential exposure to loss of assets or fraud. Measures taken include physical controls, segregation of duties, management review and internal and external audit to the extent necessary to arrive at their respective audit opinions.

Capital projects and asset acquisitions and disposals require board approval and the board receives regular reports on capital asset movements. Commitments requiring the use of the society's seal are authorised by members of the board acting as a Sealing Committee.

Monitoring and Corrective Action

There are clear and consistent procedures in place for monitoring the systems of internal financial control, including the independent Internal Auditor who reports directly to the Audit Committee on their effectiveness. Additionally the society has a 'whistle blowing policy' to reinforce and complement control procedures. During the year the board has found no weaknesses in the systems of internal control of sufficient significance to require disclosure.

Statement of Accounting Policies

The following accounting policies have been applied consistently in dealing with items considered material in relation to the financial statements, except as noted below.

Basis of Accounting

The financial statements are prepared on a group basis in compliance with all current accounting standards using the historic cost accounting convention.

Accounting Dates

The financial statements have been made up to the last Saturday in the year ended 31 January. The current period is the 53 weeks ended 31 January 2009 with comparative figures for 52 weeks ended 26 January 2008.

Basis of Consolidation

The Group Accounts consolidate the accounts of the society and its subsidiary, Star Holdings Chelmsford Limited a subsidiary society engaged in Property Management.

Gross Takings and Turnover

Gross Takings include cash sales, goods and services sold on credit, property rentals, agency commission and concessionaire commission, inclusive of sales related taxes such as VAT. In order to comply with FRS 5, where it is deemed that the society is acting as agent, gross agency turnover is not recognised and only commission received under the agency agreement is recognised as Turnover. This applies to Bill payments in food, travel agency business and concessions income in Department Stores.

Stocks

Stocks are valued at the lower of cost and net realisable value after making allowance for defective or obsolete stock and slow moving lines.

Dividends Receivable

Under the provisions of FRS 21, dividends receivable are only accounted for when declared by the paying society.

Investment Income

Interest and dividends receivable are accounted for on the accruals basis.

Taxation

Corporation Tax - current provision has been made for the estimated liability on accounts to date, at the appropriate rate;

Deferred Tax is recognised without discounting in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen

but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Assets Leased to the Group

Assets subject to finance leases are included in the Balance Sheet at cost value less depreciation charged on the group's normal accounting policy. Finance charges included in lease payments are charged against profit over the period of the lease based on the balance of the outstanding commitment. The outstanding commitment is analysed between current liability (being payable within one year) and long term liabilities (being payable after one year). Rentals due under operating leases are charged to the Revenue Account in the year in which the cost accrues.

Funeral Plans

Liabilities under the funeral plan are based on the total commitment at the Balance Sheet date. Based on the society's experience of funerals carried out under the plan, liability has been apportioned between current liability for plans expected to be redeemed within one year and long term liability for the remainder. Since January 2002 all monies received for new funeral plans have been invested in individual whole life insurance policies with Co-operative Insurance Society Ltd.

Members' Benefits - Dividends payable

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the society. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements. Dividend unspent over two years old is excluded. Liability is provided on all eligible turnover, irrespective of whether or not cash has been received.

At the Annual General Meeting on 27 April 2009, the directors' intend to propose a final dividend of £40,700 in respect of the year ended 31 January 2009. In accordance with FRS 21 this amount has not been recognised as a liability in these financial statements.

Post Retirement Benefits

The Group operates a contributory pension scheme providing benefits based on final pensionable pay, up to 27 January 2007, and Career Average Revalued Earnings from 28 January 2007, open to the majority of employees. Contributions are determined by a qualified actuary, based on actuarial valuations of the fund which are generally carried out every three years. The assets of the scheme are held separately from those of

the Group and invested externally through the scheme trustees. Pension scheme assets are measured using market values. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The pension scheme surplus (to the extent that it is recoverable) or deficit is recognised in full. The movement in the scheme surplus/deficit is split between operating charges, finance items and, in the statement of total recognised gains and losses, actuarial gains and losses.

This year the policy has been amended so as to recognise deferred tax on the pension scheme deficit. Deferred tax has been allocated to the revenue account or the statement of total recognised gains and losses based on the allocation of expenses or actuarial gains/losses attributed to the movement.

Repairs

Repair expenditure is charged against profit in the year in which the cost is incurred.

Goodwill

Purchased Goodwill is capitalised and written off over its useful economic life. Useful economic life ranges from 1 to 20 years.

Tangible Fixed Assets and Depreciation

Cost includes directly attributable finance costs.

No depreciation is provided on Freehold Land.

Other tangible fixed assets are depreciated by equal annual instalments over their estimated useful lives at the following minimum rates:

Freehold Buildings	2 % per annum
Leasehold property	over the unexpired portion of the lease
Fixtures, Fittings and Computer Equipment	10 % per annum
Transport vehicles	25 % per annum
Funeral vehicles	20% per annum

These rates have been reviewed in the light of recent investment. They are used to write off the cost or valuation of the assets over their expected lives.

Capitalisation of Interest

Interest relating to financing of major long leasehold or freehold developments (net of tax) is capitalised up to the date of completion of the project.

Group Revenue Account

Year ended 31 January 2009

		2009 53 weeks		2008 52 weeks Restated Notes 7, 8 & 25	
	Note	£	£	£	£
Gross Takings			64 267 052		58 226 381
less Agency & Concession Turnover excluded under the provisions of FRS 5	1(a)		<u>16 317 844</u>		<u>15 300 359</u>
TURNOVER			47 949 208		42 926 022
Less Value Added Tax			<u>3 486 565</u>		<u>3 125 375</u>
NET SALES	1(b)		44 462 643		39 800 647
Cost of Sales			<u>29 977 017</u>		<u>27 011 006</u>
GROSS PROFIT			14 485 626		12 789 641
Expenses	2		<u>13 465 271</u>		<u>11 883 746</u>
TRADING PROFIT			1 020 355		905 895
Exceptional Income	3		<u>351 700</u>		<u>-</u>
Surplus before Interest			1 372 055		905 895
Net Interest Payable	4	502 100		481 000	
Other Finance costs	25	<u>77 000</u>	<u>579 100</u>	<u>(1 000)</u>	<u>480 000</u>
SURPLUS FOR YEAR BEFORE DISTRIBUTIONS			792 955		425 895
Share Interest		244 297		239 000	
Grants & Donations	6	<u>89 000</u>	<u>333 297</u>	<u>80 000</u>	<u>319 000</u>
SURPLUS FOR YEAR BEFORE PAYMENTS TO MEMBERS			459 658		106 895
Starcard Dividend paid			<u>57 656</u>		<u>71 259</u>
SURPLUS FOR YEAR BEFORE TAXATION			402 002		35 636
Taxation	7		<u>(401 625)</u>		<u>75 040</u>
SURPLUS/(DEFICIT) FOR YEAR TO (FROM) RESERVES			803 627		(39 404)

The accounts are prepared on an unmodified historical cost basis, therefore a separate note of historical costs is not required.

All the activities of the group are classed as continuing.

The annexed notes form part of the financial statements.

Group Balance Sheet



Chelmsford Star
at the heart of essex

As at 31 January 2009

2009

2008

Restated Notes 15,17 & 25

	Note	£	£	£	£
USE OF FUNDS					
FIXED ASSETS					
Intangible Assets	9		1 642 828		1 753 838
Tangible Assets	10		12 810 810		13 100 498
Investments	11		61 299		61 299
			<u>14 514 937</u>		<u>14 915 635</u>
CURRENT ASSETS					
Stocks		2 473 294		2 283 479	
Debtors & Prepayments	12	2 414 868		2 221 017	
Investments	11	6 325		11 801	
Bank		26 004		12 581	
Cash in-hand		301 091		298 164	
		<u>5 221 582</u>		<u>4 827 042</u>	
CURRENT LIABILITIES					
Amounts falling due within one year:					
Creditors - Dividend Liability/Member Rewards		151 901		157 288	
- Trade	13	3 608 109		3 398 360	
- Sundry	13	879 146		989 445	
Loans - Bank overdraft	13	1 103 075		1 088 730	
- Banks	14	410 156		375 682	
- Other	14	414 919		399 938	
		<u>6 567 306</u>		<u>6 409 443</u>	
NET CURRENT LIABILITIES			<u>(1 345 724)</u>		<u>(1 582 401)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>13 169 213</u>		<u>13 333 234</u>
LONG TERM LIABILITIES					
Amounts falling due after more than one year:					
Creditors - Funeral plans	13	90 956		100 534	
Loans - Bank	14	4 460 490		4 893 403	
- Other	14	921 685	5 473 131	842 711	5 836 648
Provisions for liabilities and charges	15		461 545		-
NET ASSETS EXCLUDING PENSION LIABILITY			<u>8 157 627</u>		<u>7 496 586</u>
Net Pension Liability	25		1 512 000		1 291 680
NET ASSETS			<u><u>6 645 627</u></u>		<u><u>6 204 906</u></u>
FINANCED BY:					
SHARE CAPITAL	16	4 677 162		4 667 145	
Current Interest Due	16	206 377	4 883 539	203 490	4 870 635
RESERVES					
General Reserve	17	1 384 823		955 596	
Non-Distributable Reserve	17	377 265	1 762 088	378 675	1 334 271
MEMBERS' FUNDS			<u><u>6 645 627</u></u>		<u><u>6 204 906</u></u>

The annexed notes form part of the financial statements.

Group Cashflow Statement

Year ended 31 January 2009

	Note	2009 53 weeks £	2008 52 weeks £
NET CASH INFLOW			
OPERATING ACTIVITIES	18	1 647 562	1 787 641
RETURNS ON INVESTMENT AND SERVICING OF FINANCE	19	(707 421)	(657 751)
TAXATION			
Corporation Tax Paid		-	(137)
CAPITAL EXPENDITURE, DISPOSALS AND FINANCIAL INVESTMENT	20	255 534	(871 927)
NET CASH INFLOW BEFORE MANAGEMENT OF LIQUID RESOURCES & FINANCING		1 195 675	257 826
MANAGEMENT OF LIQUID RESOURCES			
Net Cash withdrawn from (added to) Investments		5 476	(4 584)
FINANCING	21	(1 199 146)	(718 538)
INCREASE (REDUCTION) IN CASH		2 005	(465 296)
RECONCILIATION OF NET CASHFLOW TO MOVEMENT IN NET DEBT	22		
		£	£
Increase (Reduction) in Cash		2 005	(465 296)
Cash outflow/(inflow) from debt and finance leasing		855 442	15 661
Cash outflow/(inflow) from liquid resources		(5 476)	4 584
Change in Net Debt from cashflows		851 971	(445 051)
New Finance Leases		(550 958)	(913 661)
MOVEMENT IN NET DEBT		301 013	(1 358 712)
NET DEBT TO BEGIN YEAR		(7 277 918)	(5 919 206)
NET DEBT TO END YEAR		(6 976 905)	(7 277 918)

Group Statement of Total Recognised Gains & Losses (STRGL) Year ended 31 January 2009

	Note	2009 53 weeks £	2008 52 weeks Restated Notes 8 & 25 £
Surplus for Year after taxation		803 627	(39 404)
Actuarial Loss on pension scheme	25	(520 000)	(256 000)
Movement in deferred tax relating to pension scheme		145 600	71 680
Total gains and (losses) relating to the financial year		429 227	(223 724)
Prior year adjustment	8	502 320	-
Total gains and (losses) recognised since last Annual Report		931 547	(223 724)

The annexed notes form part of the financial statements.

Notes to the Financial Statements

Note 1(a) Gross Takings Adjustment

As stated in the Statement of Accounting Policies, the Group has adopted the FRS 5 application note. This application excludes the takings shown in note 1(a) from the Turnover adopted in note 1(b).

	2009	2008
	53 weeks	52 weeks
	£	£
Bill payments accepted in Food stores	9 903 852	8 290 125
Concession Takings including VAT (Non Food)	4 263 803	4 840 989
Agency turnover less commission (Travel)	2 150 189	2 169 245
	<u>16 317 844</u>	<u>15 300 359</u>

Note 1(b) Net Sales

	£	£
Food	47 831 451	41 820 773
less Bill Payments	<u>9 903 852</u>	<u>8 290 125</u>
	37 927 599	33 530 648
Non-Food	7 490 413	7 561 494
less Concession Sales	<u>3 568 087</u>	<u>3 999 099</u>
	3 922 326	3 562 395
Funeral Services	1 203 816	1 095 737
Travel	3 284 790	3 535 184
less Sales as Agent	<u>2 100 478</u>	<u>2 120 006</u>
	1 184 312	1 415 178
Rental Property Income	<u>224 590</u>	<u>196 689</u>
	<u>44 462 643</u>	<u>39 800 647</u>

Note 2 Expenses

	£	£
Personnel Costs (Note 5b)	6 671 186	6 205 338
Occupancy Costs	1 594 356	1 347 102
Energy Costs	743 055	599 750
Depreciation of owned assets	771 531	457 076
Depreciation of assets held under finance leases	161 281	440 300
Amortisation of intangible fixed assets	115 010	103 210
Auditors fee: - Audit	20 000	18 800
- Non Audit	12 975	11 820
Directors' & Committee Fees (Note 5f)	38 610	31 023
Other Expenses	<u>3 337 267</u>	<u>2 669 327</u>
	<u>13 465 271</u>	<u>11 883 746</u>

Note 3 Exceptional Income

	£	£
Surplus on Sales of Assets	<u>351 700</u>	<u>-</u>

Notes to the Financial Statements

	2009 53 weeks £		2008 52 weeks £
Note 4 Net Interest Payable			
Interest Payable (per Note 14)	506 892		506 900
<i>less</i>	£		
Interest Receivable (per Note 11)	4 792	8 338	
Interest capitalised to Building Costs	<u>-</u>	<u>17 562</u>	
	<u>4 792</u>		25 900
	<u>502 100</u>		<u>481 000</u>

	2009 Number		2008 Number
Note 5 Employees			
a) The average number of employees during the year was:-			
Full-time	172		170
Part-time	438		404
	<u>610</u>		<u>574</u>

	2009 53 weeks £		2008 52 weeks £
b) The costs in respect of employees were:-			
Salaries and Wages	6 102 724		5 639 423
Social Security Costs	434 381		411 424
Pension Fund Costs (Note 25)	134 081		154 491
	<u>6 671 186</u>		<u>6 205 338</u>

c) The number of members of the Management Executive whose remuneration, including benefits and bonus, but excluding pension contributions, fell in each remuneration bracket was:-

	2009 Number		2008 Number
less than £25000 (part year & part time employments only)	2		3
£35001 - £45000	2		2
£45001 - £55000	-		2
£55001 - £65001	2		-
£95001 - £105000	1		2
£105001 - £115000	1		-
£135001 - £145000	-		1
£145001 - £155000	1		-

d) The total remuneration of the Management Executive was as follows:-

	2009 53 weeks £		2008 52 weeks £
Salaries	561 825		514 435
Bonus	-		11 000
Taxable Benefits	44 960		47 810
	<u>606 785</u>		<u>573 245</u>
Employer Pension Contributions	75 875		68 531
	<u>682 660</u>		<u>641 776</u>

Notes to the Financial Statements



	2009 53 weeks £	2008 52 weeks £
e) The total remuneration of the Chief Executive Officer (the highest paid employee) included in the above was as follows:-		
Salary	136 700	125 599
Bonus	-	5 000
Taxable Benefits	<u>10 366</u>	<u>10 169</u>
	<u>147 066</u>	<u>140 768</u>
Employer Pension Contributions	<u>21 599</u>	<u>19 610</u>
	<u>168 665</u>	<u>160 378</u>
f) Fees paid to Directors in respect of Board duties were:-		
	£	£
President including Sub-committee fees etc	7 280	6 086
Directors including Sub-committee fees etc	<u>27 820</u>	<u>22 174</u>
Directors' fees	35 100	28 260
Elected committee Members' fees	1 430	1 263
Employee Trustees	<u>2 080</u>	<u>1 500</u>
Total paid to elected representatives	<u>38 610</u>	<u>31 023</u>

Members will find more comprehensive disclosure of Directors' and Executive Remuneration in the Remuneration Committee Report.

Note 6 Grants and Donations	2009 53 weeks £	2008 52 weeks £
Membership Committee	58 464	56 524
Co-op Party Grant	6 210	4 837
Donations, Bereavement Groups, Community Card	<u>24 326</u>	<u>18 639</u>
	<u>89 000</u>	<u>80 000</u>

Note 7 Taxation	2009 53 weeks £	2008 52 weeks £
Current Tax		
UK Corporation tax	<u>Nil</u>	<u>Nil</u>
Deferred tax	£	£
Origination and reversal of timing differences	(401 625)	75 040
Adjustment in respect of prior years	-	-
Taxation on profit on ordinary activity	<u>(401 625)</u>	<u>75 040</u>

Factors affecting the tax charge for the current period	2009 53 weeks £	2008 52 weeks £
The current tax charge for the period is lower (2008 - lower) than the standard rate of corporation tax in the UK (28%) (2008 - 30%). The differences are explained below.		
Current tax reconciliation		
Profit on ordinary activities before tax	<u>402 002</u>	<u>35 636</u>
Current tax at 28% (2008 30%)	113 944	10 691
Effects of:		
Expenses not deductible for tax purposes	21 929	26 118
Depreciation for the period in excess of capital allowances	33 849	100 245
Other	(61 163)	(83 970)
Utilisation of tax losses	(161 639)	(78 315)
Losses utilised against capital gains	30 373	-
Group Relief surrendered	<u>22 707</u>	<u>25 231</u>
Total current tax charge (see above)	<u>-</u>	<u>-</u>
Provision for deferred tax		
Losses	<u>(461 545)</u>	<u>-</u>

Notes to the Financial Statements

Note 8 Prior Year Adjustment

This year a change in accounting policy means that the deferred tax is now recognised on the pension deficit, requiring a prior year adjustment. The prior year adjustment causes the pension deficit to be reduced by £502,320 and the general reserve to be increased by the same amount. The effect on the result for the year is to reduce the surplus by £59,920 (2008 - £75,040 - reducing a surplus of £35,636 to a deficit of £39,404). An additional gain of £145,600 (2008 - £71,680) has been recognised through the statement of recognised gains and losses (STRGL).

Note 9 Fixed Assets - Intangible

Goodwill	£
Cost at January 2008	2 296 210
Additions	4 000
	<u>2 300 210</u>
Amortisation at January 2008	542 372
Provided this year	115 010
	<u>657 382</u>
Net Book Value - January 2009	<u>1 642 828</u>
Net Book Value - January 2008	<u>1 753 838</u>

During the year the Society acquired Goodwill from a franchisee leaving the 'quadrant' Chelmsford. There were no 'fair value' adjustments.

The amortisation policy of purchased goodwill anticipates an economic useful life of up to 20 years from date of purchase.

Note 10 Fixed Assets - Tangible Owned and Leased

	Land & Buildings £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost or valuation				
Brought forward at January 2008	13 514 765	6 026 170	250 503	19 791 438
Additions	251 587	750 497	23 353	1 025 437
Disposals	(372 174)	(40 156)	(12 088)	(424 418)
Fully Written Off Adjustment	(691 179)	(414 795)	-	(1 105 974)
	<u>12 702 999</u>	<u>6 321 716</u>	<u>261 768</u>	<u>19 286 483</u>
Depreciation				
Brought forward at January 2008	3 346 606	3 159 877	184 457	6 690 940
Disposals	(16 304)	(13 813)	(11 988)	(42 105)
Fully Written Off Adjustment	(691 179)	(414 795)	-	(1 105 974)
Provided this year	278 833	614 797	39 182	932 812
	<u>2 917 956</u>	<u>3 346 066</u>	<u>211 651</u>	<u>6 475 673</u>
Net Book Value - January 2009	<u>9 785 043</u>	<u>2 975 650</u>	<u>50 117</u>	<u>12 810 810</u>
Net Book Value - January 2008	<u>10 168 159</u>	<u>2 866 293</u>	<u>66 046</u>	<u>13 100 498</u>

The Net Book Value of **Land and Buildings** comprise:-

	2009 £	2008 £
At Cost less depreciation		
Freehold	7 577 133	7 887 280
Freehold - Non Trading*	627 213	736 034
Short Leasehold	<u>1 580 697</u>	<u>1 544 845</u>
	<u>9 785 043</u>	<u>10 168 159</u>

*Assets held for use in operating leases

Notes to the Financial Statements

Note 10 Fixed Assets - Tangible (continued)

Freehold Property Revaluation by Taylor & Company, Chartered Surveyors

The Society's Freehold properties were revalued at 28 January 2006 at a valuation of £19,004,500. This represented a substantial excess over book value at that time. The current volatility and uncertainty in the Commercial Property marketplace has caused acute difficulty in establishing meaningful 'current use' values. The society has therefore concluded, after carefully considering the position, that it would be misleading to declare a 'current' market valuation. The directors are however of the opinion that a substantial excess over book value still exists, but are unable to qualify its extent.

Finance Leases

The following amounts are included in Fixed Assets above and relate to assets leased under finance leases:

	Land & Buildings £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost				
Total brought forward	268 360	3 569 779	183 143	4 021 282
Additions	244 363	437 216	21 756	703 335
Transfers/Fully Written Off Adjustment	(13 161)	(2 416 340)	(11 916)	(2 441 417)
	<u>499 562</u>	<u>1 590 655</u>	<u>192 983</u>	<u>2 283 200</u>
Depreciation				
Total brought forward	5 500	2 020 088	137 714	2 163 302
Provided this year	18 283	161 281	28 816	208 380
Transfers/Fully Written Off Adjustment	(300)	(1 827 212)	(8 592)	(1 836 104)
	<u>23 483</u>	<u>354 157</u>	<u>157 938</u>	<u>535 578</u>
Net Book Value - January 2009	<u>476 079</u>	<u>1 236 498</u>	<u>35 045</u>	<u>1 747 622</u>
Net Book Value - January 2008	<u>262 860</u>	<u>1 549 691</u>	<u>45 429</u>	<u>1 857 980</u>

Note 11 Investments

The group Balance Sheet includes Star Houldings Chelmsford Limited a wholly owned subsidiary.

	Fixed Assets		Current Assets		Interest	
	January 2009 £	January 2008 £	January 2009 £	January 2008 £	January 2009 £	January 2008 £
The Co-operative Group - Shares	61 270	61 270	-	-	4 378	4 282
- Loans	-	-	6 325	11 801	241	292
East Anglia Federal - Shares	-	-	-	-	-	2 817
Other I & P Societies - Shares	29	29	-	-	-	-
	<u>61 299</u>	<u>61 299</u>	<u>6 325</u>	<u>11 801</u>	<u>4 619</u>	<u>7 391</u>
Statutory interest received					173	947
Total Interest Receivable per Note 4					<u>4 792</u>	<u>8 338</u>

Notes to the Financial Statements

Note 12 Debtors		Receivable Within One Year		Receivable After One Year		Total per Balance Sheet	
		2009	2008	2009	2008	2009	2008
		£	£	£	£	£	£
Customer Debts	- Travel	546 386	626 720			546 386	626 720
	- Funeral	205 103	195 888			205 103	195 888
	- Property	18 466	2 654			18 466	2 654
	- Others	18 932	44 416			18 932	44 416
Expenses	- Prepayments	599 620	539 354			599 620	539 354
	- Stocks	27 891	26 150			27 891	26 150
Trade Debts (Credits due)		926 159	724 453			926 159	724 453
Corporation Tax Repayable		-	-	20 709	20 709	20 709	20 709
Other Sundry Debts		51 602	40 673			51 602	40 673
		2 394 159	2 200 308	20 709	20 709	2 414 868	2 221 017

Note 13 Creditors

	Current - Falling Due Within One Year		Long Term - Falling Due After One Year	
	2009	2008	2009	2008
	£	£	£	£
Trade Creditors				
Ledgered	2 780 237	2 515 405		
Unledgered	827 872	882 955		
	3 608 109	3 398 360		
Sundry Creditors				
Holiday Pay	61 057	62 845		
Week in Hand Payroll	95 122	111 243		
Accrued Charges	342 728	448 759		
Sales Deposits	67 953	87 590		
VAT due to HM Revenue and Customs	63 605	70 631		
PAYE due to HM Revenue and Customs	75 639	70 525		
National Insurance due to HM Revenue and Customs	73 930	68 923		
Funeral Plans - former scheme	10 106	11 170	90 956	100 534
Starcard Savings	-	4 309		
Other Members' Accounts	9 344	9 344		
Miscellaneous Creditors	79 662	44 106		
	879 146	989 445	90 956	100 534
TOTAL	4 487 255	4 387 805	90 956	100 534
Trade Creditor days - Number of days	26.4	27.4		

Trade Creditor Days' represents the ratio between the amounts invoiced by suppliers to the Society in the year and the amounts owing to Trade Creditors at the year end date.

Note 14 Loans

	Falling Due Up To One Year		Falling Due After More Than One Year		Interest Payable	
	2009	2008	2009	2008	2009	2008
	£	£	£	£	£	£
Bank Overdrafts (a)	1 103 075	1 088 730	-	-	62 951	56 500
Co-op Bank - Treasury Loans (b)	294 776	270 600	2 927 363	3 236 204	235 516	239 000
Allied Irish Bank Loans (c)	88 077	80 405	1 013 547	1 108 505	66 609	88 900
Clydesdale Bank Loans (c)	27 303	24 677	519 580	548 694	30 442	37 700
Bank Loans sub-total	410 156	375 682	4 460 490	4 893 403		
Finance Leases (d)	414 919	399 938	921 685	842 711	109 776	84 800
	1 928 150	1 864 350	5 382 175	5 736 114	505 294	506 900
Other Interest Payable					1 598	-
Total Interest Payable - per Note 4					506 892	506 900

Notes to the Financial Statements

Note 14 Loans - Continued

Terms of Repayment

(a) on demand
(b) over 15 years from date of advance

Details of Security

Secured by legal charge on specific property
Secured by legal charge on specific property

(c) over 15 years from date of advance
(d) over period of lease up to 5 years

Secured by legal charge on specific property
Secured against leased assets

Interest

Bank base rate plus margin
Two loans at fixed rates (6.8125% & 4.8125%) and two loans at bank base rate, all plus margin
Bank base rate plus margin
Negotiated rates

Commitments

	Finance Leases		Bank Loans	
	2009	2008	2009	2008
	£	£	£	£
Loan amounts falling due:				
Within One Year - Current Liabilities	414 919	399 938	410 156	375 682
Between One and Two Years	369 352	322 931	444 981	410 168
Between Three and Five Years	552 333	519 780	1 557 532	1 444 722
In more than 5 Years	-	-	2 457 977	3 038 513
Long Term Liabilities - sub total	921 685	842 711	4 460 490	4 893 403
Total Leases and Total Loans	<u>1 336 604</u>	<u>1 242 649</u>	<u>4 870 646</u>	<u>5 269 085</u>

Operating Leases

As at 31 January 2009 the Group had annual commitments under non-cancellable operating leases as follows:

	Land & Buildings		Others	
	2009	2008	2009	2008
	£	£	£	£
Operating leases expiring:				
Within one year	-	22 580	3 655	10 362
Between two and five Years	80 450	88 950	82 860	74 256
In more than 5 Years	622 150	612 350	-	-
	<u>702 600</u>	<u>723 880</u>	<u>86 515</u>	<u>84 618</u>

Note 15 Provisions for Liabilities and charges

	2009	2008
	£	£
Movement on deferred tax		
Balance brought forward	-	-
Transfer to Revenue Account	(401 625)	-
Prior period adjustment	-	-
Balance carried forward	<u>(401 625)</u>	<u>-</u>
Deferred tax movement on pensions	59 920	-
Other deferred tax movement per Revenue Account	(461 545)	-
	<u>(401 625)</u>	<u>-</u>

Notes to the Financial Statements

Note 16 Share Capital	2009	2008
	£	£
Balance to Begin Year	4 667 145	5 026 091
Interest Previous Year	202 912	201 965
Interest - Interim and account closure	38 499	35 509
Contributions	729 616	288 384
Dormant accounts reactivated	1 410	1 212
Sub total	<u>5 639 582</u>	<u>5 553 161</u>
Less Withdrawals	<u>962 420</u>	<u>886 016</u>
Balance to End Year	<u>4 677 162</u>	<u>4 667 145</u>

Interest provided at 31 January 2009 (26 January 2008)	206 377	203 490
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The society abides by a code of practice which requires it to provide a statement to its shareholders of the nature of their investment and any change affecting it. The position each member occupies as a shareholder of Chelmsford Star Co-operative Society is no different to that of a shareholder in any corporate body in the sense that, if the business fails, they may not have all, or any, of their investment returned to them. Investments are withdrawable without penalty. The society, unlike banks and building societies, is not subject to prudential supervision by the Financial Services Authority.

Note 17 Reserves	2009	2008
	£	£
A) General Reserve - Restatement		
Balance as at January 2008 (January 2007)		
As previously reported	-	673 640
Prior year adjustments:		
FRS 17 adjustment		
Recognition of deferred taxation	-	505 680
Restated as at January 2008 (January 2007)	<u>955 596</u>	<u>1 179 320</u>
From Revenue Account	803 627	(39 404)
From STRGL:		
Actuarial Gain/(Loss)	(520 000)	(256 000)
Movement in pension scheme deferred tax	145 600	71 680
Balance to End Year	<u>1 384 823</u>	<u>955 596</u>
B) Non-Distributable Reserve		
Dormant Share Capital Balance to Commence Year	378 675	379 887
Transfers to Active Share Capital	(1 410)	(1 212)
Balance to End Year	<u>377 265</u>	<u>378 675</u>

Note 18 Reconciliation of Operating Surplus to Net Cashflow from Operating Activities	2009	2008
	53 weeks	52 weeks
	£	£
Trading Surplus	1 020 355	905 895
Grants and Donations	(86 360)	(79 459)
Depreciation	932 812	897 376
Amortisation of Goodwill	115 010	103 210
(Increase)/Decrease in Stocks	(189 815)	(208 085)
(Increase)/Decrease in Debtors	(193 851)	(169 026)
Increase/(Decrease) in Creditors	49 411	337 730
Net Cashflow from continuing operating activities	<u>1 647 562</u>	<u>1 787 641</u>

Notes to the Financial Statements

Note 19 Returns on Investments and Servicing of Finance	2009 53 weeks £	2008 52 weeks £
Interest Received	4 696	17 239
Interest Paid	(414 870)	(413 486)
Interest Element of Finance Lease Rentals	(106 506)	(85 904)
Share Interest Paid	(190 741)	(175 600)
Net Cashflow for Returns on Investments and Servicing of Finance	<u>(707 421)</u>	<u>(657 751)</u>

Note 20 Capital Acquisitions, Disposals and Financial Investment	2009 53 weeks £	2008 52 weeks £
Purchase of Intangible Fixed Assets	(4 000)	(400 000)
Purchase of Tangible Fixed Assets	(474 479)	(727 427)
Sale of Fixed Asset Investment	-	254 000
Proceeds from Tangible Fixed Assets	734 013	1 500
Net Cashflow for Capital Expenditure Disposals and Financial Investment	<u>255 534</u>	<u>(871 927)</u>

Note 21 Financing	2009 53 weeks £	2008 52 weeks £
Share Capital Reduction	(42 062)	(422 032)
Other Bank Loan repayments	(113 774)	(89 482)
Co-operative Bank Treasury Loan repayments	(284 665)	(232 366)
Funeral Schemes	(10 642)	(13 845)
Capital Repayment of Finance Lease Rentals	(457 003)	(443 813)
New Bank Loans drawdown	-	750 000
Repayment of Pension Fund deficit under FRS 17	(291 000)	(267 000)
Net Cashflow from Financing	<u>(1 199 146)</u>	<u>(718 538)</u>

Note 22 Analysis of Net Debt	To Begin £	Cash Flows £	Non-Cash Changes £	To End £
Debt due within one year	(375 682)	(34 474)	-	(410 156)
Debt due after one year	(4 893 403)	432 913	-	(4 460 490)
Finance Leases	(1 242 649)	457 003	(550 958)	(1 336 604)
	<u>(6 511 734)</u>	<u>855 442</u>	<u>(550 958)</u>	<u>(6 207 250)</u>
Cash at Bank and in Hand	(777 985)	2 005	-	(775 980)
Current Asset Investments	11 801	(5 476)	-	6 325
	<u>(7 277 918)</u>	<u>851 971</u>	<u>(550 958)</u>	<u>(6 976 905)</u>

Note 23 Major Non-Cash Transactions

During the year the Society entered into finance lease arrangements with a total capital value of £550,958 (January 2008 - £913,661).

Note 24 Capital Commitments

At 31 January 2009 there are no capital commitments not provided for in these financial statements (January 2008 - Nil).

At 31 January 2009 expenditure of £164,000 has been authorised but not contracted for (January 2008 - £76,000).

Notes to the Financial Statements

Note 25 Accounting for Pensions

Pension Disclosure under FRS 17

The Society operates a defined benefit pension scheme - the Chelmsford Star Co-operative Society Limited Employees' Superannuation Fund.

	At year end 31 January 2009 £	At year end 26 January 2008 £	At year end 27 January 2007 £
Change in benefit obligation			
Benefit obligation at beginning of year	9 599 000	9 512 000	8 922 000
Current service cost	134 000	154 000	210 000
Interest cost	580 000	500 000	432 000
Member contributions	110 000	106 000	104 000
Past service costs	-	-	(566 000)
Actuarial (gains)/losses	(1 403 000)	(315 000)	808 000
Benefits paid	(427 000)	(358 000)	(398 000)
Benefit obligations at year end	<u>8 593 000</u>	<u>9 599 000</u>	<u>9 512 000</u>
Analysis of defined benefit obligations			
Plans that are wholly or partly funded	<u>8 593 000</u>	<u>9 599 000</u>	<u>9 512 000</u>
Total	<u>8 593 000</u>	<u>9 599 000</u>	<u>9 512 000</u>
Change in plan assets			
Fair value of plan assets at beginning of year	7 805 000	7 706 000	6 952 000
Expected return on plan assets	503 000	501 000	417 000
Actuarial gain (loss)	(1 923 000)	(571 000)	173 000
Employer contributions	425 000	421 000	458 000
Member contributions	110 000	106 000	104 000
Benefits paid	(427 000)	(358 000)	(398 000)
Fair value of plan assets at year end	<u>6 493 000</u>	<u>7 805 000</u>	<u>7 706 000</u>
Funded Status	(2 100 000)	(1 794 000)	(1 806 000)
Unrecognised past service cost (benefit)	-	-	-
Effect of surplus cap	-	-	-
Deferred tax	588 000	502 320	505 680
Net amount recognised	<u>(1 512 000)</u>	<u>(1 291 680)</u>	<u>(1 300 320)</u>
	Year ended 31 January 2009 £	Year ended 26 January 2008 £	Year ended 27 January 2007 £
Components of Pension cost			
Current service cost	134 081	154 491	210 038
Interest cost	580 000	500 000	432 000
Expected return on plan assets	(503 000)	(501 000)	(417 000)
Other Finance costs	77 000	(1 000)	15 000
Past service costs	-	-	(566 000)
Total pension cost recognised in the Revenue Account	<u>211 081</u>	<u>153 491</u>	<u>(340 962)</u>
Actuarial gains (losses) immediately recognised	(520 000)	(256 000)	(635 000)
Effect of surplus cap	-	-	-
Total pension cost recognised in the STRGL	<u>(520 000)</u>	<u>(256 000)</u>	<u>(635 000)</u>
Cumulative amount of actuarial gains (losses) immediately recognised	<u>(3 259 000)</u>	<u>(2 739 000)</u>	<u>(2 483 000)</u>

Notes to the Financial Statements

Note 25 Accounting for Pensions (continued)

Plan Assets

The weighted-average asset allocation at year end were as follows:

Asset category	Plan assets at 31 January 2009	Plan assets at 26 January 2008
	£	£
Equities	67%	62%
Bonds	27%	31%
Real Estate	6%	7%
	<u>100%</u>	<u>100%</u>

To develop the expected long-term rate of return on asset assumptions, the society considered the current level of expected returns on risk free investments (primarily government bonds), the historic level of the risk premium associated with other asset classes in which the portfolio is invested and the expectations for future returns on each asset class. The expected return on each asset class was then weighted based on the target asset allocation to develop the expected long-term rate of return on asset assumption for the portfolio. This resulted in the selection of the 6.3% assumption for the year ending January 2009.

	Year ended 31 January 2009	
	£	
Actual return on plan assets	(1 420 000)	
Weighted average assumptions used to determine benefit obligations at	31 January 2009	26 January 2008
Discount rate	6.9%	6.0%
Rate of compensation increase (salaries)	4.9%	4.9%
Rate of increase in pensions in payment (5% LPI)	3.4%	3.4%
Rate of increase in pensions in payment (2.5% LPI)	2.5%	2.5%
Rate of increase in pensions in deferment	3.4%	3.4%
Inflation	3.4%	3.4%

Weighted average assumptions used to determine net pension cost for year ended

	31 January 2009
Discount rate	6.9%
Expected long-term return on plan assets	6.3%
Rate of compensation increase (salaries)	4.9%
Rate of increase in pensions in payment (5% LPI)	3.4%
Rate of increase in pensions in payment (2.5% LPI)	2.5%
Inflation	3.4%

Weighted average life expectancy for mortality tables used to determine benefit obligations

	31 January 2009	
Member aged 65 (current life expectancy)	20.3	23.2
Member aged 45 (life expectancy at 65)	21.3	24.1

Five year history

	Financial Year ending in January				
	2009	2008	2007	2006	2005
	£	£	£	£	£
Benefit obligations at year end	8 593 000	9 599 000	9 512 000	8 922 000	8 321 000
Fair value of plan assets at year end	6 493 000	7 805 000	7 706 000	6 952 000	6 029 000
Surplus/(deficit)	<u>(2 100 000)</u>	<u>(1 794 000)</u>	<u>(1 806 000)</u>	<u>(1 970 000)</u>	<u>(2 292 000)</u>

Difference between actual and expected return on scheme assets

amount	(1 923 000)	(567 000)	175 000	806 000	45 000
percentage of scheme assets	(30.0%)	(7.0%)	2.0%	12.0%	1.0%
Experience gains and (losses) on scheme liabilities					
amount	-	-	(274 000)	(7 000)	-
percentage of scheme assets	0%	0%	(3.0%)	0%	0%

Contributions

The society expects to contribute 15.8% of members' pensionable wages along with a special contribution of £200,400 to the fund in 2009/10 totalling £430,000.

Note 26 Subsidiary Society

At 31 January 2009 the Group consisted of Chelmsford Star Co-operative Society Limited and one wholly owned subsidiary society, Star Holdings Chelmsford Limited (SHC). The principal activity of the subsidiary is Property Management.

Auditors' Report

Independent auditors' report to the members of Chelmsford Star Co-operative Society Limited.

We have audited the financial statements of Chelmsford Star Co-operative Society Limited for the year ended 31 January 2009, which comprise the Group Revenue Account, the Group Balance Sheet, the Group Cash Flow Statement and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the Society's members, as a body, in accordance with Section 9 of the Friendly and Industrial and Provident Societies Act 1968. Our audit work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Friendly and Industrial and Provident Societies Act 1968, the Industrial and Provident Societies Acts 1965 to 2002 and the Industrial and Provident Societies (Group Accounts) Regulations 1969. We also report to you if, in our opinion, the Society has not kept proper books of account and maintained a

satisfactory system of control over its transactions or if we have not received all the information and explanations we require for our audit.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Society's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the Society and Group affairs as at 31 January 2009 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the Friendly and Industrial and Provident Societies Act 1968, the Industrial and Provident Societies Acts 1965 to 2002 and the Industrial and Provident Societies (Group Accounts) Regulations 1969.

MacIntyre Hudson LLP Registered Auditors

Moulsham Court
39 Moulsham Street
Chelmsford
Essex CM2 0HY

26 March 2009

Group Value Added Statement

Year ended 31 January 2009

	2009 53 weeks		2008 52 weeks	
	£	%	£	%
Turnover including Asset Sale Proceeds	48 738 258		42 929 422	
Less Value Added Tax	3 486 565		3 125 375	
NET SALES	45 251 693		39 804 047	
Less BOUGHT IN MATERIALS, SERVICES and Net Book Value of Disposals	35 462 269		31 361 715	
VALUE ADDED IN THE YEAR	9 789 424	100.0%	8 442 332	100.0%
APPLIED AS FOLLOWS:				
To Employees				
Net Pay	4 962 334		4 547 357	
Income Tax, National Insurance and Pension contributions	1 140 390		1 092 066	
Society contributions for National Insurance	434 381		411 424	
Society contributions to the pension fund	134 081		154 491	
	6 671 186	68.1%	6 205 338	73.5%
To Members and other providers of capital				
Share Interest	244 297		239 000	
Interest on bank loans	395 518		404 538	
Interest on other loans and leases	111 374		84 800	
Interest per FRS 17 - pension fund	77 000		(1 000)	
Rent payable	880 203		792 374	
	1 708 392		1 519 712	
less investment income and rents receivable	(244 635)		(489 464)	
	1 463 757	15.0%	1 030 248	12.2%
To Members and customers				
Dividend	121 867		95 361	
Other member benefits/Donations Education/Member Relations	24 326 58 464		18 639 56 524	
	204 657	2.1%	170 524	2.0%
To central government				
Deferred taxation	(401 625)	(4.1%)	75 040	0.9%
For the replacement of assets and expansion of the Society				
Depreciation	1 047 822		1 000 586	
Retained Surplus	803 627		(39 404)	
	1 851 449	18.9%	961 182	11.4%
	9 789 424	100.0%	8 442 332	100.0%

Standing Orders - Members' Meetings

1. The Order of business at every general or special meeting of the Society shall be in accordance with the printed agenda of business issued with the notice of the respective meeting.
2. Except in the case of a special general meeting called upon the requisition of members, the agenda of every meeting shall be made out in the form and order approved by the Directors and shall include only such business as is decided upon by the Directors.
3. All notices of motion for consideration at any general meeting must be submitted to the Directors in writing, signed by the member giving the notice, not later than twenty one days prior to the date of the meeting. Any amendments to any proposal on the agenda at any general meeting must be received by the Society at least fourteen days prior to the meeting (Rule 9.3).
4. No member shall be allowed to speak more than once on any motion (other than by drawing the attention of the Chair to a point of order) except the mover of the motion who shall be allowed the right of reply to amendments and before the final vote is taken. No member shall speak after the mover has made his reply to the motion after which the question shall be put from the chair.
5. No member shall be allowed to speak for more than three minutes, except the mover, who may speak for five minutes and take three minutes in reply.
6. An amendment to a motion must be moved and seconded. No other amendment may be discussed until the first amendment has been disposed of. No person may move or second more than one amendment to the original motion. If an amendment be carried it becomes the substantive motion. Voting on motions and amendments will be on a show of hands or voting cards, if issued.
7. Any member who has not spoken to the question before the meeting may at any time during the course of the debate move "That the question be now put". Such motion (if accepted by the Chair) must be made without any accompanying speech and must be forthwith put without amendment or debate, and should such motion be adopted, the chairman shall, subject to the right of reply of the mover of the question under discussion, at once put the question.
8. Any member choosing to speak upon any question whatsoever must rise in his place and address himself to the chairman. When two or more members rise at the same time, the chairman shall indicate the member who is to speak first. Members should state their name and may speak from the Rostrum at their discretion.
9. Whenever the chairman rises to speak, no member shall continue standing, nor shall any member rise until the chairman resumes his seat.
10. A member shall confine his speech strictly to the motion under discussion, or to the amendment or to a question of order.
11. The chairman may call attention to continued irrelevance, tedious repetition, or any breach of order on the part of a member and may direct such member to discontinue his speech.
12. Any one or more of these standing orders may be suspended at any meeting by the vote of a two-thirds majority of members present at the meeting. The decision of the chairman upon any point of order shall be final.

Complaints by Members - A member who has any complaint to make as to the quality, quantity, or price of any goods or services supplied by the Society, or the conduct of any officer or employee of the Society, shall send the particulars of such complaint to the Board who shall inquire into and decide upon them, subject to an appeal from any such decision to an ordinary meeting of members; but no members complaint may be raised at any Meeting of Members except on appeal.

Addresses and Telephone Numbers

REGISTERED OFFICE:

220 Moulsham Street, Chelmsford,
Essex CM2 0LS
01245 490101
www.chelmsfordstar.coop

'quadrant'

Department stores:

220 Moulsham Street, Chelmsford,
Essex CM2 0LS
01245 490101

George Yard, 9/15 Rayne Road, Braintree,
Essex CM7 2QA
01376 321303

Food stores:

40 Duke Street, Chelmsford, Essex CM1 1JA
01245 345490

the co-operative

16 Main Road, Danbury, Essex CM3 4NQ
01245 227733

164/170 Meadgate Avenue, Great Baddow,
Chelmsford, Essex CM2 7LJ
01245 354759

the co-operative

108 Kings Road, Chelmsford,
Essex CM1 2BB
01245 353630

the co-operative

15 Havengore, Springfield, Chelmsford,
Essex CM1 6JP
01245 262923

83 Barnard Road, Galleywood, Chelmsford,
Essex CM2 8RS
01245 474591

14/15 Torquay Road, Springfield, Chelmsford,
Essex CM1 6NF
01245 347868

the co-operative

47/49 Main Road, Broomfield, Chelmsford,
Essex CM1 7BU
01245 440316

the co-operative

115/117 Ferry Road, Hullbridge,
Essex SS5 6ET
01702 232388

the co-operative

Beehive Lane, Westbourne Grove, Chelmsford,
Essex CM2 9RP
01245 357761

the co-operative

156 Gloucester Avenue, Moulsham Lodge,
Chelmsford, Essex CM2 9LG
01245 258089

Co-op Local

Trent Road, Chelmsford,
Essex CM1 2LQ
01245 258585

62 Church Street, Bocking, Braintree,
Essex CM7 5JY
01376 326516

the co-operative

174/176 Cressing Road, Braintree,
Essex CM7 3PL
01376 320952

the co-operative

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01245 421148

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Essex CM7 1AN
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Essex CM4 9EA
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01268 690092

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Essex SS7 4EN
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Essex CM7 2PA
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Essex CM2 9RA
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(corner of Beehive Lane)

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Essex CM4 9DU
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01245 221444

60 The Green, Writtle, Chelmsford,
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01245 422622

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Essex CM2 0LS
01245 490290 • Fax: 01245 347071

'quadrant', 9/15 Rayne Road,
Braintree, Essex CM7 2QA
01376 551444 • Fax: 01376 551906

Customer Service facilities:

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Essex CM2 0LS
01245 490101

9/15 Rayne Road, Braintree,
Essex CM7 2QA
01376 321303

email:

customerservices@chelmsfordstar.coop
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Chelmsford Star Co-operative Society Ltd.

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