

The Society for Co-operative Studies

REPORT FOR 1978-9

- 1 Officers Mr R. Byrom has served as Chairman, with Mr A. Rhodes and Mr D. Hutton as Vice-Chairmen.
- 2 National Meetings The National Officers met in September and December 1978 and at a third meeting on 20 April 1979 before the start of the Annual Conference.

3 Membership

- (a) At 23 March 1979 the membership of the Society (with the figures at 13 March 1978 in brackets) was:-

|                         | <u>Individuals</u> |                | <u>Organisations</u> |              | <u>Total</u>     |
|-------------------------|--------------------|----------------|----------------------|--------------|------------------|
|                         | <u>Co-op</u>       | <u>Other</u>   | <u>Co-op</u>         | <u>Other</u> |                  |
| Metropolitan & Southern | 20 (18)            | 6 (3)          | 11 (11)              | 1 (-)        | 38 (32)          |
| Midland                 | 13 (8)             | 3 (4)          | 8 (10)               | 1 (1)        | 25 (23)          |
| North                   | 1 (1)              | 1 (1)          | 1 (1)                | 1 (1)        | 4 (4)            |
| North-West              | 16 (15)            | 6 (4)          | 6 (7)                | 1 (-)        | 29* (26)         |
| Scottish                | 28 (17)            | 16 (21)        | 2 (3)                | 2 (3)        | 48 (44)          |
| South-West              | 5 (5)              | 1 (2)          | 3 (2)                | - (-)        | 9 (9)            |
| Yorkshire & Humberside  | 10 (9)             | 2 (2)          | 6 (7)                | 1 (-)        | 19 (18)          |
| Overseas                | 5 (2)              | 2 (-)          | - (-)                | 1 (2)        | 8 (4)            |
|                         | <u>98 (75)</u>     | <u>37 (37)</u> | <u>37 (41)</u>       | <u>8 (7)</u> | <u>180 (160)</u> |

\*Including 2 in Northern Ireland and 1 in the Irish Republic

- (b) The recent record of total membership recorded in the Annual Report is 1974: 113; 1975: 125; 1976: 127; 1977: 134.

#### 4 The Bulletin

Since the 1978 AGM three Bulletins have been issued:-

No. 33: Special Feature "Management Education & Training"

No. 34: Special Feature "Co-operation & the Consumer"

No. 35: Special Feature "Politics & Co-operation"

An effort has been made to increase the impact of the Bulletin by adding to the distribution list the following publications and organisations: The Guardian, New Society, The Spectator; Conservative and Unionist Central Office, Labour Party, Liberal Party Organisations, International Co-operative Alliance and the Plunkett Foundation for Co-operative Studies. Bulletin 35 is being sent to all Co-operative Party M.P.s. and prospective candidates. The National Officers consider that the Bulletin could be promoted as a service to graduate employees.

To cover increased costs, it has been necessary to raise the charge for the Bulletin from 50p to 75p with effect from Number 35.

#### 5 Research

The Co-operative Liaison, Education and Research (C.L.E.A.R.) Unit, set up by the Co-operative Union Ltd. in partnership with the Ministry of Overseas Development and based at Stanford Hall, effectively came into existence on 1 March 1979 when Mr Roy Kershaw commenced work as Liaison Officer. The posts of Projects Officer and

Research Fellow have yet to be filled. Interim reports from the Unit may be published in future Bulletins.

The Co-operative College has been approved as a responsible body for the management of research funded by the Social Science Research Council. A member of the Society for Co-operative Studies, Mrs. L. L. Stettner, is currently undertaking the first piece of SSRC-funded research for a period of eighteen months, into "Establishing Criteria for the Economic and Social Performance of Producer-Controlled Enterprises".

## 6 Regional Secretaries

The National Officers record their gratitude to three Regional Secretaries who have relinquished their honorary appointments. They also welcome the two new Regional Secretaries who have willingly agreed to take their places. Mr G. V. J. Pratt remains an active member but having been promoted in 1978 to Economic and Research Officer of the Co-operative Union he has been succeeded as Regional Secretary for the North and Yorkshire & Humberside by Mr W. M. Mr N. L. Stevens retired in January 1979. Mr. John H. Butler, a former student at the Co-operative College, has taken over his work in the South-West. Mrs R. M. Rhodes is congratulated on her appointment from 1 April 1979 as Educational Liaison Officer in the Co-operative Development Agency; her successor in Scotland is yet to be appointed.

## 7 Finance

- (a) The Receipts and Payments Account for the year ended 31 December 1978 compared with the account for the previous year and checked by audit is attached.

- (b) Donation. A gift of £10 was made to Miss K Carson, formerly Senior Clerk in the Co-operative Union Education Department, in appreciation of her book-keeping work for the Society from 1974 until her retirement on 31 July 1978.
- (c) Auditor's Report. Comments on the accounts by the auditor, Mr. C. A. Turner, A.C.M.A., are being circulated separately,
- (d) Subscriptions. Independently of the auditor's recommendations, Dr. R. L. Marshall had submitted a motion for the 1979 AGM to increase annual subscriptions from 1979-80.

### 3 Future Activities

It is hoped to arrange a joint meeting of the SCS with the Society for the Study of Labour History to commemorate the re-opening of the Toad Lane Museum in Rochdale. Our President Professor Sidney Pollard has kindly agreed to deliver a paper on "The Co-operative Ideal, Then and Now" at this meeting, which is planned for some time in December 1979.

The National Officers have discussed future Bulletins and suggested topics have included Wholesale/Retail Liaison and Relationships, the Auxiliaries, Member Relations, Multi-purpose Co-operatives, the Co-operative Development Agency, and the area of finance. The last mentioned might perhaps cover the traditional and emergent financial institutions; the problem of raising money within Co-operative Societies; the financial structure of the Swedish Co-operative Movement; extracts from the Co-operative submission to the Wilson Committee on Financial Institutions; and a retrospective look at Millom to draw attention to the fact that the members had considerable financial benefits from the winding up of Millom Society. It was agreed that this range was a suitable matter to be discussed at the AGM.

The Society for Co-operative Studies

Attachment to Report for 1978-9

1. The Receipts and Payments Account for the year ended 31 December 1978 by comparison with the previous year is as follows:

|                                     | <u>1977</u>     | <u>1978</u>     |
|-------------------------------------|-----------------|-----------------|
|                                     | £               | £               |
| <u>Receipts:</u>                    |                 |                 |
| Cash in Hand brought forward        | 1.03            | 0.20            |
| Cash at Bank brought forward        | 492.58          | 420.40          |
| Subscriptions                       | 700.00          | 696.00          |
| Fees - ACM and Conference           | 612.98          | 307.00          |
| Sales - Society Bulletin            | 68.25           | 99.33           |
| Bank Interest                       | 3.76            | -               |
|                                     | <u>£1878.60</u> | <u>£1522.93</u> |
| <u>Payments:</u>                    |                 |                 |
| ACM and Conference                  | 496.78          | 202.50          |
| Refund of Subscriptions             | 22.00           | 36.00           |
| Other Meetings - Fees and Expenses  | 28.32           | 18.87           |
| Stationery                          | 31.50           | 20.98           |
| Travelling Expenses - re Bulletin   | -               | -               |
| Translation of Articles             | 10.00           | -               |
| Printing Society Bulletin           | 410.16          | 395.43          |
| Telephone                           | 11.38           | 2.41            |
| Postage - Less Contra items         | 123.45          | 166.43          |
| Typewriting                         | 184.97          | 302.06          |
| Donations and Grants - General Fund | 10.00           | -               |
| - Scottish Co-op Educational Assoc. | 120.00          | -               |
| Bulletin Editorial Expenses         | 7.92            | 174.31          |
| Bank Commission                     | 1.52            | 1.73            |
| Cash in Hand                        | 0.20            | 1.10            |
| Cash at Bank                        | 420.40          | 201.11          |
|                                     | <u>£1878.60</u> | <u>£1522.93</u> |

2 Auditor's Report I have found the accounts to be in good order to the extent that they are verifiable.

One of the most difficult aspects of the Society's financial conduct is that some 80% is in respect of transactions with the Co-operative Union or of the reimbursement of expenditure to the same. Such payments are authorised by the Secretary and Treasurer of the Society, who also holds a senior position with the Co-operative Union - consequently it makes the position extremely difficult for the outsider to advise that adequate financial control is exerted. For example, payments made to the Co-operative Union Limited in respect of services provided by their personnel are almost impossible to verify.

Secondly, the present financial statement returns only a "receipts and payments" record summarising cash transactions during a specific period of time. The year's statement under review is inaccurate in that it includes payments totalling 151.73 made during the month of January (late January). Thus the closing bank balance was £352.84 and not the £201.11 as declared; in addition the Society had Creditors at the end of the year totalling £151.73 not shown.

Thirdly, there has been no valuation of stocks of Bulletins at the end of the year.

Finally, expenses are paid without adequate record to substantiate the basis of the charge.

Many of these problems may well prove to be somewhat academic, but when they are considered alongside the fact that the cheques require a single signature; no Minutes are required to authorise expenditure; and most of the payments are made to the Co-operative Union Limited - the Society should ensure that someone else is monitoring and advising on expenditure.

To this end I would recommend:-

- (i) that the posts of Secretary and Treasurer are split and that someone outside the Co-operative Union should hold the position of Treasurer; and
- (ii) cheques should require two signatures - Secretary and Treasurer/Chairman.

Finally,

- (iii) it is essential to the financial viability of the Society that the number of Bulletins published each year should be closely related to and indeed based upon the income received during the period.

Signed C. A. TURNER  
Hon. Auditor.