

January 2010

- ***Happy New Year***

To all our members and our apologies for not communicating sooner, but things have been rather busy, as I think you will appreciate from the news items listed below.

- ***EGM/AGM***

As you will doubtless be aware we held an EGM and an AGM on 24th November, last year.

The principle issue to be resolved was the purchase of sufficient additional storage rights to enable Project Valiant to go ahead. On the day the resolution was not carried by 2 votes, however, notwithstanding the outcome of the vote members present agreed to purchase additional tonnage at 16% of their current holdings.

When those members, who were not present at the meeting, were contacted the majority also agreed to purchase additional space. Thanks to this overwhelming support there was sufficient tonnage committed, albeit less than our target, to enable us to get the first phase under way.

We are not being complacent, however, as we need to sell another 9,000t to get the second phase away.

- ***Project Valiant***

Work commenced on 16th December 2009 and despite the weather good progress is being made.

The aim is to have the new intake pits, bins, dryer and associated materials handling together with 4 new large shiny silos available for the start of next harvest.

We will keep you posted on a regular basis as to progress of the works.

- ***Website***

In the next few weeks our website will be live so please visit it at www.woldgrainstorage.co.uk and we will also have a page on the NetworkGrain website <http://www.networkgrainuk.com/localstores.html>.

- ***Harvest 2010***

Intention forms for harvest are included with this newsletter, please complete and return by 1st March.

As you will see the number of malting barley varieties has been reduced, but we will of course try to accommodate other varieties if silo space allows.

You may not have been aware but the store has for many years operated on a wet tonnage stored basis, as opposed to a dry tonnage basis. After some deliberations the board has agreed to move the store on to a dry tonnage basis, which effectively means that members will be able to store more grain than previously, but it also means that we need to find more space, but given that we are expanding, the board felt that this was a good time to deal with the issue, as it was much fairer towards the members. For this reason and to make the store charges more transparent and logical the directors have also approved a new charging structure, which will be implemented for this harvest and is detailed as follows:

Three stages of charges, instead of the single payment Operating charge 1 currently in place.

1. A committed tonnage charge at £2.50/t to be invoiced in May.
2. Handling charge based on wet weight delivered, invoiced in July/August
3. Storage charge based on net (dry weights) to be invoiced in November/December.

Full details of all charges will be made available once members intentions are known.

- ***Haulage***

The haulage to store remains on a pooled basis over the whole membership. We are able to achieve better rates on larger tonnages and ask that any members currently using their own haulage or tractor and trailers consider changing and letting us arrange the haulage. This method is preferred and of great benefit when organising daily intake.

- ***New Space***

Invoices for new space have now been issued at the initial qualification loan of £38/t. If any member would like to pay an additional amount towards the total cost, please let us know.

- ***Accountancy Notes***

Attached are guidance notes, written by our auditors/accountants Forrester Boyd, of how the funding model works for the purchase of new storage rights. Please note this is only an example, so please contact the store should you require further advice.

