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Lower Broadheath Community Shop Ltd

Annual Report

Financial Year 2

For the period ended 30 September 2019
Published March 2020



LOWER BROADHEATH COMMUNITY SHOP LTD

Chairman's Report for the year ending 30 September 2019

At our Annual Meeting last year, we discussed what had happened between the end of the financial year in September 2018 and the date of the AGM in March 2019. The shop had been set up and stocked, a manager and a host of volunteers recruited, and we had opened for business on 4 February 2019. We said at that time that our focus this year would be on establishing routines, helping the volunteer force to settle, get the business running as an ongoing concern and recruiting more volunteers, particularly for weekend shifts.

With a year of trading under our belt we are now in a position to give you a much fuller account of the progress made since then.

Our first Manager, Christine Hopgood, was very successful in setting up operating and recording systems such that in only our second week of trading an unscheduled inspection by a Food Standard inspector resulted in our being awarded the maximum of five stars! Shortly after this, Christine's other commitments meant that she left us and during this interim period one of our volunteers, Simon, stepped forward. After a formal application process took place Jessica Ronan and Victoria Howells, both members of the Committee, were appointed as managers on a job-share basis. This has turned out to be an excellent arrangement, we have much clearer control of the business, lots of new ideas have been introduced and a great deal of progress has been made.

By the financial year end in September 2019, eight months after opening, we had sold goods to the value of £56,542 and had earned £2,781 from Post Office commission, making a total of £59,323, which delivered a £15,200 Gross Margin. Set against twelve months of costs the eight months' worth of sales produced a small loss of £1,789. For the first eight months of trading this was a very satisfactory result. By the end of our first full year of trading, at the beginning of February 2020, our sales of over £103,000 were in line with the forecast.

The shop now offers a wide range of products, as many as possible from local sources, and the space available is fully utilised. The daily newspapers, the smell of fresh bread, the local produce and the many other offerings bring in a flow of regulars and visitors alike, all of whom seem to enjoy their experience.

Our Post Office is proving to be a much-valued feature and the commission we receive for the services we provide has made a useful contribution to our financial results. I am delighted to report that our Post Office has recently been included in a new scheme under which we shall



receive an additional £5000 per annum to support us as a rural branch of importance to our local community. This cash inflow will start in April 2020.

Since the end of the year under review we have been successful in our efforts to obtain SEIS Tax relief for qualifying shareholders. Those eligible will now be able to claim 50% of their investment back from the tax man by way of a refund or rebate. The paperwork is now being prepared and will shortly be made available to the shareholders concerned.

Together we have, I think, succeeded in our aim of showing that our village wants its shop and will support it both by spending in it and by working in it. We have produced results of which we can be proud, and the whole community is gaining the benefit. My thanks go to everyone involved in what has been an exciting year for us all. I again make particular mention of the help we continue to receive from Ian and Lyndsey Davies at The Bell. Without their wholehearted support we would, literally, be no-where.

Now that we have set the business up on a sound footing, we need to look ahead. Two main tasks face us over the next two or three years. The first is to maintain and further develop our community of volunteers so that our shop can continue to flourish and the second is to plan for new premises into which to move when our permission to camp in the garden of the Bell runs out. We can continue to operate in our present home until at least the end of November 2022 before our planning consent expires, and we may be able to extend this by a year. Our present arrangement with the owners of the Bell runs until April 2023 and again we may be able to extend this, but a key task now is to secure a permanent home for our shop.

Last year I indicated that I would not be standing for election to the Committee again this year and I will step down at the end of this meeting. I thank all those volunteers, donors, shareholders, suppliers and customers for the support they have given us in this first phase, and I wish the enterprise continuing success in the future.

Accounts

Formal accounts for the year have been prepared. Copies are available on the web site and paper copies will be available at the AGM.



Election

The Rules allow us to have up to eight members of the Committee. Elected members can co-opt others if they wish, up to this maximum figure.

Shareholders of the company elect members to the Committee, and the elected members then elect a Chairman, a Secretary and a Treasurer from among their number.

No member of the Committee can be paid for being a member, but we can employ members of the committee as staff providing the two roles are kept separate. This has been our case for the past eight months and has worked well.

I am happy to say that Anthony Bedborough, Graham Hill, Victoria Howells, Monica Longley, Jessica Ronan and Rachel Tedesco, members of the current Committee, are willing to stand for re-election.

During this year we have co-opted Neil Pearce with the aim that he will take over from Victoria Howells as Treasurer in due course and he is also standing for election.

This leaves one vacancy, and any people interested in putting themselves forward for election are asked to make this known to the Secretary before the Annual General Meeting.