

Hollins Green Community Shop

Chairman's Report 2018.

Thank you all for joining us at our 4th Annual General Meeting. It is part of our statutory requirement to our shareholders and members to report our trading results for the previous financial year (to 31st December 2018). Our financial reports have been prepared in accordance with the FCA requirements and using Sage One cloud business software for our accounts preparation, VAT returns and Payroll.

In 2018 sales grew £15.4k reaching just short of £310k a growth of 5.2% on 2017. In terms of profit, the year ended well and we managed to produce an operating profit of £2.7k before depreciation which is our best year so far. Operating profit for the year improved £8.2k on 2017.

As highlighted in last year's report, fundraising is still a key part to sustaining the shop financially. 2018 was a much better year for this as we raised £8.2k from fundraising, £3.8k more than 2017 which was partly due to having a second large event in the summer.

2018 shop trading delivered the main improvement on the previous year in terms of sales which grew £11.6k, 4%. However 2018 was a two part story, Quarter one was poor and even fell back on 2017 partly due to the bad winter we experienced ending back £6.5k, 9%. During April 2018 we started to see a dramatic transformation in performance which continued to grow all the way to the end of the year and still continues today. There were two main influencers that have helped this turnaround.

The first being the weather which was very warm and settled from April onwards all the way through summer and beyond. This brought more customers and new customers which have continued to use the shop since then. The weather does play a big part in the performance of the shop!

The second is the installation of the National Lottery machine at the end of April. Whilst it doesn't bring a lot of profit it has definitely helped increase the footfall and spend in the shop and is a vital part of the success of the shop which will only improve revenues further as more people continue to use and become aware.

If we look at the performance of Q2-Q4 only following the improvements we can see operating profits around about £1000 per month on average. Q1 2019 will be a challenge as it was in 2018 but we expect this level to continue in the good months. In Q1 2019 sales grew £14k, 21% on Q1 2018 which bodes well.

As in previous years we had our challenges! The very warm weather was great for sales but not for overheating in the shop. We overcame this through buying a bigger third air con unit late summer which was paid for by very kind donations from all our customers, a grant from Cheshire Community Foundation and a donation from the Parish Council. Whilst this purchase did not cost the shop anything it did in terms of electricity used. We spent 30% more on

electricity costing £1.3k trying to keep the shop cool. Other big expenses were buying a new till which cost £600 and the annual impact of NLW which increased wages (c.4%)

As always we are reviewing our fixed costs for improvements. At the beginning of last year we stopped using our service from Geniac and moved to Sage one for accountancy, payroll and VAT returns. This will save us roughly £2k a year and bring our fees down to a very low level. This does come at a cost however as volunteers are now managing this process along with myself.

As mentioned previously, other sources of income are key to the sustainability of the shop and we continue to run the 200 club monthly prize draw, raffles covering Valentines, Easter, Summer, Christmas to name a few. We also ran the annual community fundraiser in the village hall which was a huge success and reached numbers of around 120. This event was again very well supported and brought the whole community together for another great night of entertainment which we aim to run again in 2019. In 2018 we also ran a summer event at the Black Swan in a Marquee which again was very well attended, supported and a good time had by all.

I mentioned in my last report that there is a proposal for the shop to be relocated into the community hall once it is renovated. This option is still being discussed with the hall committee, the shop committee, volunteers and shareholders and just as important our shop customers. All views and options are being considered. One key consideration will be the financial arrangement proposed by the hall and the availability of our funds to support the relocation. No decision has been taken yet by the shop committee but outline planning permission is being sort by the hall committee to incorporate the shop with a decision needed at a later date.

Priorities for 2019

Continue to grow revenue to allow us to breakeven without fundraising income.

Continue monthly fundraising and hold one main fundraising event late 2019.

Capture new customers

Improve signage around the local area to drive trade to the shop both residents and passing trade.

Develop new product lines and revenue streams.

Start to repay the loan provided by Hamilton Davies Trust.

Continue to seek more volunteers in all areas of the business.

* Planned maintenance on and around the shop now we are in year 5.

The committee again wish to thank and recognise the time and effort over and above normal duties the Shop Manager Julie Atkinson, and her team of staff and volunteers for doing an excellent job throughout the year to run the shop day to day. The shop is now established as a key asset to the village and is down to everyone to ensure our shop remains open.

We continue to get a lot of positive feedback about the friendly welcome the shop team and volunteers give every day which is vital to its success and future.

We continue to have around 30 volunteers doing various roles with most of them working in the shop doing 2/3 hours shifts, helping with deliveries and stock management and also performing essential maintenance duties. This has been a great success and is vital that it continues to help run the shop as without these people there would be no shop. We appreciate they give up their free time just to support the shop. On behalf of myself and the committee we say a big thank you all.

We are continually looking for more volunteers to work in the shop and will welcome all enquiries as we always have volunteer slots on the Rota.

Many thanks
Phil Atkinson- Chairman



Our Aim

“To provide a shop run by the community that meets the needs of the community and provides a consistent offering and reliable service at a fair price”

It's your Community, It's Your Village, It's Your Shop!!!