

TREASURERS REPORT

Fifth trading period for 12mths from 1 April 2023 to 31 March 2024

** Figures in brackets denoted previous y/e

- Total sales were £433K (£389K)
- Cost of sales – i.e. purchases were £323k (£290K)
- Gross profit is £109K
- Less Expenditure (Salaries and admin expenses) totals £154K (£151K).
- Add other operating income – grants, welfare fund donations - £43K (£50K)
- Net Loss £2k / Previous year net loss £5K

Note: With respect to year-end 2023, it was subsequently noted by the accountants that £14,250 of share income that was received prior to the previous year end – in other words to 31 March 2023 was included as welfare donations in error – in simple terms ‘incorrectly classified’.

It was agreed to correct this and recode to deferred income. This same share income has now been accounted for in the current year. The knock on effect is that we now show a very small loss of just under £5K for year-end 2023 when previously a net profit of £9K was noted.

Comments on Trading

- Sales continue to be strong, peaking at £45K (May 23)
- Cost of sales remains key as do admin expenses.
- By year-end 2024 we had moved to our new temporary trading premises, and after a period of consolidating stock ahead of the move, plus the traditional ‘quiet January’.
- Whilst we have been and will continue to trade in the smaller hall cottage, we are pleased to note that there has been no great upset in sales. In fact, sales continue to remain strong with monthly sales in the region of £35K to £39K.

Notes to Balance Sheet

- Net Assets - £109K (£78K)
- Cash balances are £102K (£94K)
- Creditors – Amounts falling due after more than one Year. Bounce-back Loan - balance outstanding of £16K (Original drawn balance was £27K).

General comments

- The village shop continues to be an asset to the community. Jen, her team, the committee and all associated / professional third parties have invested a huge amount of time and effort in this trading period. Not least, finalizing 3 grants to allow the build works to commence:

SOSE	£75K
Glenkerie / Foundation Scotland	£50K
SSE Clyde Wind Farm	£100K

We have also seen the refurbishment of the village hall cottage and subsequent opening of temporary trading premises, with little impact to ongoing trade; the appointment of a lead

contractor to start the build works in Late March 2023, conclusion of a successful 2nd share launch (just over £33K bought in shares) and succession plans concluded.

- Welfare Funds – As a recap, since summer 2020, the shop wanted to ensure that we helped anyone, or family within our pre-defined catchment area, that was financially disadvantaged from the lockdowns, and more recently from the 'Cost of Living' crisis. To August 2024 we have received donations in excess of £17k with just under £8K distributed to assist families and individuals. We have also supported the Breakfast Club at Broughton Primary School.
- Funds continue to be credited to the Treasurers account, (separate from the shop trading account), and shop costs are re-imbursed once assistance provided. This act has not only helped those in difficulty but continues to be exceptionally well received by our funding partners.

Appointment of Auditors

Going forward, Gall Robertson CA (inc Charles Gray & Co) continue to assist us with the preparation of accounts.

Again, the rules that we need to follow do ask that we present to the audience tonight the option as to whether or not an independent auditor should also be appointed. If this is required, then we would need to have the auditor's details confirmed, and what their fees will be to audit the books. That said, we would like to exercise the Society's option under the Community Benefit Societies Act 2014 not to appoint an auditor.

So again quite simply....can I ask for your support by way of a show of hands.

Plans for the forthcoming year

- Conclude the shop extension and move 'day to day' operations back
- As always, retain out staff and ensure employee well-being, given we are Community Benefit Society and a key employer withing Upper Tweeddale.
- Ensure a smooth handover to new committee members whom I'm sure will continue to grow the business.

Donald Stewart