



Chair's Statement 2021-22

I am pleased to report to our members the results for our financial year 2021-2022, and to briefly summarise the key points, along with details of current trading and our future plans.

After last year's optimism following our emergence from Covid, the last 12 months has proved to be more challenging than we would have wished. Shop sales stayed flat compared to the previous year at £181,787. This lack of growth, combined with a number of other factors, including the anticipated reduction in consulting income, a lower gross margin, slightly higher costs, and the absence of any grant income, resulted in a disappointing loss of £11,597 for the financial year.

During the year we finalised our costing and fund-raising plans for the Shop extension but put these on hold while the Parish Council bid for funding for a new village hub, which potentially could have included new premises for the Shop. Sadly, we learnt in July that this bid had been unsuccessful.

Meanwhile, we have seen a dramatic increase in inflation and energy costs and a prediction by the Bank of England that we face a marked recession. In light of this, the Committee has reluctantly taken the decision to temporarily pause any fundraising activity for the extension and is consulting with Wychavon District Council to determine which preliminary works we can undertake to preserve the planning and building regulation consent. Before starting fund raising, we will consult with the wider village on the level of support for the work.

Regardless of when we start fundraising, we are about to enhance the existing shop with a round of refurbishment and redecoration which should take it back closer to how it felt when we opened in 2014.

We also made efforts to recruit new volunteers, whose support and commitment has always been essential to making the Shop "work" for the village. However, in common with many other organisations that rely on volunteers to operate successfully, we have had limited success – resulting in increased costs and more demand on the time of our active volunteers.

However, to look forward positively for 2022-23, we have set the Shop team a stretch business target, and after a disappointing first 3 months, I am pleased to report that after an improved summer quarter, we are now trading in line with the target. If we are able to maintain this momentum it will mean that the Shop should cover its costs and achieve at least a break-even position for the year. This would also ensure that our financial position remains sound.

We are now paying back the bounce back loan, and with the decision to defer work on the extension, we will consider paying it off in full to reduce interest payments. After all loans and creditors are taken into account, our cash reserves, although diminished as a result of the loan repayments and the trading loss, are still healthy with the current figure of the order of £14,000.

Ultimately, after 8 years of trading, it is clear that the long-term future of the Shop relies on the continued support of its owners – the residents and friends of Bretforton. In particular, we need more members of the community to come forward and volunteer in the Shop and perhaps more importantly, join the committee to bring fresh ideas and new thinking to take the Shop forward. And of course, it would be great if more members of the community could support the Shop with their custom. Like other community shops, we don't expect anyone to do a full weekly shop, but we are always here for top-ups, treats and local fresh products not in the supermarkets.

Therefore, our objectives for the next 12 months are clear:

- Ensure at least a break-even trading position by meeting our stretch sales and margin targets for the year.
- Appeal to the village residents for their support, both in volunteer numbers, and also their custom.
- Attract more shareholders from the many new residents of the village.
- Welcome new members of the Committee to help manage and develop the Shop for the longer term.

Our approved accounts and the presentation from the Annual Members' Meeting are available on the Shop website at www.bretshop.org. We also aim to keep the village fully informed about the Shop with a combination of regular newsletters, social media posts and emails.

Finally, I would like to thank Gill, Pat, our committee and the team of volunteers for their sterling efforts and commitment to the Shop. This team effort helps ensure that the Shop is "there for the village" – now and in the future.

Chris Buckham
Chair – Bretforton Community Shop Ltd – Community Benefit Society