



CCSL Business Report for the 2023 Annual Members' Meeting Cilcain Community Shop - Performance During the Fifth Year

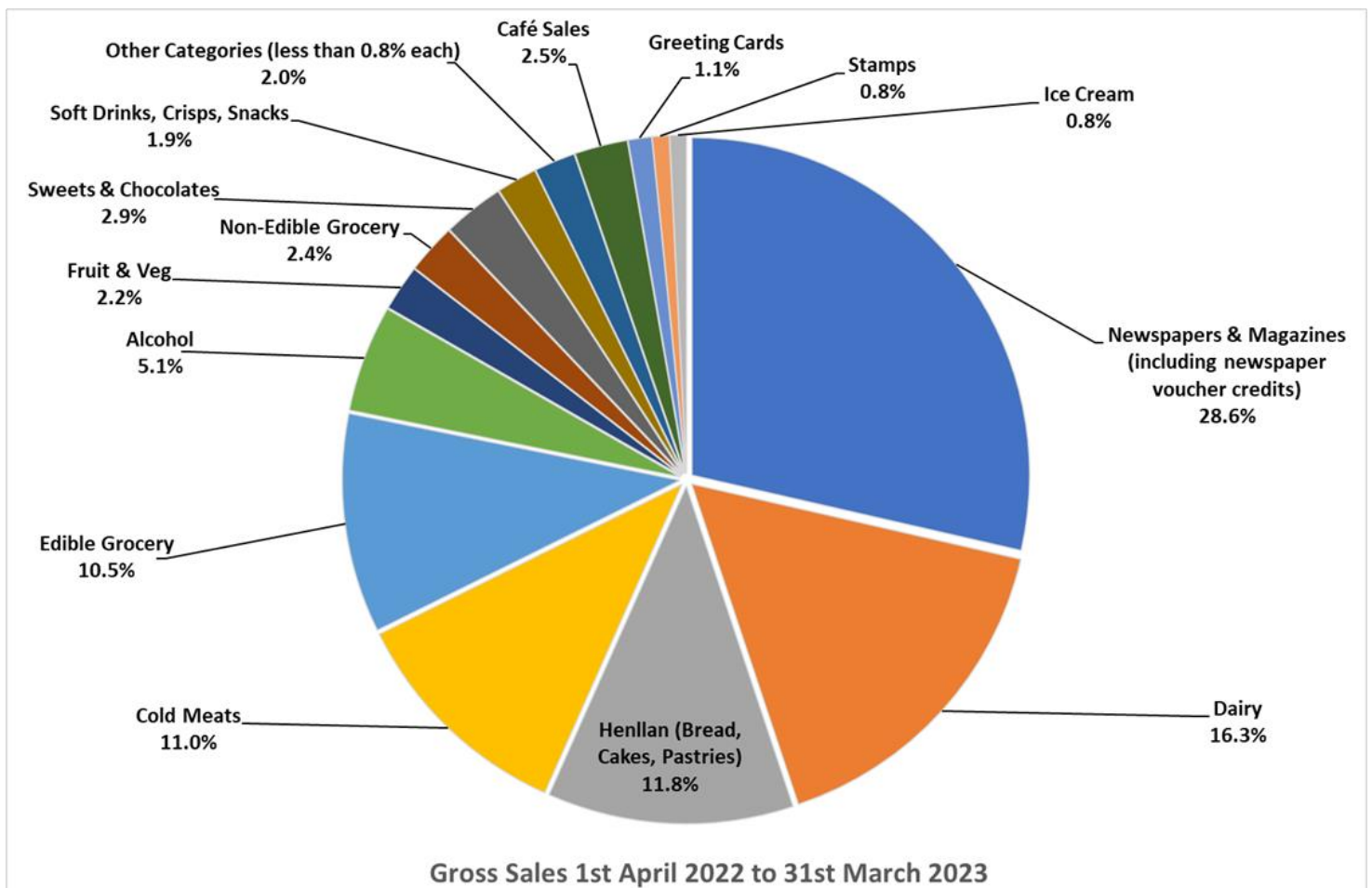
It is a pleasure to report that Cilcain Community Shop Limited (CCSL) has enjoyed another successful, but difficult, year of trading, making a gross profit of £7,706, and a loss for the financial year of £1,765, when other operating income and administrative expenses are taken into consideration. Sales turnover is marginally higher at £143,528 than the turnover for the year ending 31st March 2022 of £141,057, with a gross margin in the region of 23% before employment costs.

Wages costs increased by 6.6% (employee hourly rate) from 1st June 2022 but over the financial year were 11% lower than the previous financial year, mainly due to our two managers reducing their hours worked whenever possible.

Administrative costs (electricity, broadband/phone, waste, insurance, card payment fees, etc.) were £9,766 and significant in this figure is the electricity cost of £3,606.

Our contracted electricity costs increased by 64% during 2022 with a further 124% increase in 2023, resulting in a 97% increase in electricity costs in 2022-2023 compared to the 2021-2022 financial year. The Society also covers the electricity costs of the Village Hall, Bowling Club, and Public Toilets. Projected electricity costs for 2023-2024 are in the region of £6,900-£7,300 ex Vat.

Members are entitled to see the full shop accounts on request – please do ask. Regulatory accounts will also be available free of charge from the Financial Conduct Authority Mutuals Website – we are company number 7755. They will also be published on our website. The chart below shows classes of product sales as a proportion over the financial year (April 2022 to March 2023) in a pie chart format.





Performance During the Fifth Year – continued.

Weekly sales averaged out at just over £2,700 per week this financial year, much the same as in the previous financial year.

Sales in the four main food categories (Bread/Cakes/Pastries, Cold Meats, Dairy, Edible Grocery), remained stable this year compared with last year, and accounted for almost 50% of sales. Newspaper & magazine sales remained stable, but we recognise that over time their contribution to sales revenues is likely to diminish.

The shop's small café area within the Shop was reinstated in November 2022 and along with the contribution from our Wednesday morning Community Shop Café (thanks to our loyal group of attendees) increased café sales from 1.6% last year to a noticeable 2.5% of total sales this year.

We hosted a mid-week café for a 36 strong walking group and hosted an information day for Dŵr Cymru-Welsh Water in conjunction with one of our Wednesday morning cafés. This brought in some revenue for us and the Village Hall.

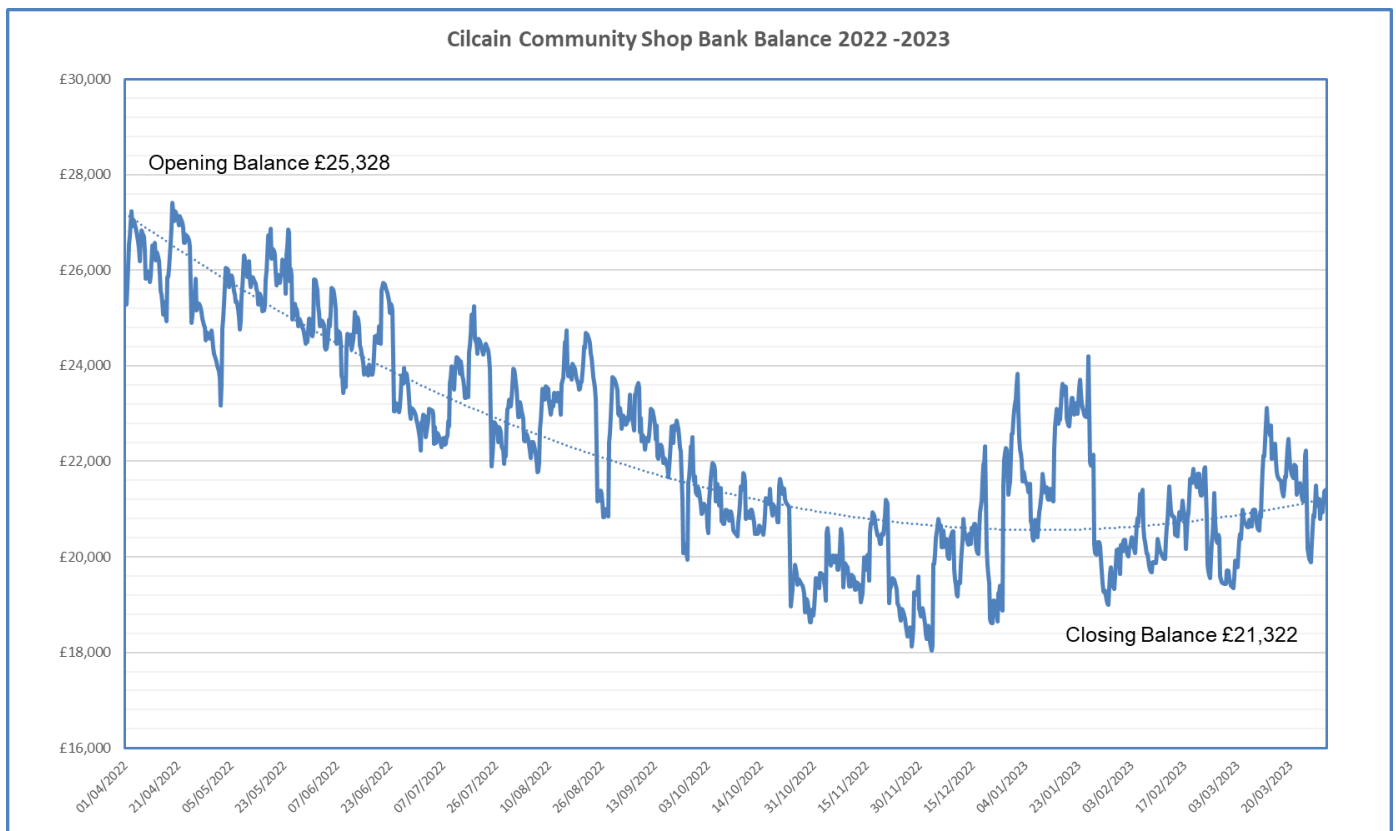
Alcohol Sales reduced from 6.1% last year to 5.1% this year. Other categories with less than 0.8% of sales each include medical, local crafts, gift wrapping, children's books.

Major holidays and sales of Christmas products (particularly Turkeys and Christmas Trees) made a significant contribution to our overall income again, as well as revenue from fishing permits.

We continue to take steps to control our expenses and increase our turnover – increasing awareness of the café facility will help this, as will the increase in sales of edible groceries.

Our shop managers have worked hard to keep our product prices competitive whilst keeping purchase costs under control.

Sales revenues in 2023 are in the region of 9% higher than in 2022 and we still have a reasonable reserve of cash to continue trading.





Cilcain Community Shop **Plans for 2023 and 2024**

As per previous annual reports, we continue to aim for financial stability, if possible, without the need for financial grants. As always, we know that café sales could be a considerable boost to our margin levels.

During the financial year 2022 - 2023 the following developments were implemented:

- Reinstatement of our small café area within the Shop along with new display shelving.
- Toasted items were introduced to the café menu, including crumpets, toast, and teacakes (proving to be very popular at our Wednesday morning café in the main hall).
- Introducing new product lines, such as Tony's Chocolonley and Coca Pzazz, assessing purchase frequency and margin maximisation.
- Occasional special offers, sourcing brands at exceptional value and then offering special buy promotions.
- Hosted educational visits by children from Ysgol-Y-Foel to help improve numeracy & communication skills.

The contribution of time from our volunteers and their level of engagement can never be understated. Without their continued support and the outstanding work from our shop Managers (Di and Sam) our community shop would quite simply not operate.

Thank you all.

Plans for the remainder of the financial year 2023 - 2024 include:

- Agree the terms of the proposed Community Shop operating license with the Village Hall Management Committee.
- Continued focus on increasing frequency of shopper visits and an increase in average spending per visit.
- Implementation of changes to reduce energy consumption (and therefore associated costs).
- Continued focus on providing a "sit-in" café service whenever possible and subject to demand.
- Strengthening the Management Committee, with the aim of recruiting two new members.
- Formulate a training/information plan for all volunteers to inform of updated procedures and hygiene practices with the aim of making it easier for volunteers to manage some of the tasks that may be seen as 'difficult'.

Plans for 2024 include:

- 1) Working with the Village Hall Management Committee on projects that will be mutually beneficial to the Village Hall and the Community Shop.
- 2) Increased frequency of Shop-led Saturday Community Cafes; promoting the benefits of volunteering, raising additional revenue, and seeking ideas for future improvements to our Community Shop.
- 3) Seasonal promotions to boost Christmas and Easter sales.
- 4) Maintaining a strong and focused Management Committee.
- 5) Hosting further educational visits by children from Ysgol-Y-Foel.



Cilcain Community Shop Membership Report **for the 2023 Annual Members' Meeting**

Cilcain Community Shop Limited became a legal entity (Community Benefit Society) on 16th April 2018, and by 5th July 2018 had 195 Members.

The Society had 201 Members on 31st March 2023.

Membership is the means by which the Society is owned by the community and provides Members with access to information, a voice in the Society, and the opportunity to be elected to a representative role in its governance.

Membership Shares cost £10; membership is open to anyone over the age of 16 and supports the Society's purpose.

The Society has a "One Member, One Vote Policy" irrespective of whether they also own investment shares or not.

The Management Committee can comprise of between 3 and 12 Members and up to a quarter can be co-opted. Elected members of the Management Committee hold office for 3 years and co-opted members serve until the next Annual Members' Meeting.

At the time of writing the Management Committee comprises of 5 members.

Emily Riley	Chairperson
Lucie Skates	Vice-Chairperson
Philip Higgins	Secretary and 'Acting' Treasurer
Margaret Humphreys	
Lindsay Smith	

Philip Higgins – on behalf of the Management Committee.

17th October 2023

Siop Gymunedol Cilcain - Cilcain Community Shop Limited

www.siopgymunedolcilcain.co.uk - www.cilcaincommunityshop.co.uk