

## Heart of the Village (Stoke St Gregory) Ltd - Comparison of Budget/Plan and Actual Profit and Loss 1 February 2020 to 31 March 2021

BUDGET/BUSINESS PLAN as at JULY 2020	ACTUALS FEB 2020 to MAR 2021 (AC Mole agreed)	Difference	NOTES AND COMMENTS
2020/21 £ ex VAT	2020/21 £ ex VAT	ACT - BP £	
<b>Revenue</b>			Budget/Business Plan referred to as BP below. Actual referred to as ACT
Royal Oak Pub - bar	17,000		
Royal Oak Pub - food	1,700		Pub/Café forecast to open Sep-Dec 2020. Did not happen. £67 is open day
Coffee Shop	2,750		ACT included in Shop Sales
Village Stores	243,430		Move to RO boosted sales. Average BP £4680/wk; ACT £5200/wk
Rental	-		
<b>Total Turnover (A)</b>	<b>264,880</b>		<i>Difference in black is better than BP; difference in red is worse than BP</i>
<b>Cost of Sales</b>			
Hospitality	10,166		BP assumed no stock movement. Opening stock = £0. Closing stock from stock take 31 March. Goods Purchased from recorded trade supplier invoices, plus aged receivables adjustment
Retail	172,862		
<b>Total Cost of Sales (B)</b>	<b>183,028</b>		
Assumed Hospitality Margin	52.6%		
Assumed Retail Margin	29.0%		
<b>Gross Profit (C) = (A) - (B)</b>	<b>81,852</b>		
		<b>72,498</b>	<b>(9,354)</b>
	Actual Gross Margin as % of sales	26.8%	
<b>Other Income</b>			
		27,795	27,795
		500	500
		63	63
<b>Total Other Income (F)</b>	<b>-</b>	<b>28,358</b>	<b>28,358</b>
			Release of capital grants from balance sheet for renovations (see below)
			Added back after exceptional items. See below
<b>Overheads</b>			
Salaries	75,461		BP assumed Pub Manager(s) from October. Did not happen. ACT includes £500 one off ex gratia payment in lieu of TUPE obligations
		13,347	(24,157)
		2,242	
Insurance and licences	2,340		Primarily for volunteer Food Safety training (places still available)
		160	160
		775	(901)
		664	BP a best guess. Fees includes £350 one-off SIAB alcohol emergency licence. Insurance now c £114/month
Services	3,154		Services BP was a best guess. Now have confirmed operating costs by line item
		513	2,007
		310	Plunkett Foundation annual subscription
		200	Rates refund of 2020/21 due from SW&T; includes £206 of water charges
		817	2,007
		2,167	Attention! Especially electricity. Hence the solar PV project
Telecoms	733		Includes Viridor contract
		733	148
		421	BT giffgaff vodafone dongle
Professional services	4,879		Coomers, general repairs, excludes renovation of RO (see below)
		2,515	2,515
Bank charges (trans fees)	1,635		AC Mole (£4440), bookkeeping fees (£3816)
		8,256	3,377
Rent SIAB / Sundries	1,936		0.75% of all card transactions including Paypoint. Excludes loan set-up
		2,390	754
		1,332	(604)
<b>Total overheads (D)</b>	<b>90,138</b>		
		<b>73,438</b>	<b>(16,700)</b>
<b>Trading Profit/(Loss) (E) = (C) - (D)</b>	<b>(8,286)</b>		
		<b>(940)</b>	<b>7,346</b>
		4,031	4,031
		1,500	1,500
		24,354	24,354
<b>Total Exceptional Items (G)</b>	<b>-</b>		
		<b>29,885</b>	<b>29,885</b>
<b>Add back other income above (F)</b>	<b>-</b>		
		<b>28358</b>	<b>28358</b>
<b>EBITDA Profit/(Loss) (H) = (E) - (G) + (F)</b>	<b>(8,286)</b>		
		<b>(2,467)</b>	<b>5,819</b>
		<b>5,819</b>	<b>5,819</b>
Depreciation and Amortisation	8,541		ACT as reported in statutory accounts
One-off bank fees for loans set-up	-		Included in Bank Charges in statutory accounts
Finance charges - MTAP	3,056		Start of loans delayed. SSEF is interest only until August 2021
Finance charges -SSEF	2,664		In addition there were capital repayments of £5768 on the Triodos and MTAP
Finance charges - Triodos	4,210		(1,456)
Interest on Members' shares	-		-
		2690	2,690
		2169	(887)
		2657	(7)
		2754	(1,456)
		-	-
<b>Net Profit/(Loss) before Tax</b>	<b>(26,758)</b>		
		<b>(19,456)</b>	<b>7,302</b>
		<b>7,302</b>	<b>7,302</b>
			ACT is as reported in the statutory accounts by AC Mole

## HOTV accounts for 2021 – Commentary

The accounts for Jan 2020 to revised FY year-end at 31 March 2021 have been inspected by AC Mole, and approved as an accurate record.

We are now half-way through the subsequent FY, and embarking on an initiative to update the Business Plan to reflect where we are now, and what we can expect going forward. This includes an update to the budget, to reflect a pub in full operation and a food offering too.

For the benefit of the members, the following commentary gives a high-level look at the financial performance for the period covered by the recently-issued accounts, assessed against the latest updated budget, which was created in July 2020 to meet the requirements of one of our lenders.

### Shop and Pub business

Village Stores revenue of £270K was £24K over budget, more than compensating for the shortfall in pub revenue arising from the Royal Oak opening some months behind the initial schedule, because of COVID issues and delays recruiting our Bar Manager.

The delay in getting the pub operational resulted in a reduction in the gross profit on operations by about £9K. However the overall gross profit on operations was still a healthy £72K.

### Outgoings

Largely as a result of the delayed appointment of the Bar Manager, overheads were down about £17K on budget.

Against that there was almost £30K in exceptional costs, largely arising from renovation costs for the building.

### Overall outcome

When factoring in the repayment of bank loans and associated fees, the outcome is a net loss of £19456, an improvement of £7302 on our budget figure of a £26758.

Lastly, looking at the residual funding position at the end of the revised FY, both the cash in bank at £75200 and our capital and reserves at £187900 were very close to our forecast.