

## Appendix 1

### DRAFT TRADING RESULTS FOR 2010-11 AND 2011-12

2009-10		2010-11	<u>2010-11</u>	2011-12
Actual		Original Budget	Provisional Outturn	Draft Budget
£000s	<u>SERVICE INCOMES</u>	£000s	£000s	£000s
35,650	Stores Sales	35,341	36,548	37,572
26,373	Less Cost of Sales	26,549	27,583	28,633
<u>9,277</u>	Stores Trading Income	<u>8,792</u>	<u>8,965</u>	<u>8,939</u>
3,906	Rebate Income and Fees	3,616	4,669	3,941
3,859	Other Incomes	3,654	3,934	3,733
<u>17,042</u>	<u>Total Income</u>	<u>16,062</u>	<u>17,568</u>	<u>16,613</u>
	<u>SERVICE EXPENDITURE</u>			
9,168	Employees	9,438	9,237	9,377
172	Other Employee Expenses	169	162	270
1,618	Premises	1,619	1,562	1,573
1,694	Transport	1,658	1,728	1,839
904	Equipment	880	811	851
326	Office Expenses	323	314	316
1,580	Other Expenses	1,386	1,091	987
89	Support Service Charges	92	103	106
<u>15,551</u>	<u>Total</u>	<u>15,565</u>	<u>15,008</u>	<u>15,319</u>
<u>1,491</u>	<u>Operating Surplus</u>	<u>497</u>	<u>2,560</u>	<u>1,294</u>
	<u>LESS ALLOCATIONS FROM OPERATING SURPLUS:</u>			
503	Scheme Annual Bonus		520	
	Warehouse Efficiency Project		450	
	Legal Claim Reserve		500	
	Strategic Review Expenditure			291
<u>988</u>	<u>NET SURPLUS FOR YEAR</u>	<u>497</u>	<u>1,090</u>	<u>1,003</u>
	<u>MEMBERS DIVIDEND ACCOUNT</u>			
1,123	Balance brought forward at 1st April	560	790	1,662
(1,123)	Distribution of Surplus to Members during year	(560)	0	0
790	Forecast Dividend (80% of Net Surplus)	398	872	803
<u>790</u>	<u>Closing Balance available for Distribution</u>	<u>398</u>	<u>1,662</u>	<u>2,465</u>

**DRAFT TRADING RESULTS FORECAST 2010-2012****APPENDIX 1A**

ACTUAL 2009-2010	£000	ORIGINAL BUDGET 2010-2011	FORECAST OUTTURN 2010-2011	DRAFT BUDGET 2011-2012
<u>INCOME</u>				
35,650	Stores Sales	35,341	36,548	37,572
26,373	Less stores Cost of Sales	26,549	27,583	28,633
<u>9,277</u>	STORES TRADING SURPLUS	<u>8,792</u>	<u>8,965</u>	<u>8,939</u>
35.2%		33.1%	32.5%	31.2%
3,906	Rebates and Procurement Fees	3,616	4,669	3,941
2,254	Direct Orders Oncost	2,230	2,236	2,229
604	Major Projects Income	460	652	498
884	Catalogue Advertising	894	924	898
117	Other Income	70	122	108
<u>7,765</u>	CUSTOMER & CLIENT RECEIPTS	<u>7,270</u>	<u>8,603</u>	<u>7,674</u>
<u>17,042</u>	TOTAL INCOME	<u>16,062</u>	<u>17,568</u>	<u>16,613</u>
<u>EXPENDITURE</u>				
EMPLOYEES				
7,694	Salaries & Wages	7,890	7,734	7,782
496	National Insurance	524	497	504
978	Pension Fund Contributions	1,024	1,006	1,091
<u>9,168</u>		<u>9,438</u>	<u>9,237</u>	<u>9,377</u>
OTHER EMPLOYEE EXPENSES				
71	Staff Training	82	47	102
23	Staff Advertising	23	4	34
10	Additional Pension Costs	10	33	33
49	Other Allowances & Payments	31	40	40
19	Insurance	23	38	61
PREMISES				
161	Repair, Maintenance & Insurance	152	139	143
111	Lighting & Heating	113	107	110
982	Property Mortgage and Rent	977	969	948
353	Rates	358	336	350
11	Water	19	11	22
TRANSPORT				
1,236	Commercial Vehicles	1,238	1,295	1,380
275	Renewals Fund Contribution	275	275	290
183	Lease Car Scheme	145	158	169
EQUIPMENT				
575	IT Equipment & Services	556	491	527
120	IT Renewals Fund Contribution	120	120	129

209	Warehouse and office equipment	204	200	195
	<b>OFFICE EXPENSES</b>			
156	Printing & stationery	150	157	158
127	Postage	131	121	121
43	Telephones	42	36	37
	<b>OTHER EXPENSES</b>			
542	Catalogues & Marketing	638	449	533
656	Major Projects Fees	528	260	182
4	Bank Interest	3	1	1
47	Travel & Subsistence	47	41	44
23	Subscriptions	34	26	40
153	Provision for bad debts	15	15	15
33	Miscellaneous Expenses	37	50	52
25	Audit fees	25	26	27
97	Consultancy & Professional Fees	59	223	93
	<b>CENTRAL CHARGES</b>			
89	Support services	92	103	106
<u>15,551</u>	<b><u>TOTAL EXPENDITURE</u></b>	<u>15,565</u>	<u>15,008</u>	<u>15,319</u>
1,491	<b><u>OPERATING SURPLUS</u></b>	497	2,560	1,294
	<b>ALLOCATIONS FROM OPERATING SURPLUS:</b>			
503	Scheme Annual Bonus		520	
	Warehouse Efficiency Project		450	
	Legal Claim reserve		500	
	Strategic Review Expenditure			291
<u>988</u>	<b><u>NET SURPLUS FOR YEAR</u></b>	<u>497</u>	<u>1,090</u>	<u>1,003</u>
	<b><u>DISTRIBUTION OF NET SURPLUS</u></b>			
790	Dividends Payable	398	872	802
198	Retained Surplus	99	218	201

**DRAFT RESERVES FORECAST 2010-2012****APPENDIX 1B**

ACTUAL 2009-2010	£000's	BUDGET 2010-2011	FORECAST OUTTURN 2010-2011	DRAFT BUDGET 2011-2012
<b>GENERAL FUND</b>				
1696	Balance Brought Forward	1,836	1,893	2,111
197	Forecast allocation from Surplus	99	218	201
<u>1,893</u>	Balance Carried Forward	<u>1,935</u>	<u>2,111</u>	<u>2,312</u>
<b>EARMARKED RESERVE</b>				
314	Balance Brought Forward	317	269	1,140
1	Interest Receivable	0	1	0
0	Allocation From Surplus	0	950	0
<u>-46</u>	Expenditure	<u>(300)</u>	<u>(80)</u>	<u>(1,020)</u>
<u>269</u>	Balance Carried Forward	<u>17</u>	<u>1,140</u>	<u>120</u>
<b>VEHICLE AND EQUIPMENT RESERVE</b>				
1,457	Balance Brought Forward	1,378	1,324	1,403
3	Interest Receivable	7	4	4
275	Allocation from Surplus - Transport	275	275	290
120	- IT Equipment	120	120	129
<u>(531)</u>	Expenditure	<u>(313)</u>	<u>(320)</u>	<u>(341)</u>
<u>1,324</u>	Balance Carried Forward	<u>1,467</u>	<u>1,403</u>	<u>1,485</u>
<b>STORES MAINTENANCE RESERVE</b>				
156	Balance Brought Forward	182	192	202
0	Interest Receivable	1	0	1
35	Allocation From Surplus	25	35	35
<u>1</u>	Expenditure	<u>(60)</u>	<u>(25)</u>	<u>(35)</u>
<u>192</u>	Balance Carried Forward	<u>148</u>	<u>202</u>	<u>203</u>
<u>3,678</u>	<b>TOTAL RESERVES AT 31ST MARCH</b>	<u>3,567</u>	<u>4,856</u>	<u>4,120</u>
<b>MEMBERS DIVIDEND ACCOUNT (Distribution pending confirmation of Annual Surplus)</b>				
1,123	Cumulative Surplus brought forward	560	790	1,662
<u>(1,123)</u>	Distribution of Surplus to Members	<u>(560)</u>	<u>0</u>	<u>0</u>
0	Sub Total	0	790	1,662
790	Forecast Dividend from Surplus	398	872	803
<u>790</u>	Balance of Surplus available for Distribution	<u>398</u>	<u>1,662</u>	<u>2,465</u>

**DRAFT BALANCE SHEET FORECAST 2010-2012****APPENDIX 1C**

ACTUAL		ORIGINAL BUDGET AS AT 31 March 2011	FORECAST OUTTURN AS AT 31 March 2011	DRAFT BUDGET AS AT 31 March 2012
31 March 2010	£'000			
<b>FIXED ASSETS</b>				
10,100	Land & Buildings	9,288	10,015	9,930
<u>1,323</u>	Other Fixed Assets	<u>1,119</u>	<u>1,273</u>	<u>1,232</u>
<u>11,423</u>		<u>10,407</u>	<u>11,288</u>	<u>11,162</u>
<b>CURRENT ASSETS</b>				
4,488	Stocks	4,430	4,600	4,730
7,213	Sales Ledger Debtors	8,630	6,940	7,050
508	Other Debtors	510	530	550
<u>1,802</u>	Cash & Cash Equivalents	<u>755</u>	<u>3,458</u>	<u>3,555</u>
14,011		14,325	15,528	15,885
<b>CURRENT LIABILITIES</b>				
(8,457)	Purchases Creditors	(9,280)	(7,900)	(8,160)
(790)	Members Dividend	(398)	(1,662)	(2,465)
(1,296)	Other Creditors	(1,290)	(1,320)	(1,350)
<u>0</u>	Bank Overdraft	<u>0</u>	<u>0</u>	<u>0</u>
(10,543)		(10,968)	(10,882)	(11,975)
<u>3,468</u>	<b>NET CURRENT ASSETS</b>	<u>3,357</u>	<u>4,646</u>	<u>3,910</u>
<b>LONG TERM LIABILITIES</b>				
(10,000)	Long Term Creditor	(9,500)	(9,500)	(9,000)
<u>4,891</u>		<u>4,264</u>	<u>6,434</u>	<u>6,072</u>
<b>FINANCED BY:</b>				
<b>RETAINED RESERVES</b>				
1,893	General Fund	1,935	2,111	2,312
269	Earmarked Reserves	17	1,140	120
1,324	Vehicles & Equipment Reserve	1,467	1,403	1,485
<u>192</u>	Stores Maintenance Reserve	<u>148</u>	<u>202</u>	<u>203</u>
3,678		3,567	4,856	4,120
<b>NON-CASH BACKED RESERVES</b>				
2	Revaluation Reserve	0	2	2
<u>1,211</u>	Capital Adjustment Account	<u>697</u>	<u>1,576</u>	<u>1,950</u>
<u>4,891</u>	<b>TOTAL NET WORTH</b>	<u>4,264</u>	<u>6,434</u>	<u>6,072</u>

**DRAFT CASH FLOW FORECAST 2010 - 2012**

**APPENDIX 1D**

ACTUAL		ORIGINAL BUDGET AS AT 31 March 2011	FORECAST OUTTURN AS AT 31 March 2011	DRAFT BUDGET AS AT 31 March 2012
31 March 2010	£'000			
<b>REVENUE ACTIVITIES:</b>				
Cash outflows -				
9,836	Cash paid to and on behalf of employees	9,607	9,919	9,898
78,136	Cash paid for goods and services	60,873	58,644	60,572
4,863	Other operating cash payments	5,563	5,214	5,293
Cash inflows -				
(90,951)	Cash received for goods and services	(79,001)	(77,708)	(77,086)
<u>1,884</u>	Revenue Activities Cash Flow	<u>(2,958)</u>	<u>(3,931)</u>	<u>(1,323)</u>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE:</b>				
Cash outflows -				
1,123	Dividends paid	560	0	0
475	Interest paid	451	460	438
Cash inflows -				
(2)	Interest received	(13)	(12)	(13)
<u>1,596</u>		<u>998</u>	<u>448</u>	<u>425</u>
<b>CAPITAL ACTIVITIES:</b>				
Cash outflows -				
646	Purchase of fixed assets	278	320	341
Cash inflows -				
(15)	Sale of fixed assets	(40)	(40)	(40)
<u>631</u>		<u>238</u>	<u>280</u>	<u>301</u>
4,111	NET (INFLOW) / OUTFLOW BEFORE FINANCING:	(1,722)	(3,203)	(597)
507	Repayment of Building Loan	500	500	500
<u>4,618</u>	<u>(INCREASE)/ DECREASE IN CASH:</u>	<u>(1,222)</u>	<u>(2,703)</u>	<u>(97)</u>
Actual 31-Mar 2009	<u>MOVEMENTS IN CASH BALANCES</u>	Budget 31-Mar 2010	Forecast 31-Mar 2010	Budget 31-Mar 2011
315	Cash in hand and at bank	0	220	220
0	Cash overdrawn	0	0	0
1,487	Short Term (Loans)/Deposits	755	3,238	3,335
<u>1,802</u>		<u>755</u>	<u>3,458</u>	<u>3,555</u>
	<u>NET (INCREASE)/ DECREASE IN CASH:</u>		<u>(2,703)</u>	<u>(97)</u>