

East Boldre Community Stores Limited (EBCS)

Business and Project Plan – December 2022

East Boldre Community Stores Mission

To safeguard the long-term future of East Boldre's shop and Post Office, essential to the life, vitality and resilience of our village, by establishing it as a community run business in community owned premises.

We will invigorate and develop this village amenity, particularly important for those with reduced opportunities for social contact or limited transport options.

It will be underpinned with a viable business strategy based on growth of services and revenue streams. Sourcing local produce wherever possible, we will employ and build the skills of local people to adapt to the changing needs of the community. The business will be underpinned by a sustainability ethos.

Aims

To purchase East Boldre's Baptist Chapel as community owned premises for a community run shop – aim to start trading July 2023.

To grow the existing business by expanding the goods and services the shop offers our community and ensure the business' long-term survival.

- To make a weekly shop possible with the much larger space accommodating a broader product range.
- To retain the existing, salaried Post Office contract that underpins the financial viability of the business. It allows us to cover opening hours with paid staff so we can provide local employment opportunities.
- To support paid staff with a pool of volunteers to provide a social atmosphere while limiting fixed costs
- To increase turnover and profitability without attracting significant additional footfall into the village (increasing spend per customer, campsite deliveries).

Improved accessibility will make this an inclusive social amenity for our village

With a wealth of quality suppliers in the area the emphasis will be on supplying local produce to local people, strengthening the bonds between local enterprises.

Green initiatives will improve the sustainability of the business as well as boosting footfall.

Project Costs and Funding

East Boldre Community Stores Limited needs to raise £699,250. The bulk of this is the acquisition of the Baptist Chapel, the remainder covering building alterations, demolition of hall and creation of car park, shop fit out, equipment and operating reserves.

- £299,500 – community ownership fund (£250,000 capital, £49,500 revenue)
- £200,000 – community share offer
- £199,750 – other grants/equity awards

East Boldre Community Stores Limited (EBCS)

Society	East Boldre Community Stores Limited
FCA Mutuals Public Register Number	8481
Registration Date	8th October 2020
Business Type	Community Benefit Society The Society exists in order to carry on business for the benefit of the community. Profits to be reinvested in the business or distributed to community causes as determined by the membership. Following the share offer it will be owned by members - membership by one or more £15 share carrying no right to interest, dividend or bonus. Management committee of 3 - 10 people elected by and from the membership. EBCS's management committee currently has 2 founder members and 5 additional members.
Registered Office	Dane End, Heath Lane, East Boldre, Brockenhurst, Hampshire, SO42 7WF
Chair	Anna Rostand
Secretary	Rebecca Gabzdyl
Treasurer	Mike Hawker
Website	https://www.eastboldrecommunitystores.com
Email	eastboldrecommunitystores@btinternet.com

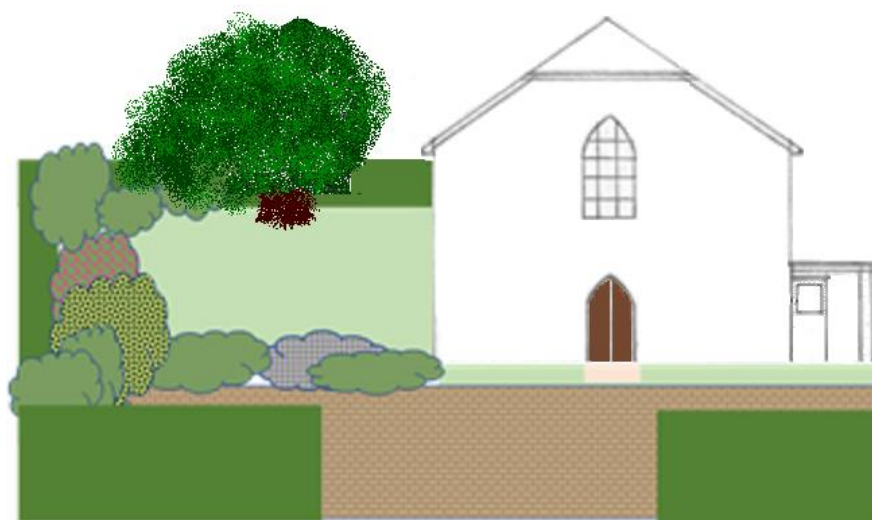


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1 Business and Project Summaries

This plan presents:

- The business case for the operation of a thriving community owned shop in East Boldre to preserve shop and Post Office services that are under threat of closure.
- The project to achieve this – acquire the now redundant Baptist Chapel (preserving it as a valuable community asset), demolish hall and create a car park, building works and shop fit, equip, recruit staff and volunteers and reserves.

1.1 Our Community

East Boldre is a linear village in the New Forest National Park. Our community is diverse being made up of:

- Residents whose families have lived in the village for generations and more recent arrivals;
- Those who work locally, as commoners or outside the New Forest;
- Young families and those who have retired;
- A broad spectrum of incomes and while some are property rich, given high local house prices, they may be cash poor; and
- Mainly permanent residents but with 9% of dwellings as second homes.

The indices of deprivation (2019) from the Department of Communities and Local Government place East Boldre in the bottom 40% of the most deprived neighbourhoods nationally. This is due to the indices for:

- Access to housing and services – East Boldre is in bottom 3% of neighbourhoods nationally; and
- Living environment - bottom 1% of neighbourhoods nationally.

1.2 Current Status

East Boldre's Existing Shop

The current owner has run the existing village shop and Post Office since 2001. The Post Office has protected, 'community status' with a fixed remuneration contract (approx. £19,000 a year). Shop turnover has decreased by 27% since its peak whilst the population of East Boldre has decreased by approx. 10% over the last 15 years so clearly online shopping and other factors have contributed to the business decline.

When the village's separate grocers shop closed in 1997 our existing shop, then the Post Office, covered its loss by adding groceries to its offer but without any increase in space. At just 66m² it is small and cramped with narrow, inaccessible aisles. This limits the product and service offering, impacting turnover and hence its financial viability.

The existing owner has been trying to sell the business since 2016 and has not invested in it which has also contributed to this decline. It has not adapted to changing community needs, or to differentiate its offering from that of supermarkets in the face of increased online shopping. There are no systems in place to manage margins, stock and wastage.

In August 2022, the owner, keen to retire from the long hours of running the shop, decided to focus on operating the Post Office. He planned to move this into the existing stock room (6.7 m²) and close the current shop space - the village would have lost its general store. He has agreed to put this plan on hold for the time being while we pursue this proposal for a community shop and Post Office sited in the Baptist Chapel. He would submit notice to leave to the Post Office to trigger the transfer to EBCS. We have agreed to employ him for up to 6 months to effect a smooth transition of service.

The Baptist Chapel

The chapel, funded and built by the local community in 1844, was our village's first church. It formally closed in October 2021 as its congregation had dwindled.

We had previously exhausted all other suitable, local options for community shop premises (section 20). Therefore, when the chapel came onto the market in August 2022 it presented an exciting, one-off opportunity for premises whilst allowing us to retain the chapel as a community building and to preserve and celebrate its heritage.

1.3 EBCS Business Goals

To safeguard our vital village shop by establishing it as a community run business in East Boldre's now redundant Baptist Chapel. This is an essential amenity, serving a 10 square mile area, especially for the 9% of households with no vehicle in our rural village given the very limited bus service.

We will embrace a varied customer base - focused on the needs of residents we will also cater for tradespeople working locally and visitors and cyclists passing through our interesting, beautiful part of the New Forest.

While our community business does not operate to generate profits for its shareholders it must trade profitably in order to survive. We aim to grow turnover from the existing business's current levels by 27% in the first two years of trading to address the recent decline and create a vibrant, sustainable community business by:

- Establishing our community owned and run shop in a central village location to maximise footfall.
- Increased retail space to support a wider product and service offering and better accessibility.
- Customer loyalty generated by the community business model.
- Retaining the existing salaried Post Office contract so we can provide vital postal and banking services and afford to cover opening hours with paid staff.
- Lunchtime opening to increase trading hours and improve customer convenience.
- Local food and green initiatives to differentiate us from supermarkets and reflect current shopping trends.
- Campsite deliveries will generate turnover without increasing footfall and traffic in our rural village.
- Improved efficiency
 - an EPOS system will enable us to manage margins, stock and wastage
 - Supplier selection and negotiation to source great local products that we can sell at realistic prices.
 - Benchmarking other village shops and retail trends to continuously improve our offering.

These factors give us confidence that our community shop will be successful where the existing business struggled.

1.3.1 Central Location

Our plans to purchase the Baptist Chapel keeps the shop in a central location, in the most densely populated part of our long, linear village. This maximises the customers who can walk to the shop reducing the need for car journeys.

1.3.2 Space to Improve Product and Service Offering

The Baptist Chapel will provide over 186m² of space (existing shop = 66m²) with a retail area of 96m² and ancillary space for stock rooms, office and food prep. This allows a broader range of products and services making a weekly shop possible rather than merely being a convenience store. This allows us to boost turnover by increasing the spend per customer as well as attracting more customers.

The extra space will allow us to:

- Focus on locally produced food and minimising plastic waste to differentiate us from supermarkets.
- Prepare fresh sandwiches and hot snacks to boost lunchtime trade
- Introduce campsite deliveries to boost trade without increasing footfall in our quiet, rural village.
- Address the accessibility issues of the existing business's narrow, cluttered aisles so we can create an inclusive, well laid out space and an enjoyable shopping experience for all.

1.3.3 Paid staff Supported by Volunteers

We will cover opening hours with paid staff, supported by a team of volunteers minimising wage costs and providing cover for lunchtime opening and busy periods. This not only improves margins to make the business more viable but adds to the sociable feel of the shop. In return volunteers will benefit from the skills, social contact, confidence, sense of purpose and of 'being known' that this role can offer. The volunteers bring knowledge of our community, being aware of individuals needing support.

1.3.4 Lunchtime Opening

The existing shop closes for two hours over lunchtime which is inconvenient for local residents (2017 survey feedback). From a business point of view this is a missed opportunity for extra trade to boost turnover. Our plan is to remain open through the day, improving customer convenience. The increased trading hours also spread any additional footfall generated by our plans to grow the business to mitigate any associated increase in traffic or parking pressure.

1.3.5 Retain the Salaried Post Office Contract to Safeguard these Services

The Post Office counter provides vital local services (postal, banking, access to cash) and generates footfall in the shop, especially now that neighbouring Beaulieu's Post Office has closed. A Citizens Advice survey (July 2020) found consumer banking at PO counters has doubled in the past 3 years and for many PO banking is often the only remaining option. Vulnerable groups use PO banking most frequently, particularly those on low incomes & disabled people. 70% of postmasters said pay rates do not cover their costs.

Other community shops report the newer, solely transaction-based income has a negative impact on shop profit margins which are already tight. They have also struggled to find volunteers who want to take responsibility for what are often complex Post Office transactions.

The current owner's fixed remuneration, 'Community status' Post Office contract is financially much more advantageous than these 'Locals' contracts. This is essential to ensure we can afford the paid staff needed to provide Post Office services.

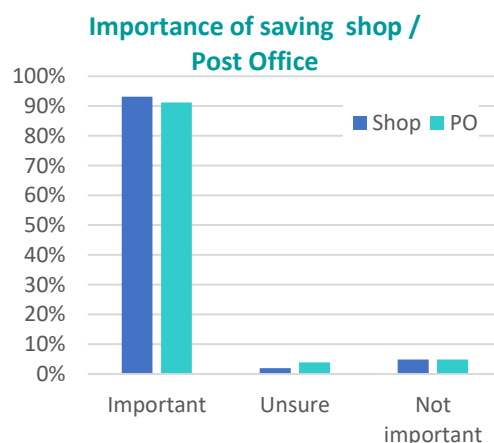
To preserve this preferential contract, we are working with the Post Office and current Postmaster on the B2B transfer of the contract to EBCS on the move to the chapel. We will then employ the existing Postmaster for 6 months and pay him the PO income during that period. The Post Office income is included in our Profit and Loss from the end of that period. The amounts are detailed in the Post Office income analysis (section 18.2).

1.3.6 The Community Business Model

East Boldre Community Stores Limited was constituted as a community benefit society (CBS) with a statutory asset lock in October 2020. A CBS trades for the benefit of the community rather than making profit for shareholders.

The customer loyalty created by community ownership will contribute to business expansion, helping to secure the long-term viability of this vital village amenity. The Plunkett Foundation report the long-term survival rate of community shops is 92.5% compared to 44% for privately run small businesses. Through consultation with our members, who have a say in how the business is run, we will continuously improve the shop's offering.

EBCS decisions and actions reflect our community's ongoing needs and priorities. The original 2017 survey and has been superseded by a more recent one (Dec 2022) which confirms that safeguarding the shop and Post Office is still a strong priority for local residents.



To promote inclusivity, membership will be open to all aged 16+ and be affordable (share = £15).

Profits will be re-invested in the business to enable us to improve the services offered and build reserves which, together with an ongoing open share offer, would cover share withdrawals once we have been trading for 3 years. Once we have built reserves to an adequate level to safeguard and grow the business, any additional surplus would be used to benefit local charitable causes.

The founder members of EBCS have worked to strengthen the management committee. Strong business, management, retail, financial and administrative expertise are now in place to grow the business and control margins, ensuring its long-term viability. As members of the Plunkett Foundation, we have already drawn upon a wealth of experience from their advisors and we have learned a huge amount from other community shops.

1.3.7 Local Focus & Green Initiatives

A 10.4kW solar system will produce half of our electricity and help to mitigate rising energy costs.

We will work to boost the local economy by employing local people and sourcing as much produce from local suppliers as possible (mid-term target is 30% by value) to reduce food miles. Other 'green' initiatives include:

- Energy efficient chillers, especially important to support our expanded local product offer.
- Offering zero single-use plastic product range(s).
- An electric van for seasonal campsite deliveries to grow revenue without creating extra traffic in our village and reduce journeys across the National Park. Provides an opportunity to showcase local food to visitors.
- To reduce waste costs, used cardboard boxes will be offered to customers without carrier bags.
- A small recycling centre for plastic waste that the district council cannot recycle, e.g. crisp bags, ring carriers

1.3.8 Community Space

We will also have 'The Vestry', a 36m² community space – shop tasting and seasonal events, workshops, space for local home workers, coffee mornings and a permanent exhibition of the chapel's history and residents living memories and occasional touring art and cultural exhibitions.

1.4 Business Financial Summary

This business plan is based on extensive benchmarking of other community shops (Appendix 1, section 21) and analysis of financial information from the current shop business and Post Office income. The Post Office have confirmed that with our current proposal we can retain a 'community status' contract.

It assumes we complete on the purchase in March 2023 and start trading in July 2023. Property transactions are often delayed, we consider the most challenging schedule here but have explored the effect of delays.

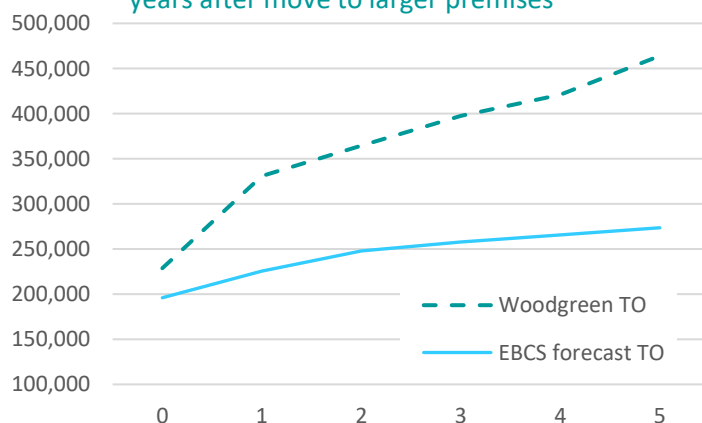
Financial Year	23/24	24/25	25/26	26/27	27/28
TURNOVER	169050	247940	257858	265593	273561
Cost of sales	133229	195219	202955	208989	215204
Gross Profit	35822	52721	54903	56605	58357
GROSS MARGIN	21.2%	21.3%	21.3%	21.3%	21.3%
Post Office income	4787	19150	19150	19150	19150
Revenue grant	9400				
Admin. Expenses	51818	68656	69663	72105	73287
Operating profit	-1809	3215	4390	3650	4220
Tax on profit	0	-611	-834	-693	-802
SURPLUS	-1809	2604	3556	2956	3418
<i>Allows Share Withdrawals</i>				5000	7000

2023/24 figures reflect our aim to start trading in July 2023 (just 9 months of that financial year). Opening hours will be covered by paid staff, a manager and an assistant and the wage bill accounts for 19.4% of turnover in the first year. Section 11.1 explains the rationale that give us confidence in this projection.

This is a conservative scenario:

- It assumes a gross margin of 21.3% (other community shops that we consulted = 22-27%).
- The transaction-based part of the Post Office income has been adjusted downwards to reflect decline of MoneyGram transactions and to remove peaks in transactions in previous years due to the pandemic.
- It allows for paid staff for 69 hours a week (opening hours 64hrs/week) to provide cover for holidays.
- The figures above include depreciation of assets.
- The graph below shows the forecast growth of East Boldre Community Stores benchmarked against that of Woodgreen Community shop's actual turnover on its transition to similar, larger premises in 2011. Pilley Community shop, which moved to larger premises in August 22, have said turnover has almost doubled.

EBCS turnover growth vs Woodgreen years after move to larger premises



This graph shows our conservative growth forecast from the existing business levels compared with Woodgreen's, in terms of years after each business' move to new larger premises.

Prior to each move both businesses had a similar turnover and operated from similar sized, much smaller premises.

EBCS forecast - 15% year 1 (annualised), 10% year 2
Woodgreen actual – 45% year 1, 10% year 2

Our targets are much lower than Woodgreen and Pilley community shops achieved on their moves to larger premises. We have worked closely with them to understand the initiatives it took to achieve this.

1.5 Project Summary

Our intention is to acquire East Boldre's Baptist Chapel, as premises for our community shop and Post Office.

The chapel is a strong option for our shop. Compared to our previous plans (section 20) it offers:

- A more attractive, much larger, double height space enabling a better shop layout (187m² v 112m²).
- A simpler project (no creating/selling flat, no loans, no VAT issues due to commercial/residential mix etc.).
- 'The Vestry' a flexible community space open during shop hours.
- Similar cost for a bigger space (less risk, less work so less chance of budget overruns).
- Private, off-road parking – planning decision for hall demolition + car park - 18/01/23.
- Freehold ownership of the large 0.23 acre site presents additional opportunities
- Large solar PV array to halve electricity costs
- Located close to the existing centrally located shop.

1.5.1 Project Costing £699,650

£325,000 of this is the acquisition of the Baptist Chapel property, the remainder covering purchase costs, building alterations, demolition of ancillary hall to allow creation of car park, shop fit out and equipment and operating reserves. A breakdown of this is included in section 14.

1.5.2 Project Funding - £699,250

We had £422 of reserves at the start of the project. More detailed information is set out in section 0. In summary, we plan to raise the required £699,250 as follows:

- £200,000 – community share offer (launch planned Jan 22)
- £299,500 – Community Ownership fund (this is a key enabler for our project)
- £199,750 – other grants

1.5.3 Key Milestones

More detail on our plans and timescales can be found in section 13.

Milestone	Date	Comment
Baptist chapel mooted for shop premises	9/08/22	Baptist chapel comes to the market - a one off opportunity
Initial Business Plan	29/08/22	Initial project costs/schedule. Operationally largely unchanged from previous plans for community shop.
Community Ownership Fund EoI response	21/09/22	Approved – we are eligible to apply, underpins fundraising
Offer on chapel at an acceptable level?	7/10/22	Yes - Subject to funding and contracts
Planning application submitted	19/10/22	Hall demolition, car park, change of use – ref?
Development funding in place	4/11/22	Covers planning permission, valuation, surveys
COF application	9/12/22	£250,000 capital, £49,500 revenue
New community survey completed	25/12/22	Up to date needs/priorities, feedback on new proposal
Planning decision	18/01/22	Decision delayed by introduction of new planning portal
Share offer launch	20/01/23	Target £200,000
COF decision	10/02/23	Estimate - Critical to project funding/timescales
Post Office agreement	9/03/23	Needed before we exchange contracts on the chapel
Share offer closes	17/03/23	8 weeks
Exchange contacts on chapel	7/04/23	Exchange once chapel purchase funding in place
Complete on chapel purchase	14/04/23	
Hall demolished and car park laid	5/05/23	Assumes contractors lined up beforehand
Building works and shop fit complete	7/07/23	
Staff / volunteers recruited	16/6/23	Already 23 volunteers (52hrs/wk) + 38 maybes thru survey
Start trading	14/7/23	
Post Office transfer to EBCS	19/07/23	

2 Social Outcomes

It is important that our community shop is financially viable and provides much needed products and services. However, it is the social collateral it will generate, impossible to quantify with numerical data, that has a greater effect on individuals' lives. East Boldre's shop is the focus of communication, support, and community well-being drawing people in from all backgrounds so it is essential we retain it.

2.1 *Community Cohesion, Pride and Resilience*

The shop will provide an inclusive focal point in our 3-mile linear village and dispersed rural community for everyone irrespective of their background. The shop will encourage volunteering, foster contacts and friendships, boost positivity, all of which will spread into other areas of village life.

The additional community space provides a wealth of opportunities for local residents to meet informally. We are not being prescriptive over its use, that will be for our members to choose. The shop will be a local information centre, by the inclusion of a notice board and by word-of-mouth, and will promote and sell tickets for local events.

Having lost two shops, the school and our outreach GP, seeing new investment coming into the area and the efforts of local volunteers to effect real progress on their behalf will provide optimism and restore social trust.

Our community will feel proud of 'saving the chapel' and the vibrant shop created within it, breeding positivity and confidence in its abilities. The up-coming share offer will help to unite the community behind a common cause and create a true sense of shared ownership.

The recent COVID-19 pandemic has highlighted the vital role the shop plays within our community. The pub and Halls were closed, the shop was the rallying point. During the initial lockdown in the Spring of 2020 a huge surge in trade was seen at the local shop with a constant queue of people outside as they endeavoured to stay local.

The shop, supported by volunteers from the community, provided deliveries to many 'shielding' residents when the big supermarkets could not respond quickly to the increased demand. A small team of volunteers stepped up, contributing both time and ideas to help keep the shelves stocked. Without the shop our community could not respond in such a fast, innovative way to future emergencies.

East Boldre is blessed with both a Village Hall (with its stage) and the School Fields Hall (with outside play area). In recent years both have struggled financially. Any community shop surplus could be used to help both of these and other local causes so that the shop acts as a force for good across the community.

2.2 *Locally Connected*

The community shop will provide paid local employment and by using local suppliers wherever possible help boost the local economy in an, albeit, small way. We intend to collaborate with other community businesses. This will give us a network of contacts throughout the New Forest and help in identifying best practice and for sharing ideas.

2.3 *Social Inclusion*

The shop will provide an inclusive focal point for everyone in the village irrespective of their background. A varied range of volunteering roles will be defined so that people of all ages, skills and interests have an opportunity to get involved and make a real contribution.

The existing shop entrance has a slope up to the door and the aisles are narrow. The spacious new premises will have improved accessibility so everyone can move freely and independently.

The development of the community shop will set the tone for this inclusion process. Our extensive public engagement and diverse team of lane representatives in every post-code keeps all parts of the community informed and provided a conduit for feedback on the shop plans.

Some community businesses have set a relatively high cost of membership (£100+). Our community share price is set affordably at £15 so it's not a barrier to membership. The share offer will also stimulate involvement and will be more successful if the community is already engaged in the project. We will encourage all shareholders to play a part and provide varied opportunities for people to make a contribution be it helping with fit out, fundraising, product trialling etc and be open to their ideas.

We plan to stock products at a range of price points so everyone can afford to shop there.

We do not plan to offer local deliveries as a rule as we want the shop to act as a social hub, except for those who are ill or have mobility issues.

Our community shop will provide a positive benefit to all generations, from a lifeline to the elderly who rely on it for basic services to young children for whom a trip to the shops to buy sweets can be the highlight of their day and an opportunity for early independence. In so doing, it fosters more contact between the generations.

Many volunteers will be of retirement age but we will also provide volunteering opportunities for young people. This will give the youngsters the opportunity to learn from those with a lifetime of experience. Likewise, the young people may share their technology skills with those to whom it currently seems baffling.

2.4 Social Isolation

Social isolation is an endemic problem in rural areas. The community shop has a social role, especially for the 21% of single occupant households. A chat with shop staff, volunteers and customers may provide the only adult conversation of the day for those who live alone, parents of pre-school children and the increasing number of post-COVID home-workers.

Our community shop will provide a purposeful destination where customers are known by staff and volunteers. The new, larger space will allow local residents to stop for a chat with staff volunteers and other customers without feeling in the way. The additional community room will provide varied opportunities for locals to meet either through shop activities (seasonal events, tastings, cooking sessions) or informally (maybe book clubs, home working forum, knit and natter).

The increased pool of staff and volunteers, each with their own local networks, mean more people are connected via the shop team.

2.5 Employment, Work Experience and Skills

Existing jobs will be retained and a new shop manager employed, actively supported in the role by the EBCS management committee. As the shop becomes established financially, we plan to provide Saturday employment for a young person and possibly provide a retail apprenticeship role.

A diverse team of volunteers will support paid staff:

- Local young people taking part in The Duke of Edinburgh Scheme will have an option right on their doorstep. Links will be established with the scheme at Brockenhurst college.
- Unemployed villagers will have the opportunity to volunteer in the shop to develop useful skills, confidence and a sense of achievement. The shop may indirectly help people find permanent employment.
- Retirees who value the opportunity to put their skills to good use and become known in their community.

Clear and varied roles have been identified to give a sense of ownership and purpose and an opportunity to use existing skills or learn new ones.

We are keen to involve any locals in the project and have budgeted for training where they have the enthusiasm but not necessarily all the skills required. Staff and volunteers will also be encouraged to mentor each other, sharing their skills and knowledge.

2.6 Health and Wellbeing

Mental illness is a growing public health concern and is one of the main causes of the overall 'disease burden'.

By retaining local shop and Post Office services in the village we enable our community's rapidly aging population to remain independent and engaged in the community. A supportive volunteer environment will provide a route into work for those struggling to find employment. A sense of purpose, job satisfaction and usefulness raise self-esteem and help prevent, or provide a route out of, mental illness.

3 Community Need and Potential for Demand

3.1 Community Need

The shop will serve the needs of the whole demographic, there is no one beneficiary group. It is expected some will use the shop daily, others for convenience items, others for a weekly shop; many will use the PO for banking, bill payment, key top-ups, and access to cash.

The indices of deprivation (2019) from the Department of Communities and Local Government place East Boldre in the bottom 40% of the most deprived neighbourhoods nationally. This is due to the indices for:

- Access to housing and services – East Boldre is in bottom 3% of neighbourhoods nationally; and
- Living environment - bottom 1% of neighbourhoods nationally.

Without the shop, the number of journeys across the national park (10-mile round trip) for convenience items, postal and banking services would increase. With buses cut to a minimal service operating just two days a week a local shop is vital, especially for the 9% of households in East Boldre who have no vehicle.

The shop played a crucial role in providing vital supplies to a community under lockdown in spring 2020, highlighting its importance to our community's resilience. With the nearest supermarkets more than 5 miles away unnecessarily long journeys are reduced and social distancing is easily implemented by allowing only 2 people in the shop at a time. Trade soared, seeing both footfall and spend per customer rise, resulting in 10-fold increase in turnover as many villagers became reliant on the shop. With the village pub closed, the shop was the only place where locals could see others outside of their own household, albeit at a distance, a social lifeline to many residents who were living and working alone.

A village shop and Post Office is essential to the vitality of village communities providing a purposeful destination where customers are known by staff and may bump into friends and neighbours. It is a social amenity, particularly for those with reduced opportunities for social contact. The extra meeting room will allow us to provide a social space for a variety of local groups too.

- 21% of dwellings in the village have a single occupant, accounting for 9% of residents.
- 18% of people are self-employed and 4% are homemakers.
- Lockdown restrictions have demonstrated that more people can work effectively from home and this trend is continuing even as the restrictions ease. A downside is that people often find themselves feeling isolated away from the daily contact with colleagues.

3.2 Potential for Demand

The population of the catchment area of East Boldre's shop is between those of Pilley and Woodgreen. Although Woodgreen has the smallest population its shop has nearly 3 times the turnover of Pilley's.

This would indicate that it is retail area and product offering together with community loyalty, rather than population, that drives turnover.



The significantly larger retail space and additional community room will enable us to increase both the customer base and spend per visit by increasing the range of products available. Our customers will include:

- Residents without transport or who no longer drive for whom shopping elsewhere is difficult.
- Locals picking up convenience items or coming for in for favoured products.
- Post Office service users
- Those who drop in for a chat as much as a pint of milk or their newspaper.
- Environmentally concerned - drawn by the local food, zero plastic waste products and recycling facility.
- 400 seasonal migrant workers at the local fruit farm from, February to November, who generally have no personal transport. We will stock speciality products that they are familiar with.
- Tradespeople working locally stopping by for sandwiches, drinks, hot snacks.
- Holiday makers staying in local properties and the owners who could source 'welcome packs' from us.
- Passing visitors (often cyclists) to our beautiful part of the New Forest National Park.
- Shop events and workshops in the community room will promote our products and boost footfall.

We aim to create a destination rather than merely a convenience store:

- We will have space to store and bake fresh bread and pastries on site in quantities to meet demand.
- By capitalising on trends for local food and zero single-use plastic we will:
 - Develop the market for locally produced food, tapping into the many local suppliers around us.
 - Introduce refill stations, initially for household cleaning products but with a view to expanding the refillable product offering to reduce the amount of plastic waste generated.
 - Provide a TerraCycle recycling station for waste that cannot be recycled by the council - we are paid for the waste collected, albeit minimal sums.
- Presentation and display play an important role in selling goods. The larger, more open space will enable attractive and more organised display of produce with a tasting table to encourage customers to try new, local product lines.
- By creating a friendly feel both through shop layout and staffing with volunteers from the community.

Our shop will offer varied price points across the product lines to match the range of disposable incomes in the village. There is a market for both price marked goods and higher end products which, with the additional space, we will have room to stock.

An aim is that customers could buy their whole weekly shop in store by expanding the range of chilled goods (fresh meat, dairy and delicatessen), fruit and vegetables, and frozen food.

It is important to retain the Post Office services that many locals rely on and that generate footfall for the shop. While online shopping has had a negative impact on the shop revenue the Post Office sees increasing related business from; online shopping returns, as a parcel collection point and banking (given bank branch closures).

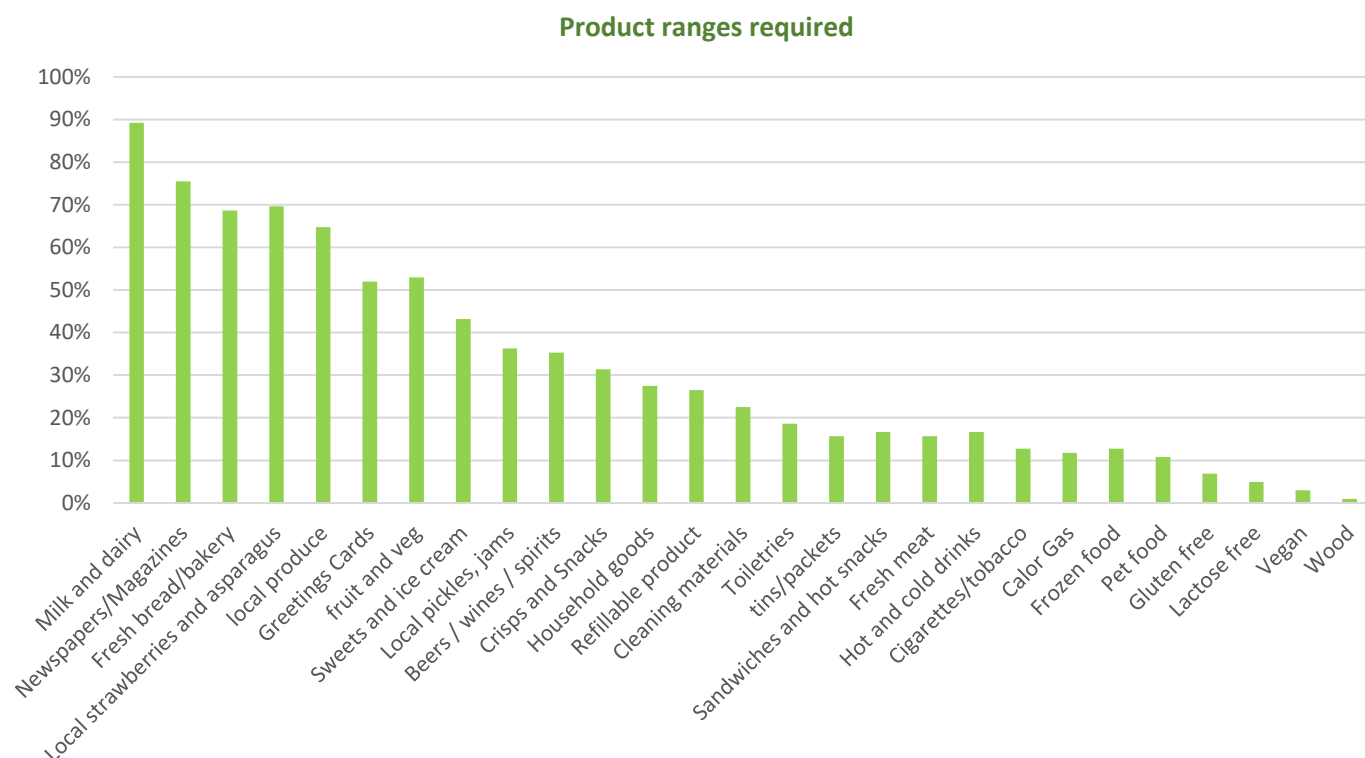
Lunchtime opening in the new store will boost revenue from homemade sandwiches, salads, cakes, drinks and hot snacks and any additional purchases that accompany these.

We plan to develop a new revenue stream by offering campsite deliveries to a large, local campsite (500 pitches) that operates from April - September. This will both increase turnover (without increasing traffic in the village) and cover the costs of running a small, electric vehicle. The van will also be used to provide a limited delivery service for those who are housebound or without transport, so they too can benefit from the community shop.

4 Products and Services

4.1 Products

The graph below based on data from the November 2022 survey shows demand for products.



The product range of the existing shop will be retained as the market for these is well established and has been developed in response to the needs of existing local customers. The new community shop will expand upon this to include:

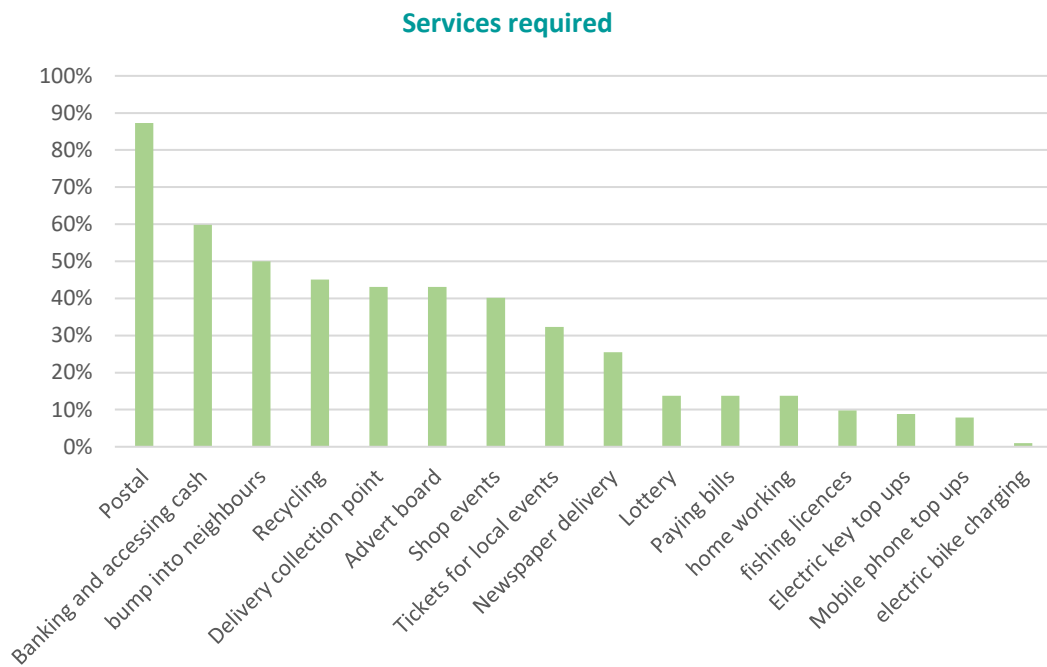
- Increased capacity to bake more bread and pastries on the premises.
- Fresh, local meat, poultry and game. Hockey's Farm shop's "Plenty for £20" meat deal (a whole chicken, sausages, rump steak, pork chops, steak mince) may be a model for introducing meat sales with limited wastage by encouraging customers to pre-order.
- A wider selection of fruit and vegetables with an emphasis on seasonal produce.
- A much broader range of dairy products including local cheeses.
- More delicatessen products from predominantly local suppliers.
- Frozen ready meals from local suppliers.
- Locally produced cakes and biscuits.
- A range of local jams, honey, chutneys and sauces.
- Local wines, spirits, beers and cider.
- A zero single-use plastic, refillable range of household cleaning products. Should this approach prove popular we would look to increase the range of unpackaged goods to include other products, especially dry goods such as pulses, rice and pasta.
- Lunchtime opening will boost demand for sandwiches and hot snacks, freshly made in the new prep area.
- The development of the market for special dietary requirements to include vegan and gluten free products.
- Locally made cards.
- Serve seasonal visitors to the village by stocking small quantities of camping accessories (camping cooker gas refills, tent pegs etc), maps and puncture repair kits.

Where possible we will source produce from the numerous local suppliers around us.

Much of the remaining stock will be from Bookers Wholesalers who deliver. We aim to transfer the existing Booker's delivery to the new shop. Most of the products they supply have a recommended retail price with a predetermined profit margin and many are price marked. Perishable goods will be sourced from supermarkets and local suppliers.

4.2 Services

The chart below shows the percentage of respondents to the Nov 2022 survey requiring various services. We have studied the implication of each of these and our early findings are described below.



Clearly, there is strong desire to retain a Post Office in the village. The existing Post Office contract will be transferred to the chapel. The Post Office services offered also cover the requirements for banking, bill payment and electricity key and mobile phone top-ups.

The advert board generates business for local trades and other service providers so will be retained.

The shop will act as a box office for local events and a delivery depot for online orders allowing residents to collect parcels when it suits them and generating footfall.

Existing demand for photocopying is fairly low and so a basic copying service will be offered using the shop's printer/scanner. This is a useful service for some residents and is also used by the strawberry farm workers.

Woodgreen community shop initially offered dry cleaning but found it was not financially viable. It requires dedicated space for both incoming and cleaned clothes.

Home delivery will be offered for local residents who are housebound or unwell. The costs of running a delivery vehicle will be subsidised by proceeds from the campsite deliveries so that this can be offered at minimal cost.

The new community shop will continue to sell hot drinks and snacks to complement the lunchtime opening hours and product offering.

A cycle repair facility will be installed for the use of locals and the touring cyclists passing through our part of the National Park.

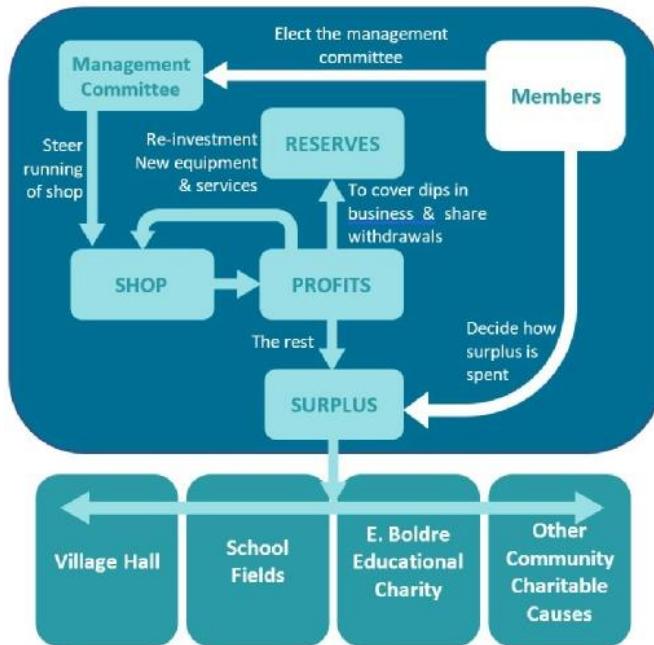
With a range of tools, a pump and wheel holder, it would provide free equipment to make adjustments and repairs.

This would be promoted to generate extra footfall (without associated cars) to our business in its beautiful New Forest setting.



5 Organisation and Structure

5.1 Community Benefit Societies (CBS)



Most shops operate as companies making money for their shareholders. Community businesses have a different legal structure.

Following advice from the Plunkett Foundation, our community shop is set up as a CBS (69% of community shops opt for this structure). CBSs are limited societies (rather than limited companies), registered with the Financial Conduct Authority and are listed on the Mutuals Public Register. EBCS is society number 8481.

The purpose of a CBS is to serve the broader interests of the community rather than make money for its shareholders. Any surplus, that is not reinvested in the business, must be distributed to benefit the community.

The CBS structure with its 'asset lock' is reassuring for grant funders - any surplus can only be used for the benefit of the community, not for the benefit of its members.

EBCS was formally constituted as a community benefit society in October 2020 when it became apparent that the legal issues with running a village shop from the Village Hall's SSSI, Crown land site were proving insurmountable. EBCS picked up responsibility for the community shop from the Village Hall development team.

As a CBS, EBCS must serve the broader interests of the community rather than make money for its shareholders. Any surplus, not reinvested in the business, must be distributed to benefit the community.

A key benefit of this legal structure is that community benefit societies can raise capital by issuing community shares. This is the means by which the shop is put into community ownership. By buying shares, members have access to information, a voice in the society's decision making and are entitled to stand for election to the management committee. Annual members' meetings along with special members' meetings (which can be called either by the management committee or the membership) will provide fora for the membership to vote on key decisions. Members have one vote regardless of the size of their shareholding.

Community shares and the 'ownership' they create play an important role in the success of community businesses. Membership stimulates business loyalty, encouraging members to be more frequent customers and volunteers. They participate in running business ensuring it accommodates and adapts to meet their needs.

EBCS will launch its community share offer in January 2023 and it's open to anyone over 16. We want ours to be an inclusive community business so we have set the share price at £15 and the minimum shareholding at one share. We hope this ensures that there is no barrier to membership within our diverse demographic. All members have one vote on key decisions whether they have one share or 1000.

While we intend to focus our engagement efforts on individual local investors, corporate organisations may invest in our business via the share offer. Our plans for raising funds to cover project costs through our share issue will be detailed in our share prospectus.

Community shares are withdrawable and our society's rules allow for withdrawals after 3 years. This allows time for the business to build up reserves. Withdrawals are at the management committee's discretion based on the business' performance.

Our society's rules include a statutory asset lock. If the Society were to be wound up in the future, once creditors had been paid, shareholders would be repaid the value of their share capital from the society's remaining assets. Any remaining assets would pass to another asset locked organisation and would not be distributed to members as the value of share cannot go up. If there were insufficient funds members shareholdings would be repaid on a prorata'd basis.

5.2 East Boldre Community Stores Organisation

EBCS is registered on the FCA's public Mutuals Register, society number 8481.

EBCS was formally constituted as a community benefit society in October 2020 when it became apparent that the legal issues with running a village shop from the Village Hall's SSSI, Crown land site were proving insurmountable. EBCS picked up responsibility for the community shop from the Village Hall CIO hub development team.

5.2.1 The Management Committee

The management committee is responsible for managing the affairs of the society and exercising its powers according to its rules. EBCS adopted the Plunkett Foundation model rules. We have expanded the founding team to broaden the skills base and share the workload. For the time being, our management committee comprises two first members of the society and 5 co-opted members, all local residents.

Once we have issued shares, it is the membership who will elect the management committee, making EBCS fully accountable to the community. They are responsible for:

Leadership	Setting project direction, networking, problem solving, decision making.
Finance	Initial focus on our income and expenditure for the setting up of the shop and identifying the financial systems and processes to be used. Once operating the focus will shift to the day-to-day monitoring of the retail business, bookkeeping, wages, interface to accountants and HMRC (e.g. Making tax digital).
Business Development, Product / Supplier Selection	Developing retail policy, researching and selection of products and suppliers, focus groups. Staff and volunteers will play a role in continuing these activities.
Fundraising	Researching funding opportunities and making grant applications.
Marketing	Community and membership facing role – surveys, gathering feedback, member newsletters, promotions, website etc..
Staffing	Recruitment and training of staff and volunteers.
Administration	Minutes, diary management, record keeping.

We are fortunate to receive support from several people who help with graphic design of our newsletter, development of our share prospectus, professional services, social media and fundraising advice.

Once our share offer closes (March 2023) and we have a membership base, it is our members who will elect a management committee, from among themselves, able to understand and deal with every aspect of the business.

5.2.2 Paid staff

Opening hours (64 hrs/week) will be covered by paid staff. We have budgeted for 2 full time paid staff, working a total of 69 hrs/week to provide a small overlap in working hours and holiday cover. They will be responsible for Post Office operation and support the volunteers.

A new manager, working 33 hours week, will be responsible for the day to day running of the shop providing control and continuity. Supported by the management committee, their responsibilities will include:

Customer Service	Promote a customer focused team ensuring efficient, friendly service.
Staffing	Team building, rota (using 3 rings), mentoring, training and appraisals.
Supplier Interface	Involved in selection of suppliers, relationship building, price negotiation.
Stock Control	Ordering, promotions, wastage management.
Health & Safety	Responsible for all aspects of health, safety and security.
Reporting & Escalation	Reporting to committee against targets, escalation of actions and decisions.
Business Development	Work with committee using their 'hands-on' knowledge to grow the business.

A staff member will transfer to EBCS from the existing shop, for 36 hrs/week, to jointly cover the opening hours with the manager. She brings knowledge of the business and customers providing continuity.

Salaries will be at or above the living wage and employers NI and pension contributions are included in our forecasts. Benchmarks of other community shops show that wages typically account for about 15% of turnover (section 0). We will not recruit additional staff until growth is achieved and we are confident that the business can afford. From 2026 we plan to employ a young person on Saturdays (typically difficult to cover with volunteers).

5.2.3 Shop Volunteers

We will rely on a team of volunteers, which helps control wage costs while maintaining excellent customer service. Volunteers may benefit from the social contact, confidence, sense of purpose and of 'being known' that this role offers and bring knowledge of our community. 13 volunteers (offering 38 hrs/week) have come forward with another 32 maybes. Based on feedback from other community shops, volunteers will not be expected to handle post office transactions. Volunteer roles include:

Time to chat	Sharing the workload of paid staff, the whole shop team will have time to deliver the friendly service that is the best feature of rural community shops.
Serving customers	Training will ensure that volunteers are comfortable using the EPOS system.
Collection of goods	From small local suppliers who do not offer a delivery service.
Campsite deliveries	Key to growing the business without increasing footfall. We plan to resource this service from the volunteer pool offering 2 weekly deliveries.
Onsite baking	We will bake bread and hot snacks on the premises each morning and, as at Woodgreen's shop, volunteers could play a key role in this.
IT/EPOS management	Keep computers and the EPOS system running and optimally connected.
Book-keeping	Book-keeping, monthly reports, preparing annual submission to accountant.
Cleaning	To minimise cleaning costs and help maintain food hygiene standards.
Supplier deliveries	Help on busy delivery days, so that the shop can continue to trade seamlessly.
Customer deliveries	Support a limited weekly delivery to those who can't get to the shop themselves.
Date checking	Ensuring produce on the shelves is in date and to help minimise wastage.

Volunteers will have specific roles and hours to give them ownership and job satisfaction but will be encouraged to be flexible. There will be opportunities for young people, for example, as part of the Duke of Edinburgh scheme.

5.2.4 Unsalaries Paid Employment

EBCS will also provide paid employment for a cleaner (2.5 hrs/week) and local paper delivery (7 hours/week).

6 Our Target Market

East Boldre Community Stores Limited will serve a geographical area of roughly 12 square miles covering:

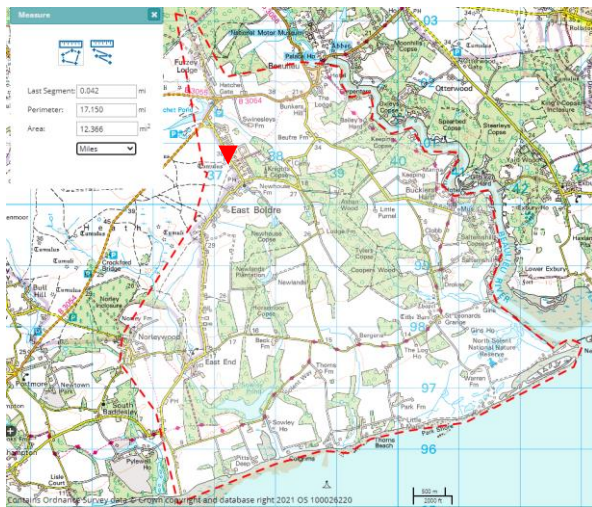
- East Boldre parish - including the villages of East Boldre and East End
- Beaulieu parish, especially for residents of Bucklers Hard and St Leonards for whom it is the nearest shop.

Most of the customers will be domestic households but the local pub and garage will also continue to use the shop. Additionally, up to 400 seasonal strawberry farm workers work locally February until October.

Roundhill campsite, has 500 pitches and operates April to September. Our shop will be its nearest retail outlet. We aim to exploit this market with deliveries at weekends to boost revenue without increasing traffic in our village.

Whilst East Boldre is off the main tourist trails through the New Forest, the shop aims to serve the needs of the walkers and cyclists who pass through and Hatchett Pond, a popular beauty spot, is nearby.

Customers of the local garage may find it convenient and there is a pre-school close by so parents dropping and collecting children are also potential customers. The community shop site is very close to the village allotments so is convenient for gardeners working there.



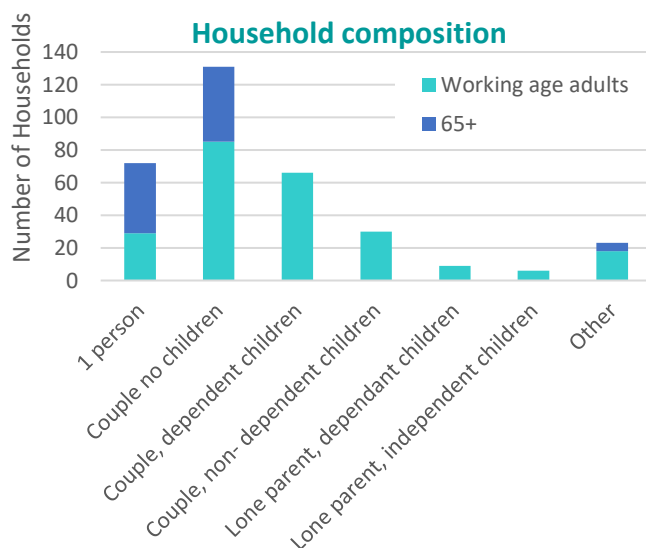
The map shows East Boldre Community Stores catchment area, which includes about 720 homes, for whom it is the nearest shop and Post Office.

Beaulieu's Abbey Stores and Post Office has closed so trade from Beaulieu has increased significantly since the beginning of 2020. East Boldre's Post Office is therefore an increasingly important service in the area for banking, bill payments, eTop-Ups and access to cash.

This is a summary of our demographic study - see the full document, embedded in section 18.2

Our community is diverse being made up of:

- Families who have lived in the village for generations and more recent arrivals;
- Those who work locally or outside the Forest;
- Young families and those who have retired;
- A range of incomes and while some are property rich, given high local house prices, they are cash poor;
- 9% of dwellings are 2nd homes.



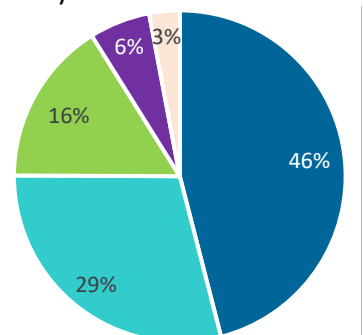
People by Age group				
Parish	0 - 18	19 - 65	65+	TOTAL
E Boldre	164	406	219	789
Beaulieu	141	770	191	1102
Combined	305	1176	410	1891
% split	16%	62%	22%	
National %	19%	62.5%	18%	

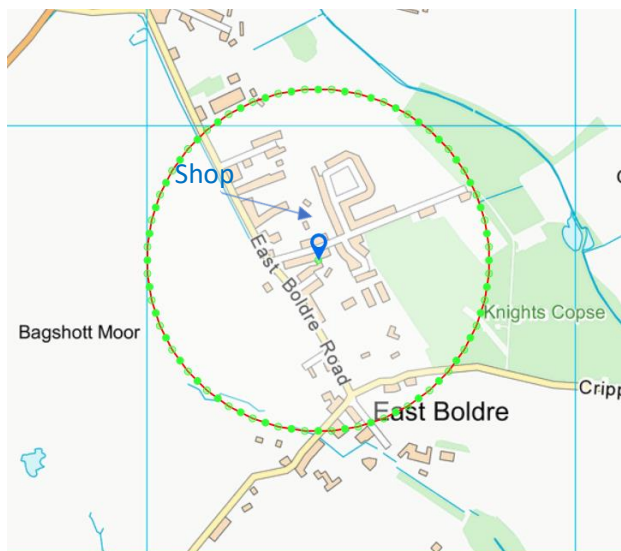
The village shop is as much a social amenity as a source of groceries for the 8.7% of the population that live alone. Many customers come in daily for a chat as much as for provisions.

34% of households are family homes.

Home ownership

- Owned outright
- Owned with a mortgage
- Social rented
- Private rented
- Living rent free





186 homes are within 400m of the chapel site putting it at the centre of population in our long, ribbon village. This maximizes those who can walk or cycle to the shop and reduces the number of car journeys made.

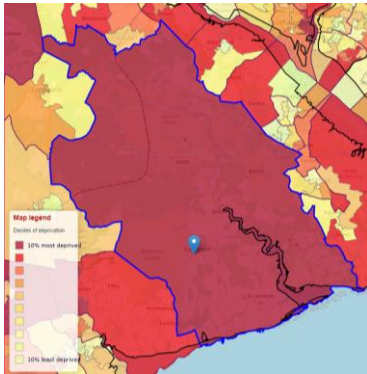
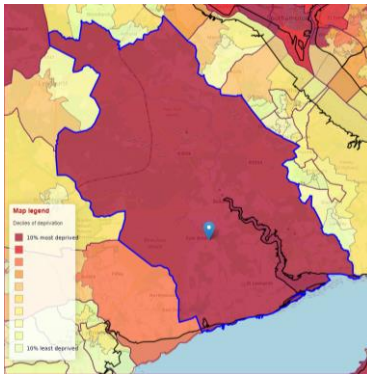
Limited buses run on just Tuesdays and Thursdays. For the 9% of East Boldre households who do not own a vehicle there is no easy access to alternative shops 5+ miles away.

The New Forest NPA has identified potential sites for 22 new affordable homes within this 400m radius to be built by 2036.

East Boldre is in the top 10% of neighbourhoods nationally for employment with 95% employment.

- 2.5% of working age adults are long-term sick or disabled and these residents may benefit from the limited delivery service we are planning.
- 2.1% are unemployed and may benefit from the work experience and training opportunities we'll provide..
- 17.5% are self-employed – more likely make daytime use of the convenience and social aspect of the shop.

According to the Ministry of Housing, Communities and Local Government overall index of deprivation data for 2019 East Boldre Parish is in the lowest 40% of neighbourhoods nationally.

Index 1 = bottom 10% of neighbourhoods	East Boldre's Score	East Boldre
Barriers to Housing and Services Few local services close by, little affordable housing. In bottom 3% of neighbourhoods nationally. It is important therefore, to preserve and improve the product and service offering of our community shop as proposed in this plan.	1	
Living Environment Deprivation Quality of housing, air quality and road traffic accidents. In bottom 0.3% of neighbourhoods nationally.	1	
Crime	4	
Income	8	
Employment	10	
Education, Skills, Training	7	
Health Deprivation & Disability	10	
Overall (Multiple deprivation)	4	

7 Market Research

7.1 Existing Market Knowledge

We aim to transfer the existing shop employee to our community shop bringing customer knowledge/loyalty.

To foster close collaboration with the current shop owner, a management committee member, volunteered in the existing shop and Post Office for 2 years. The experience has provided detailed understanding of its customers' needs and the day-to-day operation of the business.

7.2 Community Surveys and Involvement

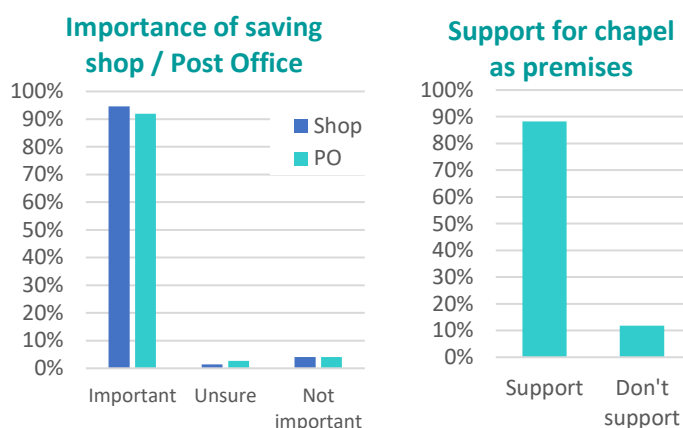
Since the Save Our Shop Campaign started (2017) input has been sought from the community on several occasions. The analysis of the surveys conducted underpin the thinking in this business plan.

- The Save Our Shop Campaign surveyed the community in the summer of 2017.
- Feedback from public meetings in October 2018 and December 2019 have been incorporated in this plan.
- To ensure we have an up to date understanding of our community's needs and priorities as input to this proposal a comprehensive survey was carried out in December 2022.

It confirmed the community's strong desire to keep a village shop / Post Office.

It provided feedback and new ideas which we have incorporated in our plans.

88% support our plan to acquire the chapel as shop premises. The key concerns were over traffic and parking which have been addressed in our planning application. It highlighted areas where we can improve communication and clarity too.



7.3 Benchmarking Other Community Shops

Appendix 2 (Section 20) details the extensive benchmarking of other community shops that has been carried out to inform this business plan in terms of space requirements and financial metrics.

7.4 Local suppliers

We have researched local producers and already have a list of over 150 potential suppliers within a 30-mile radius of East Boldre. These range from small scale producers such as local Commoners who raise beef, lamb and special acorn fed, 'pannage' pork to wholesale producers who operate locally.

7.5 Campsite Deliveries

Roundhill campsite is close to East Boldre, has 500-pitches and is open April to September inclusive. Deliveries will increase turnover without causing extra local traffic and reduce visitors' journeys across the National Park.

Woodgreen Community Shop offers a similar campsite service and we have sought their input to our plans. We will offer weekend deliveries, emphasising local produce which, coincidentally, has good margins.

Local

Freshly baked bread, croissants, pain au chocolat	Seasonal soft fruit + asparagus	Bacon, sausages, eggs
Freshly made sandwiches + snacks	Cheeses and charcuterie	Jams + chutneys

Staples

Milk, butter + yoghurts	Drinks	Newspapers
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Breakfast and barbeque packs would be collated from these products and offered with a small overall discount to encourage an increased spend. Delivery would be free on orders over £20 and £1.50 for smaller orders.

Customers would pre-order online by Friday or Saturday afternoons with online card payment for delivery during a 1hr window the following morning. We aim to publicise the service via a leaflet that would be given to campers on check-in to Roundhill and on the campsite website.

7.6 Refillable household product range

We will offer a range of refillable household cleaning products in the community shop to reduce the amount of single use plastic. There is a growing trend to offer these products as a differentiator from supermarkets. The majority of local households have septic tanks, main stream brands are often not suitable - all of these brands are septic tank friendly. We have visited local stockists to understand the process and space/fittings needed. People are often unfamiliar with refillables' brands so we ran trials within the local community of potential suppliers' products with local testers. Our testers unanimously preferred Ecover products.

7.7 Homemade Cakes

The existing shop sells a lot of pre-packaged cakes. We hope broaden this offer to include home baked cakes. Milford on Sea's Community centre offers these in their café. They have advised that, with a straightforward kitchen inspection (£35) by a local council official, cakes could be made in local homes for sale in the shop.

We do not foresee these products being pre-packaged, if they are, we would ask home bakers to supply a full list of ingredients used to comply with Natasha's law (section 26.6).

7.8 Plunkett Foundation Community Shop Facebook Group

Last, but by no means least, this has been an invaluable and supportive source of information from other community shops, particularly for: Community benefit society set up, benchmarking, space planning, EPOS systems, waste management, VAT, Insurance, Post Office.

8 Marketing Strategy

We expect the process of developing the community shop to create a ground swell of support within the community. Particular attention is being paid to seeking involvement from all members of the community in the shop development project though:

- Communication and consultation through our newsletter, lane representatives, website, meetings, surveys.
- Post pandemic we are pleased that shop related community events will be possible
- Broad range of volunteering opportunities to enable involvement whatever time or skills allow.

The marketing strategy for the shop, once it opens, is essential and maintaining the energy and community identity established by its development.

We aim to create a fresh perception of the products and services to be offered by the community shop from the start. While we want to reassure existing loyal customers that their needs will still be met attracting new users is important. This will be achieved through:

- Asking the community to fill out their own personal 'shopping lists'.
- Community involvement in supplier and product selection through tasting events.
- An intensive period of pre-share offer publicity and for the opening event.

8.1 Unique Selling Points

Post Office

The Post Office in Beaulieu is closed so preserving this service is vital to residents in both East Boldre and Beaulieu parishes. Transfer of the salaried Post Office contract to EBCS on the move to the chapel, will enable us to offer these services without subsidising them from the shop's revenue.

Quality local food

We will select local suppliers (within 30 miles) where possible to boost the whole local economy.

Product range customised to local needs

We will continually develop the product range to reflect changing requirements. We will stock the goods that people ask for regularly and source specific items for a personalised service.

Social destination

48% of the 2022 survey respondents value the shop as a place for a quick chat with staff, volunteers and neighbours. The social space can be used for a variety of shop related activities, workshops and by community groups.

Championing green initiatives

A solar EV system, efficient refrigeration, an electric van, zero single use plastic product ranges and recycling stations for waste not handled by the council are some of the many initiatives we plan (section 10).

Newspaper deliveries in the village

No other outlet offers newspaper delivery in our area.

Ticket Sales for Village Hall and Other Local Events

Promotes accessibility and inclusion of those not comfortable with buying tickets online.

Limited Local Deliveries

Using the van (costs subsidised by the campsite deliveries) we will be able to offer affordable deliveries for those who can't get to the shop themselves.

Visitor Information and Education Point

Space for information about the New Forest and protecting this special SSSI area and its wild animals.

8.2 Pricing Strategy

We aim to serve the needs of the whole community with room to stock goods at varied price points across our ranges. The shop will serve the needs of economy shoppers:

- With storage space to allow bulk buying of popular lines, we can offer goods at more competitive prices.
- Many products in this range will be price marked.
- We will competitively price known value items.

There is a market in the village for higher end products. At present the needs of this group are not properly addressed due to the limited shelf and chiller space. The new, larger community shop will allow us to address this.

We are aiming for a gross margin of 21% in line with our financial benchmarking activity (section 21.2). The EPOS system will help us constantly monitor the margin achieved so prices can be adjusted as required.

8.3 Marketing Activities

More information can be found in our communication plan in our communication plan in section 19.

8.3.1 Community Shop Newsletter

A seasonal newsletter, distributed door-to-door to the local community and online via the shop website, will be contain articles about our local suppliers, business successes and changes. It will be used to introduce any new staff or volunteers so that the community knows the shop team. Articles will showcase local seasonal produce.

8.3.2 Digital Marketing

The shop website provides news and information on the community shop proposals and project progress. It will provide a platform for information about the community share offer and other fundraising information. Once trading it will provide information on suppliers, promotions and contact and opening hours. Website development and hosting costs have been included in the project and running cost budgets.

A Facebook page will highlight, for example, when asparagus and strawberries are in stock or when a new supplier or product range is introduced. A Facebook group will provide a forum for dialog with our members and customers.

8.3.3 Community Ownership Model

Member owned organisations such as our Community Benefit Society benefit from having a larger number of people who have a financial interest in the running of the enterprise and who are more likely to use it regularly. We will encourage a large membership by setting the share price at an affordable £15 to create a community with a vested interest in the success of the shop and a strong sense that it is theirs. The maximum shareholding will be limited to £15k (well below the legal limit of £100k) to encourage a broad membership.

The share offer will be well publicised and supported by public meetings to ensure the community are involved, informed and have an opportunity to have their questions answered.

8.3.4 Community Involvement

Tasting events and product trials to select suppliers will involve the community in the products stocked by the shop. For example, a Christmas Fair would showcase seasonal produce and locally made cards and crafts.

We aim to network with other local groups (Art group, Horticultural society, Allotment holders, Montessori nursery school and Beaulieu and S Baddeley schools) to build connections within the community. For example:

- Sales of plants raised by horticultural society members and allotment holders
- Sustainability and heritage workshops with schools
- Design of EBCS reusable bags, aprons and tea towels

8.3.5 Opening event

We will involve the whole community and project partners in our opening event. It will be widely publicised to every resident, personalised for those who are members and our project partners. Participants in the project will be publicly recognised for their efforts and a photo display of key stages in the project will help celebrate their achievements. We will promote our new local, product lines with tastings.

8.3.6 Promotion through 3rd Party organisations

Both Hampshire Fare and New Forest Marque have been useful in developing a list of potential local suppliers (section 19). Links from their websites to ours could broaden our reach and raise our profile. However, the membership fees are significant in terms of the shop's surplus so we will weigh the benefits against the costs. Costs are not yet included in the business plan as the benefits are unquantified.

Hampshire Fare - £170 + VAT/year - Must sell products from five Hampshire producers. Benefits include a listing in the Hampshire Local Produce Guide and the Hampshire Food Festival.

New Forest Marque - £350/year - Must carry 3+ New Forest Marque producers to get a dedicated listing on their website and receive both start up and promotional support. They provide member networking events, introductions to suppliers.

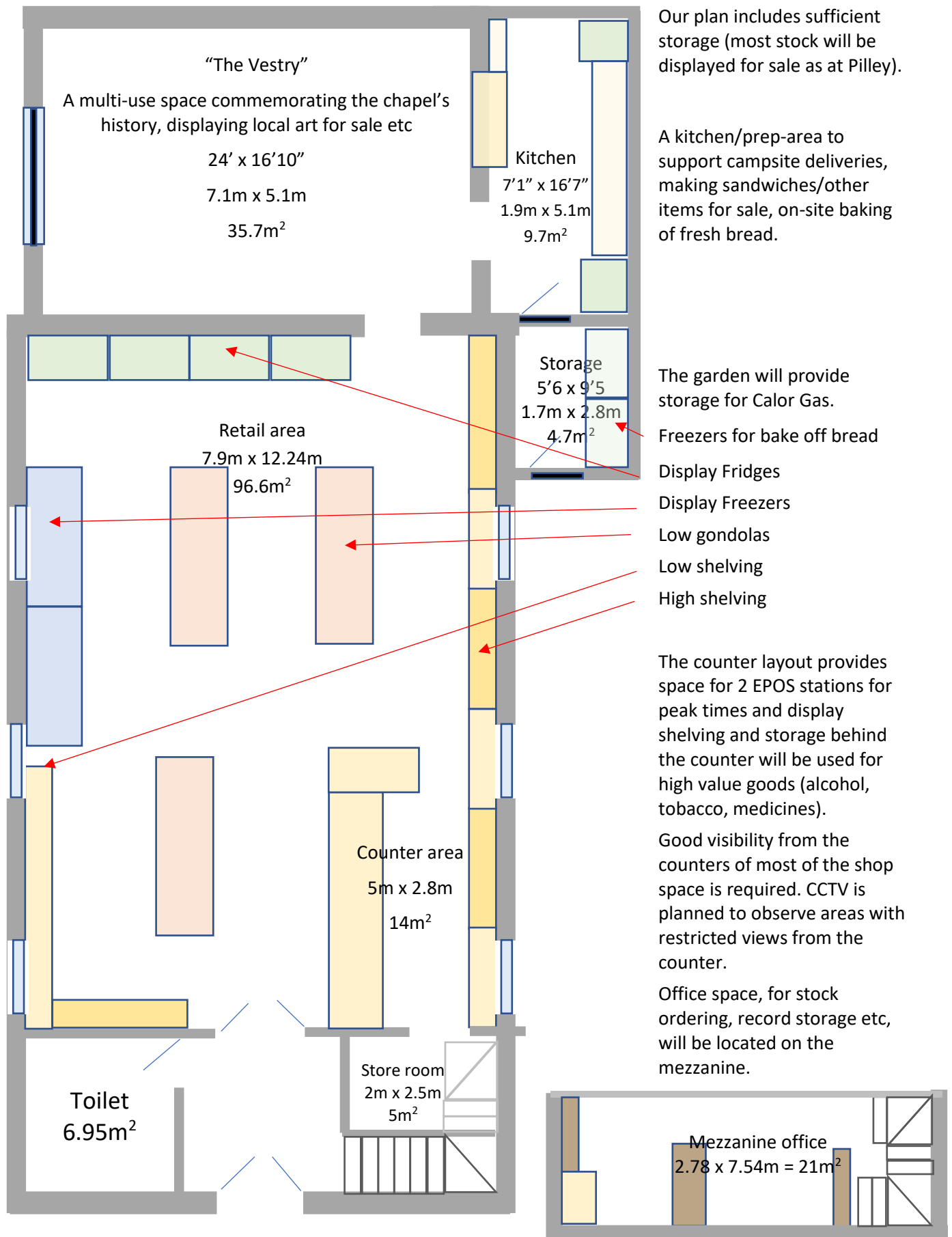
8.3.7 Other

The local press and radio will be used to publicise key achievements along with posters and leafleting in the parish. A stall at village events promoting local produce would raise our profile while raising money for other village causes. We will apply for brown signs to signpost our shop from Main Rd and Hatchett Pond, a popular local beauty spot.

9 Operations and Logistics

9.1 Retail Space

The Plunkett Foundation suggest a space of 100m² for community shops with paid staff. Our existing village shop is just 66m². The chapel space is shown below with a layout on which we have based our costings.



9.2 The 'Vestry' Community Space

This space will celebrate the heritage of the building with an exhibition including local's living memories and the building's history and the congregation it served. Historical research from varied potential sources we've identified and interpretation of the chapel's built and cultural heritage add to the diversity of our volunteering opportunities. St Barbe Museum is partnering with us on the creation of this exhibition, bringing their experience, knowledge, archives and contacts. The space will also act as an occasional venue for their touring exhibitions to add continued interest and an opportunity to local people to easily engage with art and culture.

It will provide a welcoming space that is open to locals to use during shop opening hours. The addition of French windows to one side will significantly improve natural lighting. This space will be used for shop tasting and seasonal events, workshops (IT, Bike repair, help with CVs, Wills etc), for regular coffee mornings and community groups. It offers potential for a small revenue stream not included in this business plan.

9.3 Opening Hours

Monday to Saturday	8am – 6pm	64 hours a week
Sunday and Bank Holidays	8am – 12noon	

9.4 Suppliers

Stock bought in bulk will be supplied by Bookers Wholesalers by transferring the existing shop's Bookers account to the new shop. Most of the products they supply have an RRP with a predetermined margin and many are price marked. Products bought in limited quantities will be sourced from supermarkets.

However, a key focus of our community shop is to source goods from local suppliers. Currently we have identified over 150 local suppliers within a 30-mile radius (see section 1918.2).

Woodgreen get a discount from their co-op on goods for resale. Ferndene offers the existing shop a discount.

9.5 Onsite Baking

Baking onsite doesn't bring better margins but creates an ambience and positive customer perception. With experience there is little wastage, both Woodgreen and East Boldre's existing shop offer to sell the loaves from the freezer (supplier = Country Choice) when the baked bread is sold out rather than risk baking too much.

A commercial bread oven is planned. Large loaves need to defrost for 4 hours so at Woodgreen these are left out overnight while East Boldre Stores sticks to loaves that can be baked directly from the freezer.

The food prep area would be used for this. Our plans allow for 2 chest freezers with a capacity of approx. 1000l (Woodgreen have about 2500l, our current shop about 500l). We plan to offer the following products:

- Croissants, Pains au chocolat, other pastries
- Bloomer, Malted Cob, Organic loaves, small baguettes
- Sausage rolls, pies, pasties

9.6 Delivery to Customers

An electric van will provide a limited delivery service for local residents who most need it, those who can't get to the shop themselves. The vehicle running costs will be subsidised by the campsite delivery service so that this can be offered at a minimal charge. Deliveries would be limited to a specific day so that this additional work is tackled at one time and can be planned for in the rota. Backroom space, including chillers, has been allocated for processing orders.

Based on advice from other village shops around us, it is not financially viable to offer a full delivery service to all residents. It would defeat one of the main aims of the shop - as a social forum for members of the community to meet informally.

9.7 VAT and Cash Flow

VAT is payable quarterly to HMRC as it accrues so is factored into our cash flow. The cash flow figures assume VAT at 20% is paid on all admin costs and purchases as they accrue with quarterly returns made to claim VAT back. Some purchases are zero rated so this is a worst-case cash flow scenario. VAT on business energy cannot be reclaimed. It is possible to reclaim VAT more frequently with HMRC's prior approval if needed.

9.8 Insurance Requirements

Public liability and employer's liability insurance will be needed by the community shop as well as contents insurance. Directors and Officers insurance will indemnify the management committee. These have been budgeted for in the Profit and Loss forecasts of section 11.7.

9.9 Stock and Wastage Management

Our community shop will operate with modest profits so effective management of both stock and wastage is crucial. From the financial benchmarking of other shops (section 0), stock value should typically be about 5% of turnover. We aim to manage stock against this target to limit the impact on cashflow which may limit some more cost efficient, bulk buying opportunities. The EPOS system will enable us to keep track of this and allow review and management of:

- Demand and sales trends - so that the right things are stocked in the right quantities
- Capital tied up in stock
- Wastage - 1% wastage on a turnover of £230k is £2300, significant given our projected surplus.

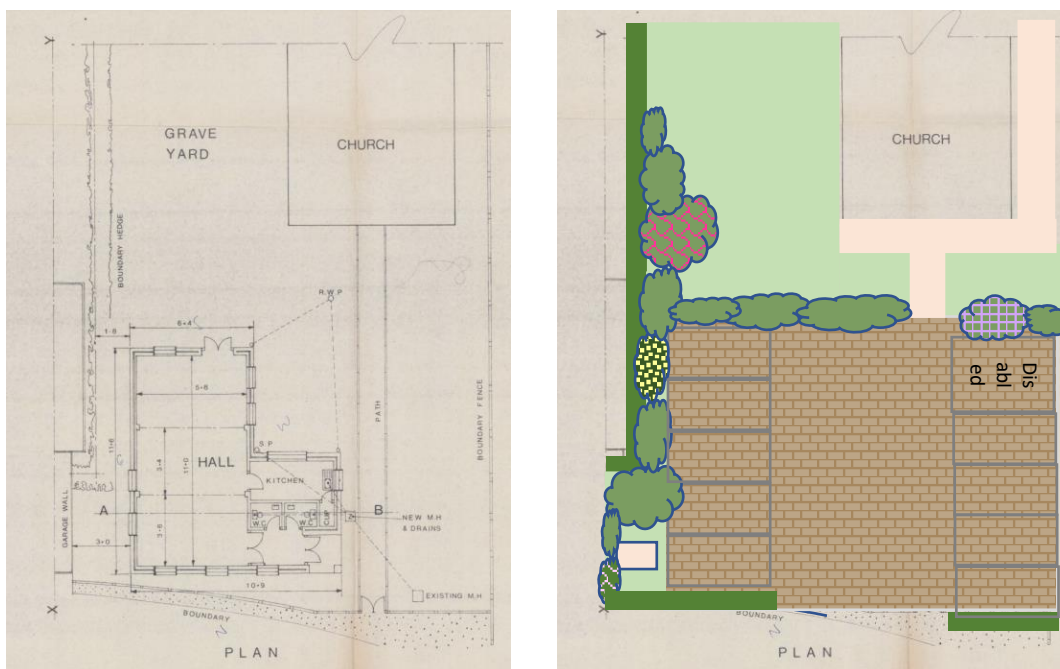
Aside from the initial purchase price, shops have to pay an annual charge to their EPOS supplier (covers SW maintenance and product lists etc). This cost seems justified given the benefits.

9.10 Payment Terms – Stock and Cash Flow

Large suppliers (Bookers, Country Choice etc) are typically paid by bank transfer while smaller suppliers are more likely to require cash on delivery (New Forest Shortbread, New Forest Fruit). Payments to suppliers are typically due on receipt of goods and our reserves policy allows for the lag in income from the sale of stock.

9.11 Off Road Parking

The chapel is sited on Chapel Lane, a narrow lane off of the main road through East Boldre with a 30mph speed limit. There is no provision for on road parking without blocking the highway. Currently there is no off-road parking provision of the Chapel's 0.23 acre plot. The shop's central location in the village will maximise the number of customers who can walk or cycle there.



Our plan is to demolish the single storey hall and to replace it with a parking area.

We aim to grow the business primarily by increasing the average spend per customer by offering a broader product range in the larger space.

Campsite deliveries will also grow turnover, without an increase in footfall.

The existing business closes for lunch with small peaks in traffic before and after this period. Lunchtime opening will smooth these peaks and help to spread any increase in footfall with its attendant parking.

9.12 Refuse Collection

We will work to reduce the amount of commercial waste produced by the shop. Used carrier bags and boxes will be offered to customers who do not bring their own bags. Business waste collections are made as part of domestic waste collection rounds. Our cost forecasts are based on quantity estimates from other community shops and the existing business (section 19).

9.13 Legal requirements

See section 26.

10 Environmental Initiatives

The community shop's 'green' initiatives and practice will act as a model to enhance awareness of the need to recycle, to reduce reliance on plastics and to cut down on waste, etc. Engagement with local schools in these projects will provide practical education and the youngest residents maybe be the driving forces behind these initiatives in their homes.

10.1 Solar Panels – A necessity

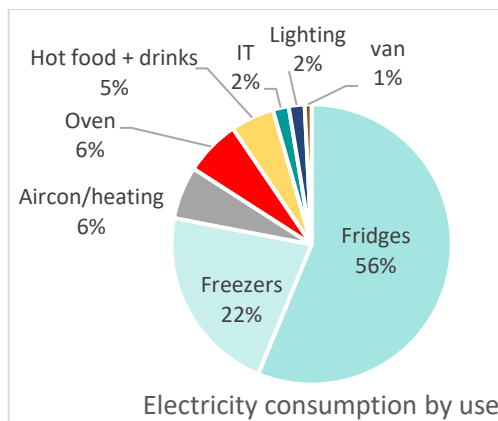
Community shops are, in general, marginal businesses. With recent energy price hikes and more looming many community shops are facing financial losses and are uncertain of their future. Some are being forced to consider staff redundancies and relying on volunteers, others face closure, some, like us are looking to solar PV panels with battery back-up to mitigate the increased costs.

A DEFRA supported study found that retail food outlets are responsible for around 3% of the national total electrical energy consumption with refrigeration systems accounting for up to 60% of this.

The shop's annual energy consumption is estimated as 19,923kWh, 78% of which is due to the chillers.

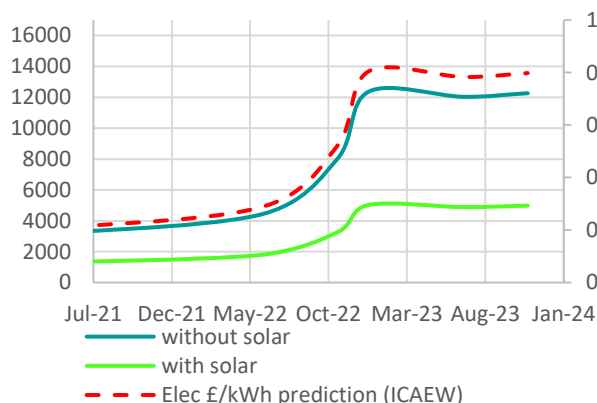
We have chosen energy efficient upright fridges with doors. We will also opt for chest freezers for both display and storage, not preferred from a merchandising point of view but driven by both environmental and financial considerations.

All lighting will be LED based and err toward lowest acceptable Lux (brightness) levels to minimise power consumption.



Note – shops are generally unheated.

Effect of energy cost increase projections



Using the Institute of Chartered Accountant's energy price predictions for the next 18 months, it is clear that yearly energy costs of £15,900 would not be sustainable by our business. An 11.2kW solar system would reduce this to £8,600/annum.

Turning off a fridge and a freezer would reduce consumption to 14,358kWh/year (by 24%) and the energy that we have to pay for by 42%. We estimate that this would reduce energy bills to £4980/annum.

Energy prices are currently expected to drop in 2024 but how far and how quickly is unknown.

The chapel has a large (13m x 5.5m = 74m²) WSW facing roof that is unshaded.

To ensure our running costs are affordable we are planning a 11.2kW photovoltaic system made up of 28 x 400W panels producing an estimated 9120kWh/annum. 10.2kWh of battery storage will smooth the gaps between solar electricity production and the shop's consumption so we can use daytime generated energy after dark. We do not envisage exporting any electricity from the PV system to the grid as peak solar PV generation coincides with peak usage by chillers. More information is in the 'Schedule of Work' in section 1918.2.

10.2 Minimising Car Journeys

Online shopping is not an alternative for accessing cash and convenience items. By retaining the shop and Post Office in the village journeys across the New Forest National Park for newspapers, convenience items and postal and banking services will be significantly reduced.

With 70 customers a day, many (say 67%) would need to make a 10 -12 mile round trip across the New Forest National Park to the alternatives if our shop closed. Our village shop conservatively saves 180,000 miles of car journeys/year.

Campsite deliveries will allow visitors to enjoy fabulous local produce delivered to their tent. This too will

reduce the number of journeys made across the forest by visitors.

10.3 Air source heat pumps

Three 18000 BTU wall split air conditioning with heat pumps will be used for limited heating and cooling. Separate units allow heating and cooling to be provided only when and where needed to minimise energy use

Internal units

- one above counter area for staff comfort - most customers come dressed for the weather.
- one above chillers to keep them within their specified operating temperature range on hot days.
- one in old vestry for user comfort on hot or cold days

External units

- Mounted on the exterior walls, one external to counter area; two (one above the other) to right of French doors.

NOTE: Ground source is not an option due to 400 graves on site.



10.4 Insulation

We will insulate the chapel roof spaces.

10.5 Above Ground Rainwater Harvesting

An underground system is not an option - there are 400 graves on site.

A 2700 litre water tank with pump and mains back up will collect rainwater for flushing toilets and the garden. The tank will be positioned beneath the toilet window on the downpipe there and be screened e.g. trellis with honeysuckle.



10.6 Minimise Zero Single-Use Plastic

Zero single-use plastic cleaning products will be stocked - customers bring their own containers for refilling. If successful we will extend this approach to other product categories. We have selected the supplier based on local product trials (section 7.6).

To reduce waste costs used cardboard boxes from our supplier deliveries will be offered to customers who did not bring their own bags instead of supplying customers with new carrier bags.

10.7 Electric Delivery Van

Deliveries to local campsites using an electric van will boost shop revenue while minimising journeys across the Forest by campers. The pandemic restrictions meant our plans to pilot campsite deliveries in 2020 and 2021 did not happen as the campsite was shut for most of this time. Our society was dormant during summer 2022. We will develop and refine the logistics and procedures (order placement, payment, product picking, completed order storage, delivery) in Summer 2023.

10.8 Biodiversity

Our intention is to create a wildlife friendly garden around the chapel, providing plants that are beneficial to birds and insects. The existing Yew Tree will be supplemented with three additional native fruit / nut trees and other shrubs and an area to the rear of the site will be left undisturbed to provide cover / shelter for wildlife.

Boundary Hedge - We will screen the car park with a hedge of wildlife friendly, native species - 50 plants at 4 plants/metre (Hawthorn, Blackthorn, Dogwood, Dog rose, Hazel).

Other Planting - The existing Yew tree to the rear of the site and left-hand mixed hedge will be preserved. Three native trees will be planted. Wildlife friendly shrubs and herbs will encourage biodiversity.

10.9 TerraCycle



TerraCycle offer free programmes funded by brands and manufacturers to collect and recycle waste from the community that isn't recycled by the council (crisp bags, coffee capsules, toothbrushes, cosmetic packaging etc). We'll choose the most appropriate programmes and start collecting in the shop. Non-profit organisations earn rewards from TerraCycle and it is expected to generate additional footfall for the shop.

11 Financial Forecasts

This business plan presents a conservative case, assuming the lowest of our sales growth forecast and gross margin; taking low baseline for the existing shops turnover and ignoring income from the open share offer.

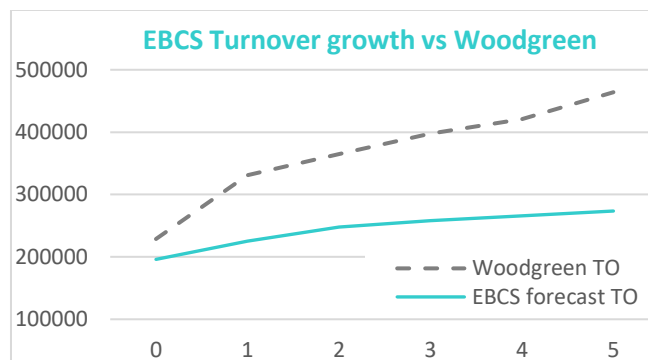
At its peak, 6 years ago the turnover of the existing shop was at £260k. Our projections show return to this level of trade in 3 years – it takes time to change people's habits and see the full benefit of our revenue growth projects.

11.1 Increasing Turnover

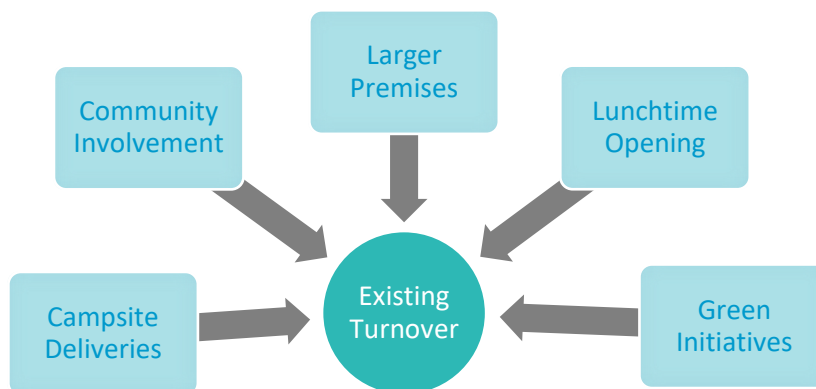
The existing shop turnover was £197,400 for the financial year ending in 2020.

The graph shows our forecast turnover against that achieved by Woodgreen Community Shop following a move to larger premises. The data is plotted in terms of years after move to larger premises.

With a lot of work Woodgreen saw a 45% increase in turnover in the first year due to new larger premises, the community support they built and revenue growth projects. Strong growth (10%, 9%, 6% and 10%) continued in subsequent years.



The main contributors to our increased forecast turnover:



The figures presented in our business plan assume that over the first 2 years of trading we'll achieve the worst case figures shown in the table below. This equates to 27% growth over the first two years, 15% in year 1, 10% in year 2, 4% in year 3 followed by 3% in year 4, 2% in year 5). For comparison Woodgreen achieved 59% in first 2 year and roughly 8% a year in the following 3 years.

Turnover Generation	Worst	Best	Comment
Larger Premises	10%	15%	The chapel building offers 189m ² compared to the 66m ² at the existing shop. This retail space will enable a significantly wider range of products increasing spend per customer visit.
Lunchtime Opening	5%	7%	An extra 2 hours trading/day – boost sales (especially sandwiches & snacks). 23% increase in opening hours for greater convenience.
Community involvement	5%	10%	Community involvement in the project and membership have increased turnover at nearly all community shops across the country.
Campsite Deliveries	6%	8%	Although Roundhill is 10 times the size of the campsite Woodgreen serves our forecast for the revenue potential scales their revenue by a factor of just 2.25. Starts in summer 2023.
Green initiatives	1%	1%	Refillable product range and TerraCycle draw in new customers
TOTAL	27%	41%	Conservatively, we have assumed 15% turnover growth in yr 1 and 10% in yr 2 = 27% growth in first two years of trading as revenue generating projects deliver returns.

In addition, promoting under-used Post Office services will generate additional transactional income, improve services offered to the community and maintain footfall in the shop.

11.2 Administrative Expenses

Note – we will only be trading for 9 months in this tax year, some costs have been adjusted accordingly.

2023-2024	£	Detail						
Wages and Salaries	32748		Hrs/wk	Rate £	Annual £	Emp. NI	Emp. Pension	Total
		Manager	33	12.2	20935	2889	444	25956
		Assistant	36	9.5	17784	1263	349	14659
		19.4% of turnover in year 1, as only 9 months trading						
Staff training		Included in initial revenue costs prior to opening in yr 1						
Building maintenance		Normally £1500/year in subsequent years						
Water	220	Based on Woodgreen						
Rates		Eligible for rural exemption. (Otherwise, £3465 with small business multiplier).						
Electricity	3,833	Due to large number of chillers (from kWh figures). Pro-rata’ed from £5110 /yr						
Insurance	1,200	PL, EL, D&O , buildings/contents. Covers initial D&O in first year.						
Accountant/bookkeeper	2,300	Numbers based on East Boldre’s existing shop, tallies with Woodgreen Accountant £1580/year, bookkeeper = £180/quarter						
Computer costs		All brand new in year 1						
Newsletters/advertising	420	Newsletter, ads in local paper, flyers etc						
Cleaning	1, 006	3hrs a week @ £9.5/hr pro-rata’ed						
Repairs/maintenance		To shop internals and fixtures, new in year 1						
Print, post, sundries	200	Based on an average of benchmarked shops, incl. annual website hosting						
EPOS licence Costs	1,600	ImageSoft quote = Local + cloud back office (£312), 1 x lane support (£936) covered in pre-trading revenue costs						
Phone	600	Based on median of benchmarked shops. £630 pro-rated						
Motor expenses	450	Insurance (£290 v limited mileage), MOT (£55), Incidentals						
General expenses	100	covered in pre-trading revenue costs						
Bank/card charges	1,597	0.85% of turnover from benchmarking						
Legal / professional	200	Initial business advice						
3 rings volunteer mgmt.		Volunteer management system – covered in pre-trading revenue costs						
Accounting package	420	QuickBooks						
Premises licence		NFDC pricing covered in pre-trading revenue costs						
Subscriptions	200	Plunkett Foundation (£200)						
Refuse collection	450	Year 1 pro-rata’ed. Based on New Forest DC charges, see section 19.						
Depreciation	4,479	Year 1 pro-rata’ed. Van depreciation – £2699, Equipment depreciation - £2200						
TOTAL	51,818							

Subsequent Years (2023 – 2026)

	24/25	25/26	26/27	27/28	
Admin Expenses	68656	69663	72105	73287	
Shop Wages (incl NI + PAYE)	43378	44300	46677	47791	Assumes ~2% annual rises. In 2026 we'll employ a young person on Saturdays - difficult to cover with volunteers.
<i>Wages % turnover</i>	17.5%	17.2%	17.6%	17.5%	
Staff Training	200	200	200	200	Put aside to cover maintenance expenses.
Building maintenance	1500	1500	1500	1500	
Water	220	220	220	220	
Rates	0	0	0	0	
Electricity	5110	5110	5110	5110	
Insurance	1,200	1200	1200	1200	
Accountancy/book-keeping	2300	2300	2300	2300	
Website/Computer costs	120	120	120	120	
Newsletters	240	240	240	240	
Cleaning	1359	1359	1359	1359	
Equip. maintenance	300	300	300	300	Calculated as 0.85% of turnover.
Print, post, stationery	200	200	200	200	
EPOS licence Costs	1,600	1600	1600	1600	
Phone	600	600	600	600	
Motor expenses	450	450	450	450	
General expenses	100	100	100	100	
Bank / card charges	2107	2192	2258	2325	
legal professional	200	200	200	200	
3 rings volunteer mgmt	150	150	150	150	
Quickbooks	420	420	420	420	
Premises licence	190	190	190	190	Assets written down linearly
subscriptions	200	200	200	200	
Waste collection	540	540	540	540	
Depreciation	5972	5972	5972	5972	

11.3 Gross Margin

Managing our margin will be key to the success of our shop. The EPOS system will allow us to track our overall gross margin and we will monitor this against our target adjusting pricing to stay on track.

From our benchmarks showed an average gross margin of 21% was achieved by community shops making a surplus (see section 0). Therefore, we used this to calculate the cost of sales from the turnover projections. The shops with lower margins are staffed by solely by volunteers, so administrative costs are much lower. We feel it is important for our shop to provide local employment opportunities so we will cover opening hours with paid staff.

Some goods have low margins (tobacco (6%) and newspapers in particular) while greetings card offer good margins (100%). In the existing shop tobacco sales make up a significant percentage of turnover. We aim to increase sales across product ranges with better margins to offset this.

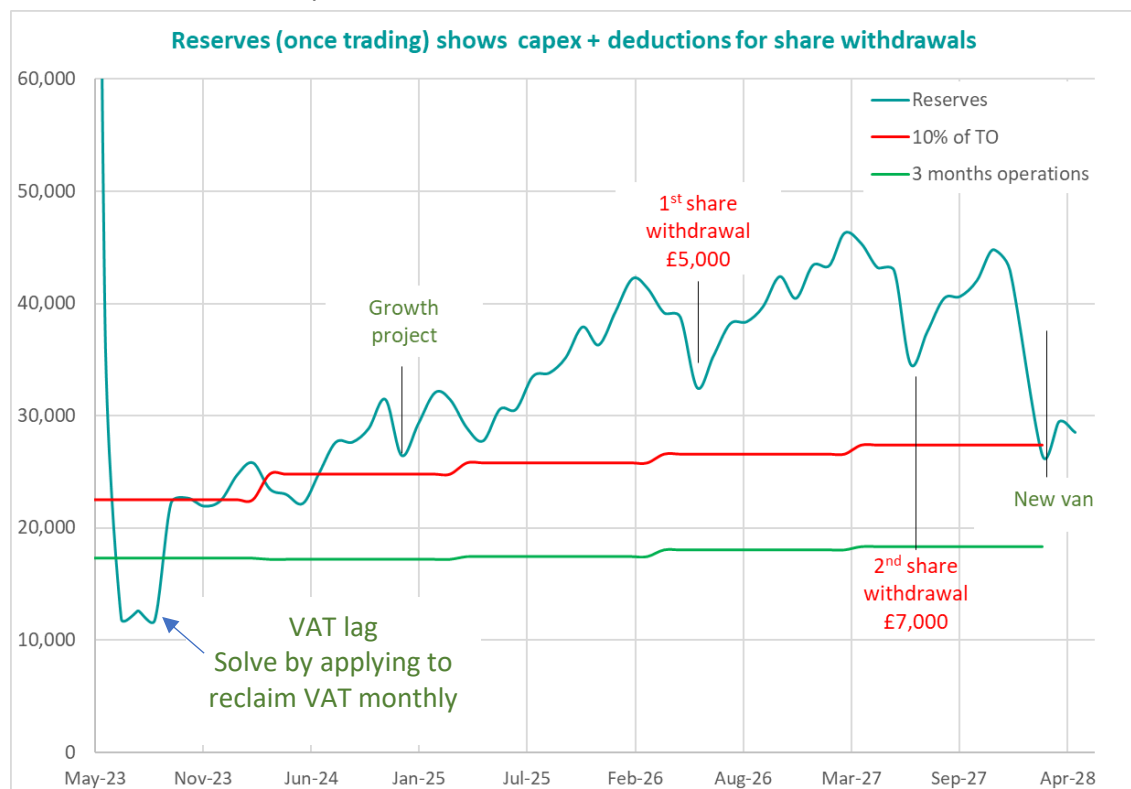
11.4 Balance Sheet Forecast

Below is a summary of our balance sheet forecast.

	22/23	23/24	24/25	25/26	26/27	27/28
	£	£	£	£	£	£
Fixed assets	334,080	635,231	629,259	623,287	617,315	630,843
Current asset						
Stock		13,524	13,524	13,524	13,524	13,524
Cash	245,156	25,829	31,456	41,406	45,369	28,546
VAT debtor	2,016					
Total current assets	247,172	39,353	44,980	54,930	58,893	42,070
less						
VAT creditor		2,071	2,302	2,411	2,496	2,584
Creditors (corporation tax)			611	834	693	802
Net current assets	247,172	37,282	42,067	51,685	55,704	38,684
Net assets	581,252	672,513	671,326	674,972	673,019	669,527
Share capital	225,000	225,300	225,510	225,600	220,690	213,780
Capital grants	310,000	414,700	414,700	414,700	414,700	414,700
Reserves	46,252	32,513	31,117	34,673	37,629	41,047
Share capital and reserves	581,252	672,513	671,327	674,973	673,019	669,527

11.5 Cash Flow

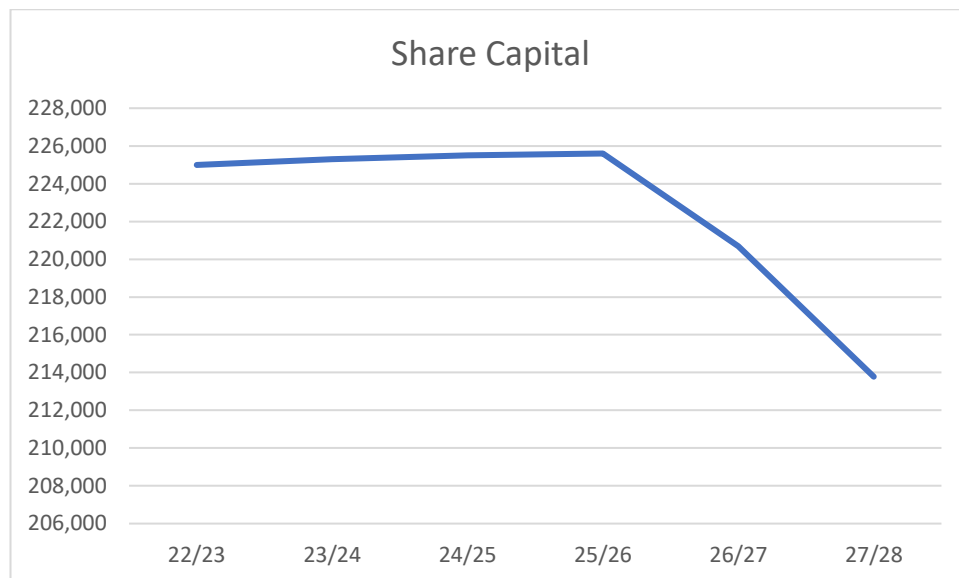
Revenue funding of £49,500 will provide an initial operating reserve to manage cash flow and cover stock and upfront costs. We aim to hold operating cash reserves of approximately 10% of turnover in line with Plunkett Foundation recommendations. In the first 3 years, any surplus is used to build reserves and grow the business. Once the business has been trading 3 years we will start service share withdrawals. Full Cash Flow forecasts can be found in section 23 and our Reserves Policy in section 19.



11.6 Share Withdrawal Forecast

Our rules allow members to withdraw shares after 3 years, as long as the business can afford to do so. Social investment tax relief rules also require shares are held for a minimum of 3 years.

The £25,000 Booster Equity funding we are applying for along with the £200,000 equity raised through our share offer will be repaid through share withdrawals.



This conservative business case indicates that share withdrawals could be funded from reserves in the 4th (£5,000) and 5th years (£7,000) of trading. If the shop outperforms this conservative business case, members could agree to support higher withdrawals to reduce the business' liabilities. Once the business has built reserves, we expect the rate of share withdrawals to accelerate.

Promotion of an ongoing open share offer will also increase the amount of share withdrawal the business can sustain. Full terms of our community share offer will be published in our share prospectus.

11.7 Profit and Loss Forecast – Once trading

Financial Year	23/24	24/25	25/26	26/27	27/28
TURNOVER	169050	247940	257858	265593	273561
Cost of sales	133229	195219	202955	208989	215204
Gross Profit	35822	52721	54903	56605	58357
GROSS MARGIN	21.2%	21.3%	21.3%	21.3%	21.3%
Admin. Expenses	51818	68656	69663	72105	73287
Other income (PO salary)	4787	19150	19150	19150	19150
Other income (revenue grant)	9,400				
Operating profit (PO + shop)	-1809	3215	4390	3650	4220
Tax on profit		-611	-834	-693	-802
SURPLUS	-1809	2604	3556	2956	3418
COST OF SALES	133229	195219	202955	208989	215204
Purchases	131859	193393	201129	207163	213378
Newspaper delivery costs	1370	1826	1826	1826	1826
ADMIN EXPENSES	51818	68656	69663	72105	73287
Wages and Salaries	32748	43378	44300	46677	47791
Staff training		200	200	200	200
Building maintenance		1500	1500	1500	1500
Water	220	220	220	220	220
Electricity	3833	5110	5110	5110	5110
Insurance	1200	1,200	1200	1200	1200
Accountancy / book-keeping	2300	2300	2300	2300	2300
Computer costs		120	120	120	120
Advertising	420	240	240	240	240
Cleaning	1006	1359	1359	1359	1359
Repairs/maintenance		300	300	300	300
Print, post, stationery	200	200	200	200	200
EPOS licence Costs	1,600	1,600	1600	1600	1600
Phone	600	600	600	600	600
Motor expenses	450	450	450	450	450
General expenses	100	100	100	100	100
Bank / card charges	1437	2107	2192	2258	2325
Legal / professional	200	200	200	200	200
3 rings volunteer management		150	150	150	150
Accounting pkg	420	420	420	420	420
Premises licence		190	190	190	190
Subscriptions	200	200	200	200	200
Waste collection	405	540	540	540	540
Depreciation	4479	5972	5972	5972	5972

Notes

1. Some of 1st year costs are covered by development project revenue grants - EPOS system and licence, 3 rings, QuickBooks and training courses bought before we start trading for system set up and training purposes.
2. We qualify for rural exemption on rates and therefore no rates are payable
3. Operating expenses are based on benchmarking other shops (section 0) and from calculation of our electricity usage based on chillers, lighting and appliances specified. EPOS license is based on a quotation
4. Depreciation assumes 10-year life on chillers, 7 years on van and 4 on EPOS system. Site dilapidations covered by building maintenance cost in table above.

12 Competition

Ours will be the only shop in the village so there is no competition for convenience items.

12.1 Beaulieu Organic Farm Shop

This is the closest shop to ours, just under a mile away. It is a high end, organic, family run shop operating from rented premises owned by the Beaulieu Estate. It prides itself on everything being top grade and their prices do reflect this. It is therefore, only at the higher of our 3 price points that we may be in direct competition. They have onsite butchery and make their own burgers and sausages. They cure ham and gammon on the premises too.

Once the shop feasibility is established, we plan to discuss with the owner how the two businesses might collaborate rather than compete. This needs more work but they could supply us a range of organic and cured meat or we could take game orders for them.

12.2 Beaulieu Post Office

Beaulieu's Post Office closed in 2020 so East Boldre Post Office now serves many residents of Beaulieu parish too.

12.3 Bellord and Brown, Beaulieu

Operating in the old Post Office they sell fruit and vegetables, subscription and one-off veg boxes, oils and local sea salt. They also offer local foraging courses. Open Weds to Sat 10:00am – 4:30pm and 10 – 2pm on Sundays.

12.4 Queensmead Village Shop, Beaulieu

Queensmead opened in October 2020 and is open 10 – 5pm daily. It is a small village shop selling a selection of local, handmade goods, sweets and gifts. Offers high end artisan goods at high prices it is not seen as a direct competitor.

12.5 Shop at Bucklers Hard Marina

The boatyard chandlery also stocks a selection of grocery items including fresh milk, bread, confectionery, ice, cheese, ham, fresh orange juice, pasta, teabags and coffee etc as well as essentials such as toilet rolls, toothpaste and shampoo. Croissants, baguettes and newspapers are available on weekends with a seating area for hot drinks and ice creams. At the weekends, they stock fresh bread, sausage rolls, quiches, brownies, croissants and scones from Doe & Sons Bakehouse. Open 7 days a week from 9am – 4pm

12.6 Pilley Community Shop

Pilley Community Shop and Post Office is 4.3 miles away. The two businesses have existed side by side for many years without detriment to each other, each serving their own communities. Originally a privately owned business they became a community shop in 2015 which significantly boosted trade. It now has three times the turnover than before the volunteer management committee stepping in five years ago, proof of the effectiveness of the community ownership model.

Pilley Shop has recently moved into a purpose built, 100m² space, attached to Boldre Memorial Hall at the end of the existing lease. They report turnover has nearly doubled since the move.

12.7 Supermarkets

Supermarket	Location	Distance miles
Tesco Metro	Lymington	5.2
M & S Simply Food	Lymington	5.5
Waitrose	Lymington	5.7
Tesco Express	Brockenhurst	5.8
Co-op Food	Brockenhurst	5.8
Co-op Food	Lymington	5.9
Sainsburys Local	Holbury	6.1
Tesco Superstore	Dibden	6.5
Waitrose	Hythe	6.7
Co-op Food	Lyndhurst	8.9

We do not expect to compete with large supermarkets on price, product range and online deliveries.

Instead, we offer:

- An enjoyable shopping experience with a good chance of meeting friends / neighbours.
- Refillable products and local food.
- A personal service where customers' regular requirements are catered for and one-off requests will be accommodated.

Woodgreen get a 10% discount from their local co-op on goods for resale and this is something we will look into with the Brockenhurst Co-op store.

EBCS Project Plan – Setting Up the Community Shop

13 Project Activities and Timescales

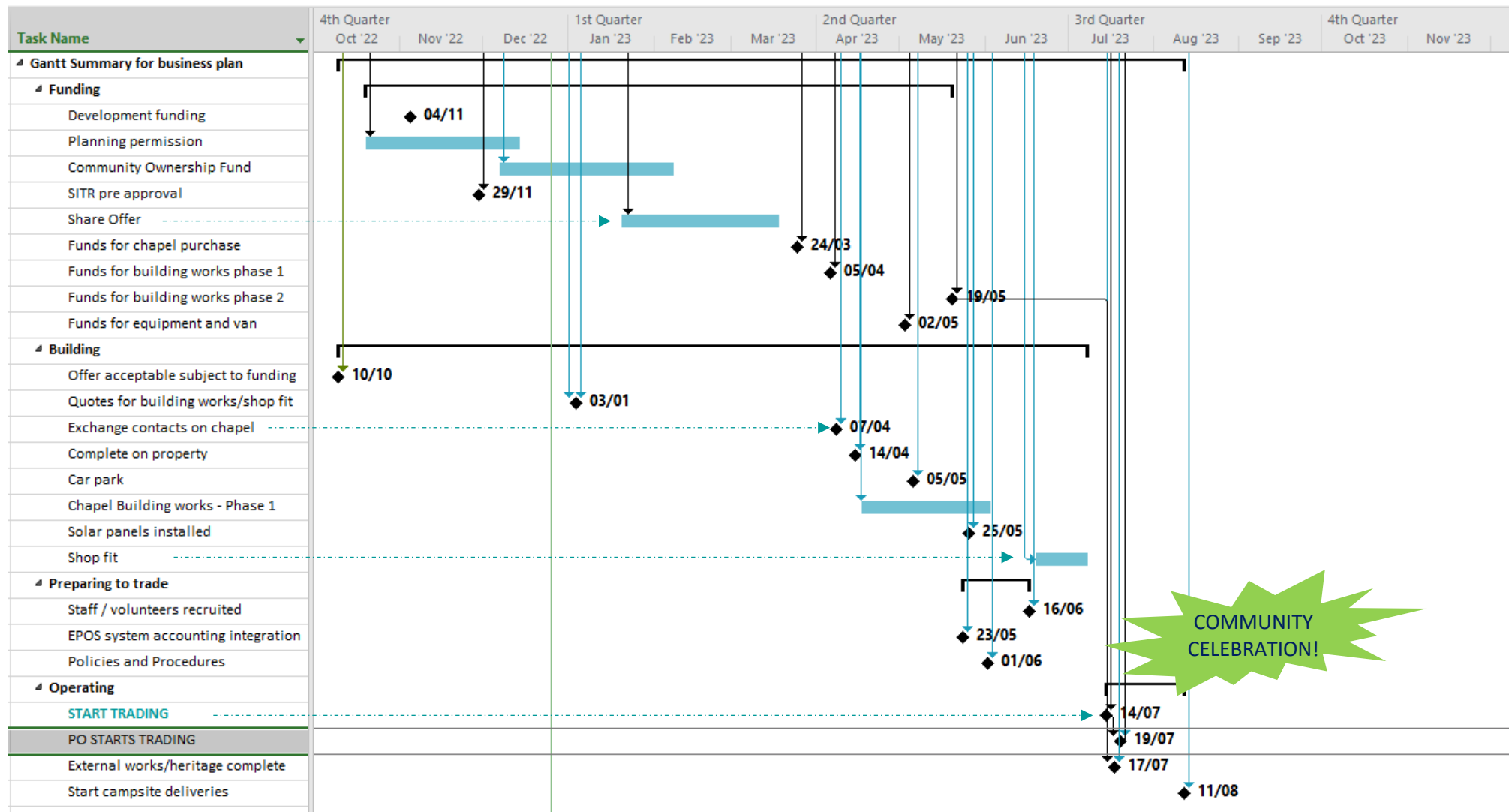
The project has been broken down into four key phases which are described in the following sections.

Phase	Activities
Feasibility	<ul style="list-style-type: none"> Re-engage the community with our new plans, relaunch website + survey Raise funds (£9,700) to cover project development costs Negotiate the purchase of the Baptist Chapel as premises with the Baptist Union Corporation. Priced at offers over £325,000. This will include agreeing with the vendor time for us to raise the necessary funds. Valuation, structural engineer and surveys to scope necessary works Business and costed project plan for new approach – based on our previous work. Agreement in principle with the existing Postmaster and Post office to transfer the community status PO to the chapel - underpins our business case to cover opening hours with paid staff and preserve these vital services. Locals contract with remote office support payment that replaces assisted office payment. Feedback from PO to confirm terms, timing. Planning permission for demolition of the hall, creation of car park, solar PV and change of use (due 18/01/23).
Fundraising, Detailed Planning, Property Acquisition	<ul style="list-style-type: none"> Raise funds (£699,250) according to the fundraising plan (section 15) to cover the project costs set out in (section 14). <ul style="list-style-type: none"> Development grants, donation, fundraising - £10,050 Capital grants - £414,700 Equity 225,000 - Share offer prospectus, standard mark and launch Revenue - £49,500 Detailed agreement with the Post Office/Postmaster for relocation of PO and costs of transferring location (borne by EBCS). Detailed plans for building alterations and fit out, project costing + schedule updates Schedule of works and select contractor(s) Aim to exchange contracts subject to COF decision on 27/03/23. Complete on the Baptist Chapel purchase. Community engagement
Building Works, Fit Out, Prepare for Opening	<ul style="list-style-type: none"> Demolish the ancillary hall to create off road car parking and landscape to improve the street scene. Building works to accommodate our business, shop fit and associated works (mainly electrical), kitchen Accounting package and EPOS system selection, purchase and integration for operational efficiency Recruit and train staff and volunteers Merchandising plan and supplier / stock selection Commercial transfer of the existing Post Office to EBCS and the new premises. Policies and procedures Designated premises supervisor licence, premises licence, food outlet registration Heritage project to create exhibition and graveyard interpretation
Operation	<ul style="list-style-type: none"> To run the shop according to this business plan and with input from our members Paid staff to covering opening hours supported by a team of volunteers. We will use the extra space to grow the business, securing its financial viability and improving accessibility so it is a truly inclusive village amenity. Cycle repair station to draw passing trade and provide a local amenity. Electric van and charging point to start campsite deliveries.

In parallel with these phases runs an ongoing Community engagement and involvement activity (section 17).

Given our timescales and deadlines imposed by some funders it has been necessary to overlap these phases.

13.1 Key milestones - Gantt Chart Summary



- The critical path is through Share Offer -> building purchase -> building works -> shop fit -> trading
- Key tasks during the feasibility phase, have offer accepted on chapel by BUC, obtain planning permission, detail a realistic funding plan, understand PO transfer, contract with existing postmaster with defined stages to secure PO with its community status for EBCS.
- The initial risk is that EBCS is unable to secure the chapel as it is for sale on the open market and fundraising will take until Feb 2023..
- We were awarded £250,000 by the Community ownership fund in October 2021. We need to reapply as this proposal focuses on a different asset. However, our previous success gives a reasonable level of confidence in a second application which has the same intrinsic rationale.

13.2 Key Project Focuses

The table below summarises the key project areas and the tasks needed to achieve them.

Activity	Tasks
Project Management	Business, Project and Fundraising planning Schedule, Funding and Cost Management Prioritising, decision making, problem solving Team building and task allocation
Property acquisition	Liaising with current owner and solicitor Legal agreements in place
Community Engagement	Maintaining the website, and generating newsletters Networking 'Lane reps' briefings and meetings Focus groups and events Maintaining links with local stakeholders
Fundraising	Grants Applications Share offer standard mark, energising, management and reporting
Finance	Track and record income and expenditure
Heritage	Researching chapel history Living memories and community engagement in heritage activities Exhibition in vestry Graveyard interpretation
Post Office Contract B2B transfer to EBCS	Agreement for <ul style="list-style-type: none"> Commercial transfer of PO to EBCS and 6mths employment of Postmaster Costs for PO works (moving safe etc) Completion of PO financial (Business Case in PO pro forma) and suitability assessments. Training requirements and plan to achieve Negotiation of any new contract terms PO try to impose
Management of Building Works and Shop Fit	Schedule of works Selecting contractors Work with contractors and building control to anticipate/mitigate issues Tracking and reporting progress Decision making and problem resolution/escalation
Purchasing Equipment	Specifying what's required Identify suppliers and models Price negotiations Purchase
Merchandising	Design of shop layout in conjunction with shop fit management
Recruiting and Training Staff and Volunteers	Job descriptions Interviewing Identifying and scheduling training Drafting Policies and Procedures
Supplier selection	Identify local producers and products (update spreadsheet) Flag those benefiting from focus group input Supplier and product selection Price negotiations
Setting up Systems, Policies and Procedures	Drafting policies and procedures Training staff / welcome pack Adapting existing processes to improve business efficiency/accountability

14 Project Costing

Our total project cost is **£699,650**

- £10,440 is development costs
- £639,710 is capital costs
- £49,500 revenue costs.

The cost breakdown is given below. These costs are based on an offer of £325,000 for the chapel, previous quotations from our solicitor, a builder and shopfitters adjusted for our new plans and from online sources for equipment. Costs are quoted ex VAT - as we are VAT registered, we will recoup the VAT as the project progresses.

14.1 Development Costs

Item	Cost ex VAT	% of total cost	
Property purchase feasibility	5,000	0.7%	Valuation, surveys, planning permission
Contract for PO transfer	700	0.1%	Legal agreement with current postmaster
Share offer costs	2,980	0.4%	Prospectus, standard mark and events
Project costs	1,760	0.3%	Office costs, newsletters, subscriptions, zoom, misc.
TOTAL	£10,440	1.5%	

14.2 Capital Costs

Item	Cost ex VAT	% of total cost	
Property purchase	334,080	47.7%	Property purchase (£325k), legal, stamp duty, fees
Building works	132,085	18.9%	Building works to chapel, car park, landscaping
Solar System	21,000	3.0%	10.4kWp solar panels, batteries, inverter, installation
Shop fit out	66,500	9.5%	Labour, electrics, shelving, doors, carpentry, PO move, alarms, toilet, kitchen, decorating, flooring, project management.
Chillers	18,335	2.6%	Display fridges / freezers, storage fridges / freezers
Other equipment	6,080	0.9%	Bread oven, hob, dishwasher, coffee machine
EPOS equipment + SW	6,300	0.9%	2 lane ProEPOS system, retail price grab
IT	1,310	0.2%	PC, printer, router, CCTV
Electric Van	22,670	3.2%	2 nd hand, Nissan e-NV200, charging point
Cycle repair station	1,050	0.2%	Draws customers, community service
Heritage project	10,900	1.6%	Exhibition display boards, interpretation, graphic design
Contingency	19,400	2.8%	Primarily build and fit out overruns
TOTAL	£639,710	91.4%	

14.3 Revenue Costs

Item	Cost ex VAT	% of total cost	
Stock	13,524	1.9%	6% of annual turnover
Upfront Admin Costs	5,640	0.8%	Insurance, training, website, newsletters, subscriptions, EPOS and other licences, environmental health certificate, admin costs, 3 rings volunteer mgmt
Campsite delivery	1,400	0.2%	Square terminal, app development
Alcohol licence	790	0.1%	Premises licence, personal licences, training, DBS checks
1 st year salary support	9,400	1.3%	6mth period of employment of existing Postmaster
Reserves	18,746	2.7%	10% of turnover recommended by Plunkett Foundation
TOTAL	£49,500	7.1%	

15 Project Fundraising

We aim to raise the required £699,250 from the following sources (*Note - £422 in reserve at start of project*)::

- £200,000 – community share offer (optimum target).
- £299,500 – Community Ownership fund (£250,000 capital, £49,500 revenue)
- £199,750 – other grants (including £25,000 matched equity funding)

15.1 Key Funding Sources

15.1.1 Community Ownership Fund - £299,500

EBCS successfully applied for Round 1 of the Community Ownership fund and in October 2021 we were awarded £210,000 capital funding (which required matching) and £40,000 revenue funding (no match funding needed). Unfortunately, the award related specifically to acquiring the existing shop premises. With the change in our proposed shop site (now the Baptist chapel) we must reapply.

Reapplying for this award in December 2022 allowed us to increase the application amount to reflect the costs of this new project. We have applied for:

- Capital - £250,000 (the maximum allowed) which we will need to match with funding from other sources
- Revenue - £49,500 (max allowed = £50,000)

15.1.2 Share Offer - £200,000

This time limited share offer is the main source of COF match funding. The initial share offer period is 20th January – 3rd March 2023.

Membership

The share offer plays a key role in engaging the community and having a truly ‘invested’ membership who are loyal to the business, which in turn, will help to boost its financial success. It also demonstrates to funders that there is strong community support. We are aiming for over 300 members.

Funding Target

We aim to raise £200,000 from our local community through our share offer and have defined an upper limit of £225,000 so that future share withdrawals do not cause liquidity problems. We have set a minimum target of £170,000 for the share offer with back up funding identified to bring the total to £200,000 (the optimum target). If we fail to reach £170,000 within the initial 6-week period, the share offer deadline may be extended. Our plans assume an overall 8 week period. (Note: these targets do not include the additional equity we aim to raise from the Community Shares Booster Programme).

Terms

We have determined the share offer terms (share price, offer timing, interest, charges etc) based on the share offers made by other community businesses and set these out in our Share Prospectus and input from the Community Share Booster Programme. The terms have remained unchanged from our previous share offer in January 2022. Shares are £15 each and minimum holding = 1 share so that the offer is accessible to all with a maximum holding = 1000 shares. The ‘Share Offer Options’ document in section 19 details our decisions on the share offer terms.

Social Investment Tax Relief

HMRC has pre-approved our share offer for Social Investment Tax Relief (SITR). Depending on an individual’s tax circumstances they may be eligible for 30% rebate on their investment in this offer.

This tax relief was introduced to encourage investment in social enterprises such as ours and we see it as an important motivator, maybe encouraging people to invest that bit extra, to help us reach this target. However, SITR ends on 6th April 2023 and only applies to investments made before that date.

Our share offer will close and the share certificates will be issued before this date to ensure our investors may benefit from this tax relief (depends on the individual investor’s tax circumstances as to whether they can claim it). This deadline guided our decision to run with the same share offer terms as before given the time constraints it imposes.

Regulation

Community share offers are unregulated so the Community Shares Unit has introduced the Standard Mark to ensure share offers follow best practice / give investors’ confidence. We will work with a registered standard mark assessor in order to achieve this Standard Mark prior to our share offer launch. We will use our previous share

prospectus which achieved this standard mark as a starting point.

15.1.3 Other Grants (Capital and Equity) - £199,750

These are detailed in section 15.2 below.

15.2 Fundraising Plan

Given our challenging timescale, grant application deadlines have largely dictated the fundraising schedule. The table is based on us achieving our share offer target of £200,000.

Feasibility phase	Apply	Decision	£10,050	
Booster Programme – dev grant	12/10/22	26/10/22	6,000	Awarded
East Boldre Parish Council	1/9/22	12/9/22	2,500	Awarded
Cllr Mans (HCC)	29/8/22	12/9/22	500	Awarded
Donation		9/12/22	700	Received
Pub Quiz		20/4/23	350	Estimate based on village hall takings
Building acquisition phase			£564,500	
Community ownership fund	9/12/22	7/02/23	299,500	Based on time taken previously
Share Offer*	20/01/23	17/03/23	200,000	Assumes 8 weeks, (target = 6wks)
Booster Equity match*	9/01/23	13/02/23	25,000	Need share offer standard mark to apply
HCC Leaders Community Fund*	14/01/23	10/03/23	25,000	Apply anytime, executive members days monthly. Target their 9/3/23 meeting .
Beaulieu Beaufort Foundation*		7/11/22	10,000	Awarded
Barker Mill*	13/12/22	27/01/23	5,000	Decision mid Feb 2023
Building works + shop fit phase			£124,700	
Lottery Heritage Fund	17/02/23	14/04/23	42,700	Project enquiry feedback factored in
Charles Burnett Memorial Fund	21/02/22	18/04/22	25,000	
NFDC Community grants	18/10/22	7/03/23	17,000	Closes 31/10/22, funds 1/4/23
NFNPA Sustainable Communities	13/01/22	27/02/23	10,000	Apply anytime.
LoCASE	23/02/22	4/05/23	10,000	Through first round
National Lottery Awards for All	10/01/23	6/04/23	10,000	Decision typ. 12 weeks after application
IFT	9/01/23	9/02/23	10,000	

* COF match funding sources – £250,000 needed so some contingency included.

The Community Ownership Fund (COF) award is the largest, single contributor. We expect that this will motivate our share offer through its match funding approach doubling their contributions if we are successful.

Given the scale of the project this award is crucial in putting our challenging funding targets within reach. The capital award depends on us raising £250,000 of match funding from other sources. We expect to have the match funding in place when this award is decided.

We do not expect that every grant application will be successful. We have identified back up funders we could approach and will continue to monitor the evolving funding landscape for new possibilities.

The National Lottery Reaching Communities fund is one such back-up option but its long lead time (9 – 12 months) does not fit with our intended schedule and the pressure to complete on the chapel before it is sold elsewhere.

16 The Project Team

16.1 The Management Committee

EBCS is not trading yet but the founder members have recruited a strong management committee able to understand and deal with every aspect of the business.

Name	Project Responsibilities	Skills and Background
Anna Rostand	Chair	<p>After working in London on both Vogue and Tatler magazines, helped start a food business and ran a deli in Lymington. A District Councillor for 12 years with New Forest District Council, a Town Councillor for Lymington and Mayor for 2 years.</p> <p>As one of the key factors in moving to E. Boldre was the village shop, she's committed to doing all that she can to help keep it.</p>
Rebecca Gabzdyl	Secretary Project mgmt, business case, fundraising	<p>An electronic engineer with over 15 years of programme management experience of multi-million-pound projects to deliver innovative, mass-market products. As a supervising caseworker at Citizens' Advice she managed volunteers and dealt with the public. Now a local Maths Tutor.</p> <p>Since 2019 she's driven our community shop project in its hunt for suitable premises and has volunteered in the village shop for 2 years to better understand the business and its customers.</p>
Mike Hawker	Treasurer Finance, Post Office	<p>An experienced executive and non-executive director. Currently chair of two SMEs, trustee of a national charity, and non-executive director of a NHS Foundation Trust.</p> <p>A chartered accountant who operated as Chief Executive Officer of multi-million-pound retail organisations over a period of more than 20 years.</p>
Judith Richardson	Administration, Communication Heritage	<p>Brings significant experience of administrative roles from a professional career in the retail and finance industries and later working for the NHS.</p> <p>With strong organisational and communication skills, she has recently completed a workshop with the Hampshire Records Office.</p>
Nick Thompson	Building works, fit out	<p>Nick has a wide public service career in the military, teaching and NHS plus experience in commerce with Telematics.</p> <p>He enjoys engaging with others collaboratively to achieve results and manage stakeholder expectations from a range of diverse backgrounds</p> <p>He has worked with numerous voluntary organisations, currently with SSAFA as a Treasurer and on their Adoption Panel.</p>
Alison Moore-Gwyn	Private and corporate funding, chapel purchase	<p>Alison qualified as a solicitor and specialised in property law before spending most of her working life in the voluntary and charitable sectors.</p> <p>She retired in 2012 after serving as CEO of The National Playing Fields Association which campaigns to safeguard outdoor recreational spaces. Like her husband David she has lived in East Boldre since 2013.</p>
David Moore-Gwyn	Legal, licencing, contracts	<p>First practiced as a chancery barrister before joining Sotheby's in 1976. He served there as Deputy Chairman UK and retired in 2015 though he remains a consultant.</p> <p>He has lived in East Boldre since 2013 but has long links with the New Forest as his mother was born in Beaulieu.</p>

The skills are in place to not only sustainably run the business but grow it to meet its full potential.

Administration

Key to the success of any business is being organised and we have a very capable administrator on the team with a wealth of experience.

Project Management

Strong project management experience, based on delivering high-tech mass-market products, community and

property development projects, is providing the drive to acquire the asset and get us to the point of trading.

Fundraising

Strong experience within the team in particular from previous iterations of the shop project

Change management

While our plan to retain existing staff has many benefits, it will present challenges when introducing new systems and procedures. The committee will support the new shop manager to introduce these changes effectively.

Finance

Strong financial expertise from running multi-million pound programmes and companies, and charities with an accountant as our treasurer. Confident with business planning and financial information and analysis.

Staff and volunteer management

Four of the committee members have experience in varied contexts of managing staff from a variety of backgrounds, skill levels and cultures. This also includes managing volunteers, an essential part of our business.

Communication skills

The whole team is articulate and used to public speaking and reporting. We draft the newsletter and maintain the website ourselves. A social media volunteer has just joined to boost our skills in this area.

Retail knowledge

Retail management experience from an individual shop level to CEO of large national retail companies. Valuable experience from the shop floor and in shop fit-outs.

Knowledge of the existing business and Post Office

One of our team volunteered in the existing shop November 2019 – December 2021 to understand the business, Post Office and its customers.

Local connections

All of the team bring their, often extensive, local networks into play. Our network of Lane reps have been actively working with us for over two years now and through them we access their networks too. We have good contacts within the local authorities with an ex-mayor of Lymington and two parish councillors on the team.

Staff recruitment and training

Broad recruitment, coaching and mentoring experience in the team.

Legal

Good legal expertise - useful in our property transaction, contracts, understanding our rights and responsibilities.

16.2 Lane Representatives

We have a team of 38 Lane Reps distributed across the catchment area's 48 postcodes. They play a key role in We have built a diverse team of 38 'Lane Representatives' across local postcodes who help inform and involve residents near to them. They are regularly briefed on project progress so they can help spread accurate, up to date information.

To see this diverse team interacting with each other really demonstrates the community building that is a key outcome our project. We continue to recruit Lane Reps for the remaining postcodes 10 postcodes.

16.3 Project Volunteers

We are lucky to receive practical support from others for specific tasks

- Assistance from local professionals (chartered surveyor and solicitor).
- EPOS – requirements specification, supplier/system selection, integration with accounting package
- Graphic design of our monthly newsletter
- Drafting of our share prospectus
- Fundraising advice
- Social media

Our Dec 22 survey highlighted a range of volunteers to help with focus group, decorating, landscaping, etc

16.4 Our 'Virtual Team' - The Plunkett Foundation's Community Shop Facebook Group

This is our virtual, go to team for answers and advice on any issue large or small. So many volunteers from other community shops kindly share the results of their hard work and experience making the task much easier for us.

17 Communication and Engagement Plan

Getting the communication and engagement strategy right will determine our success in making this project a truly community led initiative. Our rural community is spread over roughly 12 square miles with a greater concentration in population close to the Baptist chapel. However, our dispersed community does raise challenges in keeping everyone informed and providing opportunities for involvement. We aim to provide a range of communication channels to reach as many people as possible. Our full communication plan is included in section 19.

Lane Reps

See section 16.2.

Networking

The extended team, management committee, lane reps and other supporters, use their personal networks to our advantage. This is demonstrated by our previous planning application which received 88 supporting comments.

Newsletter, website and social media

- We have restarted our regular 'Shop Talk' newsletter – to share news / appeal for support.
- www.eastboldrecommunitystores.com shares information and promotes involvement



Our social media presence will be developed to provide for more interactive dialog. We have volunteer to help with this.

Public meetings and events

Public meetings will provide a forum for sharing ideas and dialog – not everyone is IT savvy We will plan a series of events to get people more actively involved and reenergise our community behind the shop project. Saturday morning sessions at the village hall and playing fields site will be held to provide Q & A during our share offer. Tasting events and product trials will assist in supplier and product selection.

Focus Groups

We will run focus groups to involve the community in the choices we have to make for the shop. We have already selected our brand of refillable household cleaning products based on a local user trial.

Volunteering in the existing shop

One of our management committee volunteered in the village shop from Nov 19 – Dec 2021. This gave a chance to get to know customers and built a good relationship with the existing owner. His support of our plans to transfer to our community shop as Postmaster, encourages existing customers loyalty our new business.

Personal networking

Extensive 1:1 networking in the community to ensure a more personal, sometimes less direct approach to potential larger investors, especially in the run up to our share offer.

Involving local professionals in the project

We will continue to involve local professionals and other volunteers where possible in the feasibility phase to bring in key skills and knowledge and to bolster the sense of community ownership in the project. Focus groups will be set up to determine products and suppliers, shop design and décor as the project progresses to provide opportunities for anyone to get involved.

Shop volunteer recruitment

We already have a list of 18 names of volunteers to work in the shop. We will work with those who have already put their names forward to refine the volunteer roles and start to recruit this team in earnest. Based on advice from other community shops we plan to have proper job descriptions for volunteers:

- to give a sense of purpose and ownership to the role
- so our needs and expectations are clear as the business will be putting trust in them

Other shops advise interviewing volunteer candidates in order to understand their motivation, explain options and expectations and to establish a professional approach to volunteering.

Working with local government

We have formed close links with and received funding from Hampshire County Council, New Forest District Council and East Boldre Parish council. In particular, we appreciate the support from Councillor Keith Mans and Cllr Michael Harris OBE (NFDC) which has opened a variety of local contacts and opportunities for us. Julian Lewis MP is also supportive of our plans. We continue to foster these contacts to ensure our plans align with the aims of local policies and strategies.

18 Risk Registers

18.1 Project Risks (Setting Up the Shop)

Description of Risk	Impact	Probability	Severity	Grade	Action
<p><i>Fail to secure Baptist Chapel as we need significant time to raise funds</i></p> <p>Now – March 23</p>	<p><i>No alternative sites for our community shop in the village. Ian goes ahead and reduces the shop to such an extent that this village amenity is lost.</i></p>	H	E	A	<p>Preventative</p> <ul style="list-style-type: none"> ACV – decided not to pursue this as could damage co-operation needed for access etc Raise funds as soon as possible so that we are proceedable. Until then BUC will continue to market property. Once contracts exchanged risk resolved. Meanwhile work cooperatively with BUC and agent <p>Contingent</p> <ul style="list-style-type: none"> Media campaign – adverse publicity for Baptists
<p><i>Failure to get planning permission</i></p> <p>Oct 22 – Jan 23</p>	<p><i>Insufficient parking causes congestion, inconveniences the neighbours -> loss of support for shop.</i></p> <p><i>Failing to get change of use means a shop cannot be operated in the chapel – low prob as same use class F (Other changes are fairly minor, unlikely to be refused)</i></p>	L	H	C	<p>Preventative</p> <ul style="list-style-type: none"> Planning advice sought before application Detailed supporting statements demonstrating minor adverse impact Expert ecological advice <p>Contingent</p> <ul style="list-style-type: none"> Appeal – causes delays or modify plans
<p><i>Unexpected costs mean we have insufficient funds</i></p> <p>Now – June 23</p>	<p><i>Rising prices of building materials causes unplanned cost increases. There's no fat in our costs or specifications to cut to offset this.</i></p> <p><i>Older building may reveal unexpected problems when alterations start that have a cost impact</i></p>	H	H	A	<p>Preventative:</p> <ul style="list-style-type: none"> Contingency in budget Structural and asbestos surveys to be carried out so no surprises Get multiple detailed quotations – min 2 Consider alternative builders/shopfitters <p>Contingent:</p> <ul style="list-style-type: none"> Adapt plans to save costs elsewhere on the project Apply for more funding from back up list
<p><i>Failure to engage the community in the project</i></p> <p>Ongoing – create and maintain</p>	<p><i>The shop project will not be viable without community support and involvement.</i></p> <p><i>Share offer falls short of target, we are relying on this as the main source of match funding for the COF award.</i></p> <p><i>Changes in the community shop proposal, due to insurmountable issues with previous sites, has caused delays and may have made the community somewhat jaded.</i></p> <p><i>Share offer doesn't meet target &/or low membership.</i></p>	M	H	B	<p>Preventative:</p> <ul style="list-style-type: none"> Need to communicate a degree of certainty with this proposal – get ducks in a row. Clear communication of plans via website, newsletter and public meeting Active networking, re-engage and recruit more Lane Reps. More active role for Lane Reps in community engagement More frequent newsletter – at least monthly to build momentum Target specific people and community groups. Involve through actual activities – product trials, tasting events, volunteering in shop etc Track share offer by postcode to see where we are failing to reach <p>Contingent:</p> <ul style="list-style-type: none"> Re-double efforts!

Description of Risk	Impact	Probability	Severity	Grade	Action
<p><i>Lag in VAT reclaim causes cash flow problems</i></p> <p><i>March 23 – Sept 23</i></p>	<p><i>Significant expenditure where a 3 month lag between paying and reclaiming VAT could cause problems</i></p>	H	M	B	<p>Preventative:</p> <ul style="list-style-type: none"> • Pre-apply to HMRC to reclaim VAT monthly during build • Once trading hold reserves to manage <p>Contingent:</p> <ul style="list-style-type: none"> • Contingency funds used to manage cashflow as well as unforeseen expenditure.
<p><i>Loss of existing, salaried Post Office contract</i></p> <p><i>Now – Jul 23</i></p>	<p><i>EBCS would have to cover Post Office staffing costs under the new Post Office Locals terms – could result in loss of Post Office services within the village and associated shop footfall.</i></p>	M	H	B	<p>Preventative</p> <ul style="list-style-type: none"> • Work with PO and Postmaster to clarify contract changes upon contract transfer to EBCS. • Plunkett Foundation have offered assistance. <p>Contingent</p> <ul style="list-style-type: none"> • Identify other revenue streams to cover loss in income • Significantly reduced Post Office Hours or out-reach service. • Reduce paid staff hours and rely on volunteers more.
<p><i>Applications to funders unsuccessful</i></p> <p><i>Now – June 2023</i></p>	<p><i>We have a challenging target and need the majority of grant applications to be successful if we are to succeed.</i></p> <p><i>Cannot raise sufficient funds to purchase chapel means we could lose it BUC pulls out of agreement</i></p> <p><i>Delays project build and opening – impacts LoCASE funding which must be spent by eo June 23</i></p>	M	H	B	<p>Preventative:</p> <ul style="list-style-type: none"> • COF award – previous success to build on • Detailed funding plan in place • Apply early so time to pursue back-ups if needed, keep track of deadlines • Careful review of funding options to prioritise those whose criteria best fit our project. • Involve experts (Andrea, Mark) in review of our applications. • Comprehensive Business plan to support our case • Means of demonstrating community support – e.g., planning application, new survey <p>Contingent:</p> <ul style="list-style-type: none"> • Continue to monitor likely sources as new funds may come online PCF etc • Maintain back up list of funders
<p><i>Building an effective shop management committee</i></p> <p><i>Ongoing</i></p>	<p><i>Shop project is too big a task for the CBS team and lacking key skills. Project delayed or stalls completely.</i></p> <p><i>Wrong decisions made due to lack of skills/sanity checking as individuals are overloaded.</i></p>	L	H	C	<p>Preventative:</p> <ul style="list-style-type: none"> • Plan for different skills needed in different phases • Recruit volunteers to support/own sub projects via survey, newsletter • Involve volunteers in specific tasks rather than asking for people to ‘get involved’ <p>Contingent:</p> <ul style="list-style-type: none"> • Tenanted community shop, we do not run and staff ourselves
<p><i>Lack of trading history</i></p> <p><i>Under control - monitor</i></p>	<p><i>Some funders want to see at least 1 year of accounts.</i></p> <p><i>No credit from suppliers</i></p>	H	L	C	<p>Preventative:</p> <ul style="list-style-type: none"> • Have identified funds where this is not an absolute requirement. • Reserves allow for lag between paying suppliers up front and selling goods. <p>Contingent:</p> <p>Apply to funds that don’t set this requirement</p>

Description of Risk	Impact	Probability	Severity	Grade	Action
<p><i>Overlap with Village Hall project</i></p> <p><i>Now – Jul 23</i></p> <p><i>Not an issue once trading</i></p>	<p><i>Creates competition between the two village projects for local funding, ‘attention’ and volunteers.</i></p> <p><i>Each is a distraction to the other.</i></p> <p><i>No ‘official’ news on Village Hall’s plans for a year</i></p>	L	M	D	<p>Preventative:</p> <ul style="list-style-type: none"> Go public with a clear plan as soon as possible. Work closely with Village Hall CIO – both teams working for the good of the community <p>Contingent:</p> <ul style="list-style-type: none"> Jointly schedule local fundraising to avoid overlap Shared communications – single message

18.2 Business Risks (Once Trading)

Description of Risk	Impact	Probability	Severity	Grade	Action
<p>Fail to generate projected growth</p> <p><i>Jul 2023 onwards</i></p>	<p>Business struggles to cover costs without increasing prices – impacts affordability and alienates customers – vicious circle.</p>	L	H	C	<p>Preventative</p> <ul style="list-style-type: none"> Research other shops for additional ideas of sources of revenue – ongoing. Target high membership in share offer and community involvement in project. Community involvement in product selection / service offering. Avoid burdening business with loans that need to be serviced <p>Contingency:</p> <ul style="list-style-type: none"> Re-evaluate costs esp. staffing with more reliance on volunteers.
<p>Narrow Chapel Lane – impact of deliveries from certain supplier on local road users</p> <p><i>Jul 23 onwards</i></p>	<p><i>One supplier Brakes (bake-off bread) uses a large lorry – deliveries impede traffic</i></p> <p><i>Delivery vans block Chapel Lane and annoy neighbours</i></p>	M	M	C	<p>Preventative</p> <ul style="list-style-type: none"> Sufficient freezer storage to minimise frequency of Brake’s delivery Ensure car park plan accommodates turning for delivery vans and make entrance to car park wide enough that most delivery vans can pull in easily and turn around there. <p>Contingency:</p> <ul style="list-style-type: none"> Trolley and a volunteer to collect bread from Main Road - lorry doesn’t enter Chapel Lane
<p>Recruiting and retaining sufficient shop volunteers (an endemic problem for community shops)</p> <p><i>May 23 onwards</i></p>	<p>Paid staff will be stretched and holiday cover would be very difficult.</p> <p>Finances do not allow extra paid staff</p>	M	M	C	<p>Preventative:</p> <ul style="list-style-type: none"> EPOS system for ease of use for volunteers so this is not a barrier for them Plan to cover opening hours with paid staff potential volunteers already identified in survey and continue to recruit. Don’t give volunteers onerous responsibility for PO transactions. Clear, agreed role descriptions to give ownership of roles. <p>Contingent:</p> <ul style="list-style-type: none"> Appeal to membership Reduce opening hours

Description of Risk	Impact	Probability	Severity	Grade	Action
Inexperience/transition impacts continuity and efficiency April 23 – June 24	Shop team make mistakes that impact revenue/profitability. Shop handover inefficient – gaps in trading = lost revenue, a big impact on profitability Wastage due to over ordering/missed opportunities due to under ordering	M	M	C	Preventative: <ul style="list-style-type: none"> Buy EPOS system early to train staff/volunteers and to integrate with book-keeping/Make Tax Digital system ahead of trading so operating effectively. EPOS to manage stock levels and monitor wastage Volunteering in existing shop for 2 years to gain experience Learning from other community shops (Pilley, Woodgreen, Facebook group)
Supermarkets home deliveries further erode trade Ongoing	Cannot compete on price and struggle to grow business.	M	M	C	Preventative: <ul style="list-style-type: none"> Wide membership loyal to business – affordable share price (£15). Promote convenience and differentiate - local food, green initiatives. Foster a really personable, social shopping experience with personalised service Price match known value items (milk, bread, butter etc) with Waitrose Identify new revenue streams to improve business' resilience
Roundhill / Forestry England say no to campsite deliveries April 23 – July 23	Impacts projected revenue growth <i>Haven't been able to work with them as closed for 2 years due to pandemic, summer 2022 our society was dormant as no shop site available.</i>	L	H	C	Preventative: <ul style="list-style-type: none"> Consultations with campsite/FE before roll out of service Shops, ancillary to existing recreational use, are permitted on Crown grazing land Contingent: <ul style="list-style-type: none"> Pursue plan at other local campsites.
Car parking provision inadequate at peak times June 23 onwards	10 offroad spaces could be provided No on road parking on Chapel Lane	M	M	C	Preventative: <ul style="list-style-type: none"> Car park for off road parking Location maximises the number of people who can walk to the shop. Lunchtime opening mitigates current peaks before and after lunch
Miss passing trade as chapel is not on main road July 23 onwards	Local will know where it is but shop doesn't benefit from trade from cyclists, walkers and passing trades etc.	M	M	C	Preventative: <ul style="list-style-type: none"> Work with HCC highways to replace 'Baptist Chapel' sign on existing pole with one saying 'Village shop' Post shop info on google, Bing, Café cycle network, OS maps, Strava, MapMy... so easily found online Enter for awards so get press coverage Lymington Times articles to reach a wider local audience
Lack of trading history July 23 – June 24	Hard to get credit with suppliers affecting cashflow.	H	L	C	Preventative: <ul style="list-style-type: none"> We are not expecting to be offered credit – have budgeted for deposits












Key

E – Extreme
H – High
M – Medium
L - Low

Grade Risk mitigation Actions

A	Mitigation actions, to reduce the likelihood and seriousness, to be identified and implemented as soon as the project starts as a priority.
B	Mitigation actions, to reduce the likelihood and seriousness, to be identified and implemented during project execution.
C	Mitigation actions, to reduce the likelihood and seriousness, to be identified and costed for possible action if funds permit.
D	To be noted - no action is needed unless grading increases over time.

19 Reference documents

Document	Attachment
East Boldre Demographic Study	 Shop Demographics.pdf
EBCS Communication Plan	 EBCS Communication Plan
Survey report Dec 2022	 Survey 2022 Analysis.docx
Potential Local Suppliers	 Potential Suppliers v0.2.pdf
NFDC Refuse costs	 Shop Waste.pdf
Schedule of Building Works Input to costs and schedule	 Schedule of building works.pdf
Post Office Income Analysis	 PO payment analysis.pdf
Building and Shop Fit Quotations For Plan C – used as a basis for chapel plans	 East Boldre Post Office Building Alter  East Boldre Shopfitting Refurbis
Reserves Policy	 Reserve Policy.pdf
EBCS Model Rules	 Seal_472963_5_5883 31.pdf

Appendices

20 Appendix 1 – Previous Attempts for Community Shop Premises

Our village shop has been under threat of closure since the end of 2016 when it was first put on the market. The owner of the existing shop, has wanted to downsize his home and retire from the responsibilities and long hours of running the shop and Post Office. Since then, the village's intent has been to safeguard our shop by establishing it as a community run business in community owned premises. Prior to our current proposal we have pursued three alternatives, **our team is certainly persistent!**

20.1 Plan A – Shop located in a remodelled village hall.

A Save Our Shop campaign was started in 2017. They approached the Village Hall trustees and an idea to develop the existing hall to include a community shop was born. For the next 2.5 years, this was the intended approach, run by the Village Hall team. Unfortunately, after investing a lot of time and effort in this idea, for various reasons that proved insurmountable, it became clear in August 2020 that an alternative approach for the shop was needed.

20.2 Plan B – Lease the whole ground floor of the existing shop and expand the retail area

East Boldre Community Stores Limited (EBCS) was incorporated as a Community Benefit Society to tackle this task.

In autumn 2020 the village shop, and its post office, was put on the market again. EBCS tried to find an alternative site for a community shop, exploring several options, but without success. Much of the local land (including our village hall) is owned by the Crown and is limited by statute to recreational use. The school playing fields, Strawberry Fields and local Baptist Chapel, were considered and over 30 private owners of local land were approached too.

In April 2021 the existing shop owner accepted an offer from a residential buyer. If this sale had proceeded, the community would have lost the shop and Post Office. We proposed an alternative to the shop owner, based on us acquiring a 125-year lease of the ground floor including the existing shop premises. He accepted this proposal and, with his signed agreement in principle, we

- Applied for planning permission to expand the retail area of the shop, essential to the financial viability of our proposed business
- Initiated our fundraising campaign, and applied for £250,000 from the Community Ownership Fund.

However, in September 21 the owner pulled out of this agreement, deciding he wanted to sell the whole property.

20.3 Plan C - Purchase of the Whole Shop Property as Community Shop Premises

The only option left open to us was to try to buy the whole shop property. This depended on:

- Our planning application to expand the retail area of the shop (part of plan B) - approved in October 21.
- The shop owner's planning application for solely residential use of the shop premises was rejected in Nov 2022 on the grounds that the village clearly still wanted its shop and EBCS was a determined buyer for the property with its existing use classes.
- We successfully applied to have the property listed as an asset of community value (Nov 2021).
- Plan C entailed a substantial increase in project costs compared to plan B. The award of £250,000 from the government's Community Ownership Fund put this challenging goal within our grasp. Sale of the upstairs once converted into a 2 bed flat would have recouped some of these additional costs.

In Dec 21, with the clarity these 'successes' provided, our offer for the shop, Post Office and owner's 4 bed residential accommodation was accepted. In addition to the COF award, we raised £330,000 from local angel investors and launched our community share offer in Jan 22 raising £65,000 in just days when, yet again, the owner changed his mind and pulled out of the sale.

EBCS was put into a dormant state and funders were repaid or told the awards were no longer needed. The owner's decision to continue the business meant the shop and Post Office were apparently safe - our job was done.

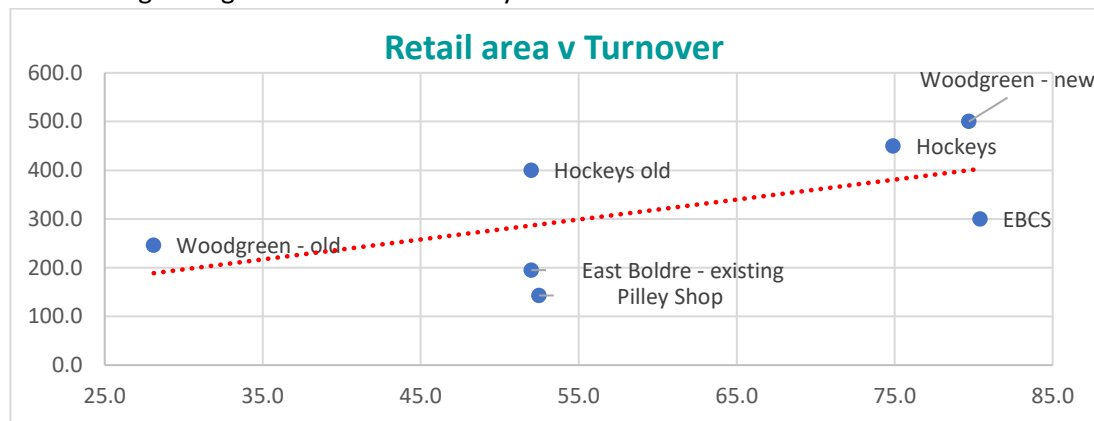
21 Appendix 2 – Benchmarking Other Community Shops

21.1 Space Benchmarking

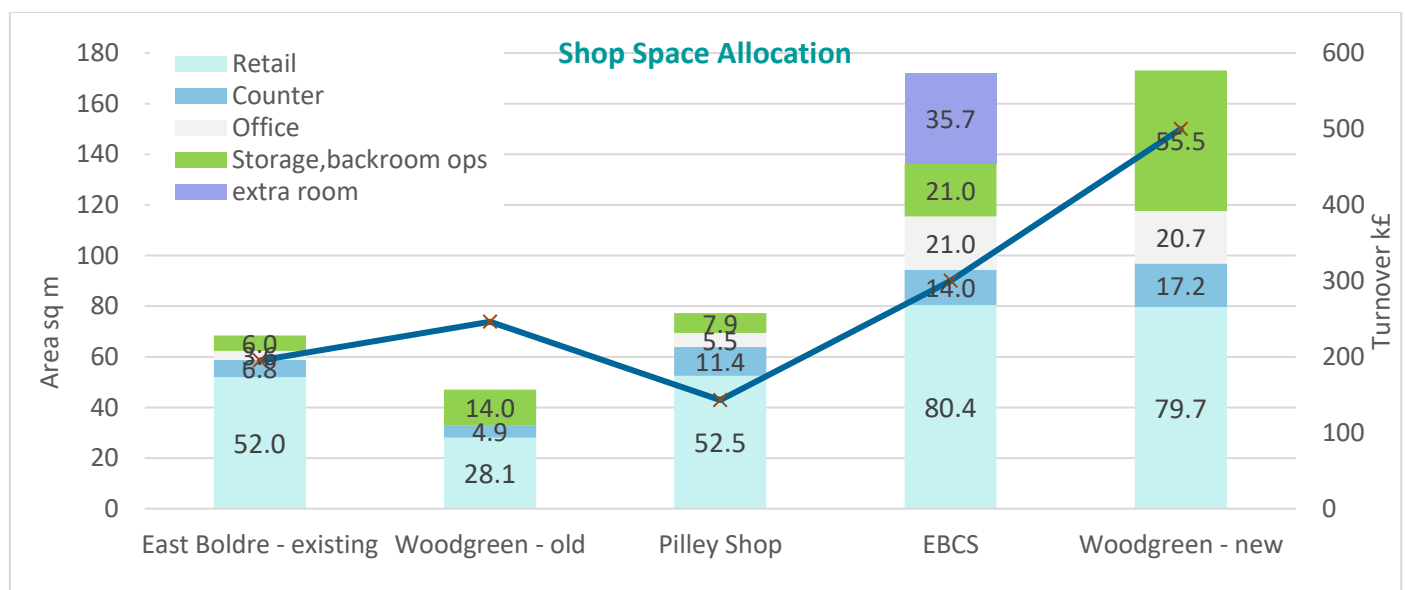
East Boldre Community shop will have a total retail area of 114m² compared to the existing shop's 66m². Other local community shops were benchmarked to understand how space should be allocated.

- Woodgreen's shop (our prime benchmark) is by far the largest with a total area of 179m², their original shop was 45m².
- Pilley current shop has a total footprint of ~80m².

There is some correlation between retail area and turnover in the benchmarked shops, Woodgreen having the greatest area and highest turnover. Shops above the trendline generate more revenue per square metre. It indicates our 5-year forecast for growing turnover to £300k may be low as it is well below the trendline.



The graph below shows the space allocation by use. Note Pilley has very recently opened in new, larger (100m²) premises but there is no financial data available yet that relates to this transition so we have used their previous premises measurements..



This information has guided our space allocation whilst trying to maximise retail area. An initial space study has shown that East Boldre's new community shop can accommodate our intended product range.

Woodgreen have significantly more storage space - some was allocated for dry cleaning racks but there was insufficient demand. They have 5 chest freezers to store the bake-off bread. By using upright freezers, we can achieve sufficient capacity in a much smaller footprint.

All shops keep the majority of their stock on their retail shelves but rely on some storage to:

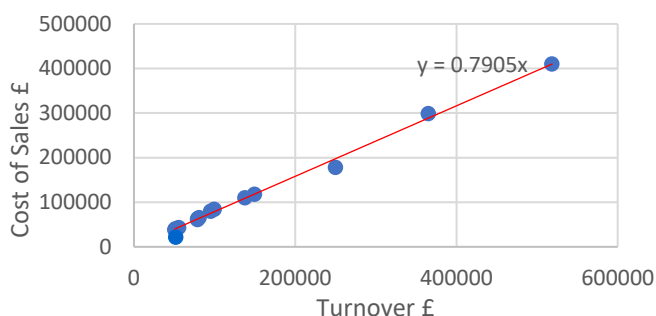
- Support bulk buying for competitive pricing
- Meet some suppliers minimum order quantities.
- Carry sufficient stock between weekly wholesaler deliveries

With use of the garden, we have the potential for more storage there along with the mezzanine.

21.2 Financial Benchmarking

The financials of 14 community shops with paid staff that make a surplus were benchmarked. Information was obtained online from the Mutuals' Register for their most recent published financial year.

Gross Margin

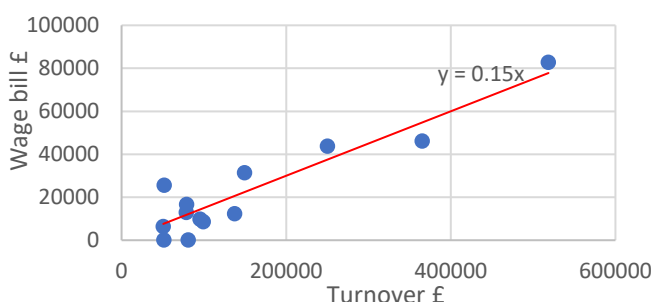


Managing margins is key to the shop's success. Some goods have low margins (tobacco in particular) so this needs to be offset by higher margins on other goods (e.g. greetings cards) in order to be able to cover costs.

The best-fit line shows that consistently the gross margin of the shops studied is 20 - 21%.

Some shops in the benchmark have margins of 16% as they are staffed solely by volunteers which has reduced this average.

Wages v Turnover

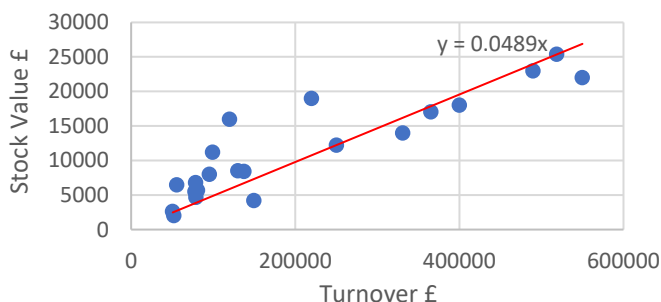


The largest contributor to retail fixed costs are wages. The graph shows that on average wages are 15% of turnover.

This has been used as a guide for planning paid staff in order to control fixed costs.

We will only grow the paid team from initial levels within this 15% limit. With our conservative business case the starting level is 18% so our growth plans are important.

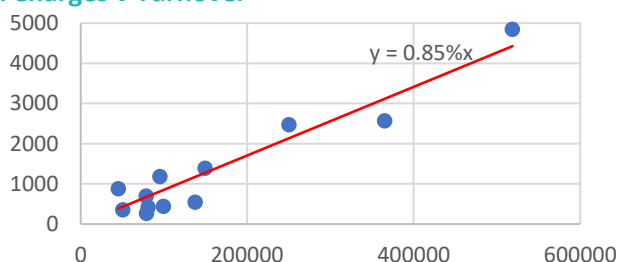
Stock Levels v Turnover



Includes data from the community shop Facebook forum as well as the 14 shops benchmarked.

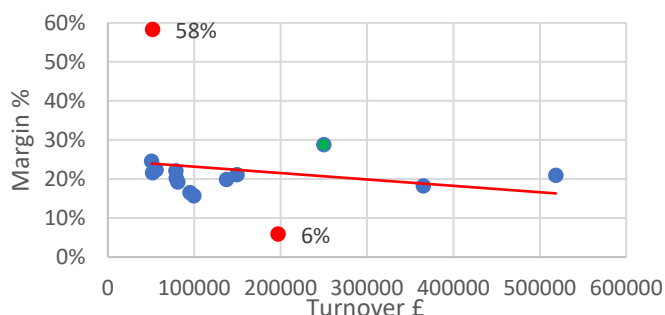
The graph shows that stock levels should be about 5% of turnover and this has been used in this business plan.

Bank Charges v Turnover



Bank charges are typically about 0.85% of turnover. Like many community shops we will be banking with the Co-op so can expect similar charges.

Gross Margin v Turnover



As expected, margins typically decrease as turnover increases due to economies of scale.

The graph shows two anomalies:

- 58% margin – achieved by a small shop with a café with one full time equivalent employee
- 6% margin achieved by E Boldre's existing shop.

The green point (29%) is a shop that does not sell tobacco which, with low margins, tend to reduce the average gross margin. We would lose significant trade if we didn't sell tobacco as it generates associated purchases.

21.3 Visits to Other Local Shops

Many shops have been visited in the course of the project to identify best practice and learn from other experiences. The following describes some of their advice.

21.3.1 Woodgreen Community Shop

Woodgreen Community Shop started trading in 2007 when their village shop was threatened with closure. Within 6 weeks they were operating in the existing building and in 2011 started trading from new premises they had built.

We truly appreciate the input and advice from the Woodgreen team. Andrea Finn and Julie Bottone in particular have been so supportive of our project and shared their experience and information on numerous occasions. The Woodgreen team have boosted our knowledge substantially and helped to shape our thinking on space planning, staffing, community involvement, local food, baking on premises and campsite deliveries.

21.3.2 Hockeys Farm Shop

Hockeys Farm Shop (not a community shop) is well known for its butchery and they raise their own Pannage pork. Its priorities in order – Quality, Customer Service, Price (Waitrose is their price benchmark).

Jonny provided useful information on space planning. He very generously offered to donate some labour and second-hand racking for our shop fit out if funds are tight (also runs a shop fitting business). Useful input on margins and banking.

Their “Plenty for £20” meat deal (a whole chicken, sausages, rump steak, pork chops, steak mince) may be a way of introducing meat sales with limited wastage if we encourage customers to pre-order.

We have plans to go back as soon as possible to see their extended and refurbished premises. This will give them a very similar sized space to ours so will be useful to see how it is used.

21.3.3 Roots and Fruits Lymington

A greengrocer, refurbished to include a limited range of refillable household cleaning products and juice bar alongside their comprehensive fruit and vegetable offering and veg box delivery service. Stuart was a useful source of information on being a small-scale customer for refillable products. The business is no longer trading.

21.3.4 Pilley Community Shop

Originally a privately owned business they became a community shop 7 years ago. Member of New Forest Marque they stock produce from about 30 local suppliers. Caroline Darke has been helpful in understanding how to use space effectively with limited storage. Also provided information on volunteers, running costs and local suppliers.

Stocked with newspapers, bakery products, fresh eggs, local produce, alcoholic and soft drinks and dry food goods, the store has significantly boosted trade since becoming a community venture. It now has three times the turnover than before the volunteer management committee stepped in seven years ago.

They have recently moved the shop and separate Post Office into a new purpose-built space (100m²) attached to Boldre Memorial Hall. We have approached their management committee for advice given their recent experiences with moving and occupying a new space. Different Post Office contract terms so different constraints.

21.3.5 Burley Village Stores

Privately owned shop with meat counter - local venison and game. Good ideas for local suppliers.

21.3.6 Ferndene Farm Shop

Ferndene supplies our existing village shop with sausages, bacon, eggs, ham, pies, cheese, bread, milk and cakes as well as fruit and vegetables with a discount on the normal sales price. This is an arrangement that we aim to continue in our new community shop as the products are very popular and of high quality.

22 Appendix 4 – Partner Organisations

For our community shop to be successful we have bolstered our small team by seeking the support and knowledge of organisations around us who can help.

22.1 Plunkett Foundation



As members of the Plunkett Foundation since November 2018 we have been supported in this project by one of their advisors, Mark McTaggart. He has acted as a friendly sounding board for our ideas, reviewed funding applications and his network of contacts has helped us find sources of information relevant to the project. His facilitation of the shop SWOT analysis optimised the output of this task.

Their Facebook page has been a valuable source of information from other community shops in formulating our plans. It will continue to provide answers, based on the experience of many other community shops, as we progress the project and once trading.

Annual membership = £240.

22.2 Power to Change

Power to Change is the organisation set up to grow and support community businesses in England.

A community business is run by and for the local community. It uses its profits to make the local area a better place to live, work and visit.

We have applied to and won both support and a grant.



22.3 New Forest Transition CIC

We plan to join New Forest Transition. They are part of the global Transition movement which exists to create low carbon societies. They aim to reduce the impact communities have on the local area through reducing fossil fuel dependency, creating less waste, increasing recycling, supporting local food and sharing skills to build community resilience.

Membership is £10/year.



22.4 New Forest Business Partnership (NFBP)



The NFBP Board represents all business sectors in the New Forest and has representatives from the key associated public authorities. NFBP campaigns on a range of business issues, many of which are difficult for individual businesses to tackle alone, including broadband provision, transport infrastructure and local planning policy.

NFBP members can promote their business through the weekly eNews, social media channels and website to the 9000 New Forest businesses. NFBP's Facebook, Twitter and LinkedIn pages provide further opportunities.

Annual Membership = £50/year.

22.5 St Barbe Museum



Local volunteers are keen to research and collate a history of the chapel from varied sources. St Barbe Museum will help with editing and copywriting this to create exhibition content in the Vestry space and with advice and contacts for its production. The vestry provides an occasional venue for their touring collections (e.g. Allen Seaby) to provide local opportunities for locals to engage with arts and culture. Our partnership will encourage and facilitate local young people's participation in St Barbe's young curators programme too.

23 Appendix 5 – Monthly Cash Flow Forecasts

23.1 Cash Flow - 2022/23

This is pre-trading – primarily our fundraising and chapel acquisition

Cash Flow Forecast - 2022/23	(NOT TRADING)												
Month	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	TOTAL
INCOME													
Grants													
Beaulieu Beaufort Foundation							10,000						10,000
Booster Programme - dev grant								3,240		2760			6,000
Booster Equity match											25,000		25,000
East Boldre Parish Council							2,500						2,500
HCC Cllrs' grant						500							500
Donation									700				700
Community ownership fund												299,500	299,500
Share Offer												200,000	200,000
HCC Leaders Fund												25,000	25,000
NFNPA Sustainable Communities											10,000		10,000
Other grants - Illsley Family Trust												10,000	10,000
Barker Mills										5,000			5,000
TOTAL 22/23 INCOME						500	12,500	3240	700	7760	35,000	534,500	594,200
EXPENDITURE													
Project													
Building Purchase feasibility							1486	2705	60	750			5001
Share Offer costs									520	2,193	187	80	2980
PO transfer											700		700
Project costs					60	76	120		1056	336	112		1760
Property Purchase												334080	334080
Revenue													
Insurance												1150	1150
EPOS Licence costs												1600	1600
Website												180	180
VAT Paid					12	15	321	541	327	656	200	1160	3232
HMRC VAT payment							-27			-1189			-1217
Corporation tax													
TOTAL 22/23 EXPENDITURE					72	91	1900	3246	1963	2746	1198	338250	349467
NET CASH FLOW					-72	409	10600	-6	-1263	5014	33802	196250	
Opening Balance				422	422	350	759	11359	11353	10090	15104	48906	
Closing balance				422	350	759	11359	11353	10090	15104	48906	245156	

23.2 Cash Flow – 2023/24

Complete project to establish the shop and start trading in June 23.

Achieve 15% sales growth compared to existing shop due to

- Wider product range
- Longer opening hours (lunchtime)
- Community loyalty
- Campsite deliveries

Cash Flow Forecast - 2023/4	15% sales growth over existing due to longer opening hours, wider product range and community backing												
Month	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	TOTAL
INCOME													
Grants													
Pub quiz	350												350
NFDC Community grants	17,000												17,000
Charles Burnett Memorial Fund		25,000											25,000
Heritage Lottery Fund		42,700											42700
Nat Lottery - Awards for All	10,000												10,000
LoCASE			10,000										10,000
Operating Income													
PO salary										1596	1596	1596	4787
Sales (ex VAT)				18783	18783	18783	18783	18783	18783	18783	18783	18783	169050
VAT received				3757	3757	3757	3757	3757	3757	3757	3757	3757	33810
Open share offer												300	300
TOTAL 23/24 INCOME	27350	67700	10000	22540	22540	22540	22540	22540	22540	24136	24136	24436	312997
EXPENDITURE													
Project													
Building works - Phase 1	35,110	32,588	32588										100285
Building works - Phase 2 LHF			31,800										31800
Shop Fit Out + fittings			33250	33250									66500
Solar system		21,000											21000
EPOS equipment + SW	6300												6300
IT	1310												1310
Chillers			18335										18335
Other equipment			6080										6080
Electric Van				22670									22670
Cycle repair station			1050										1050
Heritage sub project		10900											10900
Contingency			9700	9700									19400
Operating costs													
Quick Books		420											420
Initial Stock			13,524										13524
Training Staff			1,800										1800
3 rings volunteer management			160										160
Alcohol licence			790										790
Campsite delivery preparation			1400										1400
Newspaper delivery				152	152	152	152	152	152	152	152	152	1370
Salaries (inc NI and PAYE)				3639	3639	3639	3639	3639	3639	3639	3639	3639	32748
Purchases (ex VAT)				14651	14651	14651	14651	14651	14651	14651	14651	14651	131859
Bank / card charges				160	160	160	160	160	160	160	160	160	1437
Water						110						110	220
Electricity			525			1103			1103			1103	3833
Insurance							1200						1200
Accountancy/book-keeping		2300											2300
Newsletters	84		84			84			84			84	420
Cleaning			101	101	101	101	101	101	101	101	101	101	1006
Print, post, stationery	44	44	44	44	44	44	44	44	44	44	44	44	530
Phone	50	50	50	50	50	50	50	50	50	50	50	50	600
Motor expenses				450									450
General expenses	8	8	8	8	8	8	8	8	8	8	8	8	100
legal professional			200										200
subscriptions								200					200
Waste collection				45	45	45	45	45	45	45	45	45	405
VAT paid	8581	13462	30018	16194	2980	3239	3220	3020	3217	2980	2980	3239	
HMRC VAT payment	-2016			-52061			-11143			1813			-63406
Corporation tax									-				
TOTAL 23/24 EXPENDITURE	49472	80772	181506	49052	21829	23385	12127	22069	23253	23643	21829	23385	532324
NET CASH FLOW	-22122	-13072	-171506	-26512	711	-845	10413	471	-713	493	2306	1051	
Opening Balance	245156	223034	209962	38455	11943	12654	11808	22222	22692	21979	22472	24778	
Closing balance	223034	209962	38455	11943	12654	11808	22222	22692	21979	22472	24778	25829	
Reserves as a % of TO	99%	93%	17%	5%	6%	5%	10%	10%	10%	10%	11%	11%	

The low reserves in Q2 could be mitigated by applying to HMRC to claim VAT back monthly during this period.

23.3 Cash Flow – 2024/25

Target to achieve 10% sales growth on previous year

- revenue growth activities mature
- process improvement
- ongoing engagement
- revenue growth project

Cash Flow Forecast - 2024/25		10% sales growth over existing due to improved processes, ongoing engagement and marketing, growth generation projects											
Month	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	TOTAL
INCOME													
Operating Income													-
PO salary	1596	1596	1596	1596	1596	1596	1596	1596	1596	1596	1596	1596	19150
Sales (ex VAT)	20662	20662	20662	20662	20662	20662	20662	20662	20662	20662	20662	20662	247940
VAT received	4132	4132	4132	4132	4132	4132	4132	4132	4132	4132	4132	4132	49588
Open share offer												210	210
TOTAL 23/24 INCOME	26390	26390	26390	26390	26390	26390	26390	26390	26390	26390	26390	26600	316888
EXPENDITURE													
Operating costs													
Newspaper delivery costs	152	152	152	152	152	152	152	152	152	152	152	152	1826
Shop Wages (incl NI and PAYE)	3615	3615	3615	3615	3615	3615	3615	3615	3615	3615	3615	3615	43378
Purchases (22% margin)	16116	16116	16116	16116	16116	16116	16116	16116	16116	16116	16116	16116	193393
Bank / card charges	176	176	176	176	176	176	176	176	176	176	176	176	2107
Staff Training	100						100						200
Building maintenance	1500												1500
Water						110						110	220
Electricity			1278			1278			1278			1278	5110
Insurance							1200						1200
Accountancy/book-keeping		2300											2300
Website/Computer costs				120									120
Newsletters	40		40		40		40		40		40		240
Cleaning	113	113	113	113	113	113	113	113	113	113	113	113	1359
Equip. maintenance	300												300
Print, post, stationery	17	17	17	17	17	17	17	17	17	17	17	17	200
EPOS licence Costs	1600												1600
Phone	50	50	50	50	50	50	50	50	50	50	50	50	600
Motor expenses		450											450
General expenses	8	8	8	8	8	8	8	8	8	8	8	8	100
legal professional						200							200
3 rings volunteer management	150												150
Quickbooks	420												420
Premises licence	190												190
subscriptions								200					200
Waste collection	45	45	45	45	45	45	45	45	45	45	45	45	540
Growth projects									4000				
VAT paid	4130	3820	3533	3294	3278	3587	3538	3310	3533	3270	3278	3547	42118
HMRC VAT payment			2071			914			2238			2016	7239
Corporation tax									-				
TOTAL 23/24 EXPENDITURE	28722	26862	27214	23706	23610	26381	25170	23802	31381	23562	23610	27243	311260
NET CASH FLOW	-2332	-472	-824	2684	2780	9	1220	2588	-4991	2828	2780	-643	
Opening Balance	25829	23497	23025	22201	24885	27665	27674	28894	31482	26491	29319	32099	
Closing balance	23497	23025	22201	24885	27665	27674	28894	31482	26491	29319	32099	31456	
Reserves as a % of TO	9%	9%	9%	10%	11%	11%	12%	13%	11%	12%	13%	13%	

23.4 Cash Flow – 2025/26

Target = 4% sales growth

Build reserves for future capital expenditure and share withdrawals.

Cash Flow Forecast - 2025/26		4% sales growth over existing due to improved processes, ongoing engagement and marketing, growth generation projects												
	Month	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	TOTAL
INCOME														
Operating Income														-
PO salary		1596	1596	1596	1596	1596	1596	1596	1596	1596	1596	1596	1596	19150
Sales (ex VAT)		21488	21488	21488	21488	21488	21488	21488	21488	21488	21488	21488	21488	257858
VAT received		4298	4298	4298	4298	4298	4298	4298	4298	4298	4298	4298	4298	51572
Open share offer		15		15		15		15		15		15		90
TOTAL 25/26 INCOME		27397	27382	27397	27382	27397	27382	27397	27382	27397	27382	27397	27382	328669
EXPENDITURE														
Operating costs														
Newspaper delivery costs		152	152	152	152	152	152	152	152	152	152	152	152	1826
Shop Wages (incl NI and PAYE)		3692	3692	3692	3692	3692	3692	3692	3692	3692	3692	3692	3692	44300
Purchases (22% margin)		16761	16761	16761	16761	16761	16761	16761	16761	16761	16761	16761	16761	201129
Bank / card charges		183	183	183	183	183	183	183	183	183	183	183	183	2192
Staff Training		100						100						200
Building maintenance		1500												1500
Water							110						110	220
Electricity				1278			1278			1278			1278	5110
Insurance								1200						1200
Accountancy/book-keeping			2300											2300
Website/Computer costs					120									120
Newsletters		40		40		40		40		40		40		240
Cleaning		113	113	113	113	113	113	113	113	113	113	113	113	1359
Equip. maintenance		300												300
Print, post, stationery		17	17	17	17	17	17	17	17	17	17	17	17	200
EPOS licence Costs		1600												1600
Phone		50	50	50	50	50	50	50	50	50	50	50	50	600
Motor expenses			450											450
General expenses		8	8	8	8	8	8	8	8	8	8	8	8	100
legal professional				200										200
3 rings volunteer management		150												150
Quickbooks		420												420
Premises licence		190												190
subscriptions									200					200
Waste collection		45	45	45	45	45	45	45	45	45	45	45	45	540
VAT paid		4259	3949	3702	3423	3407	3676	3667	3439	3662	3399	3407	3676	43665
HMRC VAT payment				2302			983			2387			2125	7797
Corporation tax										611				611
TOTAL 25/26 EXPENDITURE		29579	27719	28542	24563	24467	27067	26027	24659	28998	24419	24467	28209	318719
NET CASH FLOW		-2183	-338	-1146	2818	2929	314	1369	2722	-1601	2962	2929	-828	
Opening Balance		31456	29274	28936	27790	30609	33538	33852	35222	37944	36343	39305	42234	
Closing balance		29274	28936	27790	30609	33538	33852	35222	37944	36343	39305	42234	41406	
Reserves as a % of TO		11%	11%	11%	12%	13%	13%	14%	15%	14%	15%	16%	16%	

23.5 Cash Flow – 2026/27

Target = 3% sales growth

First share withdrawals = £5,000

Continued growth in reserves for capex and share withdrawals in following year.

Cash Flow Forecast - 2026/27		3% sales growth due to improved processes, ongoing engagement and marketing, growth generation projects												
	Month	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	TOTAL
INCOME														
Operating Income														-
PO salary		1596	1596	1596	1596	1596	1596	1596	1596	1596	1596	1596	1596	19150
Sales (ex VAT)		22133	22133	22133	22133	22133	22133	22133	22133	22133	22133	22133	22133	265593
VAT received		4427	4427	4427	4427	4427	4427	4427	4427	4427	4427	4427	4427	53119
Open share offer		15		15		15		15		15		15		90
TOTAL 26/27 INCOME		28170	28155	28170	28155	28170	28155	28170	28155	28170	28155	28170	28155	337952
EXPENDITURE														
Operating costs														
Newspaper delivery costs		152	152	152	152	152	152	152	152	152	152	152	152	1826
Shop Wages (incl NI and PAYE)		3890	3890	3890	3890	3890	3890	3890	3890	3890	3890	3890	3890	46677
Purchases (22% margin)		17264	17264	17264	17264	17264	17264	17264	17264	17264	17264	17264	17264	207163
Bank / card charges		188	188	188	188	188	188	188	188	188	188	188	188	2258
Staff Training		100						100						200
Building maintenance		1500												1500
Water							110						110	220
Electricity				1277.5			1277.5			1277.5			1277.5	5110
Insurance								1200						1200
Accountancy/book-keeping			2300											2300
Website/Computer costs					120									120
Newsletters		40		40		40		40		40		40		240
Cleaning		113	113	113	113	113	113	113	113	113	113	113	113	1359
Equip. maintenance		300												300
Print, post, stationery		17	17	17	17	17	17	17	17	17	17	17	17	200
EPOS licence Costs		1600												1600
Phone		50	50	50	50	50	50	50	50	50	50	50	50	600
Motor expenses			450											450
General expenses		8	8	8	8	8	8	8	8	8	8	8	8	100
legal professional				200										200
3 rings volunteer management		150												150
Quickbooks		420												420
Premises licence		190												190
subscriptions									200					200
Waste collection		45	45	45	45	45	45	45	45	45	45	45	45	540
Share withdrawal				5000										5000
VAT paid		4359	4049	3803	3523	3507	3777	3767	3539	3763	3499	3507	3777	44872
HMRC VAT payment				2411			1068			2472			2210	8161
Corporation tax										834				834
TOTAL 26/27 EXPENDITURE		30386	28526	34458	25370	25274	27959	26834	25466	30113	25226	25274	29101	333989
NET CASH FLOW		-2216	-371	-6288	2785	2896	196	1336	2689	-1943	2929	2896	-946	
Opening Balance		41406	39190	38819	32531	35316	38212	38408	39744	42433	40490	43419	46315	
Closing balance		39190	38819	32531	35316	38212	38408	39744	42433	40490	43419	46315	45369	
Reserves as a % of TO		15%	15%	12%	13%	14%	14%	15%	16%	15%	16%	17%	17%	

23.6 Cash Flow – 2027/28

Target 3% sales growth

Second round of share withdrawals = £7,000

Replace electric van – reserves rebuilt to 10% by year end

Cash Flow Forecast - 2027/28		3% sales growth due to improved processes, ongoing engagement and marketing, growth generation projects												
	Month	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	TOTAL
INCOME														
Operating Income														-
PO salary		1596	1596	1596	1596	1596	1596	1596	1596	1596	1596	1596	1596	19150
Sales (ex VAT)		22797	22797	22797	22797	22797	22797	22797	22797	22797	22797	22797	22797	273561
VAT received		4559	4559	4559	4559	4559	4559	4559	4559	4559	4559	4559	4559	54712
Open share offer		15		15		15		15		15		15		90
TOTAL 27/28 INCOME		28967	28952	28967	28952	28967	28952	28967	28952	28967	28952	28967	28952	347513
EXPENDITURE														
Operating costs														
Newspaper delivery costs		152	152	152	152	152	152	152	152	152	152	152	152	1826
Shop Wages (incl NI and PAYE)		3983	3983	3983	3983	3983	3983	3983	3983	3983	3983	3983	3983	47791
Purchases (22% margin)		17781	17781	17781	17781	17781	17781	17781	17781	17781	17781	17781	17781	213378
Bank / card charges		194	194	194	194	194	194	194	194	194	194	194	194	2325
Staff Training		100						100						200
Building maintenance		1500												1500
Water							110						110	220
Electricity				1277.5			1277.5			1277.5			1277.5	5110
Insurance								1200						1200
Accountancy/book-keeping			2300											2300
Website/Computer costs					120									120
Newsletters		40		40		40		40		40		40		240
Cleaning		113	113	113	113	113	113	113	113	113	113	113	113	1359
Equip. maintenance		300												300
Print, post, stationery		17	17	17	17	17	17	17	17	17	17	17	17	200
EPOS licence Costs		1600												1600
Phone		50	50	50	50	50	50	50	50	50	50	50	50	600
Motor expenses			450											450
General expenses		8	8	8	8	8	8	8	8	8	8	8	8	100
legal professional				200										200
3 rings volunteer management		150												150
Quickbooks		420												420
Premises licence		190												190
subscriptions									200					200
Waste collection		45	45	45	45	45	45	45	45	45	45	45	45	540
New van (with trade in)											19500			19500
Share withdrawal				7000										7000
VAT paid		4463	4153	3906	3627	3611	3880	3871	3643	3866	3603	3611	3880	46115
HMRC VAT payment				2496			1156			2560			2298	8509
Corporation tax										693				693
TOTAL 27/28 EXPENDITURE		31106	29246	37263	26090	25994	28767	27554	26186	30780	45446	25994	29909	364337
NET CASH FLOW		-2139	-294	-8296	2862	2973	185	1413	2766	-1813	-16494	2973	-957	
Opening Balance		45369	43230	42936	34639	37501	40474	40659	42072	44837	43024	26530	29503	
Closing balance		43230	42936	34639	37501	40474	40659	42072	44837	43024	26530	29503	28546	
Reserves as a % of TO		16%	16%	13%	14%	15%	15%	15%	16%	16%	10%	11%	10%	

24 Appendix 5 – Evidence Assets are at Risk of Being Lost

24.1 The Chapel

The chapel was closed by its church members in October 2021. Despite our efforts to discuss acquiring this as shop premises at the time with its owners, the Baptist Union Corporation (Charity # 249635), it was only when it was put on the market by the vendors in August 2022 that it became a viable option.

<https://rapleys.com/properties/chapel-lane-east-boldre-brockenhurst>

On the 31st August 2022, we submitted an offer of £325,000 (subject to contract) for the freehold of the Baptist Church site. Until we have raised the purchase funds we are not in a proceedable position, so this is seen as an 'expression of desire' by the vendors agent. We have received the following response.



GWAS/22-00937

10 October 2022

To whom it may concern

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SW1A 1NE

0370 777 6292
info@rapleys.com
rapleys.com

LONDON
BIRMINGHAM
BRISTOL
CAMBRIDGE
EDINBURGH
HUNTINGDON
MANCHESTER

Re: East Boldre Baptist Church, Chapel Lane, East Boldre, Hampshire, SO24 7WP

Rapeleys has received an expression of desire to purchase the redundant and vacant former East Boldre Baptist church from East Boldre Community Stores Ltd. as a Community Benefit Society, non-profit, social enterprise venture.

The Baptist Union Corporation Ltd. as vendor would accept the offer subject to a satisfactory form of contract of sale being agreed and completion taking place in an expeditious manner.

I understand this indication of a willingness to be a party to the sale contract will beneficially assist East Boldre Community Stores Ltd. in its securing of grant funding.

Graham Smith
BSc (Hons) MRICS
Partner - Charities Consultancy
graham.smith@rapleys.com
07467 955294

24.2 The Shop

We have been working with the shop owner and postmaster over the last two years in an effort to come to a mutually beneficial solution whilst maintaining continuity of shop and Post Office services for locals.

When the shop property was sold subject to contract in April 2021, we stepped in to negotiate first a lease for the ground floor of the property then the outright freehold purchase.

After making significant progress in our plans the owner unexpectedly pulled out of our agreement, deciding he wanted to retain the whole property as his home in the village in January 2022.

In August 2022 he started works to move the Post Office to a small store room attached to the shop and to close the shop area. With our plans for the Baptist Chapel on the table he has been persuaded to hold off these changes in order to maintain continuity of shop services in the village. However, this is a time limited agreement and, should our plans to acquire the Baptist Chapel fail, he will close the village's only

EAST BOLDRE POST OFFICE AND STORES SO427WD TEL 612936

10th November, 2022

This letter is to confirm that I have been running the only shop in East Boldre since 2001, under the trading name of East Boldre Enterprises Limited.

Running a village shop, I have learned over the years, requires many skills and can be very rewarding in many ways. However, I am now beyond retirement age and struggling to do what is needed in the business.

For over five years I tried to sell the business, as a going concern, which includes my home without success.

More recently, in early 2022, East Boldre Community Stores made considerable progress in securing various funds to acquire the property as premises for the community shop. However, at the last minute I decided to keep the property as it has been my home for many years and struggled to find anywhere else that would suit my family, as all my friends are here in the village.

The new proposal of moving the shop to the Baptist Chapel is a wonderful idea and would give the village and surrounding areas a secure future of a shop to serve both locals and tourists and allow a better wider range of goods and services.

I am confident that this proposal will be welcomed by all and fully supported by all parties.

However, should this plan not materialise I will be looking to close the shop in 2023 for the reasons given above.



Ian Evans
Director E.B.E.L

25 Appendix 7- Skills Development

25.1 Opportunities

The project to buy and develop the shop is providing many opportunities to acquire new skills and knowledge:

- Fundraising
- Community Engagement
- Small scale retail
- Accounting and legal requirements

As we expand the management committee, the team will put existing skills to good use and share their expertise. New challenges will provide development opportunities.

As the project ramps up there will be increasing and evolving ways for locals to get involved. Tasting events, as a lane representative, supplier selection, book-keeping, building works management to name a few. These will be publicised via our newsletter, website and word of mouth through our increasing network of local contacts.

Once trading the shop will rely on a team of volunteers for a wide variety of roles (section 5.2.3), offering opportunities to apply existing skills or learn new ones.

25.2 Mentoring and coaching

When volunteering in the existing shop, the friendly, supportive staff shared their knowledge of systems, products and pricing. They demonstrated how they build rapport with the shop's varied customers. We are very keen that these staff members will transfer to EBCS and support the new manager and volunteers in the same way.

Our new team of volunteers will bring fresh ideas and skills too and new systems and processes will be introduced to improve efficiency. The intent is that those who take to these quickly will coach and support those who take more time to learn or adjust.

25.3 Formal Training

Formal training courses will provide staff and volunteers with formal, transferrable qualifications.

The courses below will be run before we open. Further training will be identified as needed

Course	Who	Provider	Cost	Detail
Post Office	Paid staff	Post Office		Post Office provide free online or classroom training for new Postmasters/ assistants.
EPOS	Paid staff 6 volunteers	EPOS provider	£590	Will purchase EPOS system + run training before completion so we are ready to go. 2 days.
Food safety		Brock College		
Level 2 (1 day)	Mgr, assistant, 2 volunteers		£220	Storage, preparation, cooking, service and handling. (£55 ea)
Level 3 (3 days)	Mgr		£235	Compliance with food safety legislation, application and monitoring of good practices, implementing food safety 65gmt.. procedures.
H & S Level 3	Mgr		£235	3 days – H & S legislation, safety 65gmt.. systems, risk assessment, hazard control.
First Aid	Mgr, Assistant		£120	1 day course for low-risk organisations (£60 ea)
Alcohol licencing	Mgr, Assistant, 2 volunteers		£400	Online courses are available
TOTAL			£1800	

26 Appendix 8- Legal requirements

26.1 Sales of Goods

The Sale of Goods Act requires that goods sold must be of reasonable quality, fit for their intended purpose and match any descriptions given by the retailer. The consumer has the right to reject the goods and request a refund, repair or replacement if the retailer does not meet these requirements.

Staff will require training to be sure they understand consumers' rights.

26.2 Health and Safety

We will have a written Health and safety policy. A risk assessment and management plan will underpin this. This policy along with training of staff and volunteers will be needed prior to trading.

We will consult New Forest District Council's public health department regarding food safety requirements but have budgeted for level 2 training for the shop manager at Brockenhurst College.

26.3 National Insurance and Pensions Contributions

Employers are responsible for paying:

- Employers' NI contributions on employee earnings over the NI threshold (currently £8632).
- Employers' pension contributions on employees earning over the pension low threshold (21/22 = £6,240).

These figures have been included in this business plan for each employee.

We will need to automatically enrol employees in a workplace pension scheme who are aged 22-74 who earn at least £10,000/year (20/21 tax year) from the start of their employment. Automatic enrolment is a legal duty on EBCS as employers. EBCS has to pay at least 3% on qualifying earnings. The employee pays 4% and this is collected by the employer from their pay and sent to the provider.

The [Nest scheme](#), set up by the government, is free for employers and is (allegedly) easy to set up. Can enrol workers by logging into the employer account and manually inputting the information directly on screen (quick and efficient as we only have a few workers to enrol). Delegated access functionality allows running the scheme to be outsourced, along with the payroll activity, if we decide to do this.

26.4 Premises Licence

Payable to New Forest District Council for sale of alcohol on the premises. We will appoint a designated premises supervisor (DPS) who will need a personal licence to sell alcohol. If the shop doesn't have a rateable value, then the lowest fee band is payable. Licence costs, taken from NFDC's website, have been budgeted for.

26.5 Selling Tobacco

Need an economic operator ID, specific to the premises to store and sell tobacco to the public. Bookers will ask for this ID which typically takes a few days. Some CBSs have had problems as they aren't companies. UK issuer is [De La Rue](#) - need address, Global Location Number (if any), UTR or VAT number (agency code (QCGDLR)).

26.6 Natasha's Law

Natasha's law requires that a full ingredients list is needed for any pre-packaged food we sell e.g. freshly made sandwiches. A process will be defined to ensure we comply with this and affected products identified.

26.7 Registration and Accounting Requirements

EBCS is constituted a Community Benefit Society using Plunkett Foundation model rules. We are registered with the Financial Conduct Authority's Mutuals' Register and will submit accounts annually. Our community business is expected to meet the current requirements to disapply the requirement to appoint a qualified auditor to audit our accounts. We have included accountancy costs in the profit and loss forecast in section 11.

We will need to comply with the Make Tax Digital (MTD) requirements which apply to all businesses from April 2022. These have presented other community shops with challenges. Consequently, we aim to buy the EPOS system and accounting package so that we can get the system up and running prior to opening.

27 Appendix 9 – Business Metrics and Targets- Monitoring Performance

The EPOS system will play an important role in monitoring key financial metrics but social metrics are as important to our community business. Little analysis exists for the current business so we have referred to the Plunkett Foundation's Community Shops Network on Facebook for metrics from other shops.

With the introduction of an EPOS system, we will be able to collect this data more easily to better understand the business and identify contributions made by specific business improvements.

Progress against targets will be tracked to identify any remedial actions or successes.

	Metric	Comment	Target
Daily	Wastage	Record value and type produce disposed of.	< 1%
	Value of shop transactions	Cash, card, total	> £618
	# of shop transactions	Average spend / customer according to ACS Rural Shops Report 2021 = £7.29.	> 80
Weekly	Sales	Record by department + weekly + YTD total	> £4326
	Average margin	Adjust pricing and buying accordingly.	> 21%
	Stock levels	What to reorder, promote or discontinue. Value as % of turnover. Regular checking stops any creep upwards.	5% turnover
	Electricity consumption	Chillers efficient/need servicing, lights being turned off? Smart meter readings. Largest cost after salaries.	< 382kW/wk seasonal
	Electricity production (solar)	10.4kW system with 10.2kWh battery storage	175kWh
	% sales of local produce by value	Own category in EPOS system so we can track this	> 20% initially > 30% long- term
	Volunteers	Volunteer hours	> 35
	Bakery	Bake quantity – adjustment needed	TBD
	Post Office	Transaction report, cash held/to be returned, scratch card and stamp stock take.	
	Campsite deliveries	Revenue and time involved -> Cost benefit and data gathering to understand trends.	TBD
Monthly	Turnover	Average monthly figure	£18,783
	Average margin	Overall and by dept	>21%
	Wastage	% of purchase costs	<1%
	Discounts	Close to sell by, volunteers/staff	<1%
	Reserves	Plunkett Foundation recommend 10% turnover	£20,000
	EPOS Reports	Review of reports by EBCS committee, actions needed <ul style="list-style-type: none"> Monthly and YTD sales by dept Margins at item level 	
	Size of volunteer pool	In line with plans? Any problems?	> 20 vols ~ 150 hrs
	Membership + Share capital	Growth desirable as new people move into area to offset withdrawals.	250+ members £250,000
	Number of suggestions	Encourage these from staff, volunteers and customers. Publicising actions taken will encourage more input.	5+
	Post Office	Total transaction-based income Promoting cash withdrawals and other services offers growth potential.	£393
Quarterly	Refillable sales	Revenue and uptake – issues, new product introduction	£188
	Staff development	Skills developed; courses attended. Skills gaps identified.	plans in place
	Staff / volunteer satisfaction	Proactively ask for feedback.	High
	Metrics	Review metrics collected	

28 Appendix 10 - Planning Detail for Feasibility Phase

Proceeding with our plan to create a vibrant community shop in the Baptist Chapel depends on achieving the following outcomes:

1. Community Re-engagement

This is the third attempt at a community owned solution for our village shop. We already have

- an established team of lane reps across the postcodes who aid communication of our plans and act as conduits for feedback in our 3-mile-long linear village.
- A community that has confidence in our team and understands the CBS model and how the community share offer enables them to become members with a say in how the business is run.

We will re-engage the community in this new project and rebuild the momentum we had achieved in Jan 22 with our share offer through public meetings, our Shop Talk newsletter, a new survey and our website.

2. Agreement to Transfer of the Existing Salaried Post Office Contract to EBCS

- We have agreement with the existing Postmaster that he will submit his notice to leave to the Post Office. This will initiate the business-to-business transfer of the contract to EBCS.
- The Post Office has confirmed (29/11/22) that this is possible whilst retaining its community status given our shop will remain the only shop in the village. This would be subject to their financial and suitability assessments.
- The existing fixed element of the remuneration, 'the assisted office payment' will be replaced by the 'remote support payment' which is expected to be a similar level.
- The transaction-based payments will remain the same.
- EBCS has agreed to retain the existing Postmaster as an employee for up to 6 months to ensure the smooth transition of these services.

We will have a contract in place with the existing Postmaster to ensure this happens before exchanging contracts on the chapel purchase.

3. Planning Permission for Change of Use and Demolition of Hall to create a Car Park

To operate a shop in the building we would need the New Forest National Park Planning Authority to grant a change of use for a local community shop. Guidance on the Government's planning portal states:

Generally, planning permission is not needed when the existing and the proposed uses fall within the same Use Class. For example, an office could be changed to a nursery, as both are within Use Class E, without the need for planning permission. However, if building work is associated with the proposed change of use, planning permission may be required for that work.

The chapel (use class F1) and community shops (F2a) are in the same broader use class. We aim to secure planning permission to demolish the ancillary hall to create off road car parking, install double glazed French doors to replace rotten window and door, install solar panels on the roof and have change of use confirmed.

4. Offer accepted on the Baptist Chapel

Negotiate the purchase of the Baptist Chapel. Priced at offers over £325,000 the Baptist Union have agreed the level of our offer of £325,000 is at an acceptable level subject to us raising the required funds.

We have chosen to work collaboratively with them rather than apply to have the building listed as an asset of community value with NFDC. This remains a possibility which, if successful, would buy us 6 months to raise funds.

We understand that buyers will be limited given the existing use class and the National Park Authority's residential development restrictions outside of the defined villages where development is allowed.

5. Develop the Business and Project Plan

The business proposal for our community shop and Post Office remains largely the same as that developed for plan C but for a change of premises. Therefore, much of the work carried out previously has been carried forward to this proposal. Areas that need reinvestigation include:

- **Timescales** - Depend on fundraising, property purchase and the agreement reached with the vendors
- **Project costing** - Much of our previous costing applies. The main change is the purchase price of the property with adjustments needed for the required building work.
- **Fundraising** - The funding landscape has moved on since Plan C. Unfortunately, the Community Ownership Fund (COF) award of £250,000 was tied to a specific community asset (the existing shop premises) so we will need to reapply. Based on our previous share offer we do have confidence in the financial backing we might expect from the community.

29 Appendix 11- Conveyancing and Legal Contracts

We may explore the possible purchase of the bread oven and some existing stock from the existing shop owner but this would be handled as a private sale.

29.1 Conveyancing on the Baptist Chapel Purchase

To date we have benefited from pro-bono legal guidance from a local solicitor. We hope to use the same solicitor, who is familiar with our project, for the property conveyance.

29.2 Transfer of Post Office

The only way we can move the PO to the chapel is by accepting a Local's contract (transaction based) with an additional fixed element – the remote support payment. This is similar to the fixed remuneration (assisted office payment) the Postmaster receives under his SPSO contract terms given that East Boldre has a community status branch. This would be a business-to-business transfer with EBCS as the Postmaster rather than an individual on the Post Office's move to the chapel.

To initiate this process the existing Postmaster needs to submit his notice to leave.

EBCS would then need to complete an application along with financial forecasts

This is followed by a suitability assessment

Then training of new Postmaster and assistants

EBCS has agreed to then employ the existing Postmaster for up to 6 months to effect a smooth transition. He will mentor new staff.

The Postmaster has agreed to enter into a legally binding contract to this effect prior to our exchanging contracts on the chapel.

The Post Office have fixed costs for moving the safe, alarms and horizon system. Pilley move = £9000.

29.3 Staff Protection Under TUPE regulations

Does this still apply? Given we are in different premises we are still the only shop in town. Legal advice ACAS or CA.

When a business changes owner, regardless of its size, its employees may be protected under the Transfer of Undertakings (Protection of Employment) regulations (TUPE).

Business transfers are protected under TUPE regulations where a business or part of a business moves from one employer to another. The identity of the employer must change, to be protected under TUPE during a business transfer. To be protected a person must be legally classed as an employee.

EBCS must identify, with the owner, details of the employees affected by the transfer (1 possibly 2 people) at least 28 days before the transfer. He should provide their ages, identity, employment contracts and length of service.

The owner should give his employees a 'measures letter' to inform them in writing about the transfer, when and why it is happening, how it affects them, how transfer will be carried out, any changes the new employer is planning to make. Employees should be consulted regarding changes to any dates of payment and hours of work, views listened to and questions answered. Employees feedback on the changes must be considered but does not have to be adopted, business reasons should be given. Employment contracts remain unchanged (pay rates, bonuses, personal pension payments, sick and holiday leave, allowances, notice period etc). Workplace pensions are exempt from TUPE but we would have to provide a reasonable alternative scheme.

The responsibility for paying any outstanding wages would transfer to us so important to be sure employees are paid by the owner up to the date of completion.

Employees can decide not to transfer and resign but would normally have no right to redundancy pay or to claim unfair dismissal.

30 Appendix 12- SWOT Analysis

30.1 SWOT Analysis – Project to Set Up the Shop

Fundraising track record – previous COF award – need to reapply but have previous success
Community confidence in our team.

The EBCS Team - drive and skills (strong financial, retail and project management)

EBCS know and known by our customers through volunteering in existing shop.

Transfer of existing PO Contract seems possible in two stages – we have Ian's co-operation.

Project and business plans well advanced

Community share offer as means of local fundraising, fosters loyalty to business.

Lane Reps reach all areas of the community

Freehold Tenure – security of tenure is required by major funders

Simple conveyance, no external stakeholders

Good access to key people with good local networks

Good support from community shop Facebook group and Plunkett Foundation

Active support from Local Authorities providing support and knowledge:

Wealth of benchmarking information and learning from other shops

Strong customer base - potential investor base.

Project lends itself to community involvement opportunities.

Strengths

High project costs – significant fundraising required.

ACTION – detailed funding plan to check this is feasible

High Share Offer target – close to the limit of what we believe to be achievable

ACTION – review other share offers indicates doable

Key person risk - mitigate by expanding Project team & sub groups

Small Team and short timescales -> overloaded

ACTION – grow mgmt. committee and identify volunteers to help

Our long, ribbon village makes communication more difficult - small personal networks

ACTION – Network of Lane Reps

Lack of accounts/track record for funders

ACTION – Credible business plan, detailed planning to give confidence

Mixed attitudes to existing business in the community.

Length of the project and yet another change in focus – jaded community.

Weaknesses

SITR Tax relief on share investments

Volunteers range of professional skills

Local businesses involved in project – generates buy in

ACTION: Involve and access their networks to tackle networking/fundraising

The Community ownership model appeals to locals

Index Multiple Deprivation (bottom 40% <- index for housing/services) – funders can require

Expanded catchment area (given Beaulieu PO closed)

Motivate and engage the community with the new vision and plans

Continue to cement relationship with Local Authorities

Funding situation for projects like ours has improved post COVID

Positive feedback on our plans from chapel's Immediate neighbours

Chapel unlikely to be granted planning permission for residential use

Opportunities

Threats

Someone else buys chapel in time it takes us to raise funds

ACTION: Work collaboratively with BUC and raise funds quickly

Limited funding opportunities – onus on COF, and share issue.

ACTION –we now have a detailed funding plan in place

PO Contract transfer

ACTION – contract with Ian, early discussion with the PO.

High local property prices – someone might outbid us for chapel

Planning permission for car park, solar panels and change of use.

Funding applications aren't successful

ACTION – identify back ups.

30.2 SWOT Analysis – Once Trading

Salaried Post Office contract will transfer across to ensure we can continue to offer PO services.

Goodwill towards Ian – he supports and will continue as Postmaster initially

Existing business with goodwill – existing customer base and some local shopping habits.

New shop will be over twice the size of existing allowing a broader product range and an improved, accessible layout.

Additional community space – opportunities for ancillary community activities

Eco-credentials:

Central location in the village – short walk for max number of people, short car journeys.

Zero plastic waste, refillable product range.

Off road private car park with up to 10 spaces (9 + 1 disabled)

Focus on affordable local food - lots of quality local suppliers in the area.

Support and Knowledge:

- Established network of community shop contacts, thorough benchmarking.
- Plunkett Foundation, Community Shops Facebook forum.
- Know our customers through volunteering in existing shop.

Security of Tenure – freehold gives EBCS an asset as well as security of tenure.

Volunteers help minimise costs of a community owned business.

Community business model fosters loyalty to business.

Project lends itself to using local trades (involvement).

Management team will strong financial, retail and project management skills

Strengths

Mixed attitudes to existing business in the community.

With limited buying power it is difficult to compete with supermarket pricing.

Our long, ribbon village makes a car journey necessary for some.

Lack of EBCS trading history for this new business may mean it's hard to get credit with suppliers affecting cash flow.

Reliance on volunteers – we have 18 names so far but need more to spread the load.

Weaknesses

Partnerships with quality local suppliers

Deliveries to large local campsite.

Current organic and 'local food' trends.

Seasonal activities – e.g. Christmas food fair.

Footfall generators (Strawberry farm, Post Office, close to other village amenities).

Passing trade from local tradesmen, cyclists, walkers and visitors to Hatchett Pond.

Closure of other local Post Offices draws customers from surrounding villages.

Small independent business – can react quickly to local needs (as demonstrated during Corona virus outbreak).

Almost complete lack of public transport in the village and 9% of households with no vehicle.

Trend for local produce and refillable product ranges

Opportunities

Threats

Traffic and parking problems in Chapel Lane

ACTION – 10 off road spaces in planning app

Off Main Road – a brown sign to indicate its location would be applied for.

Within 400m of SSSI grazing land – may affect planning permission

ACTION – early consultation with ecology and sustainability experts at NPA

Loss of or changes to existing Post Office contract – vital to EBCS business case.

Generating and managing growth of the business – conservative business case.

Increasing use of online shopping.

Increasing number of second home owners – lower permanent population.

Cost of living increases – customers more price sensitive

30.3 SWOT Analysis Action Plan

Tasks	Who	When/Status
1. Planning Permission Apply early for approval to demolish the hall/create car park, change of use and solar panels.	Shop Team Bob Abbott?	Apply by 13/9/22
2. Communication and Engagement Crucial to convey positive messaging about project to win investors. The Lane Reps and volunteers can be of great use to help spread this messaging, using their local networks to maximise investment. Regular monthly Shop Talk newsletter to build momentum Update website	Shop Team	Ongoing
3. Limited Funding Opportunities Detailed funding plan in place with back up funds identified	RG	Done
4. COF Award – crucial Capital and revenue funding Need to reapply, on critical path for chapel completion.	RG	Ongoing
5. High Share Offer Target High funding target and limited funds to apply to increases our reliance on our share offer. Use Lane Rep network to best effect to get local investment in the project. Planned networking to ensure a personal approach to potential larger investors.	AR/AMG	Ongoing
6. ACV on Baptist chapel? Decided to try a more co-operative approach	MH	25/8/22
7. Develop relationship with Baptist Union + Rapleys Mike tried to develop Tim Chown dialogue but told to go through agents. Rebecca to develop agent relationship explaining our plans and strong desire to secure the chapel, we will be informed buyers with planning and surveys, time to raise funds, preserving chapel building along similar lines.	RG/MH	Ongoing
8. Post Office Contract Transfer Process Early discussions with Post Office and Ian re relocation. Contract with Ian for PO transfer to hall Ian to nominate EBCS for commercial transfer when he gives notice of retirement – condition of offer made.	RG/MH/IE	Ongoing
9. Key Person Risk Burnout and lack of time can be a real issue. The team has recently recruited more people and other volunteers have come forward to help with specific tasks. Recruited 2 additional mgmt. committee members	Shop Team	Ongoing
10. Identify Local Producers To differentiate from supermarkets and counter online shopping Spreadsheet of 150 local potential suppliers identified so far	Shop team	Mar 23
11. Shop Volunteer strategy Devise roles and training	Shop Team	Ongoing
12. Beaulieu Farm shop Research offer and understand business. Develop proposition once feasibility phase is complete.		Feb 23



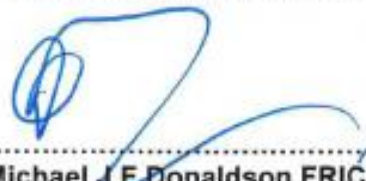
VALUATION REPORT

Marquis & Co Chartered Surveyors

Identification and status of the valuer	<p>Michael J F Donaldson FRICS MCIArb MAE Registered Valuer</p> <p>Mr Donaldson has been involved in the valuation of Commercial and Residential properties since 1975.</p> <p>We can confirm that, apart from earlier Reports relating to properties you were considering, we have had no previous professional involvement with either the property or you and as such the Report will be based on our independent and objective views.</p>
Client	East Boldre Community Stores c/o Danes End, Heath Lane, East Boldre, Hampshire SO42 7WF
Purpose of Valuation	Valuation of the Freehold Interest for the purposes of your purchase.
Property to be valued	<p>The Baptist Church and Hall Chapel Lane East Boldre Brockenhurst Hampshire SO42 7WP</p>
Basis of Value	<p>Market Value</p> <p>The estimated amount for which an asset or liability should exchange contracts on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.</p>
Valuation date	1 st September 2022
Assumptions and extent of investigations	<p>We have made the following assumptions:</p> <ol style="list-style-type: none"> 1. That the property has a good Freehold Title. 2. That there is no contamination in either the building or the surrounding areas which is relevant to the matter. 3. There are no mining, flooding or sustainability matters which are relevant.

Source of Information	We have relied upon our own knowledge and expertise in advising you on this matter. We have also spoken to local Estate Agents including Hayward Fox and Burkmars.												
Restrictions on publication	The report is limited to the parties to whom it is addressed and their advisors and for the purposes for which it is to be used.												
Third Party liability	Unless stated otherwise, there will be no liability towards Third Parties.												
RICS Valuation Standards (and departures from those standards)	The Valuation and Report will be prepared in accordance with the RICS Valuation – Professional Standards 2014.												
Valuation	<p>You advised us that it is the intention of the Committee to demolish the modern hall on the front of the site and then convert the former Chapel at the rear of the site into a Community Shop.</p> <p>The former Chapel provides 2,008ft² laid out as follows:</p> <table> <tr> <td>Main Hall</td><td>25'11" x 40'2"</td></tr> <tr> <td>Kitchen</td><td>16'7" x 7'1"</td></tr> <tr> <td>Store</td><td>5'6" x 9'5"</td></tr> <tr> <td>Social Room (at the rear)</td><td>15'8" x 16'5" with</td></tr> <tr> <td>Side Room</td><td>16'5" x 7'7"</td></tr> <tr> <td>Mezzanine Floor</td><td>20'6" x 9'4"</td></tr> </table> <p>The separate Church Hall building (the one which is to be demolished) provides approximately 700ft².</p> <p>Taking into account the works which have to be carried out and the fact that you have to apply for change of use for planning purposes, we are of the view that the current value of the Freehold Interest with vacant possession as at 1st September 2022 was £325,000 (Three Hundred and Twenty-Five Thousand Pounds).</p>	Main Hall	25'11" x 40'2"	Kitchen	16'7" x 7'1"	Store	5'6" x 9'5"	Social Room (at the rear)	15'8" x 16'5" with	Side Room	16'5" x 7'7"	Mezzanine Floor	20'6" x 9'4"
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Side Room	16'5" x 7'7"												
Mezzanine Floor	20'6" x 9'4"												

Name of Valuer:


 Michael J F Donaldson FRICS MCI Arb MAE

Name of Firm:

Marquis & Co

Date of Report:

24th November 2022*Marquis & Co – Lymington Office:*

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