

Report of the Board of Directors
Half Year Ended 24th July 2021

TAMWORTH CO-OPERATIVE SOCIETY LIMITED

Unaudited Interim Report

For the 26 weeks ended 24th July 2021

Report of the Board of Directors
Half Year Ended 24th July 2021

The equivalent report last year started with a line 'the most significant factor across the half year has clearly been the Covid-19 pandemic which has affected every aspect of our operations'. In many ways although we are 12 months later the position remains the same now. In the first half, we continued to need to adapt to the very challenging conditions, especially the sudden impact, with virtually no notice, when employees have been required to self-isolate. Can I thank all of our staff for their very hard work and dedication under such extremely difficult conditions.

Net takings of £15,900,000 were actually at a fairly similar level to the prior year figure of £15,920,000. In fact the most important difference behind the figures was the commencement of our latest Convenience Store at the site of former Cuckoos Rest Pub in Dordon near Tamworth which opened in August 2020, immediately after the end of last years half year period. During the first half of last year the much smaller store at Dordon traded at a much lower level than the new store has in the current year. Excluding Dordon most of our Food locations were actually trading at a lower level than the prior year when the very extreme demands from the commencement of the pandemic took hold. Sales for the Fashion Floor at the Department Store which is referred to further below exceeded the prior year due to both the closing down sale and the timing of lockdown periods in 2020. Sales in the Funeral Division overall were broadly similar to the first half of 2020. The Society carried out a greater number of arrangements during the first half of last year, but with the greater restrictions in place we were not able to offer our families the normal range of services. Property income has recovered to an extent in 2021 but is still below the previous levels from 2019.

Overall for the first half of the year we are reporting a surplus prior to distribution and taxation of £650,000 which exceeds the £590,000 reported in the prior year. Last year's figures included a much higher figure for impairment than that recorded for the current year. Our surplus from trading was actually slightly down on the equivalent figure from the prior year.

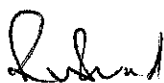
During the first half of this year a significant investment was made at the Lichfield Convenience Store. That improves the range at that location and sales have shown a significant improvement since the re-opening following a two week closure period for the refurbishment. Later in the year we intend to carry out an extensive re-fit at our Stretton Food location.

Shortly after the end of the first half in July 2021 the Fashion Floor of the Department Store closed permanently. The Local Council will be purchasing our historic Department Store and Head Office on Colehill following a grant that they have received under the 'Future High Streets Fund'. At this time the Society is continuing to operate its Head Office and certain other functions including our Bereavement Centre and independent operations of the opticians and mobility equipment suppliers from the Heritage part of the site. The premises on Colehill will close in January 2022 and at that point the Society will relocate its Head Office to a building that we own directly opposite on Colehill last utilised by the Co-op Bank.

During the first half of the year we have completed payments both in reference to the 2020/2021 and 2021/2022 Community Dividend Scheme. These payments are made to local good causes which are linked to each of our retail locations. For 2021/2022 we have supported schools and brought the payments forward very significantly at a time of tremendous need for the education sector following Covid-19.

We remain cautious in our outlook and thank all of our Members and customers for the continued support.

For and on the behalf of the Directors



R W Read
Chairman



Julian Coles
Chief Executive Officer

Report of the Board of Directors
Half Year Ended 24th July 2021

Interim statement of trading activities
For the 26 weeks ended 24th July 2021

Society Revenue Account

	26 weeks 24 th July 2021 (unaudited) £000	26 weeks 25 th July 2020 (unaudited) £000	52 weeks to 23 rd Jan 2021 (audited) £000
Gross Takings	16,118	16,029	30,953
Less Concession Sales	(218)	(109)	(304)
Net Takings	<u>15,900</u>	<u>15,920</u>	<u>30,649</u>
Less Value Added Tax	(1,520)	(1,460)	(2,861)
Turnover	<u>14,380</u>	<u>14,460</u>	<u>27,788</u>
Less cost of Sales and Operating Expenses	(13,613)	(13,629)	(26,294)
Net of Rent Receivable			
Trading Surplus	<u>767</u>	<u>831</u>	<u>1,494</u>
Profit/(Loss) on disposal of Fixed Assets	1	-	3
Interest Received/(Paid) Net	2	7	7
Pension Financing	(57)	(68)	(130)
Impairment	(63)	(180)	(465)
Other Operating Income/ Exceptional Charges	-	-	545
Surplus prior to Distributions and Taxation	<u>650</u>	<u>590</u>	<u>1,454</u>

The interim statement has been prepared on the basis of the accounting policies set out in the 2020/2021 Statutory Accounts. The figures shown for the year to 23rd January 2021 are extracted from the Audited Accounts for 2021.

The financial information does not constitute Statutory Accounts and is not audited.

The consolidated profit figures exclude share interest and other appropriations and taxation.

Gross Takings include cash sales, goods sold on credit and concessionaire sales inclusive of Value Added Tax.

Turnover represents gross takings excluding VAT and sales made by concessions but include fees received from concessionaires for sales made from the Society's premises. The Turnover is attributable to the principle activity of the Society.

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Half Year Ended 24th July 2021

Interim statement of trading activities
For the 26 weeks ended 24th July 2021

Society Balance Sheet

	26 th weeks to 24 th July 2021 (unaudited) £000	26 th weeks to 25 th July 2020 (unaudited) £000	52 weeks to 23 rd Jan 2021 (audited) £000
Fixed Assets			
Tangible Assets	11,222	11,966	11,347
Intangible Assets	-	-	-
Investment Properties	6,745	6,447	6,796
Investments	<u>10,843</u>	<u>10,581</u>	<u>10,996</u>
	28,810	28,994	29,139
Cash at Bank and in hand	4,830	3,656	3,015
Stock	765	743	833
Debtors due after more than one year	1,531	1,406	1,531
Debtors due within one year	969	1,145	1,278
Creditors due within one year	(5,225)	(5,517)	(4,516)
Funeral Prepayment Plans	(9,492)	(9,306)	(9,660)
Deferred Tax	(178)	(116)	(178)
Pension Liability	<u>(7,269)</u>	<u>(7,552)</u>	<u>(7,212)</u>
Net Assets	<u>14,741</u>	<u>13,453</u>	<u>14,230</u>
Financed By:			
Profit and Loss Account	12,466	11,193	11,998
Share Capital	<u>2,275</u>	<u>2,260</u>	<u>2,232</u>
	<u>14,741</u>	<u>13,453</u>	<u>14,230</u>

At 23rd January 2021 the Society's Investment Properties were revalued to market value.

The assets and liabilities at 24th July 2021 and 25th July 2020 are after making estimated provisions for share interest and grants. No provision has been made for dividends, which traditionally have been declared following the results of the full 52 week period, or taxation.

Report of the Board of Directors
Half Year Ended 24th July 2021

Society Cash Flow

	26 weeks 24 th July 2021 (unaudited) £000	26 weeks 25 th July 2020 (unaudited) £000	52 weeks to 23 rd Jan 2021 (audited) £000
Net Cash Generated from Operating Activities	1,944	2,115	1,524
Net Interest Received	2	7	7
Benefits Paid to Members	(165)	(90)	(90)
Grants and Donations	(1)	7	(26)
Capital Expenditure	(162)	(770)	(1,093)
Sale of Fixed Assets	-	-	-
Net Redemption/(Purchase) of Fixed Asset Investments	154	176	510
Movement in Share Capital	43	11	(17)
Increase/(Decrease) in Cash in the period	<u>1,815</u>	<u>1,456</u>	<u>815</u>
Net Cash at the start of the period	<u>3,015</u>	<u>2,200</u>	<u>2,200</u>
Net Cash at the end of period	<u>4,830</u>	<u>3,656</u>	<u>3,015</u>