



Business Plan - Denbury Community Shop





Denbury Community Shop

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Executive Summary

Mission Statement

“To open and operate a thriving, community owned shop that offers quality, locally sourced products and services, acting as a central hub to combat rural isolation, support the local economy, and create opportunities for social connection, learning, volunteering, and mutual support across the village and surrounding communities.”

Leadership Model



An Overview of Competitive Advantages

Denbury Community Shop holds several key competitive advantages that differentiate it from nearby convenience stores and supermarkets. Its central location within the village hall provides excellent accessibility for residents, reducing the need to travel for everyday essentials. The shop’s community owned model fosters loyalty, volunteer involvement, and a strong sense of shared purpose, creating a level of trust and personal connection that larger retailers cannot replicate.

A major advantage is the shop’s commitment to stocking locally sourced products, giving customers access to unique, high quality goods while supporting regional producers. This emphasis on sustainability and locality appeals to customers who value ethical shopping and community impact. Additionally, the shop provides essential services, such as a local noticeboard of events and local businesses and a welcoming social space that address rural isolation and enhance community wellbeing.

The combination of convenience, community ownership, personalised service, and local sourcing positions Denbury Community Shop as more than a retailer; it is a vital community hub. These advantages not only



attract a loyal customer base but also create resilience in a competitive landscape dominated by larger, less personal retailers.

Target Customers

Denbury Community Shop primarily will serve the residents of Denbury and Torbryan, surrounding rural villages, visiting parents dropping children off at School, and prison workers/visitors who rely on convenient access to everyday essentials. Key customer groups include older adults seeking ease of access and social connection, busy families needing quick top up shopping, and local workers, including prison staff, looking for convenient grab-and-go food options during or after shifts. The shop also appeals to ethical shoppers who value locally sourced products and want to support the local economy.

By addressing the practical needs and lifestyle preferences of these groups, the shop is positioned to capture regular, repeat business while serving as a central hub for community engagement.

Products & Timeline

Products

Denbury Community Shop will offer a curated selection of essential goods and locally sourced items to meet the daily needs of residents while supporting local producers. The core product range includes:

- Fresh Produce: Seasonal fruit and vegetables from local growers.
- Bread & Baked Goods: Fresh bakery items delivered regularly.
- Dairy & Chilled Foods: Milk, cheese, eggs, yogurts, and other essentials.
- Pantry Staples: Tinned goods, cereals, pasta, sauces, snacks, and baking supplies.
- Meat & Deli Items: Locally sourced meats and deli products where possible.
- Frozen Goods: Vegetables, pizzas, and desserts.
- Locally Produced Specialties: Honey, jams, chutneys, artisan foods, gifts, and crafts.
- Household & Personal Care Items: Cleaning products, toiletries, paper goods, and general essentials.
- Drinks: Soft drinks, juices, tea, coffee, and alcohol (when licensed).
- Non-Food Items: Stationery, and seasonal goods such as wood and BBQs.

This product line reflects community preferences, supports local suppliers, and ensures quick access to daily essentials without travel.



Timeline

Phase	Timeline	Key Activities
Phase 1 – Planning & Setup	Months 1–12	• Finalise business plan & governance structure • Confirm village hall location & begin refurbishment planning • Develop branding, signage & website • Fundraising
Phase 2 – Fit-Out & Supply Chain Setup	Months 12–15	• Start refurbishment • Install shelving, fridges, counters, and POS system • Create training plans • Engage suppliers & negotiate pricing • Set up stock management processes • Complete health, safety & food hygiene arrangements • Trial initial product orders & refine selection • Begin pre-launch marketing campaign
Phase 3 – Soft Launch	Month 15	• Open with initial proposed hours. • Assess the trend and evaluate opening hours. • Gather customer feedback • Adjust product range & layout • Finalise volunteer rota & operational processes
Phase 4 – Full Launch	Month 16	• Confirm full opening hours • Launch additional services (parcel pickup, noticeboard, pre-orders) • Highlight local suppliers through promotions
Phase 5 – Growth & Development	Months 15-24	• Analyse sales data & optimise range • Introduce seasonal & specialty lines • Grow local supplier partnerships • Enhance website functionality • Monitor financials & reinvest in hall improvements



Financial Projections

Estimated Minimum Annual Revenue: £140,000

<i>Item</i>	<i>Amount</i>
Revenue	£140,000
Cost of Goods Sold (70%)	£98,000
Gross Profit	£42,000
Overheads (excluding manager salary)	£17,680
Shop Manager Costs	£24,000
Net Operating Profit	£320

Net Margin: ~0%

This is based on break-even point to establish the minimum required level of turnover.

Company Goals

Short-Term Goals (0–12 Months)

- Successfully open the community shop within the village hall and establish reliable daily operations.
- Build a strong volunteer team with clear training, support, and engagement processes.
- Stock a balanced range of essential and locally sourced products that meet community needs.
- Achieve consistent customer footfall and establish regular purchasing habits among residents.
- Strengthen partnerships with local producers and suppliers.
- Increase use of the village hall and contribute to its financial sustainability and refurbishment needs.

Medium-Term Goals (1–3 Years)

- Expand the product range in response to customer feedback and seasonal demand.
- Assess the potential for launching enhanced services such as pre-orders, or community fridge schemes.
- Improve operational efficiency through data driven stock management and improved volunteer scheduling.
- Grow community engagement through events, tastings, workshops, and outreach activities.
- Generate a stable financial surplus to reinvest in the shop and contribute to ongoing hall improvements.

Long-Term Goals (3+ Years)

- Become a fully established, trusted, and financially sustainable community asset.
- Increase the shop's role as a social hub, reducing rural isolation and supporting wellbeing across the village.
- Expand collaboration with local organisations, schools, and producers to strengthen the rural economy.
- Explore opportunities for additional services or satellite offerings (e.g., pop-up stalls, delivery partnerships).
- Continuously reinvest profits to improve facilities, upgrade equipment, and maintain village hall sustainability.
- Be a part of the New Village Hall.



Launch Schedule



Community Benefit Society Description

CBS Purpose

Denbury Community Shop will be a locally run, community focused retail hub offering essential groceries, fresh produce, baked goods, household items, and a curated selection of locally sourced specialties. In addition to everyday necessities, the shop provides convenient services such as community notice boards, and seasonal products tailored to village needs. By prioritising local suppliers and sustainable practices, the shop supports the regional economy while delivering high quality goods to residents and visitors alike.

Our target market includes the residents of Denbury and surrounding rural communities, visitors and staff at Channing Wood Prison, visitors to Denbury Primary School, visitors to Brambledown Nursing Home, as well as visitors seeking authentic local products and friendly, reliable service. We expect to thrive because our business model is built on strong community involvement, volunteer support, and a clear commitment to convenience, quality, and locality. With a loyal customer base, a central village location, and a focus on meeting the day to day needs of the community, Denbury Community Shop is positioned for long term success.

Mission/Vision Statement

“To open and operate a thriving, community owned shop that offers quality, locally sourced products and services, acting as a central hub to combat rural isolation, support the local economy, and create opportunities for social connection, learning, volunteering, and mutual support across the village and surrounding communities.”

Core Values

1. Community First

We prioritise the needs, wellbeing, and voices of local residents and Members, ensuring the shop remains a welcoming space owned by and run for the community.

2. Local Sustainability

We champion locally sourced products and environmentally responsible practices that reduce our footprint and strengthen the regional economy.

3. Inclusivity & Connection

We foster an environment where everyone feels welcome, valued, and able to connect; helping to reduce rural isolation and build stronger social bonds.

4. Quality & Reliability

We commit to offering high quality goods and dependable services that meet the everyday needs of our community.

5. Learning & Growth

We encourage opportunities for learning, skill building, and shared knowledge through volunteering and community initiatives.

6. Collaboration & Mutual Support

We work together; staff, volunteers, customers, and local partners to create a supportive, cooperative environment where everyone contributes to collective success.



7. Integrity & Transparency

We operate with honesty, openness, and fairness, ensuring that all decisions reflect the best interests of the community.

Team & Org Structure



- **Members**

- Individuals who hold a share in the community shop and play an active role in its governance and long term direction.
- They have voting rights at general meetings, help elect the committee, and may contribute ideas, feedback, and support to ensure the shop reflects community needs.
- Members act as ambassadors for the shop, promoting its values and encouraging wider community engagement.

- **Chairperson**

- The Chairperson provides strategic leadership and oversees the effective governance of the shop.
- They chair committee meetings, ensure decisions are made democratically, and facilitate productive discussion.
- The Chairperson works closely with the Shop Manager and committee to guide the shop's development, resolve issues, and ensure the organisation fulfils its mission.
- They represent the shop publicly and uphold its values and legal responsibilities.

- **Treasurer**

- The Treasurer is responsible for managing the shop's finances and maintaining accurate financial records.
- They prepare budgets, cash flow forecasts, and financial reports for the committee and members.
- The Treasurer oversees banking, payment systems, and financial compliance, ensuring transparency and accountability.



- They work with the Shop Manager to support sound financial decision making and long term sustainability.
- **Secretary**
 - The Secretary handles the administrative and governance related duties of the organisation.
 - This includes preparing meeting agendas, taking and distributing minutes, maintaining official records, and ensuring compliance with governing documents and legal requirements.
 - The Secretary acts as the primary point of contact for formal communications and helps coordinate the smooth running of committee and member meetings.
- **Elected Committee**
 - The Elected Committee is responsible for the strategic oversight and governance of the community shop.
 - Committee members work as a team to set priorities, approve budgets, monitor performance, support the Shop Manager, and ensure the shop operates in line with its mission and values.
 - They contribute their skills and insight, participate in decision-making, and represent the interests of the membership and broader village community.
- **Shop Manager**
 - The Shop Manager oversees the day to day running of the shop, ensuring high standards of service, stock management, and operational efficiency.
 - They lead and support volunteers, coordinate ordering and supplier relationships, and ensure compliance with health, safety, and food regulations.
 - The Shop Manager implements the committee's strategic decisions, drives sales and customer service, and acts as the key operational decision maker.
 - The Shop Manager will be employed by the CBS as the only paid employee.
- **Volunteer Leads**
 - Volunteer Leads support the organisation with the coordination of the volunteer team.
 - They assist the Shop Manager with scheduling, training, communication, and day to day guidance.
 - Volunteer Leads ensure volunteers feel supported, confident, and valued in their roles.
 - They help maintain standards, resolve minor issues, and serve as the Shop Manager when absent.
- **Volunteers**
 - Volunteers contribute to the shop's daily operation and community atmosphere.
 - Their tasks may include serving customers, stocking shelves, handling deliveries, and maintaining cleanliness.
 - Volunteers play a vital role in sustaining the shop's community focus, providing friendly service, and helping create a welcoming, inclusive environment. They uphold the shop's values and represent the spirit of community ownership.



Products and Services Line

Product Offering

Denbury Community Shop offers a thoughtfully curated range of essential goods and locally sourced items designed to meet the everyday needs of residents and visitors. Our product line emphasises quality, sustainability, and convenience, supporting local producers wherever possible while ensuring customers have reliable access to daily essentials.

Product Categories & Functionality

1. Fresh Produce

Locally sourced fruit and vegetables supplied by regional growers. Provides customers with fresh, seasonal options while supporting local agriculture.

2. Bread & Baked Goods

Daily or near daily deliveries of artisan bread, pastries, cakes, and snack items from local bakeries. Alongside will offer competitively priced bread from supermarkets.

3. Dairy & Chilled Foods

Milk, cheese, yogurt, butter, and other refrigerated essentials. Ensures customers can rely on the shop for everyday staples without travelling long distances.

4. Meat

Locally produced frozen meat. Provides premium quality options from trusted, local suppliers.

5. Pantry & Grocery Essentials

Tinned goods, pasta, rice, cereals, sauces, snacks, and baking ingredients. Gives customers convenient access to key household foods in one location.

6. Beverages

Soft drinks, juices, teas, coffees, and selected alcoholic beverages (once set up and licenced). Offers a mix of everyday options.

7. Household & Personal Care Products

Toiletries, cleaning supplies, and basic home essentials. Saves customers unnecessary trips to larger supermarkets.

8. Frozen Foods

Frozen vegetables, pizzas, desserts, and ice cream alongside meats. Provides convenience options for busy households.

9. Cards & Stationery

Wrapping paper, greetings cards, stamps, and general stationery. Creates a reliable source of everyday non-food items.

10. Community Services

Notice board, ticket sales for local events, and volunteer information. Strengthens the shop's role as a central community hub.



Service Offerings

1. Community Notice Board

Offers a central place for sharing local news, events, opportunities, and community information. This helps strengthen communication within the village and reduce isolation by keeping residents connected and informed.

2. Volunteer Opportunities & Training

Provides structured volunteering roles with basic training in customer service, retail operations, and shop procedures. This service supports skill-building, confidence, and social engagement, especially valuable for retirees, young people, and those seeking community involvement.

3. Local Event Ticketing & Promotion

Acts as a point of sale for village event tickets and a promoter of local activities. This encourages community participation and positions the shop as a go-to resource for local happenings.

4. Support for Local Producers

Provides shelf space and promotional support for small local businesses, makers, and food producers. This service strengthens the local economy and enhances the shop's unique, community driven product offering.

5. Social Connection & Drop-In Space

Creates a welcoming environment where residents can stop in for a chat, seek support, or meet neighbours. This informal service plays an important role in combating rural isolation, particularly for vulnerable or elderly residents.

6. Seasonal and Community Initiatives

Includes Christmas ordering, seasonal products such as wood for winter and BBQ's for summer. These services enhance community spirit and make the shop a vibrant, engaging space throughout the year.

Pricing Model

1. Fresh Produce

Typical Markup: 25–35%

Fresh produce will be priced competitively with supermarkets, reflecting seasonal availability and local supplier costs. Margins will be moderate to encourage regular purchases and reduce food waste through steady turnover.

2. Bread & Baked Goods

Typical Markup: 25–40%

High-quality, locally baked goods allow slightly higher margins, but pricing will remain in line with nearby retailers to ensure accessibility.

3. Dairy, Chilled & Frozen Goods

Typical Markup: 15–30%

Lower margins help keep these essential staples affordable for residents.

4. Meat

Typical Markup: 25–35%

Pricing reflects premium quality and local sourcing while staying competitive with farm shops and supermarkets.

5. Pantry & Grocery Items

Typical Markup: 20–35% depending on item

Ambient products will follow standard convenience store margins, ensuring viability while keeping core items accessible.



7. Beverages (Soft Drinks, Alcohol, Tea/Coffee)

Typical Markup: Soft drinks 25–35%; Alcohol 20–35% depending on licensing rules

Pricing will reflect standard retail expectations while complying with all alcohol licensing requirements (if applicable).

8. Household & Personal Care Items

Typical Markup: 20–30%

Prices will remain accessible, focusing on offering core essentials rather than extensive premium ranges.



Market Analysis

Target Market

Primary Customer Groups:

- **Local Residents (All Ages):** Over 300 hundred households within Denbury and neighbouring rural communities. This includes families, working adults, and retirees who rely on accessible, everyday shopping.
- **Older Adults and Retirees:** A significant proportion of rural populations are aged 55+, many of whom value local convenience, face mobility challenges, or seek regular social interaction.
- **Commuters and Remote Workers:** Individuals who live locally but work elsewhere require quick access to essentials without travelling to larger towns.
- **Visitors, Prison Staff and Visitors, Primary School Mums and Staff, and Nursing Home Visitors and Staff:** Visitor footfall boosts sales of local produce, snacks, lunch purchases, and refreshments.

Buyer Personas

1. Margaret – The Local Retiree

Age: 68

Profile: Long-term village resident, retired, lives alone or with a partner.

Motivations: Convenience, friendly service, social interaction, supporting the village.

Needs: Easy access to daily essentials, opportunities for conversation, wants to keep up with local news on the notice board.

Why She Shops Here: Margaret values the shop as both a practical resource and a social lifeline that reduces isolation.

2. The Harris Family – Busy Local Household

Age: Parents 35–45; two school-aged children

Profile: Working parents juggling jobs, school runs, and activities.

Motivations: Convenience, reliability, good-quality food, and quick top up shopping.

Needs: Fresh produce, bread, snacks, household essentials, and last minute items.

Why They Shop Here: The shop saves time, reduces travel, and provides trusted local products that fit into their busy lifestyle.

3. Tom – The Ethical Shopper

Age: 30–55

Profile: A small scale local allotment grower, maker, or artisan; or a customer strongly motivated by sustainability.

Motivations: Supporting the local economy, showcasing local goods, reducing environmental impact.

Needs: A retail outlet for local products, ethically sourced goods, and a community minded shopping experience to top up his own grown produce.

Why He Shops Here: Tom values the shop's commitment to local suppliers and sees it as a partner in building a sustainable, connected village economy.



4. Sarah – The Local Prison Worker

Age: 25–50

Profile: Works shifts at the Channings Wood prison; often short on time and looking for quick, convenient options.

Motivations: Speed, convenience, good-quality ready-to-eat items, and reliable opening hours.

Needs: Grab-and-go lunches, snacks, drinks, and easy meal solutions for after work.

Why She Shops Here: Sarah appreciates the shop's proximity, efficient service, and availability of fresh, convenient food options during or after her shift.

Location Analysis

Denbury Community Shop will be located within the village hall, a central and accessible site that sits at the heart of the community. This location has been chosen for its convenience for residents of all ages, its visibility, and its ability to attract additional footfall from the local prison, and everyday village activity. By placing the shop in a well-known, central building, we create a natural community hub where people can easily combine errands, social contact, and participation in village life.

Locating the shop in the village hall also brings important shared benefits. The hall is currently underused and in need of refurbishment; the presence of a thriving community shop will increase daily footfall, help revitalise the space, and generate income that can contribute to the hall's ongoing maintenance and improvement. This partnership model strengthens both the shop and the hall, creating a more vibrant, sustainable, and well-utilised community asset that supports the long-term wellbeing of the village.

Competitor Analysis

Competition Overview

Denbury Community Shop will operate within a mixed retail environment that includes a nearby village shop, mid-sized convenience stores, and a large supermarket in Newton Abbot. Competition is primarily based on convenience, product range, price, and customer experience. While larger retailers offer broader ranges and some lower prices, Denbury Community Shop's advantage lies in locality, community ownership, personalised service, and the availability of locally sourced products.



SWOT Analysis

Strengths • Central village location with strong community support • Locally sourced products not available in larger supermarkets • Community ownership model fostering loyalty and volunteer involvement • Provides essential services (parcels, social hub, noticeboard) • Flexible and able to adapt to local needs quickly	Weaknesses • Limited space and smaller product range compared to supermarkets • Higher purchasing costs due to smaller order volumes • Reliance on volunteers, which may require ongoing coordination • Limited opening hours compared to larger retailers
Opportunities • Growing demand for local, ethical, and sustainable products • Increasing rural population and remote workers seeking convenience • Ability to revitalise the underused village hall and boost community engagement • Potential partnerships with local producers, schools, and events • Tourism and passing trade, especially from walkers and visitors	Threats • Competitive pricing from supermarkets and larger convenience stores • Economic downturns impacting spending on local or artisan goods • Volunteer fatigue or shortages • Changes in consumer habits favouring online shopping and meal deliveries



Competitor Name	Comparative Strength(s)	Comparative Weakness(es)	Counterpoint(s)
Broadhempston Village Shop (2.5 Miles)	Similar community ethos; offers local produce; familiar rural setting. Well Established	Not as convenient for Denbury residents; smaller catchment area. Requires vehicle travel.	We offer closer access for Denbury locals, strong integration with the village hall, and potential to operate as a more central community hub.
Ipplepen Co-op (2 Miles)	Long opening hours; wide product range; strong supply chain; competitive pricing.	Less personal service; no local-produce focus; not walkable for many Denbury residents. Requires vehicle travel.	We offer convenience without travel, personalised service, and unique local goods that differentiate us from a standard convenience chain.
Asda, Newton Abbot (Superstore) (3.8 Miles)	Very large range, lowest prices, additional services (pharmacy, clothing, etc.).	Requires car travel; overwhelming for quick purchases; lacks community feel.	Our shop meets day-to-day needs without a journey into town and creates a friendly, social environment not available at major supermarkets.
Co-op Hele Park (2.6 Miles)	Modern store with good range; competitive pricing; convenient local parking.	Not a community-rooted business; no local-producer focus; requires travel for Denbury residents.	We provide closer access for quick top-ups, a more personal customer experience, and community-driven services that appeal strongly to local values.



Marketing Plan

Positioning Strategy

Potential buyers will be drawn to Denbury Community Shop because it offers convenient access to high quality essentials and locally sourced products right in the heart of the village. Customers value the personalised service, the ability to shop locally without travelling, and the sense of community connection that larger retailers cannot provide. The shop's unique blend of practical convenience and community oriented services, such as volunteer opportunities and local event information, meets everyday needs while strengthening the social fabric of the village.

For villagers seeking connection

We provide a welcoming, friendly environment that encourages social interaction and makes daily shopping easier and more accessible.

For busy families

The shop offers quick top-up shopping, fresh produce, and reliable essentials that reduce the need for time consuming trips to town.

For ethical shoppers

We support sustainable choices through locally made foods, eco-friendly products, and opportunities for small producers to sell through the shop.

For prison and shift workers

We offer grab-and-go lunches, ready-to-eat items, and convenient opening hours that fit around irregular shift patterns.

Acquisition Channels

Denbury Community Shop will focus on low cost, community driven acquisition channels that reflect the shop's local mission and maximise engagement within the village and surrounding areas.

Acquisition Channel	Description	Priority Level
Local Community Marketing	Newsletters, noticeboards, parish magazines, word-of-mouth	High
Social Media (Facebook & Instagram)	Updates on products, offers, events, volunteers, and local producers	High
Website & Google Business Profile	Opening hours, pre-orders, updates, and improved online visibility	High
Event Marketing & Community Partnerships	Presence at village events, fairs, school activities	Medium
Local Producer Collaborations	Shared promotions, tastings, producer spotlights	Medium
Signage & In-Village Visibility	External signs, A-boards, directional signs	Medium
Paid Local Advertising	Print or online advertising for major announcements	Low



Acquisition Focus for the first Year

In the first year, we will prioritise **local community marketing**, **social media**, and **building a strong online presence**. These channels offer the highest impact for a community owned shop with minimal cost and strong alignment with our values. By leveraging village networks, engaging volunteers, and showcasing local suppliers, we will build awareness, encourage repeat visits, and grow long term loyalty.

Tools and Technology

Given the community focused nature of Denbury Community Shop, the marketing approach will rely on simple, cost-effective systems that are easy for staff and volunteers to use while still providing strong communication and visibility.

Core Systems

1. Website

A user friendly system will be used to manage the shop's website. This allows easy updates to opening hours, news, local producer profiles, and volunteer information without technical expertise.

2. Social Media

Platforms like Instagram, Facebook and Twitter will support community engagement. A tool such as Meta Business Suite (Free) will help maintain consistent communication with the community.

3. Email Marketing / Newsletter Tool

A simple email platform will be used to send newsletters, volunteer updates, product announcements, and community event information. These tools support signup forms, templates, and basic automation. This will be implemented further along, once the shop is opened and running.

Optional / Supportive Tools

4. Collaboration & Asset Storage

Shared drives (e.g., **Google Drive** or **Microsoft OneDrive**) for storing marketing materials, posters, branded templates, and social media content.

Summary

The shop will use a practical, low cost systems, these tools are easy for volunteers to use, help maintain consistent communication, and support the shop's goal of being a well connected, highly visible community hub.



Financials

Sales Forecast

Future sales projections based on performance of similar rural community shops in Devon and Southwest England. This is a break even budget.

Assumptions:

- Average basket size: **£7.48**
- Average daily customer count once fully established: **50-70 customers/day**
- Annual growth: **5–7%** (typical for new community shops)
- Opening Hours: Increasing from soft launch → full hours in Month 11

Projected Sales Revenue

Year	Estimated Annual Revenue	Notes
Year 1 (partial year)	£30,000	Soft opening + ramp-up period
Year 2	£140,000	Full trading year
Year 3	£149,000	7% growth from Year 2
Year 4	£158,000	6% growth
Year 5	£168,000	6% growth

These figures align with turnover levels seen in comparable rural shops serving populations between 400–1,000 residents.

Expense Budget

A. Start-Up Costs (Estimated)

Item	Cost (Estimate)
Building Works (inc electric)	£48,000
Shop fit-out (shelving, counters, flooring)	£5,500
Security	£2,000
EPOS system	£550
Initial stock purchase	£9,000
Branding, signage & marketing	£500
Training & volunteer setup	£250
Legal, insurance & licensing	£500
Contingency (10%)	£1,830
6 months operating cost	£20,000
Total Startup Costs	£88,130



B. Operating Costs (Annual)

Expense Category	Estimated Annual Cost
Shop Manager (salary + on-costs)	£24,000
Rent	£2,400
Utilities (electricity, water, heating)	£4,500
Insurance	£480
Accounting / Bookkeeping	£3,600
Card Fees	£1,500
Waste collection	£1,700
Cleaning & consumables	£1,000
Repairs & maintenance	£1,500
Website, software & EPOS support	£1,000
Wholesale stock purchases	~70% of revenue
Total non-stock overheads	£41,680

Profit & Loss Statement

Item	Amount
Revenue	£140,000
Cost of Goods Sold (70%)	£98,000
Gross Profit	£42,000
Overheads (excluding manager salary)	£17,680
Shop Manager Costs	£24,000
Net Operating Profit	£320

Net Margin: ~0%

This is based on break-even point to establish the minimum required level of turnover.

Cash Flow

See Appendix 4 for full year's cash flow.



Break Even Analysis

Fixed Costs (including manager salary):

≈ £42,000 per year

Gross Margin: 30%

30% (typical for small mixed-grocery retail)

Break-Even Revenue Formula:

Break-even revenue = Fixed Costs / Gross Margin

= £42,000 / 0.30 = £140,000

Break-Even Point

- **Annual revenue required:** £140k
- **Monthly revenue required:** £11,700
- **Daily revenue required (6 days/week):** ~£449/day

This is achievable with:

- ~70 customers/day spending £6.41
or
- ~50 customers/day spending £8.97
or
- ~20 customers/day spending £22.44

Highly realistic for the village's population base and nearby footfall.

Personnel Plan

Shop Manager Role

- 30–37.5 hours per week
- £13 per hour
- Overseeing daily operations, volunteers, stock, suppliers, training, compliance
- Paid position due to required consistency and responsibility

Cost Breakdown

Component	Annual Cost
Base Salary	£19,500
NI + Pension Contributions	£2,184
Holiday Cover Costs	£1,500
Training	£500
Total Personnel Cost	£23,684



Budget

Revenue Projections

Based on sales performance of similar rural community shops:

- **Estimated Annual Revenue: £140,000**
(Assuming steady footfall, full opening hours, and growth after launch)

Fixed Costs

Fixed annual expenses that do not change significantly with sales volume.

Fixed Cost Category	Estimated Annual Cost
<i>Shop Manager (salary + on-costs)</i>	<i>£24,000</i>
<i>Rent</i>	<i>£2,400</i>
<i>Utilities (electricity, water, heating)</i>	<i>£6,000</i>
<i>Insurance</i>	<i>£480</i>
<i>Accounting / Bookkeeping</i>	<i>£3,600</i>
<i>Waste collection</i>	<i>£1,700</i>
<i>Cleaning & consumables</i>	<i>£1,000</i>
<i>Repairs & maintenance</i>	<i>£1,500</i>
<i>Website, software & EPOS support</i>	<i>£1,000</i>
Total non-stock overheads	£40,180

Variable Costs

Costs that rise with sales volume.

Variable Cost Category	Approx. Cost
Wholesale Stock	~70% of Revenue
Packaging & Consumables	£800
Card Processing Fees	£1,500
Estimated Total Variable Costs (26/27)	~£100,000



Startup Costs

Initial one-off investment to open the shop.

Item	Cost (Estimate)
<i>Building Works (inc electric)</i>	<i>£48,000</i>
<i>Shop fit-out (shelving, counters, flooring)</i>	<i>£5,500</i>
<i>Security (doors, windows, locks, alarm)</i>	<i>£2,000</i>
<i>EPOS system</i>	<i>£550</i>
<i>Initial stock purchase</i>	<i>£9,000</i>
<i>Branding, signage & marketing</i>	<i>£500</i>
<i>Training & volunteer setup</i>	<i>£250</i>
<i>Legal, insurance & licensing</i>	<i>£500</i>

Contingency Fund

Recommended: **10% of combined startup + first-year operational costs**

- **Suggested Contingency Fund: £8,000–£15,000**

Profit & Loss

P&L (Approx. for 2026/27)

Item	Amount
Revenue	£140,000
Cost of Goods Sold (Variable Costs)	£98,000
Gross Profit	£42,000
Fixed Costs	£41,000
Projected Net Surplus	£320

This level of surplus is based on a break-even revenue of £140,000. Surplus will tend to be higher for a well supported community shop.



Funding Requirements

Capital Needed

To cover:

- Startup Costs
- Contingency Fund
- Early operating cash flow buffer

Estimated Total Required: £90,000

Community Shares

- Proposed community share raise: **£60,000–£80,000**
- Proposed minimum per share offer: **£25**
- Share structure typical of community benefit societies
- Non-withdrawable for an initial period (e.g., 3 years)
- No voting rights linked to investment size—**one member, one vote**
- Public engagement campaign through village meetings & local supporters
- Average 200+ investors
- Average investors spend £300

Grant Funding

Likely sources:

- **Plunkett Foundation** – community shop grants & development support
- **National Lottery Community Fund**
- **Devon County Council community grants**
- **Local charitable trusts and parish-level funding**

Grant Funding Target: £15,000 - £20,000



Appendix

1. Floor plans
2. Organisational Chart
3. Launch Schedule
4. Cash Flow Forecast
5. Market research questionnaire

