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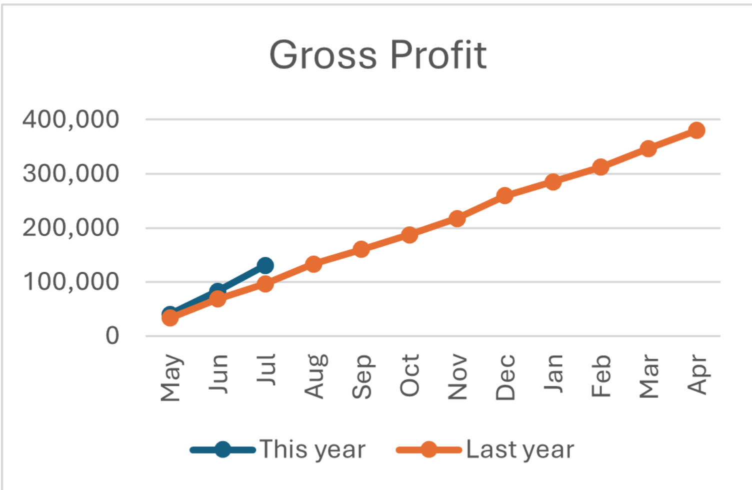
Financial Newsletter

For LCPL shareholders at the end of Q1 (31 July 2025)
Formal annual accounts* will be available at the Annual Members' Meeting

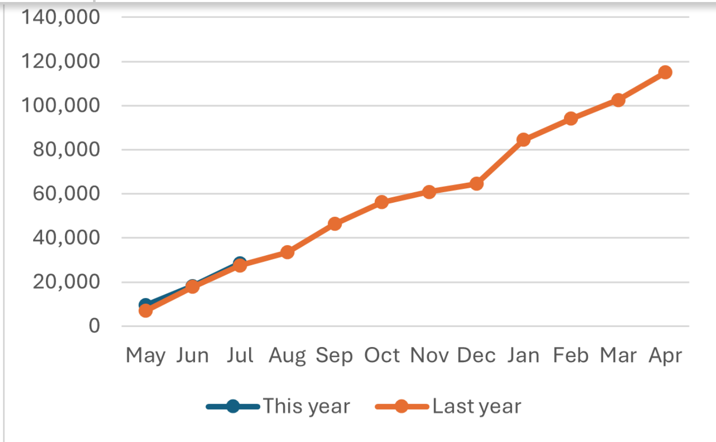
Summary of current financial performance

The improvement in trading year on year continued during the first quarter of our accounting year. Margins are holding steady at around 70%, resulting in a gross profit figure for the quarter at £131,000 (£97,000 last year).

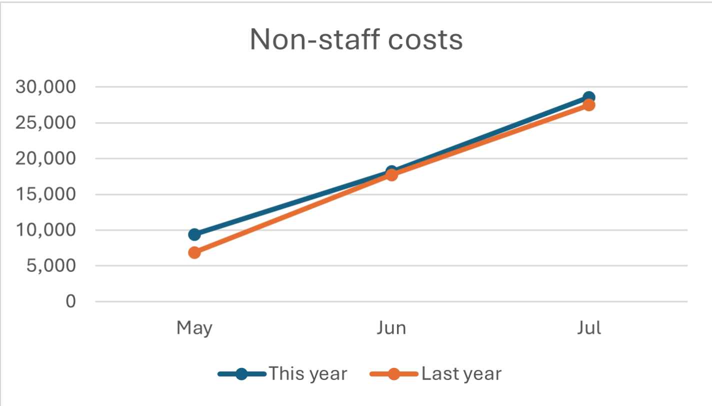


Non-staff expenses

Non-staff expenses continue to be well controlled, closely tracking last year's figures over the quarter.



The lines track so closely that it's hard to see the blue line for this year. Here's a magnified look:

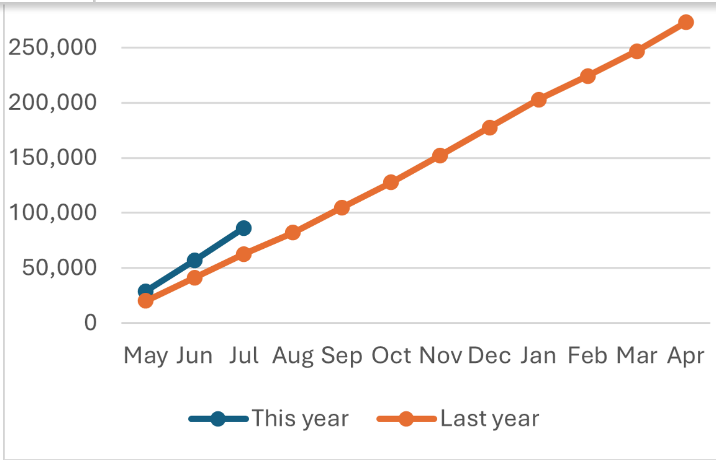


Staff costs

As expected, staff costs have increased year on year as a result of government policies (increases to statutory minimum wage and Employers' NI) and the recruitment of extra staff to cover seven day week opening.

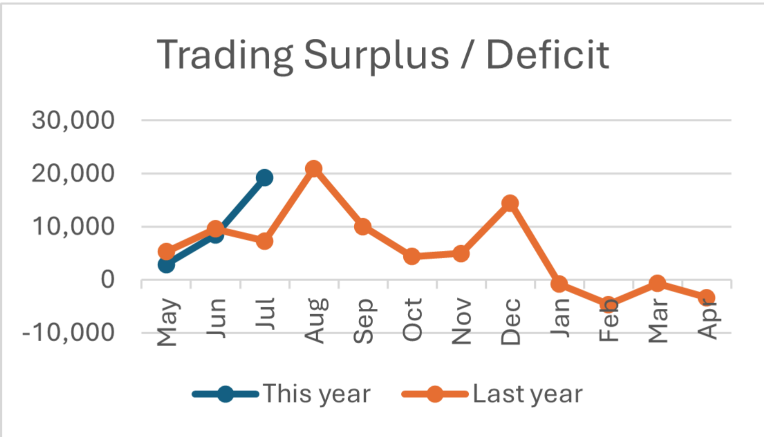
These extended opening hours have helped boost turnover during the quarter. Turnover for the last week of the quarter was our best week since opening!

Charlie is working hard to match staff costs to demand, but this is a tricky balancing act when pubs are nationally facing lower footfall. The committee is hoping to recruit support with Marketing & Communications to help raise awareness of The Plough, and to support the pub team in building a range of events and special offers to build consistent visits.



Trading results

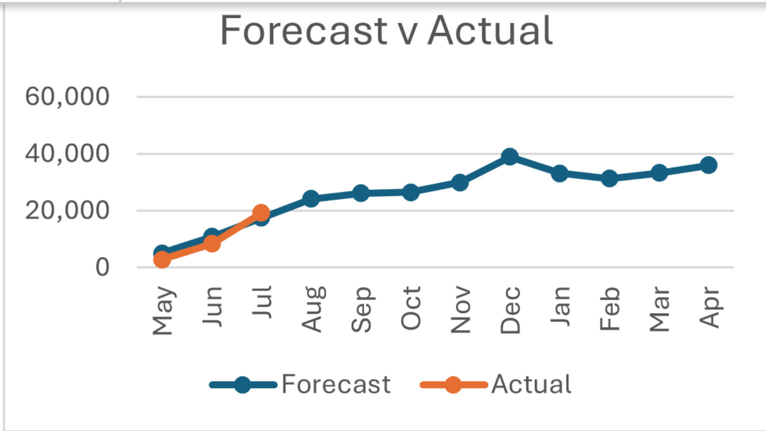
Careful attention to margins, and increased turnover, mean that our trading position continues to improve significantly this year despite increased staff costs. Trading shows an end of quarter surplus of £19,200 against £7,300 for the same period last year.



Moving forward

With costs and margins well controlled, and now opening seven days a week, we expect to move into regular and sustained surpluses.

Our target for 2025/26 is for a net surplus of around 5% of turnover. In money terms, on current trading, this is around £36,000. As the graph below shows, we've made a great start towards reaching this target.



***Please note:** our financial newsletters are designed to give you a simplified snapshot of the **trading performance** of LCPL during each quarter.

This differs from the formal accounts, which include other costs and expenses impacting the Profit & Loss and Balance Sheet. The trading figures in our financial newsletters do not, for example, include depreciation (about £5,000 for the quarter), the capital element of loan repayments (about £3,300 for the quarter), or capital expenditure.

During the period we spent £13,888 (ex VAT) on capital expenditure. This is partly because original equipment (some of it second hand) is wearing out.
This includes:

- a new coffee machine and works to instal it
- a new bar glass washer
- three new fridges for kitchen, bar and ice-cream
- replacement crockery
- new patio and path to make the Garden Room accessible.

We hope you will enjoy the benefits, which help to improve the quality of service and enjoyment for customers at The Plough.

Financial control and monitoring

The financial performance of The Plough is closely monitored by the **Finance Working Group (FWG)**. The FWG measures trading parameters (including turnover, gross margins, staff and non-staff expenses, gross profit and net surplus) monthly against targets set out in the Business Plan. Any concerns are reported to the Management Committee, with recommendations for action.

Annual Members' Meeting

This year the AMM will be held on **Tuesday 14th October at 7.30pm in The Plough.** Further details, and details about voting for new committee members, will reach your in-box shortly.

Annual Accounts for the financial year 2024-5 will be published prior to the AMM and will be available on LCPL's website in the members' area, alongside a report on the LCPL's performance for the year.

FAQs

What can I do to help the pub business?
Every time you visit the The Plough, you help to make this a sustainable community-owned business. Positive reviews and recommendations help too.

What is the Financial Year of the business?
LCPL's financial year runs from May to April. The Financial Accounts are presented to the Annual Members' Meeting within 6 months of the year end.

Can I see last year's LCPL accounts?
Yes, they are published on the Members' area of Society's website at lcpl.org.uk

Where can I find more information on LCPL finances?
You can speak to a member of the Management Committee, or contact LCPL's Treasurer treasurer@lcpl.org.uk or Secretary secretary@lcpl.org.uk

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LCPL Website   Email