

# Pitton Community Store

RUN BY THE COMMUNITY FOR THE COMMUNITY

## Business Plan

3<sup>rd</sup> November 2025 (V 27)



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## 1 Summary and Progress

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The aim of this project is to build a new community hub, including shop, Post Office and small cafe in Pitton, as an extension to the village hall. It will serve the communities of Pitton, Farley, Firsdown and East Grimstead.

The design is complete, planning permission has been granted and the lease of land from Pitton Village Hall has been agreed. A builder has been selected via a competitive tendering process.

Development of a new shop has a huge amount of support from within the community and over 70% of the funding required has already been identified through community share purchases, donations, pledges and grants. Work is underway to launch a second share offer and to apply for grant funding from the Wiltshire Shared Prosperity fund to complete the fund-raising.

If this is confirmed, the builder can proceed in January 2026, with two phases of build, completing the second by the end of May 2026. It will also allow purchase of shop equipment. This will be followed by shop fit-out, installation of equipment and IT, post office contracts, then recruitment and training of paid staff and volunteers and work with local produce suppliers. The plan is to open the shop in September 2026.

This document outlines the background, project plan, financials and rationale for the community hub and identifies the social, economic and environmental benefits it will bring to the community.

## 2 Background

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Pitton has had a village shop and Post Office for more than 20 years. The current owner plans to close the shop in 2026 and retire in her home, which makes up the majority of the property. She has confirmed that purchasing or leasing the existing shop is not an option, so Pitton is at risk of losing its village shop and Post Office. To address this, several Pitton residents set up a steering group to seek local views and to explore possibilities for a new location.

Pitton residents have made it very clear that they do not want to lose the shop and Post Office. In March and April 2022 survey questionnaires were distributed within Pitton and the neighbouring villages of Farley and Firsdown in order to get the views of residents. There was a 64% response rate within Pitton and those responses showed overwhelming support. Of the 167 responses, 156 felt it was important to have a shop and Post Office. More than 60 people offered to volunteer or support the project in other ways. The results of the survey provided a clear mandate to progress plans to develop a new shop for the village.

A Community Benefit Society, Pitton Community Store Limited (PCSL), was established to act as owner of the business and registered with the Financial Conduct Authority (FCA) as a society under the Co-operative and Communities Benefit Societies Act 2014. The society exists to trade for the benefit of the community. Assets owned by the society will be used solely for community benefit. Profits generated will be reinvested into the store and any surplus used to fund community projects.

After assessing all the possible options, it was clear that the only feasible way forward was to build a new community owned village shop adjoining the village hall. The site is already community-owned and managed by the Trustees of the Village Hall Management Committee. This location received

strong community support at a public meeting at Pitton Village Hall (PVH) on 6 December 2023 when 89% of Pitton residents who voted at the meeting supported the proposal that “the Pitton Village Hall and Playing Fields Trust Deed should be changed to enable the development of a community shop on the premises”. Full planning permission was granted in September 2024 and the lease of the land from the Village Hall has been agreed.

The plan is for the Pitton Community Shop to open in 2026 in a new, purpose-built structure within easy walking distance for much of the village population. It will provide residents in both Pitton and the wider communities, with a full range of grocery products and locally sourced produce, as well as postal services, local information, and prescription collection. It will also support local businesses and provide a much-needed social hub for the village.

PCSL has consulted with other community stores and has received support and guidance through its membership of the Plunkett Foundation.

### 3 Mission and Objectives

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The overall mission of the project is to ensure that Pitton remains a viable and sustainable community. The community shop is a key hub for the community and will provide an important support network, especially for people who are vulnerable or at risk of social isolation.

To achieve this, we will:

- Build a community shop, Post Office and café for the people of Pitton and neighbouring villages, meeting a real need for those living in and close to the village
- Provide volunteer and training opportunities for the whole community, such as job experience for young people
- Support local businesses by providing an outlet for local farmers and other producers, increasing access to good quality local produce and reducing food miles
- Reduce car journeys travelling to supermarkets (the community survey highlighted an average journey of 8 miles round trip for basic supplies)
- Provide additional services, wherever possible, including dry-cleaning drop-off and pickup, and a pick-up point for prescriptions
- Provide a home delivery service for elderly residents or people with disabilities
- Operate as a not-for-profit enterprise owned by the community, operated by the community, for the benefit of the community
- Support the local tourist and leisure economy with a village store for campers, walkers and cyclists
- Provide a community hub which provides information to residents and visitors and sells tickets for local events
- Promote, encourage, and provide a central meeting point and source of community information

## 4 Funds Required

The project has two funding stages. Stage 1 is complete and has funded the detailed planning and legal processes to gain planning permission from Wiltshire Council, an agreed lease for the land with Pitton Village Hall, and general running costs. The cost of this stage was £48,000 and funds were raised through a grant from Wiltshire Council's allocation of the UK Government's Shared Prosperity Fund, the issue of a Pioneer Share Offer, donations from local residents, grants from local parish councils and other fundraising activities.

Stage 2 funding will cover building and equipping the shop and this will cost £340,615 to include the following:

Estimated Costs	£
Phase 1 Build	138,320
Phase 2 Build	128,230
Fit out - Equipment	26,425
Fit Out - Labour (including Post Office installation)	14,000
Operational set up prior to trading including initial stock, recruitment, salaries, and training	33,640
<b>Total Project Cost</b>	<b>340,615</b>

### 4.1 Sources of Funding

The majority of the funds required (£210,000) have been pledged by the community and will be collected via purchase of community shares in November this year. A grant of £97,363 has been awarded from the Wiltshire Shared Prosperity Fund. Eligibility for some grants, such as Bernard Sunley, depend on first securing the necessary capital funding. Several other grant providers have indicated that small grants could be available based on achieving capital funding.

Source	Notes	
Cash in bank		21,000
Community Pledges	November 2025 share offer	210,000
Wiltshire Shared Prosperity Fund	Grant awarded	97,363
Other grants / short term loan	Small grants / short-term loans already offered	12,252
<b>Total</b>		<b>340,615</b>

### 4.2 Share offer

The second share offer will be launched in November 2025, with a 3-week window. Pledges of share purchases of £210,000 have already been received and the share offer will formalise and collect this funding.

Shares will cost £25 each and the minimum and maximum shareholding will be fixed. Each shareholder will become a member with one vote, irrespective of the number of shares that they hold. Holding shares gives the member the right to vote on decisions affecting the future of the shop at annual general meetings and the right to stand for election to the Management Committee.

The minimum target has been set at £150,000, enabling construction work to start. If we only meet the minimum target the projected gap in funding can be met through loans, donations and further grants.

The maximum target, along with the Wiltshire Rural Hubs Grant, would enable further investment, such as solar panels installed on the roof, and allow a larger cash buffer.

PCSL will register the Share Scheme with the Seed Enterprise Investment Scheme (SEIS) and secure Advanced Assurance. SEIS is a government scheme devised to encourage investment in new enterprises and which offers 50% tax relief to investors who are eligible taxpayers.

Once the shop is open and trading successfully the society may run an open share offer, allowing new members to invest in the shop and to provide funds for repayment of share capital of existing members.

## 5 Sustainability and Impact

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There are a number of reasons that we feel this project will be sustainable in future years. In summary these are:

- The profit and loss reports and cashflow included at Section 12 have been calculated conservatively and show that the shop is profitable from Year 1 along with annual cash generation of some £20,000.
- There is clear evidence that community-owned shops have a much higher chance of success due to increased community involvement and input from volunteers
- Pitton already has a shop with a loyal customer base, and while it does not make huge profits, it does manage to support a full-time owner/manager, despite a limited set of produce. There is every reason to expect that the new shop will have more customers.
- The existing shop is situated on a road prone to annual flooding, which reduces access for drive-through customers. The new shop will not have this problem.
- The location of the new shop, opposite the pub and next door to the village hall and pre-school, will increase its visibility for walkers, parents using the pre-school and village hall users.
- The new shop will stock more produce, sourced from local farmers and other suppliers, generating additional revenue over the existing shop.
- The involvement of volunteers and a community café will increase the number of people visiting the shop.

## 5.1 Profit and loss summary

The profit and loss forecast for the first year of the new shop is based on various market standard ratios checked back to the existing shop situation. The first trading period will be followed by sales growths of 10% and 5%, on the evidence that community ownership generally stimulates increased use. That will generate a small profit of £1,200 in Year 1 (over 4 months trading) and a net profit (before taxation) of £8,300 in year 2, the first full year of trading. In Year 3 the net profit is predicted to increase to £13,500.

## 5.2 Community-owned businesses

Plunkett's 2025 Impact report<sup>1</sup> cites a 5-year survival rate of 99% for community-owned businesses at a time when many traditionally operated village shops are closing across the country. Community businesses also have a sizable impact on the local community.



## 6 Benefits

We developed a Theory of Change model (see below) showing the activities conducted by the Shop Café and Post Office, with the outputs and the short-term and long-term outcomes. From this exercise, we identified the following potential social and economic benefits of there being a shop, post office and café in Pitton:

### 6.1 Benefits to Local Businesses

- Reduced supplier delivery miles. We will aim to maximise sourcing of products direct from local farms and other producers.
- Increased profits for local suppliers. We will provide an additional income source for local suppliers.
- Local access to banking and postal services. With more and more banks and post offices closing, frequently to the detriment of isolated rural communities this will provide real,

<sup>1</sup> Plunkett UK: Rural Community Business, Impact Report 2025  
<https://plunkett.co.uk/wp-content/uploads/Plunkett-Impact-Report-2025.pdf>

tangible support for our community and will, again, reduce travel costs and time as well as supporting our broader aim to reduce our carbon footprint.

- Convenience for home workers and visitors (e.g. to purchase lunch).

## 6.2 Benefits to Customers

- Costs of shopping (cost of shop vs. travel time/costs) reduced against an average of an 8-mile round trip to supermarkets.
- Increased social contact and village support network through the shop and cafe.
- Reduced reliance on cars and public transport which will reduce carbon footprint.
- Access to financial services (in a time when most banks are closing their high-street branches).
- Prescription collection service for those unable to travel to pharmacies
- Increased access to local, fresh produce which can improve health and wellbeing

## 6.3 Economic Benefits

- Increase the amount spent locally. This will help promote economic growth and incomes in the wider community.
- The village becomes more attractive to visitors as a destination for Post Office and banking services and provides supplies to visitors (such as those using camping facilities or visiting the village to walk the Clarendon Way).

## 6.4 Social Benefits

- Increased opportunities for social interaction, information exchange and casual conversation at the 'heart' of the village.
- Decreased loneliness and isolation.
- Increase in basic cohesion and support networks in the village.
- Volunteering, training opportunities and work experience for people from the local community, including work experience for younger people.
- The community approach can provide a support framework for those who need additional support to volunteer.
- Providing a wide range of volunteering opportunities

## 6.5 Environmental Benefits

- Reduced delivery miles through using local suppliers wherever possible.
- Reduced travel miles for customers.
- Saving of carbon from the amount of travel saved by having a Post Office and shop within the village.
- The shop is being designed to allow installation of solar panels after construction.

## 6.6 Longer-term outcomes

These benefits have the following longer-term outcomes:

- Reduced carbon emissions
- Increased viability of local businesses
- Improved local economy
- Reduction in isolation and loneliness
- Increased independence of elderly, disabled and vulnerable persons in their own home
- Ability for elderly to live in village for longer than would otherwise be possible
- Increased attractiveness of the village for new residents

This shows how the activities of the Shop and Post Office can feed back into the local community and improve long term metrics for such as the local economy, loneliness scores and environmental targets.

Volunteering will be a key part of how we plan to operate the shop and it can provide training and skills development, improve self-esteem and wellbeing, and make people feel valued and part of the community.

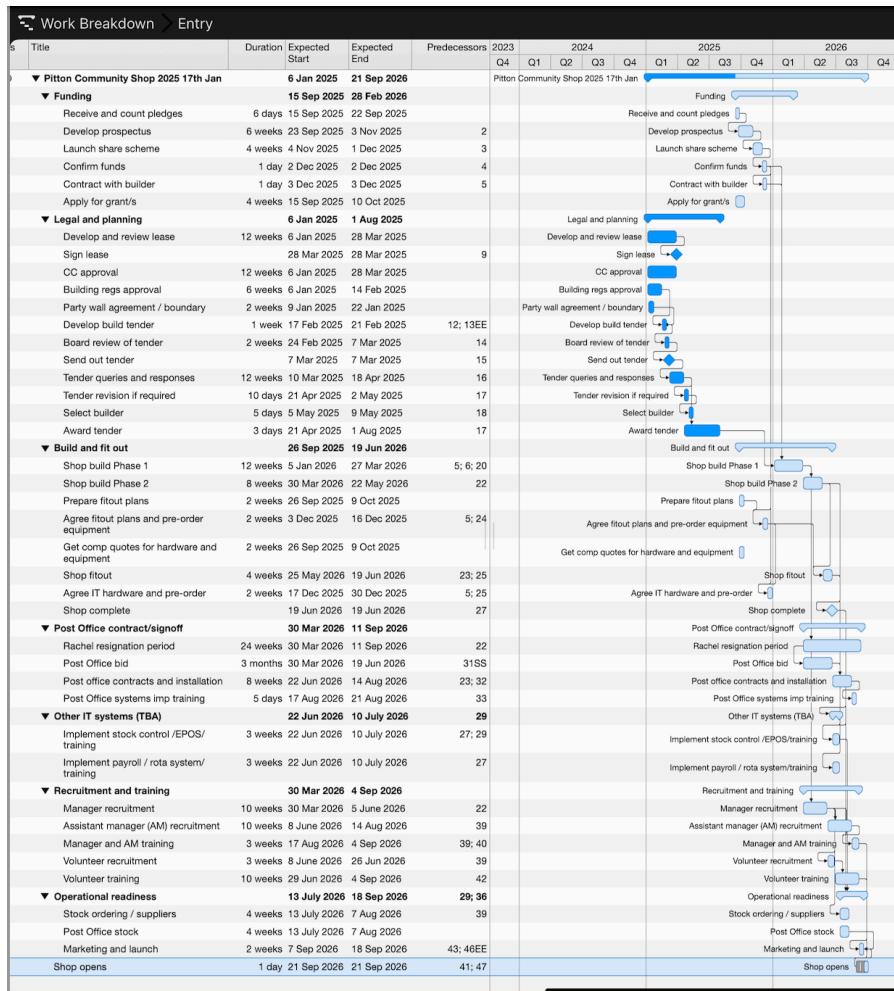
## 6.7 Theory of change – community impact analysis

Theory of change - Community Impact			
Activities	Outputs	Short term outcomes	Long term outcomes
Build a new environmentally-friendly shop and post office next door to Pitton Village Hall	Spend by locals and visitors	Reduced delivery miles	Reduction in aggregate carbon footprint for village
	Provide local jobs	Enhanced profitability for local suppliers	Boost to the local economy
Develop a community hub with information for residents and visitors, which promotes local events	Provide volunteering opportunities		
	Increased business opportunities for local businesses	Increase employment for local population	Underpin community cohesion
Work with good quality local suppliers to supply a wide range of produce and support the local economy			Reduce sense of rural isolation
	Safe and in-person basic banking and postal facilities	Reduced travel for customers leading to lower shopping cost and reduced carbon footprint	Increased personal independence
Provide volunteer and training opportunities to the whole community, such as job experience for young people	Provision of local advice	Increased local spend keeps money in the community	
	Support local events via distribution of surpluses	Increased opportunity for social interaction	
Support the local tourist and leisure economy with a village store for campers, walkers and cyclists		Presence of Shop and PO helps address problem of digital deficit for sections of the community	
		Pitton and its surrounds will become a destination and be more attractive to visitors	
Sustain the neighbourhood as a desirable place to live		Pitton becomes more attractive village to live in	
		Older demographic will not face as much pressure to move given presence of	

Theory of change - Community Impact			
Activities	Outputs	Short term outcomes	Long term outcomes
		accessible shop and PO in village	
	Turnover - shop and post office	Supplier delivery miles	Reduced carbon footprint
	Footfall in shop and post office	Customer miles	Increase in village economy (multiplier effect)
	Number of Employees (FTE)	Customer time and travel costs saved	Benefits to local businesses
	Number of volunteers		
	Number of suppliers within [X] mile radius of Pitton	Increase in village economy (multiplier effect)	Growth in number of visitors to village
	Local organisations / charities supported financially (£)	Customer feedback on services provided and events supported	Number of people reporting loneliness
		Number of visitors to village	
	Local events supported (financially, goods supplied etc)	Number of disadvantaged people supported	Average length of residence in village improved community cohesion

## 7 Project Timetable

The high level tasks and timeframes of the project are shown below.



## 8 The Shop and Café Offer

The community survey asked people what they wanted from a local shop and café. Local, fresh produce was one of the most popular requests from respondents. The shop's offer therefore will primarily be designed to meet the needs of convenience and local produce shopping. Responses highlighted that people who had regular supermarket deliveries to their homes were just as likely to use the village shop for top-up and convenience as those who did not have deliveries.

The offer will be tailored to the needs of the community and surrounding villages based on the most popular responses in the community survey. The range will include:

<ul style="list-style-type: none"><li>• Newspapers/magazines</li><li>• Ready meals</li><li>• Local Produce</li><li>• Frozen food</li><li>• Fresh fruit &amp; vegetables</li><li>• Meat and dairy</li><li>• Greeting cards/wrapping</li><li>• Bakery</li><li>• Pet food</li><li>• Sweets/ice cream</li><li>• Household goods</li><li>• Beers, wines &amp; spirits</li><li>• Stationery</li><li>• Packed groceries - tins, packets</li><li>• Craft items</li><li>• Gifts</li><li>• Cleaning materials</li><li>• Kindling</li><li>• Toiletries</li><li>• Organic/Fair Trade products</li><li>• Refill station</li></ul>	<p>It is intended that the shop will also offer the following services</p> <ul style="list-style-type: none"><li>• Postal services</li><li>• Local information</li><li>• Safe and warm space in the café, encouraging community involvement</li><li>• Prescription collection</li><li>• Dry cleaning drop-off and pick up</li><li>• Tickets for local events</li><li>• Parcel collection and delivery point</li><li>• Collection and drop off point for hirers to collect keys for the village hall</li><li>• Purchase of heating tokens for village hall hirers</li><li>• Advertisement board</li></ul> <p><b>The Café will offer both sit-in and takeaway</b></p> <ul style="list-style-type: none"><li>• Sandwiches and cakes</li><li>• Coffee, tea and hot chocolate / cold drinks</li></ul>
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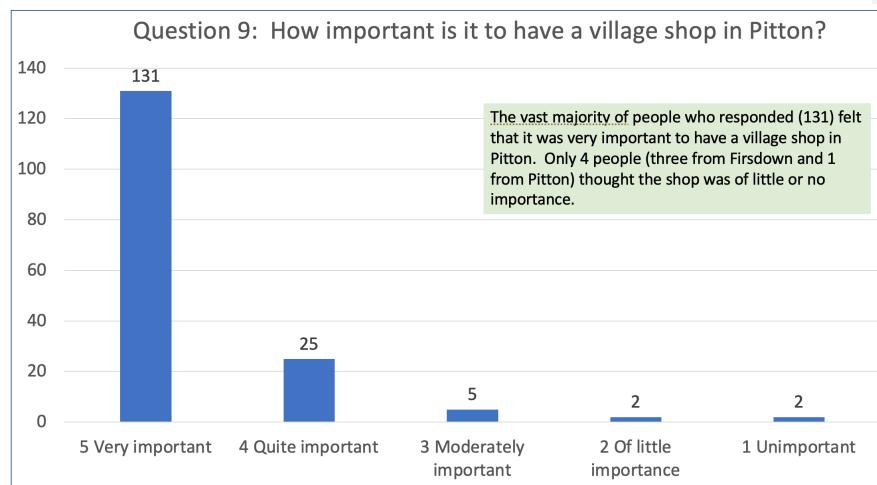
## 9 Community Consultation

During March and April 2022, the Pitton Community Shop Steering Group organised a community survey and held two public meetings to review the potential for the creation of a community shop in Pitton. The results showed an overwhelming response to keeping a shop in Pitton village. A recent 'refresh' of the community survey confirmed no change in the overall perception of the importance of keeping a shop and Post Office in the village.

The main details from the survey results are shown overleaf:

- 167 households responded, representing 343 people. The response rate for Pitton was 64%.
- 156 felt that it was important to have a village shop in Pitton.
- 139 felt it was very important to have a Post Office in Pitton.
- Pitton residents said they were more likely to use the shop more frequently (daily or 2-3 times a week).

- As expected, Firsdown and Farley residents were more likely to use the shop once a fortnight or occasionally.
- 97 said they would use the shop on both weekdays and weekends.
- Opening hours between 8am and 6pm were the most popular.
- The most popular products to sell were newspapers/magazines, greeting cards/wrapping and local produce - followed by bakery, meat and dairy, fresh fruit and vegetables. Several commented that a modern farm shop style, well-stocked with fresh produce, would encourage them to shop more locally.
- Postal services were seen as by far the most important service followed by prescription collection. 76 gave support for a tearoom and coffee shop.
- Most people surveyed do not have regular food deliveries to their homes. However, there was little difference in the level of importance placed on the shop and post office between those who had deliveries and those who did not. This suggests that deliveries do not remove the need for local convenience shopping.
- Most respondents travel into Salisbury for their main weekly shop so the average round trip for a main weekly shop was 11.6 miles. Some cited supermarkets for convenience shopping, while others mentioned the One-Stop at Laverstock, the Winterslow shop or the BP garage - with an average round trip of 7.7 miles.
- 62 expressed an interest in buying shares and 61 in volunteering in the shop. People also offered to make donations, help with fundraising and/or provide a loan.
- 10 offered to provide professional advice or services and/or to join the steering group.
- The age range within households reflects the village demographic. There was good support for the project across the age ranges with a similar number of responses from adults over 65 (151) and adults under 65 (158).



## 10 The Market

### 10.1 About the area

The parish comprises the two distinct villages of Farley and Pitton (approximately a mile and a half apart) and their surrounding countryside, five miles to the east of Salisbury.

According to the 2021 Census, the size of the parish is 2650 acres, with 729 residents. There are 200 households in Pitton and its surrounds, and 140 in Farley. Neighbouring villages include Firsdown with 622 residents and Grimstead with 558, and contributions towards the shop have also come from shop users in these parishes.

Pitton has a shop and post office (due to close in 2026), a pub (The Silver Plough), a park, a village hall, a church and a small but well-used recreation ground.

Farley has a small village hall, a church and a pub (The Hook and Glove) but no shop.

Firsdown and Grimstead residents also use the Pitton shop and several also have newspapers delivered.

The Clarendon Way footpath between Salisbury and Winchester passes through Pitton which attracts walkers and runners. There are several camping sites in the area and visitors use the existing shop for basic supplies.

### 10.2 Customer base

The potential customer base consists of elderly residents, young families, school parents from within and outside the Pitton community, residents who commute to work, staff from local businesses and visitors to the area. We also expect trade to come from the numerous walkers, cyclists and runners on the Clarendon Way.

The shop will attract a broad range of people who will benefit through convenience, meeting others and becoming more involved in community life. The target market for the shop covers all residents of Pitton, Farley, Firsdown and Grimstead, though there are particular groups who are likely to use the shop and post-office more frequently:

- Elderly residents who may have limited opportunity for travel outside the community.
- Clubs and societies who regularly use the village hall such as dance, exercise and drama groups as well as the village social club
- Families with young and school age children who drop-off and pick up at Pitton Primary School and the village hall Pre-School.
- Visitors to the village, such as walkers on the Clarendon Way, cyclists and other tourists visiting the village, church and pub.
- Residents who work away from the community during the day, but who may have limited opportunity to buy essential items during that time.
- Visitors to Pitton Village Hall and the Silver Plough public house opposite
- Visitors staying in campsites within the village (White Hill Farm Caravan Park and Hillview Farm Glamping and Farley summer 'pop-up' camp site)
- Residents of surrounding villages that do not have local shop facilities
- Passing trade, especially drivers who come through Pitton on journeys between neighbouring villages and Salisbury and commuting to workplaces such as Porton Down.

### 10.3 Nearest facilities

There are no other shops within easy walking distance, particularly for older residents. The nearest shops to Pitton are convenience shops at Winterslow (3.1 miles) Bishopsdown (4.5 miles) and Laverstock (4.5 miles), and a range of supermarkets in Salisbury around 4 to 6 miles away. There is a delicatessen and coffee shop at Firsdown (around three miles from the village), but it does not provide the majority of the products and services requested in the community survey.

## 11 The Location

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A number of possible locations were assessed for the new community shop, and the only feasible option was at Pitton Village Hall. This is within walking distance for most village residents, and also close to the Pre-School, the Primary School and Playing Fields and will utilise land already owned by the community and existing parking by agreement with the Village Hall. This location will:

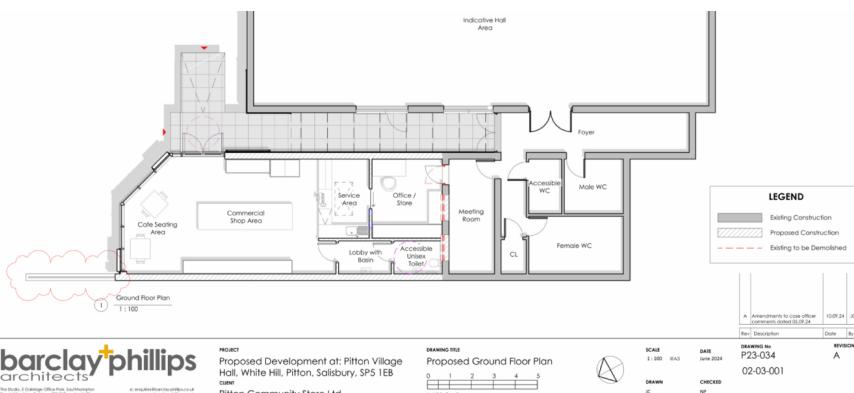
- Complement the village hall as a community hub
- Provide ease of access on foot for most villagers, especially those most isolated or vulnerable
- Provide access for people with disabilities via a ramp to the entrance
- Provide parking to the front of the shop using existing village hall parking spaces with additional parking to the rear of the hall
- Provide visibility from the main road to attract passing trade
- Afford a good level of security
- Provide a safe, friendly and inviting environment for visitors
- Provide a pickup and drop off point for village hall keys for people who have booked the village hall facilities
- Provide an information point for walkers and other visitors to the village
- Provide takeaway refreshments for walkers, runners and cyclists
- Enhance the look of the village hall

## 12 The Building

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### 12.1 Planning permission

Planning permission for the shop was granted in September 2024 and all associated documents can be found on the Wiltshire Council planning portal under application **PL/2024/06217**.



## 12.2 Building tender

A detailed building tender document was developed in liaison with the architect, and this was provided to five building companies who expressed an interest. Once responses were received and a comparative analysis was completed by the architect and the management board, a builder was selected.

## 13 Financial Planning

### 13.1 Profit and Loss Summary

Discussions have been held with the Post Office and the Network Design Team have confirmed that they do need to maintain a service in Pitton, and they would review the community shop taking on the Post Office.

The trading figures are calculated on 2022 prices and have been adjusted for forecasted inflation to the time the shop opens in 2026. It is expected that turnover for the community shop will be higher than that for the existing shop. This pattern of higher community use, because of community ownership and operation by volunteers, is recognised as normal by Plunkett research. Given this, the first year's turnover has been calculated using research of other community shops of a similar size and by checking our base figures with the owner of the existing shop.

In the first year of operation, we expect modest growth of 5% compared to the current level of trading. Further growth of 10% in year 2, and 5% in year 3 is estimated. A net profit (before taxation) of £1,200 is projected in Year 1. This is based on 4 months of trading from September to December 2026. This will be followed by net profits (before taxation) of £8,300 in Year 2 and £13,500 in Year 3.

The following table provides the profit and loss forecast for the store for the first three years trading from 2026. Section 12.4 sets out the notes and assumptions behind these forecasts.

Profit & Loss Forecast	Year 1 (2026) 4 months	Year 2 (2027)	Year 3 (2028)	Year 4 (2029)	
Inflation forecast	2%	2%	2%	2%	
Shop sales growth forecast	5%	10%	5%		
<b>Sales</b>	£	£	£	£	
<b>Total Turnover</b>	81,900	275,300	294,600	302,470	1
<b>Turnover Shop</b>	77,200	259,400	277,600	285,273	2
Gross Margin – Shop (26%)	20,100	67,400	72,200	73,473	3
Wastage – Shop (2%)	1,500	5,200	5,600	5,652	4
<b>Turnover Café</b>	4,700	15,900	17,000	17,197	5
Gross Margin - Café (60%)	2,800	9,500	10,200	10,320	6
Wastage – Café (5%)	200	800	900	864	7
<b>Total Sales Income (Shop &amp; Café)</b>	21,200	70,900	75,900	77,277	8
<b>Post Office Income</b>	2,700	8,300	8,500	8,446	9
<b>Gross Profit</b>	23,900	79,200	84,400	85,723	10
<b>Expenditure</b>					
Salaries	13,100	40,200	41,000	41,865	11
Rent/Lease & Rates	60	500	500	515	12
Licences for Music & Sale of Alcohol	400	400	500	510	13
Utilities	2,500	7,500	7,700	8,409	14
Insurance	-	800	800	800	15
Office Supplies	200	800	800	906	16
Phone & Internet	1,000	3,200	3,200	3,758	17
Repairs & Maintenance	300	900	900	918	18
Depreciation of Assets	3,402	10,204	10,204	10,204	19
Promotions & Publicity		300	400	300	20
Recruitment		3,200	1,700	1,750	21
EPOS software	200	600	600	624	22
Travel Expenses	600	1,900	1,900	1,983	23
Professional Support Fees	100	300	300	300	24
Accountancy Fees & Software	1,320	1,600	1,700	1,807	25
Bank Charges	600	1,700	1,800	1,836	26
<b>Total Expenditure</b>	23,782	74,104	74,004	76,485	27
<b>Operating P/L before Other Income</b>					28
Other Income	118	5,096	10,396	9,238	
<b>Released Capital Grant Income</b>	-	-	-	-	29
<b>Net Operating P/L before taxation</b>	1,101	3,211	3,102	2,999	30
					31

### 13.2 Profit and Loss Forecast – Notes and Assumptions

Item	Name	Notes and assumptions
General	Inflation	<p>Our estimates were all collated at the end of 2022. To bring those estimates up to date we have used the following assumptions:</p> <p>Annual CPI Inflation rates: 2023 = 4%, 2024 = 2.5%, 2025 (as at end August) = 3.8%, Remaining years (est) = 2%</p> <p>Annual salary increases: 2023 = 6.2%, 2024 = 6.1%, 2025 (as at end July) = 4.7%, Remaining years (est) = 2%</p>
1	Total turnover	<p>The total of the expected turnover from the shop and the café from the opening date in 2026. Shop sales turnover is expected to grow by at least 5% in year 1 (2026), 10% in year 2 and 5% in year 3. The takeaway café turnover is expected to grow 10% in year 2 and 5% in year 3.</p>
2	Turnover shop	<p>The expected turnover has been based on discussions with the existing shop owner and several other community shops of a comparable size and scale to the proposed store.</p> <p>Shop sales turnover estimate is substantiated by a formula used by many community shops to predict turnover based on the number of households in the market area that are likely to purchase goods from the shop and an estimate of the likely average spend for each household.</p> <p>On that basis it is estimated that the average spend per household will be £16.66 per week (at current prices, based on £15 per week at 2022 prices) for 50 weeks per year for the following percentage of households.</p> <ul style="list-style-type: none"> <li>· 60% in Pitton Households (120 households)</li> <li>· 30% in Farley (42 households)</li> <li>· 15% in Firsdown (37 households)</li> </ul> <p>In addition to this the current shop manager estimates 25 non-resident (passing trade) customers per week, spending an average of £16.66 (at current prices) per visit.</p> <p>Turnover for newspaper and magazine sales and delivery has been estimated at £29,500 per year (at current prices). This assumes 20% of households in Pitton, Farley and Firsdown purchase a daily paper five times per week for 50 weeks at an average price of £1.00.</p>
3	Gross margin - shop	The gross margin of 26% is based on industry standard models
4	Wastage shop	The wastage level of 2% is based on industry standard guidelines
5	Turnover - cafe	The turnover for the café is based on a modest projection of 20 takeaway coffee/tea sales per day at an average spend of £2.50 (at current prices, excluding VAT) for 5 days per week, 50 weeks per year.
6	Gross margin - cafe	The gross margin of 60% is based on industry standard guidelines
7	Wastage - cafe	Café wastage of 5% is based on industry standard guidelines

**Commented [MB1]:** Calculating these figures does not give same result as shown in 2026 sheet, with turnover significantly less. Are there differences between calculated income and narrative?

Item	Name	Notes and assumptions
8	Sales Income	Sales Income is calculated as the sum of gross margin for shop and café minus wastage for each.
9	Post office income	This assumes that the Post Office will grant the new shop "PO Local" status with commission based payments plus a "Local Support Payment".
10	Total income	The total income is calculated from the sum of sales income and post office income. In 2026 the shop will trade for 4 months.
11	Salaries	The cost of salaries is based on employing a manager for 25 hours per week at £15.40 per hour and an assistant manager for 15 hours per week at £13 per hour, and a cleaner 4.5 hours per week at £12.21 per hour (at 2025 prices). Employer pension and NIC costs and an allowance of 12.07% for holiday pay is also included. This will ensure cover for holidays and sickness and provide continuity of management throughout the year for all volunteers. Additional support from casual paid newspaper deliverers is also included.
12	Rent/lease	The lease is agreed at £350pa. It is expected that the shop will qualify for full or reduced Rural Business Rate Relief.
13	Licences for music & the "off licence" sale of alcohol.	These are based on music licence and a licence for sale of alcohol.
14	Utilities	These are based on current costs plus projected inflation rates.
15	Insurance	These are based on current costs plus projected inflation rates.
16	Office supplies	These are based on current costs plus projected inflation rates. It includes allowances for postage, office consumables and cleaning materials.
17	Phone/Internet	These are based on current costs plus projected inflation rates. It is not yet known whether the new Post Office system will be more or less costly to run than the current one.
18	Repairs/Maintenance	An industry standard percentage has been applied.
19	Depreciation of Assets	This is based on a standard depreciation model over 30 years.
20	Promotions and Publicity	This has been assessed based on web site hosting and e-mail fees of £150, cost of printing flyers and on the assumption that volunteers will provide web site maintenance and social media support for advertising.
21	Recruitment	This includes recruitment fees of 15% and assumes staff turnover level that require one recruitment per year after the first year.
22	Electronic Point of Sale system (EPOS)	A standard figure to cover the rental of a system to record sales and stock levels.
23	Travel Expenses	A rough estimate for car usage for picking up supplies, delivering papers and/or shopping has been included at a standard cost of 45p per mile.
24	Professional support fees	An estimated amount to cover professional memberships including Plunkett.

Item	Name	Notes and assumptions
25	Accountancy Fees & Software	Accountancy fees and Xero software system charges.
26	Bank/card Charges	Estimated based on current costs adjusted for inflation.
27	Total Expenditure	The sum of rows 11 – 26 in the table.
28	Profit/Loss before other income	Total Income less Total Expenditure
29	Other income	None planned yet
30	Released capital grant income	Capital grants awarded towards the build cost will go on to the balance sheet and will be released over the life of the 30-year lease.
31	Pre-tax Net profit/loss	Profit or loss after extra income.

### 13.3 Profitability Objectives

The shop is a non-profit making venture with any excess funds (beyond a working excess) being reinvested into the community, through community or charitable projects. A process will be developed to set out a mechanism whereby decisions are made in accordance with the published rules of PCSL as to where and how the excess funds are invested for the benefit of the community.

### 13.4 Balance Sheet forecast

PCSL Balance sheet	2025	2026	2027	2028	2029
<b>Fixed assets</b>					
Tangible assets	0	292,972	282,768	272,564	262,360
<b>Current Assets</b>					
Stock / debtors	216	13,200	13,200	13,200	13,200
Cash at bank and in hand	227,419	-1,863	13,911	34,769	54,283
<b>Creditors</b>					
Trade creditors / HMRC	0	-3,547	-4,021	-4,277	-4,349
<b>Net current assets</b>	227,635	7,790	23,091	43,692	63,134
<b>Total assets</b>	<b>227,635</b>	<b>300,762</b>	<b>305,859</b>	<b>316,255</b>	<b>325,494</b>
<b>Represented by</b>					
<b>Capital and reserves</b>					
Grant reserve b/f	0	98,000	95,247	92,037	88,934
Released to income	0	-2,753	-3,211	-3,102	-2,998
Grant reserve c/f	0	95,247	92,037	88,934	85,936
Share capital	241,125	241,125	241,125	241,125	241,125
Profit and loss account	-13,490	-35,610	-27,303	-13,804	-1,568
	<b>227,635</b>	<b>300,762</b>	<b>305,859</b>	<b>316,255</b>	<b>325,494</b>

The balance sheet shows that the funds from the share offer are received in 2025 and transformed into the building (fixed assets) in 2026. The building value gradually reduces proportionally with the lease, while cash balances and reserves increase through trading. No repayment of shares is shown, but funds are available to allow this from 2029 onwards. Pre shop trading shows a brought forward loss account of £13,490. The change in the loss at the end of 2026 is made up of the profit from shop trading and the loss for operating the business.

### 13.5 Cash flow forecast

Projected Cashflow	From 09/2025	2026	2027	2028	2029
<b>Opening cash</b>	£26,387	£227,419	-£1,863	£13,911	£34,769
Legal, architect and planning fees	-£3,475	-£11,050			
Main share offer	£210,000				
Share offer costs	-£3,400				
Grants		£98,000			
Build cost		-£258,500			
Equipment and fit out		-£40,425			
Initial Stock		-£13,200			
<b>Operational profit/loss</b>	-£1,944	-£12,289			
<b>Shop profit/loss</b>		£1,219	£8,307	£13,499	£12,237
<b>VAT paid/received - Net</b>	-£149	£3,763	£474	£257	£71
<b>Add back depreciation (not cash)</b>		£5,953	£10,204	£10,204	£10,204
<b>Less release capital grant (not cash)</b>		-£2,753	-£3,211	-£3,102	-£2,998
<b>Corporation tax</b>	£0	£0	£0	£0	£0
<b>Closing cash</b>	£227,419	-£1,863	£13,911	£34,769	£54,283

The major cash outflow is in 2026 for build costs. The summary shows that the society holds significant opening cash balances from the share offer, ending the year with a small negative cash balance. Analysis of the monthly cashflow show that some months become cash negative. These negative balances should last for no longer than three months and they will be covered by an agreed overdraft and/or short-term loans. Once trading starts, cash balances begin to increase.

## 14 Organisation and Legal Structure

### 14.1 Operational structure

PCSL has registered as a Community Benefit Society with the Financial Conduct Authority, under the Co-operative and Communities Benefit Societies Act 2014. The purpose of a Community Benefit Society is to carry on business for the benefit of the community. Assets owned by the society are

locked into the society and will be solely for community benefit. The society is regulated by the Financial Conduct Authority.

PCSL is a not-for-profit organisation. It has share capital, but it is not made up of equity shares like those in a company limited by shares which appreciate or fall in value with the success of the enterprise that issues them. Shares in PCSL cannot rise in value and may even decrease (if liabilities exceed assets). PCSL does confer limited liability so, should the project fail, there is no further liability on shareholders. The share typically acts as a “membership ticket” and voting is on a one member one vote basis. The maximum individual shareholding is set at 10% of the total capital value to ensure a wide shareholder base while managing risk.

The key features of a registered Community Benefit Society under the Co-operative and Communities Benefit Societies Act 2014 are that the Society has:

- A written set of rules which governs the way the Society has been set up and operates (available on request from the Management Committee)
- The ability to own property
- The ability to enter into contracts
- A more lightweight regulatory regime (as a Community Benefit Society is not subject to company law)
- Limited liability (i.e., members' liability is limited to the value of the shareholding)
- A profit-making ability, which under our rules is either put back into the organisation, used in community or charitable projects or used to reward members in the form of vouchers or discounts
- A recognised legal identity for community co-operatives

The Management Committee has registered PCSL with the Financial Conduct Authority (FCA) using Plunkett Foundation Limited model rules. The Plunkett Foundation promotes and supports community co-operatives with approved model rules for the establishment of community associations as Community Benefit Societies.

The society is registered as Pitton Community Store Limited, Registration number 8909.

## 14.2 Other legal issues

PCSL will be registered with the Information Commissioner's Office in respect of its use and handling of personal data.

PCSL is registered for VAT with HMRC.

## 14.3 Management Committee

The present Management Board is made up of 5 Pitton residents with a mixture of skills and professional and business experience. These are:

Chair – Brian Cudby

- Brian was Director of various software companies and developed a training business and freelance recruitment agency.
- He has worked as a volunteer with various charities over a period of 40 years and managed a large charitable rifle club with turnover of £350K which included a shooting club, a catering operation and a 13 bed hotel. He managed all aspects of the charity including governance, returns, loans and leases.
- He worked with the Corporation of London to establish a new range and was part of the building committee to oversee the construction of the range, at a cost of £800k including management of a £75K grant from the Football Foundation, part of the Mayors Fund.

Secretary - Lorna Taylor

- Lorna has project planning and change management expertise in both local government and the private sector.
- She is a member of the Project Management Institute, with qualifications in project management (PRINCE2), programme management (MSP) and risk management (MOR).
- She has delivered many large projects as well as leading change management processes and communications for web development and digital transformation across various private sector organisations, county councils, police constabularies and fire services.

Cliff Whitley

- Cliff Whitley is a member of the Chartered Institute of Building (MCIOB) and of the Chartered Management Institute (MCFI)
- He trained as a Quantity Surveyor, then progressed to Project Management, building Local Authority, housing, schools and hospital extensions.
- As Contracts Director he was responsible for running a major Contractor building Local Authority and Private Commercial schemes and then responsible for building a new housing scheme in Salisbury of 1,500 houses.
- Since 2002, he has had responsibility for taking Solstice Park, from 160 acres of green fields to become the most modern Business Park in South Wiltshire.

Luke Mowbray

- Luke is a practising solicitor and Partner at Middleton & Upsall LLP. He specialises in commercial property and development land law and regularly advises clients on the acquisition of development sites subject to planning.
- He negotiates site acquisition agreements, including option agreements.

Ken Howard

- Ken initially trained as a Social Worker and for 17 years worked in Social Services Departments in Essex, Cleveland and Hampshire prior to becoming IT Manager and then Assistant Director in Hampshire.

- Management roles included control of large budgets and teams to deliver specialist support services including partnership working with Police, NHS, Education and Fire Services. Throughout there has always been a large element of project and programme management to change and improve services.
- He has since been Chair of the Board of Trustees for Swan Advocacy, a medium sized charity delivering contracted advocacy services to councils in the south west. More recently he became Chair of Trustees for the Salisbury Men's Shed.

The Management Board will:

- As obliged under the constitution of PCSL, all stand down at the first AGM when individuals may offer themselves for re-election
- Be selected by members' votes at the AGM each year
- Provide an annual report of activities and finances to all members and annual return to the FCA
- Provide monitoring information as required by any grant bodies

The five founder members were re-elected as Directors at the first AGM in 2025

#### 14.4 Store Managers

We intend to recruit a paid store manager and assistant manager who will be assisted by volunteers. It is felt that by using this model it is possible for the Management Board to retain control of the look and feel of the store but benefit from people with good retail experience as well as ensure cover for holidays.

The roles will include running the post office, management of stock (including ordering and stocktaking), volunteer training and rota scheduling, support and managing, daily cash flow, marketing and initiatives and local supplier relations.

#### 14.5 Volunteers

The role of volunteers is crucial in the success of the store as a community venture. They will be highly visible in demonstrating that the business is community owned and supported. Their presence will give a sense of ownership and contribution to the business.

Members of the society – those who have bought shares – will be encouraged to volunteer in all aspects of the business. This includes attending members' meetings, electing Directors and getting involved in running the society. As the shop will serve the community for decades, it is important that new members join the Board and keep the business relevant to the community's needs.

The volunteers will support the business by carrying out several functions within the store to assist the manager according to their skill set. This could cover a number of functions including serving customers in the shop and post office, delivering orders, collecting stock from the cash and carry, stacking the shelves, basic maintenance of the building and equipment, updating web and social media pages or advising on products carried.

All store-based volunteers will be trained and supported by the paid staff and will be requested to commit to between two and four hours on a regular basis. Work experience and students will also

be encouraged to participate under supervision from paid staff or experienced volunteers. Between 40 and 50 volunteers will enable double banked support. The community survey showed a strong positive reaction to volunteering, with 61 people saying that they would consider volunteering in the shop and this is deemed to be a sufficient number to run the shop effectively.

Training for volunteers will be delivered in conjunction with Wessex Community Action, who offer a number of on-line and bespoke training courses for volunteers and for staff supporting them.

## 14.6 Plunkett Foundation Support

PCSL has become a member of the Plunkett Foundation, the only national organisation supporting the development of community shops in the UK. Membership provides access to:

- Specialist support programmes, regional community advisers, mentors and experts, as well as online, telephone and email support
- A wide range of toolkits and resources ranging from legal structures, business planning, financial management, sourcing local food and marketing
- A bespoke community shops' website which hosts an online forum, providing a platform for enterprises to share best practice, gain inspiration and warn of common pitfalls.
- Appropriate model rules to undertake a community share issue and guidance and support on the share issue
- Press and media advice
- Specialist business support which is funded by its partners including the Co-operative Enterprise Hub, Big Lottery, and Department of Communities and Local Government
- The Plunkett Community Shop Network which provides access to a range of heavily discounted goods and services

## 15 Communications and Marketing

The Management Board are endeavouring to achieve a high level of communication and engagement with the residents of the parish throughout the lifespan of the shop project.

Examples of engagement include:

- Parish Survey to determine the need and appetite for a community shop
- Articles in the Parish Magazine
- Consultation events in the Village Hall
- Email newsletters providing updates on progress on the project
- Pitton Community Store Web site
- Social media including Facebook, Instagram and local community sites

At two public meetings the society secured pledges to invest amounting to £210,000, sufficient to meet the optimum target of the share offer. We will enable those pledges to be converted into applications for shares by the following means:

- We will hold a public meeting to launch the share offer
- Emails will be sent to 160 households in Pitton and leaflets dropped in the remaining 40 households not on email
- Emails will be sent to residents in Farley using an established contact list

- The share offer will be advertised on the Firsdown web site
- The share offer will be advertised on the community Facebook groups
- A poster will be placed in the East Grimstead reading room notice board
- All those who pledged will be contacted separately by mass email (bcc) after the share offer is launched
- We will maintain a close watch on the progress of those who pledged and contact individuals where we think a reminder is required
- We will encourage other people from the community to purchase shares. When we went for the pledges some 'stepped back' because they did not believe we would achieve the target of £210k. Now we have proven that we think that more people will come forward when the share offer is launched. The current pledges have been raised from 50 households and there are 650 households in the community we are targeting.

Once the share offer has successfully concluded, marketing of the shop will continue to the community, while members of the society will receive additional communications keeping them informed of progress.

## Pitton Community Store – SWOT Analysis

### Appendix 1: SWOT Analysis

Strengths	Weaknesses	Threats	Opportunities
<p>Location</p> <ul style="list-style-type: none"> <li>Central and accessible to village residents</li> <li>Through road to A30, ensuring consistent passing trade</li> <li>Located close to walking and cycling paths (Clarendon Way)</li> <li>Adjoining well-attended village hall</li> <li>Financial stability</li> <li>Existing shop (closing Autumn 2026) has a loyal customer base and is currently financially sustainable</li> <li>Plunkett identify that community shops have higher success rates than privately owned</li> <li>Projections highlight sustainable financial future</li> <li>Community support</li> <li>Residents investment in community share scheme provides large numbers of shareholders with vested interest in success</li> <li>Community surveys show high levels of support and identified large numbers of volunteers (60+) from the village</li> <li>Supported by Wiltshire Council and two local Parish Councils</li> </ul>	<p>Space Constraints</p> <ul style="list-style-type: none"> <li>Retail space restricts the quantity and diversity of products that can be ordered and displayed, and the price reductions associated with bulk buying.</li> <li>Shop will contain small café with limited amount of seating which will require rapid throughput.</li> <li>Paid staff</li> <li>The rural location may make it challenging to recruit and retain paid staff.</li> </ul>	<p>Post Office</p> <ul style="list-style-type: none"> <li>Continuity of contract required if post office is to relocate (new shop must open before current shop owner retires).</li> <li>Competition</li> <li>There is a local café and delicatessen in the next village. Although it does not provide the range of goods that the community shop will, there is likely to be some competition in coffee and snacks.</li> <li>Newspaper deliveries are reducing over time as people access more information online.</li> <li>Volunteering</li> <li>The recent post office scandals may dissuade volunteers from taking on post office responsibilities.</li> </ul> <p>Funding</p> <ul style="list-style-type: none"> <li>Capital funding is not yet confirmed, though several applications are in progress.</li> </ul>	<p>Additional customers and services</p> <ul style="list-style-type: none"> <li>Potential new product lines and services identified via community survey (locally sourced, organic and refill station options which contribute to sustainability)</li> <li>Relationships with local farmers and other suppliers to reduce food miles and provide greater range of products</li> <li>Additional digital services for ordering and delivery</li> <li>Expanding village and increased holiday accommodation and camping, opportunity for welcome hampers, ready meals and prepared picnics</li> <li>Village hall users</li> </ul> <p>Increased cohesion with village hall</p> <ul style="list-style-type: none"> <li>Complementary services, together forming a community hub</li> <li>Opportunities for joint community investment in new facilities which will attract additional customers for both organisations (such as children's play area)</li> </ul>

## Appendix 2: Risk Analysis

Pitton Community Shop - Risk Register - last updated October 2025									
TYPE	STATUS	BRIEF SUMMARY OF THE RISK	IMPACT DESCRIPTION		PROBABILITY LEVEL	SEVERITY	MITIGATION ACTION	MITIGATED PROBABILITY	IMPACT X PROBABILITY
			IMPACT X PROBABILITY	IMPACT Y PROBABILITY					
Schedule	Open	The community loses access to a shop for a temporary period. Alternative arrangements have to be made for prescriptions, deliveries etc.	3	1	3	3	Continued engagement with current shop owner in terms of schedule and flexibility. Continued monitoring of plans to flag delays early.	3	1
Services	Open	Pitton loses the Post Office but continues with the shop and accesses mobile PO services.	2	2	4	4	Continued discussions with the Post Office. Post Office has to be found to support a new post office in this location.	2	1
Financial	Open	PiCSL does not reach target PiCSL have to seek additional grant funding or loans	3	1	2	2	Ensure share offer is attractive and shareholder provides benefit to shareholders, explore community shop networks for lessons learned, explore additional funding sources as contingency. Pursue community share booster scheme funding	3	1
Operational	Open	The community benefits from the shop but no plan is in place to ensure this continues.	3	1	3	3	Ensure continued engagement with the community, connect via social media and events and continuous recruitment of volunteers.	3	1
Schedule	Open	Contractors cease trading during project and building is unfinished	4	3	12	12	Take out necessary insurances, indemnities. Disclose diligences on financial stability of potential contractors. Implement phased payment schedule to ensure funds remain available until completion.	3	1
Operational	Open	The financial viability of the shop reduces over time with eventual closure.	2	1	2	2	Actions as above to ensure continued financial viability of the shop	4	1
Project	Open	Capital funding is not awarded	5	1	5	5	Updated probability and reduced due to pledges and other capital grants	5	1
Project	Open	Building work is disruptive for village hall users.	3	3	9	9	Provide early notification of disruption. Plan build work during school holidays to reduce disruption to main daytime use, the programme.	1	1