ES&M business plan 2026-27

Executive Summary

- **Our Business Identity:** Combined community enterprise operating **The Ermington Store & More**, a Shop, Cafe, and an event space known as **The Hub**
- **Our Core Objective:** Achieve a **£140,000 turnover target** for the enterprise in the 2026/27 financial year.
- **Our Strategic Focus:** Stabilise profit margins, optimise asset capacity, and minimise operational cost inflation.

---

1. The Shop: Revenue Expansion & Cost Optimisation

Revenue Growth Strategies

- **Perform EPOS Analysis:** Audit Electronic Point of Sale data to eliminate slow-moving stock.
- **Launch Product Lines:** Introduce high-margin, unique inventory items not found in major supermarkets.
- **Deploy Community Initiatives:** Launch a hyper-local marketing campaign.
- **Calculate Basket Metrics:** Determine the exact incremental spend needed per customer (e.g., £5 extra per visit).
- **Shift Consumer Habits:** Publicise current financial realities to divert small, routine purchases away from supermarkets.

Cost of Sales (COS) & Margin Management

- **Target Turnover: £95,000** for the 2026/27 financial year.
- **Target Cost of Sales:** Capped at **£72,000** to ensure long-term operational sustainability.
- **Supplier Renegotiation:** Audit existing wholesale supplier agreements to secure lower base purchase prices.

---

2. The Cafe: Menu Engineering & Margin Maximisation

Menu & Operational Optimisation

- **Assess Customer Appeal:** Align all new lunch additions with local demographic taste preferences.
- **Prioritise High-Margin Items:** Restructure the menu layout to feature dishes with low food cost percentages.
- **Streamline Prep Work:** Focus on dishes requiring minimal kitchen prep to control labour hours.

- **Evaluate Staffing Impact:** Cross-reference menu expansion plans against current kitchen workforce availability.

Customer Engagement & Iteration

- **Crowdsource Suggestions:** Provide patrons with a structured checklist of potential menu additions for feedback.
- **Deploy Lean Testing:** Run short-term, limited-edition weekly specials to test real-world product viability.

Cost of Sales (COS) & Margin Management

- **Target Turnover: £35,000** for the 2026/27 financial year.
- **Target Cost of Sales:** Capped at **£12,000** to ensure long-term operational sustainability.

---

3. The Hub: Asset Utilisation & Capacity Scaling

Capacity Targets

- **Current Baseline:** Operating at an underutilised average of **8 hours per week**.
- **Target Objective:** Scale usage to **16 hours per week** to achieve the 2026/27 budget goals of **£10,000**

Acquisition Initiatives

- **Offer Trial Events:** Invite local organisers to host their initial community meeting or event free of charge.
- **Target Local Organisations:** Cross-reference local publications and directories to pitch under utilised time slots to existing clubs.

---

4. Financial Controls & Operating Projections

Overhead Projections

- **2026/27 Budgeted Estimate:** Fixed at **£50,304** for total operating costs.
- **Year-on-Year Comparison:** Evaluated directly against the baseline operating costs of **£43,657 from 2025/26**.
- **Inflation Adjustment:** Baseline figures structurally adjusted to account for a **15% inflation rate** on utilities, cost of goods, staffing, business rates introduction and logistics.
