**Finance Report – Members Committee Meeting 24 June 2021**

**May Results**

Trading throughout June was slightly down compared to April, with total shop revenue decreasing 3% month on month. May was a great month and we recorded a profit of $7,080, which is much improved. In June, we made a loss of $2,884 which was driven by three wages payments. The table below sets out a summary Profit and Loss for June 2021 as compared to May 2021:



Notes:

1. Daily shop trading figures increased slightly throughout June ($2,129 in May vs $2,164 in June). Refer to below July trading update which details recent daily shop trading trends.
2. Administrative expenses were significantly lower than our target of $3,000, however, we only spent $267 on bookkeeping fees, which is lower than normal. Bookkeeping fees are expected in increase in July due to year-end procedures for tax purposes.
3. While COGS slightly increased over June, it is still within our expected budget. The new purchasing budgets are assisting keep our costs under control.

**July Trading Update**

Daily shop sales continue to trend below the $3,000 per day mark, and we even had a day on 10 June which didn’t crack $1,000 in revenue. Throughout June we saw a slight decrease in average daily shop sales. However, since the NSW Government introduced the recent COVID-19 restrictions on 26 June, we have seen a healthy uptick in sales for July. For example, on Saturday, 17 July we had shop sales of $5,131 – our largest trading day since 16 January 2021. The table below sets out the average daily shop revenue by month since 1 January 2021:

|  |  |  |  |
| --- | --- | --- | --- |
| **Month** | **Total Sales ($)** | **No. Trading Days** | **Average Daily Sales ($)** |
| January | 87,807.56 | 28 | 3,135.98 |
| February | 64,209.01 | 28 | 2,293.18 |
| March | 68,057.38 | 31 | 2,195.40 |
| April | 67,311.98 | 28 | 2,404.00 |
| May | 65,998.09 | 31 | 2,128.97 |
| June | 64,908.22 | 30 | 2,163.61 |
| July (1st - 19th) | 50,687.55 | 19 | 2,667.77 |
| **Total** | **468,979.79** | **195** | **2,405.02** |

**NSW and Federal Government COVID Support**

Over the past three weeks, the NSW and Federal Government have put in place financial support programs for businesses and not-for-profits who have been adversely affected by the recent lockdown. We are constantly monitoring these announcements to see whether we qualify for any financial assistance. Most will recall that we missed out on JobKeeper last year because we were ineligible. There are two government support programs we may be eligible for this time around based on turnover and employee costs:

1. **NSW COVID Small Business Grant**

There are three levels of grants available to eligible businesses who can prove a reduction in turnover:

* $7,500 for a decline of 30% or more
* $10,000 for a decline of 50% or more
* $15,000 for a decline of 70% or more

The grants are open for application as of yesterday (19 July 2021). These grants will be available depending on the decline in turnover experienced over a minimum 2-week period from 26 June 2021 to 26 July 2021, compared to the same period in 2019Whilst we are eligible for this grant based on the business criteria, we are unlikely to be able to prove a decline in turnover. The analysis below shows we have only experienced a maximum 20% decline in revenue when compared to the same periods in 2019:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Turnover Decline** | | | | |
| **Period start** | **Period end** | **2019 Turnover ($)** | **2021 Turnover ($)** | **Decline (%)** |
| 26 June | 9 July | 39,684.27 | 33,416.49 | **-16%** |
| 27 June | 10 July | 40,600.98 | 32,818.73 | **-19%** |
| 28 June | 11 July | 40,698.54 | 33,355.21 | **-18%** |
| 29 June | 12 July | 41,869.96 | 33,653.01 | **-20%** |
| 30 June | 13 July | 42,075.59 | 34,401.51 | **-18%** |
| 1 July | 14 July | 42,784.41 | 35,856.42 | **-16%** |
| 2 July | 15 July | 43,048.48 | 35,574.38 | **-17%** |
| 3 July | 16 July | 42,618.35 | 35,942.11 | **-16%** |
| 4 July | 17 July | 42,752.40 | 37,471.00 | **-12%** |
| 5 July | 18 July | 43,696.46 | 36,460.47 | **-17%** |
| 6 July | 19 July | 44,051.92 | 34,510.27 | **TBA** |
| 7 July | 20 July | 43,847.11 | 32,032.47 | **TBA** |
| 8 July | 21 July | 43,269.49 | 30,126.69 | **TBA** |
| 9 July | 22 July | 43,651.30 | 28,087.69 | **TBA** |
| 10 July | 23 July | 43,918.22 | 26,049.59 | **TBA** |
| 11 July | 24 July | 43,720.56 | 23,169.68 | **TBA** |
| 12 July | 25 July | 43,539.30 | 20,626.48 | **TBA** |
| 13 July | 26 July | 43,698.47 | 18,392.38 | **TBA** |

We have asked our external accountant for confirmation about whether there is anything else we can do to qualify for this grant.

1. **JobSaver**

The NSW Government has also announced a JobSaver support program for eligible businesses, which include fortnightly payments of up to 40% of the weekly payroll of a business (minimum $1,500, maximum $10,000). The only eligibility requirements for this program are for the business to have turnover between $75,000 and $50 million, and be able to prove a revenue decline of 30%. Therefore, it is unlikely that we would qualify for this assistance. However, the applications for this support open at the end of July. So it remains to be seen what the specific turnover decline requirements will be. We will continue to monitor the situation to confirm whether we can access the JobSaver program.