
Profit & Loss Statements

Into Carphone Warehouse 2017/18

Profit & Loss Statements (P&L's)

Overview...

Starting this financial year, we are providing Carphone Warehouse stores with Profit and Loss Statements.

- **What is a Profit and Loss Statement?**

A Profit and Loss statement is a standard business tool. It presents all of a businesses revenue and margin first, then it shows all of the costs incurred and leaves the difference: Profit.

- **When is it updated?**

The P&L's are updated 2 weeks after a financial month has ended. The P&L shows the previous months numbers but also shows cumulative 'quarter to date' and 'year to date' numbers.

- **When does this start from?**

The P&L's officially launch in May 2017, meaning that weeks 1-4 data will be used to populate May. This will be published in the second week of June. We have populated data from January 2017 – April 2017 so you can see how you store is performing currently and where your immediate opportunities are.

- **What should I do with my P&L Statement?**

Store Managers and Regional Managers should review the P&L statement each month. It will show you where the opportunities are to drive better top line margins, through sales growth, better deployment or controlling reductions. You should also scrutinise the detail of the costs lines and identify any opportunities to reduce these charges to protect your bottom line profit.

- **Is all data included?**

No, we are only looking at lines that the Branch Managers have control over. So we are not showing costs of rent and rates for example. Due to FCA rules, we are not showing any revenue from Geek Squad sales.

- **How do I get to the site?**

The P&L's are within the Workforce Management Website – Go to Touch > Quick Links > Workforce Management

(You'll find other useful tools here too)

Margin section:

The Margin delivered from sales in your store.

These margin targets are calculated from and match your GSB targets. We take the GSB targets and actuals and turn it back into full margin. Throughout a month, rest assured, if you deliver your GSB targets, you will hit your P&L margin target.

Margin
lines
aligned to
GSB

		Month			QTD			YTD		
Item	Detail	Actual	Target	% To Target	Actual	Target	% To Target	Actual	Target	% To Target
Sales Margin ⓘ										
Post Pay		£4,523	£5,975	76%	£4,523	£5,975	76%	£4,523	£5,975	76%
Pre Pay		£47	£266	17%	£47	£266	17%	£47	£266	17%
Sim Only		£87	£695	13%	£87	£695	13%	£87	£695	13%
Fixed BB		£558	£1,186	47%	£558	£1,186	47%	£558	£1,186	47%
Prepay Sim Only		£17	£38	46%	£17	£38	46%	£17	£38	46%
Handset Only		£308	£147	209%	£308	£147	209%	£308	£147	209%
Accessories		£1,355	£853	159%	£1,355	£853	159%	£1,355	£853	159%
Tablets		£0	£20		£0	£20		£0	£20	
Mobile Broadband		£0	£0		£0	£0		£0	£0	
Mobile Broadband Prepay		£0	£0		£0	£0		£0	£0	
Subtotal		£6,895	£9,180	75%	£6,895	£9,180	75%	£6,895	£9,180	75%
Variance				(£2,285)			(£2,285)			(£2,285)

Subtotals show % to target and £'s over or under.

Margin section:

The reductions that your store has used.

Margin reductions are mirrored from the reductions dashboard, using the existing targets. Use this to ensure you control your reductions, or add more margin into your pot by coming in well under...

		Month			QTD			YTD		
Item	Detail	Actual	Target	% To Target	Actual	Target	% To Target	Actual	Target	% To Target
Margin Reduction										
CCVs	View Detail	-£81	-£668	12%	-£81	-£668	12%	-£81	-£668	12%
Cashback	View Detail	-£60	-£668	9%	-£60	-£668	9%	-£60	-£668	9%
Discount	View Detail	-£85	-£668	13%	-£85	-£668	13%	-£85	-£668	13%
Subtotal		-£226	-£2,004	11%	-£226	-£2,004	11%	-£226	-£2,004	11%
Variance				£1,778			£1,778			£1,778
Margin Total		£6,669	£7,176	93%	£6,669	£7,176	93%	£6,669	£7,176	93%

Reductions aligned to reductions dashboard and targets.


Sales Margin – Reductions = Total Margin delivered

In this example the store has delivered 93% of its margin target for the month.

Costs section:

Payroll/SOH - the cost of payroll that your store has used.

Your SOH target £'s and actual £'s are mirrored from your SOH Hours. We use a nominal £10 per hour to cover hours into Pounds. So an SOH target of 200 hours per week would convert to a payroll target of £2,000.

		Month			QTD			YTD		
Item	Detail	Actual	Budget	% To Budget	Actual	Budget	% To Budget	Actual	Budget	% To Budget
Payroll Costs										
SOH		-£5,280	-£5,640	94%	-£5,280	-£5,640	94%	-£5,280	-£5,640	94%
Cross Charges		£0	£0		£0	£0		£0	£0	
Pay Corrections		£0	£0		£0	£0		£0	£0	
Subtotal		-£5,280	-£5,640	94%	-£5,280	-£5,640	94%	-£5,280	-£5,640	94%
Variance				£360			£360			£360

You are given a single weekly SOH target, but you may get charged in 3 ways:

SOH – This is the SOH you have declared in the timecards in STAR

Cross Charges – This is the cost of any labour you have used from other stores and used the TPC to charge.

Pay Corrections – This is the cost of all pay corrections submitted from your store to either the TPC or HRSC for actioning.

Costs section:

Controllable Costs – non payroll costs that you need to control

This section shows all of the non-payroll related costs that your store can incur, and that you the Branch Manager have control over.

		Month			QTD			YTD		
Item	Detail	Actual	Budget	% To Budget	Actual	Budget	% To Budget	Actual	Budget	% To Budget
Controllable Costs										
Stock Loss		£40	-£50	-79%	£40	-£50	-79%	£40	-£50	-79%
Trade In Non Compliance ⓘ		-£190			-£190			-£190		
FMIP non compliance ⓘ		£0	£0		£0	£0		£0	£0	
Stationery ⓘ	View Detail	-£17	-£50	34%	-£17	-£50	34%	-£17	-£50	34%
Cash/Banking Losses ⓘ	View Detail	-£10			-£10			-£10		
Electricity ⓘ		-£269	-£286	94%	-£269	-£286	94%	-£269	-£286	94%
Petty cash Expenses ⓘ	View Detail	-£30	-£68	44%	-£30	-£68	44%	-£30	-£68	44%
Refuse ⓘ	View Detail	-£24	-£6	400%	-£24	-£6	400%	-£24	-£6	400%
Colleague Expenses		£0	£0		£0	£0		£0	£0	
Subtotal		-£501	-£461	109%	-£501	-£461	109%	-£501	-£461	109%
Variance				(£39)			(£39)			(£39)

Costs section:

Controllable Costs – Descriptions and how to influence:

Cost line	Description	How to influence
Stock loss	£ value of stock loss	Are the correct security controls in place? Are product counts happening as planned?
Trade in non-compliance	Non-compliance charges with handset trade ins	Ensure trade in handsets are packaged properly, make sure the trade in product condition matches the guidelines defined.
FMIP non-compliance	Charges related to 'Find My iPhone' not being deactivated prior to return	Ensure FMIP is deactivated before you trade in any iPhone or iPad
Stationery	Stationery ordered via commercial group	Reduce spend by ensuring that you don't stock pile or order more than you need. stationery delivery times are short.. Ensure that you know when you are likely to run out of things before you actually do.
Cash/Credit/Banking losses	Money lost when cashing up or through banking	Follow through investigation process. Ensure good cash controls are in place.
Electricity	Electricity used in store, lights, heaters, systems etc..	Ensure that you don't leave lights or heaters on overnight, if there's no one in a room switch the lights off behind you.
Petty Cash through PIE	Expenses processed through PIE	Window cleaning and milk for tea and coffee are budgeted, this is all you should be using petty cash for. (£10 per week for Milk, £25 per month for Windows)
Maintenance Ipsos/Videra	No Fault Found charges for Customer counters and LSTV POS displays	Ensure you follow all triage instructions from IPSOS when you speak to the help desk, make sure there's nothing obstructing the counter to avoid costly no fault found call out charges
Refuse	Bag and container bin services including penalties	Don't use Biffa bags if you have bins at the back door, you will be paying for waste twice. If your bins are being emptied when they aren't full reduce the collection frequency. Do not leave waste where you could receive a council charge.
Colleague Expenses	Expenses processed through MyHR	This is a line for you to sense check, are the claims within policy? Are the charges correct, does the colleague work at your store?

Overall Contribution:

The Profit your store has made.

At the bottom of the Profit and Loss statement is the 'Overall Contribution' line. This is the target Profit we expect you to deliver and the actual Profit you have delivered.

		Month			QTD			YTD		
Item	Detail	Actual	Budget	% To Budget	Actual	Budget	% To Budget	Actual	Budget	% To Budget
Overall Contribution		£889	£1,075	83%	£889	£1,075	83%	£889	£1,075	83%



Top Tips:

- *Profit is more important than sales.*
 - *Selling a contract that we excessively discount to close the deal, that we make no money on is not a sustainable way of operating. Think smart!*
 - *Selling our propositions well will mean that you don't need to use reductions as much. Think of reductions as profit you are giving away*
 - *Control everything you can. For every 'Find my iPhone' non compliant return you need to sell 2 post pay to claw back the margin. Ensure you control these compliance areas that will cost your store actual margin.*
 - *Manage SOH within budget – you will be charged for all hours your colleagues are paid, irrespective of how you processed the hours (Timecard, Via TPC, etc)*
- *Get your Regional Managers insight on your business...*
 - *Your regional manager can help you review your P&L. They can offer support and coaching, and they can share ideas and processes that work in other stores on their region.*
 - *Your RM has the information about the most profitable stores on your region – what are they doing that you aren't?*
- *General*
 - *There are a handful of stores that we are targeting for a negative profit. This is often due to a strategic site to combat competitors. This does not mean the store is doing a poor job, indeed the manager has a great opportunity to drive to a positive profit on their P&L.*

DD/RM Access:

The store level P&L's can be rolled up to a regional or divisional view:

Login to the site:

Instore: <http://cpwwfm.dixonscarphone.com>

Out of Store: <http://cpwwfm.dixonscarphone.com/oos>

This is due to the site locking the information of the store to only that store. If you see this message:

We were unable to identify your Branch.

Unfortunately we have been unable to identify which Branch you are visiting from.

Please raise a ticket via the medics team [here](#).

Ensure you retry with the out of store link.
You will see login box. Use you normal credentials.

Please Sign In

DSG\burkel03

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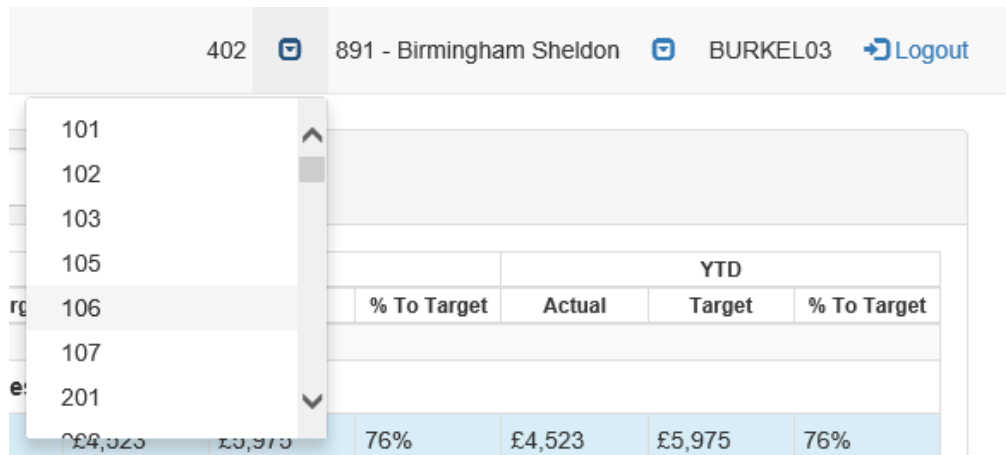
Log in

If you experience problems logging in, please use
the self service page [here](#)

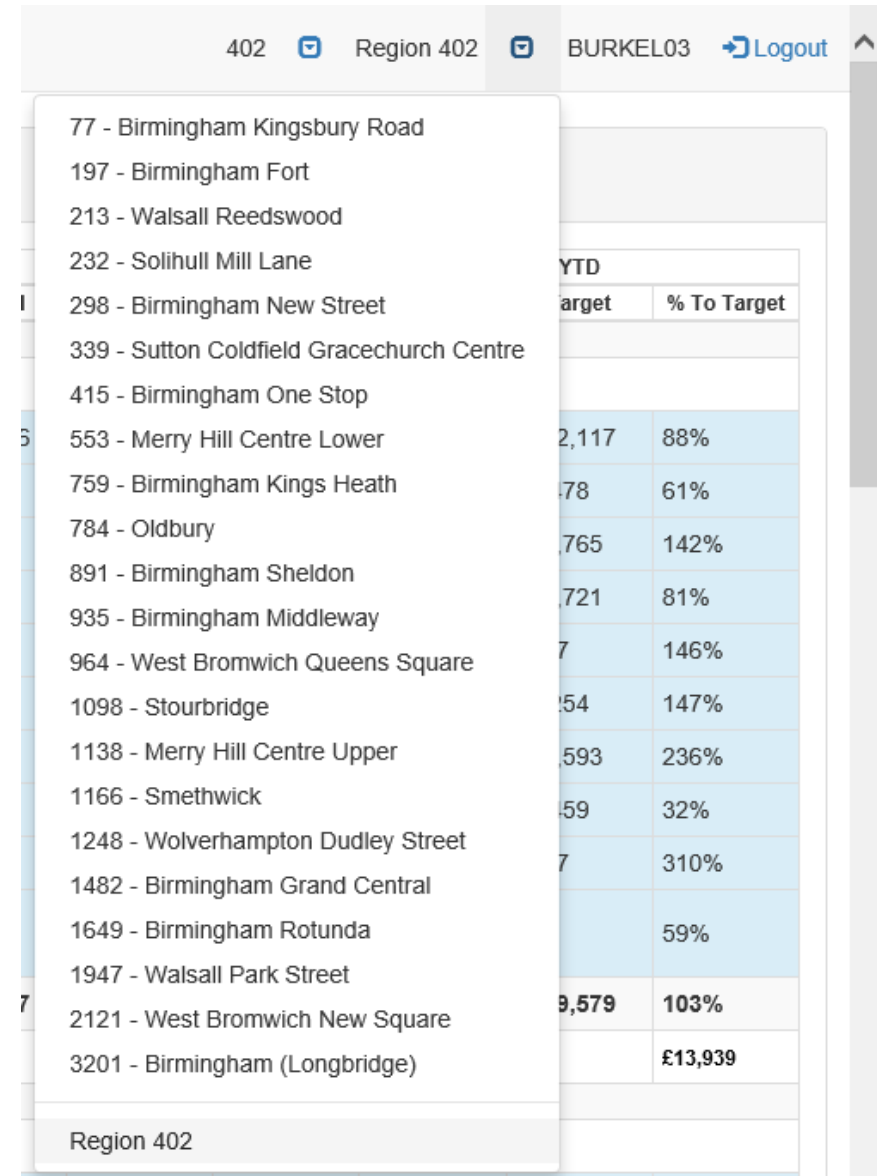
DD/RM Access:

The store level P&L's can be rolled up to a regional or divisional view:

Use the navigation bar at the top to select your region or division.
Once selected you can drill into store detail..



YTD			
% To Target	Actual	Target	% To Target
76%	£4,523	£5,975	76%



YTD	
target	% To Target
2,117	88%
78	61%
765	142%
721	81%
7	146%
54	147%
593	236%
59	32%
7	310%
59%	
9,579	103%
£13,939	

Or drill into regional/divisional totals:



Region 402