

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 JULY 2021**

The directors present their strategic report for the year ended 31 July 2021.

**BUSINESS REVIEW**

The statement of comprehensive income is set out on page 13 and shows a profit before tax of £6,265,365 for the period. Turnover for the period amounted to £77,623,053.

The company continues to increase its sales & profitability, with another strong performance this year.

The company's core strategy delivers growth through increased sales and performance, plus expansion of outlets. The company operates a mix of freehold and leasehold properties, providing a strong framework for expansion.

During the period, the company opened three more sites in Shipley, Stratford Upon Avon and Boston, taking the total number of sites to 123. The company expects to open 12 sites in the next financial year.

The company is also open to acquisition opportunities in addition to individual openings.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The management of the business and execution of the company's strategy are subject to a number of risks. The principal risks and uncertainties affecting the company are considered to relate to competition from both national and independent retailers, employee retention, product availability and cost inflation.

Competition remains fierce, which ultimately benefits the customer through lower pricing and reduced margins. Increasing the company's market share through expansion and customer retention enables the company to continue to grow.

Employee retention is a key focus of the company and has been a challenge during the past year, as it has been for many companies across different industries. Discussion with employees on all levels occurs frequently, through meetings and literature. The development and growth of social media has allowed us to target a greater mix of the company's employee base, bringing people's skills and achievements to everyone's attention, publicising local events and issues and praising jobs well done. Decisions on public holiday opening, opening hours and rewards for length of service have been made based on discussions with staff members. Recognition of skills continues, with assistance towards further education and qualifications being offered. Since having obtained industry standard training recognition, the company has sponsored many applicants to the government-controlled MOT authorised examiner status. This qualification brings with it career growth, employee financial reward and greater skills knowledge. This year the company has pro-actively increased the number of people gaining the MOT qualification. The company has also taken on a number of apprentices at the start of the new financial year and expects to be able continue to do this in future years.

To mitigate the risk of product availability, the company has increased the number of authorised suppliers to enable a wider range of products to be made available to the company's customers. This has resulted in multiple suppliers for similar products, to ensure that the mix of products meet the company's customers demands. Each supplier is important to the company for providing effective, timely and accurate product supply to the local centre.

The company works hard to ensure timely delivery to our sites to meet customer demand and have increased the number of same day options for its online customers.

Cost inflation has increased during the period and also since the period end. To mitigate the impact, the company has embarked on a programme to become more energy efficient, both reducing costs and improving its impact on the environment.