

Hub Financial Report 2021/2022

A challenging year in many respects at The Hub, lined with some positives to look forward to.

Top line income decreased year on year, mainly due to a decrease in Cafe Sales, as prior years figures were artificially high due to COVID lockdowns, plus a slower return to hire income post pandemic. However, positively the change in sales mix year on year i.e. less Cafe Sales proportionally, has seen an overall increase in Gross Profit, as the Hire income carries a higher

Unfortunately, our expenses increased in the year with staff costs heavily subsidised in the prior year, plus additional payrises for our brilliant and hardworking team as we look to try and keep up with rising costs of living. Some other expense also increased with general inflationary pressure. This led to a larger operating loss than the prior year, which is only partially covered by the receipt of grants, which also decreased.

We've seen this trend continue in 2023, with The Hub close to a break even most months. There are ample reserves to cover this trend for the year to come, however, not forever. To address this structural issue, there is increased focus on fundraising and grants moving forward, which should be more straightforward with the confirmation of The Hub's new constitution, the restructured team and also a raft of new initiatives, which we hope will lead to a more sustainable finances.

David Selby ACA

Treasurer

The Hub

LREH Co-operative Limited

Profit and Loss Summary

November 2021 - October 2022

	31-Oct-22	31-Oct-21
Income		
Total Income	176,958	180,624
 Cost of Sales		
Total Cost of Sales	33,877	42,406
Gross Profit	<u>143,082</u>	<u>138,218</u>
 Expenses		
Total Office & Administrative Expenses	21,783	20,539
Total Other Cafe Costs	10,508	9,140
Total Premises Costs	21,722	19,806
Total Staffing Costs	121,043	99,897
Total Volunteering Costs	758	473
Total Expenses	<u>175,814</u>	<u>149,855</u>
 Net Operating Income	<u>-32,733</u>	<u>-11,636</u>
Corporation Tax		
 Net Operating Income after tax	<u>-32,733</u>	<u>-11,636</u>
Net Other Income (grants)	25,819	80,220
Net Income	<u><u>-6,914</u></u>	<u><u>68,584</u></u>

LREH Co-operative Limited
Balance Sheet Summary
As of October 31, 2022

	31-Oct-22	31-Oct-21
Fixed Asset	10,148	18,518
Debtors		
Stock	2,558	2,061
Trade Debtors	374	1,065
Deposits	300	300
Prepayments	2,291	3,206
Cash at bank and in hand	54,833	82,078
Net current assets	<u>60,355</u>	<u>88,710</u>
Creditors: amounts falling due within one year	23,151	27,142
Net current assets (liabilities)	<u><u>47,353</u></u>	<u><u>80,086</u></u>
Capital and Reserves		
Retained Earnings	80,086	91,722
Current year profit and loss	-32,733	-11,636
	<u><u>47,353</u></u>	<u><u>80,086</u></u>