



Central England Co-operative

ANNUAL REVIEW

2019/20



Coronavirus update from Debbie Robinson

I want to express my appreciation and gratitude to our Central England Co-operative team for the phenomenal job they have been doing supporting our communities during these most difficult times.

Our frontline colleagues have shown outstanding commitment and resilience in helping communities to access food, vital essentials and supporting all of those in our care during this global pandemic.

Our priority is the safety of our colleagues, members and customers and to support them whilst offering the goods and services they need.

We were the first retailer to put in place social distancing measures in our stores within hours of the Prime Minister announcing the start of the lockdown. We continue to monitor these measures to reflect the changing circumstances we now face on a daily basis. We have supported our communities, including a 10% discount for NHS workers and priority access to our stores all day, every day.

We are working with local councils to support home deliveries and continue to support food banks. We have made significant donations to Dementia UK, FareShare Midlands and local good causes to provide funds when they are needed the most.

Our Food and Funeral businesses have experienced increased demand while also incurring significant increases in operating costs to ensure we can continue to trade safely. Conversely, our Travel and Property businesses have been under extreme pressure from both a sales and profit perspective.

We will emerge from this crisis a stronger Co-operative Society; a Society that supports and rewards its colleagues and members. We have modelled various scenarios to ensure the Society is best prepared to respond to the future challenges ahead and will continue to work hard to adapt ways of working across the business to meet the needs of our members and customers, who themselves are adapting to a new way of living.

For the Society's full update on the impact of the Coronavirus outbreak, please view our 2019/20 Annual Report and Financial Statements online here at www.centralengland.coop/your-co-op/reports-accounts

Our Family of Businesses

242

Food Stores

20

Petrol Filling Stations

1

Distribution Hub

132

Funeral Homes

2

Masonry Showrooms

1

Coffin Factory

1

Crematorium

6

Florist Shops

26

Travel Shops

£131m

Investment Property Portfolio

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for the year ended 25 January 2020

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THANK YOU!





Our Community Dividend Fund has helped support a variety of great causes

About Us

We are a **successful, independent, community-based Co-operative** owned by our Members



Our proud heritage dates back over **165 YEARS**

We trade in over **16** counties



We operate **OVER 400** trading outlets

We employ **OVER 7,900 PEOPLE**



We invest 1% of our trading profit into **supporting local groups and good causes** through our Community Dividend Fund



WE ♥ U
Our colleagues are at the heart of our business

Our commitment to Corporate Responsibility allows us to **continually seek opportunities to address climate change** and contribute to the wellbeing of local communities



We are **guided by** the internationally recognised **Co-operative values**



**Self-help
Self-responsibility
Democracy
Equity
Equality
Solidarity**



Our Openwoodgate Food Store, in Belper, Derbyshire, showcases our new vision packed with a range of exciting new features for customers and Members

Financial Highlights



Gross Sales (excluding VAT)

£893m

2018/19: £869.9m



2.7%



Trading Profit

£17.5m

2018/19: £18.1m

Strong Cash Generation



£33.3m

2018/19: £28.6m

Operating Profit



£15.5m

2018/19: £11.9m

Growing our Business

10

New Food Stores

2

New Funeral Openings

Refurbishments completed at:



18 Food Stores

Payments to Stakeholders



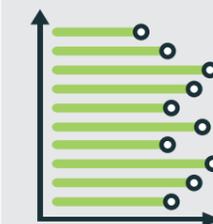
2018/19: £3.5m

Net Assets



£191.7m

2018/19: £216.1m



Capital Expenditure

£22.1m

2018/19: £28.7m



We were proud to hold our first-ever Men's Voices event

Society Highlights

We have shared out
£180,000

between 115
good causes
through our



Our partnership with
corporate charity



DementiaUK

has now reached

**OVER
£1.3 million**



**Over
275,000 items**

donated to food bank
collection points in
store by our customers
and Members

Our first-ever
Christmas
Toybox Appeal
resulted in over

**12,000 presents
& stocking fillers**

being shared out
by 20 charities and
organisations



We have started out a
new vision for our food
stores with an exciting
array of features and
amenities for the local
community

Awarded three
Carbon Trust Standards



for reducing our
carbon emissions,
waste and water use
for the third time



Our belief in the Co-operative values
and principles was showcased with
our support of Co-op and Fairtrade
Fortnight, inviting dozens of community
groups into our stores and supporting a
wide range of community events



FAIRTRADE



Our unique work
with FareShare
Midlands continues
to help ensure that
millions of items of
unsold food do not
go to waste

A range of
important issues
were raised
and debated at
pioneering Men's
and Women's
events

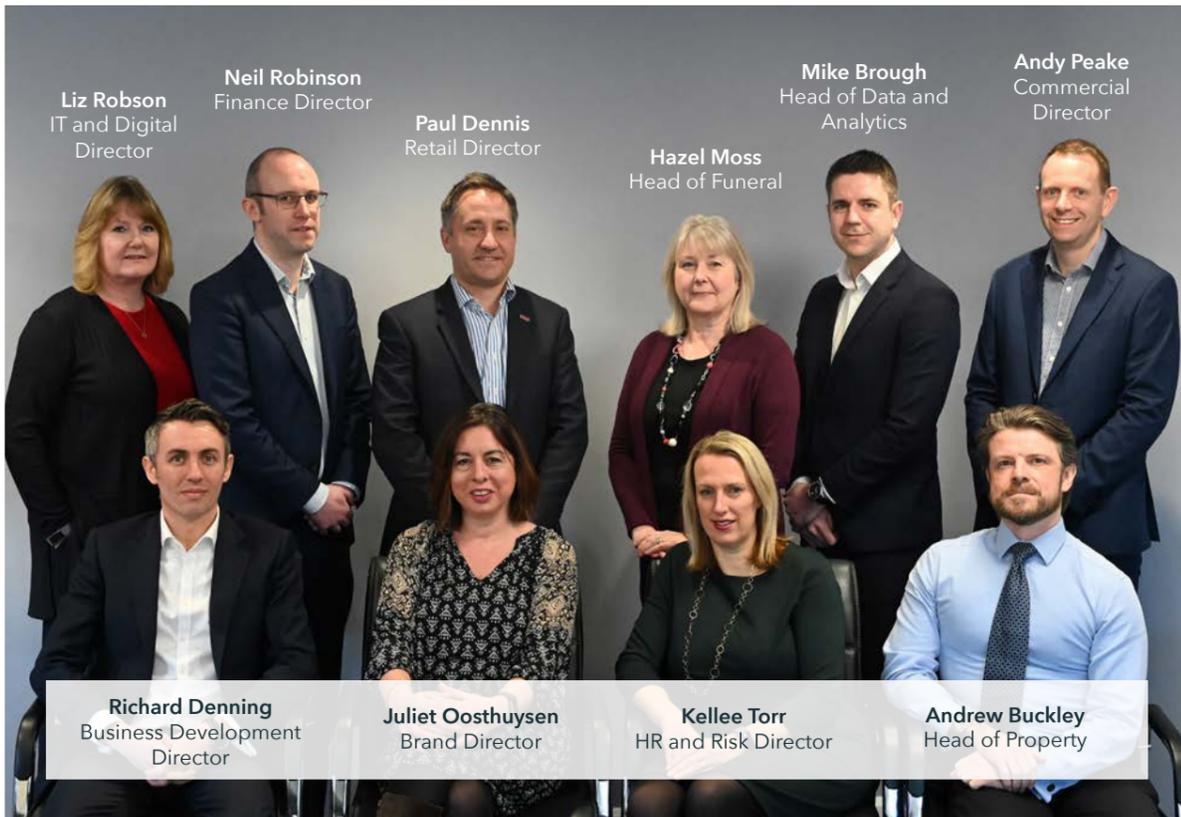


Colleague safety
remained key to
the Society with the
launch of a new
campaign aimed at
ending violence and
aggression towards
staff across our business

Executive Team



Leadership Team



Your Board of Directors



ID Independent Non-Executive Director
 AR Audit & Risk Committee
 C Conduct Committee
 CD Community Dividend Selection Committee
MC Membership & Community Strategy Committee
 R Remuneration Committee
 RP Rules & Practices Committee
 S Search Committee

Message from our President

Dear Members,

I am honoured and privileged to present our Annual Review covering the past 12 successful months for the Society in what has been a tough but rewarding period of trading.

This will be my final report as President as I have reached the end of my fulfilling three-year term. During this time the Board has been working hard to shape our success, which led to the appointment of our new Chief Executive Debbie Robinson. Debbie's impact, belief and drive can already be seen with the fantastic new look of our food stores and their development into hubs for the community.

The Board, working with the new Executive Team, has launched a detailed and comprehensive review of our strategy, purpose and vision with the aim of confirming our ambition to be the best UK Co-operative and respected leader in the movement.

The Board is pleased that our new Executive and Leadership Teams are working well to ensure we are well prepared to face the challenges of operating in an intensely competitive market and the uncertainty of Brexit.

We were delighted to appoint Marc Bicknell as an Independent Non-Executive Director, who has brought his financial and Co-operative experience to help complement the diversity of skills on the Board. We would also like to take this opportunity to thank and acknowledge former Independent Non-Executive Director Martyn McCarthy and retired Employee Board Director Dave Ellgood for their valued contribution to the Board and the Society as a whole.

During the year, we were delighted to host visits from working Co-operative peer Baroness Glenys Thornton and Co-op Group Board members Sir Christopher Kelly and Stevie Spring, allowing us to strengthen relationships within the Co-operative movement and improve awareness of our activities and achievements.

We have held some fantastic innovative events including a highly successful Intergenerational Event looking at how nurseries can be paired with care homes, and a very productive Food & Finance Justice Conference where those agencies helping to fight poverty and homelessness came together to co-ordinate responses.

We also held dozens of activities to celebrate Fairtrade and Co-operatives Fortnight.

Building on the success of our annual Women's Voices Event, we were proud to hold our first-ever Men's Event where over 100 men gathered together to talk about a range of matters such as mental and physical health and expectations of men today.

At Christmas time, Board and management attendees supported six Retired Employee Association events across the regions to show our appreciation for those who played a part in creating the wonderful co-operative business we have today. We also backed our Society's first-ever Christmas Toybox Appeal, which saw over 12,000 toys donated.

Our commitment to environmental initiatives is a continued source of pride for us all and progress, such as the recent reward of three Carbon Trust Standards, remains an important area of focus. We are always determined to demonstrate our unique Co-operative difference for our Members and communities.

The Board is acutely aware of the uncertain times we will face as a result of the impact of Coronavirus.

I would like to thank my Board colleagues, the Executive and Management Teams and all colleagues I have met across the Society for their courtesy and comradeship during my term as President. It has been a privilege and a pleasure.



Elaine Dean
Society President



Society President Elaine Dean supporting a Membership event in Wooldale, Yorkshire

Message from our Chief Executive

Hello,

I would like to start this, my first annual report as your Chief Executive, with a heartfelt thank you to our Central England Board, Members, colleagues and customers for their warm Co-operative welcome and support.

In 2019 we focussed our attention on building a talented team to ensure we continue to thrive as a successful independent Co-operative society. Firstly, we promoted the very talented Tracey Orr to the role of Chief Operating Officer, bringing her wealth of experience and sound judgement to our family of businesses. Louise McFadzean was promoted to the role of Chief Financial Officer, providing a high degree of technical expertise and governance to our Society. Our much-valued Society Secretary, Jim Watts, took on additional responsibility for our unique membership proposition. Our new Executive Team has been in place since September 2019.

The recruitment and development of our Senior Leadership Team was completed in early 2020. We have promoted a number of our high-potential colleagues while introducing new talent and skills to the Society. We have the team in place to fulfil the potential within each of our businesses with a focus on driving productivity and profitability.

Our performance over the past 12 months can be characterised in two halves. The first half of the year was steady with an uncertain economic environment due to Brexit, a Competition and Markets Authority investigation into the funeral market and a Financial Conduct Authority review of the sale of pre-paid funeral plans. Global, social and economic challenges including climate change and terrorism, along with a continually competitive market, continue to impact all of our businesses.

The second half of the year saw significant improvement particularly in our food business. We introduced a number of tactical sales initiatives, including seasonal activity and outdoor selling, generating incremental sales and profit. This strong trading saw the Society outperform sales in the overall convenience market.

We have tried a few new things during the year to position ourselves at the heart of the communities we serve. Being a good Co-operative neighbour has improved the look and feel of our stores, using local materials, opening up the windows to let in more natural light to create a better environment for our colleagues, Members and customers. We have improved the facilities with indoor and outdoor seating, great toilets, baby changing and feeding areas, free water refills, cycle repair stations and improved ranges. We also trialled cross-marketing activity featuring our travel business in our food stores.

Over the coming year we will continue to invest in new stores together with a major refurbishment programme aimed at improving our best-performing existing stores.

During the year and after very careful consideration, we announced the strategic disposal of a number of food stores. The sale of three large supermarkets will strengthen the Society's asset base and the sale of 12 loss-making stores will improve our long-term profitability. We worked hard to ensure that our colleagues retained their jobs as part of the sales or were redeployed in our Society.

Our investment property estate continued to support the overall financial strength of the business via planned disposals, securing planning consent on strategic landholdings and the completion of new commercial and residential lettings.

The Society's total gross sales (excluding VAT), rose by 2.7% to £893m (2018/19: £869.9m). Trading profit of £17.5m was ahead of our annual budget target although was marginally lower than the prior year (2018/19: £18.1m).

Our operating profit of £15.5m shows a healthy improvement over the prior year (2018/19: £11.9m), with the increase principally reflecting the impact of a one-off exceptional pension scheme past service cost charged in the prior year.

Strong cash generation from our trading activities of £33.3m (2018/19: £28.6m) enabled capital expenditure of £22.1m (2018/19: £28.7m), which included the opening of 10 new food stores, two new funeral locations and significant refurbishment activity across the business.

The Society's net debt position of £16.1m at the year-end (2018/19: £20.6m) is well within our long-term funding facility.

The Society's net assets of £191.7m decreased by £24.4m compared to the position at January 2019 (£216.1m), which was largely attributable to a £29.9m increase in the net pension liability, and primarily driven by an adverse movement in the external measures used to place a value on the pension scheme's liabilities.

Our Co-operative difference is what sets us apart from other organisations.

We have a great team, an excellent Board and strong business. We will focus on delivering outstanding co-operative solutions across our family of businesses realising the full potential of our assets while meeting the Society's obligations.

Debbie

Debbie Robinson
Chief Executive





Our Food Business



Our Co-op Difference

Free water refills, indoor and outdoor seating and even specialist dog stops were just some of the major new features that have been rolled out as part of our ambitious new store and refit growth strategy.

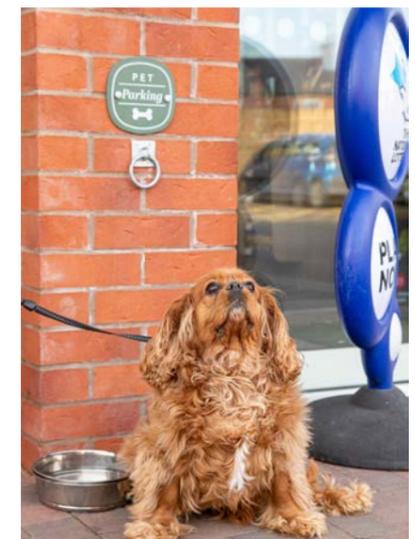
As part of efforts to firmly establish our stores as being hubs for the community, new and revamped sites across our trading estate have been given a major overhaul during the past 12 months.

Customers and Members visiting the new-look stores are greeted with a natural looking store entrance and

specialist community artwork designed by local schoolchildren to showcase the heritage and importance of the location.

Other benefits include a phone charging areas, customer toilets and even, in some locations, a public use bicycle repair station.

Stores also feature an expansive range of products, fitted out with pioneering new energy efficient refrigeration technologies and LED lighting to minimise environmental impact and food bank collection points to support people in need.



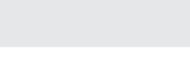
Our Funeral Business



2 New Funeral Openings



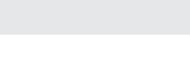

132 Funeral Homes








Gross Sales
£39.9m
(excluding VAT)



848 Colleagues
2018/19: £41.8m

13,974 Arrangements
2018/19: 14,858

Our Co-op Difference

Bretby Crematorium sits at the heart of our Funeral business and the past 12 months saw it receive a major facelift.

The crematorium is made up of two chapels, each with a separate area and covered floral tribute area.

The grounds are maintained as natural woodland, with no plaques, memorial stones or rose beds, and are open to families 365 days a year.

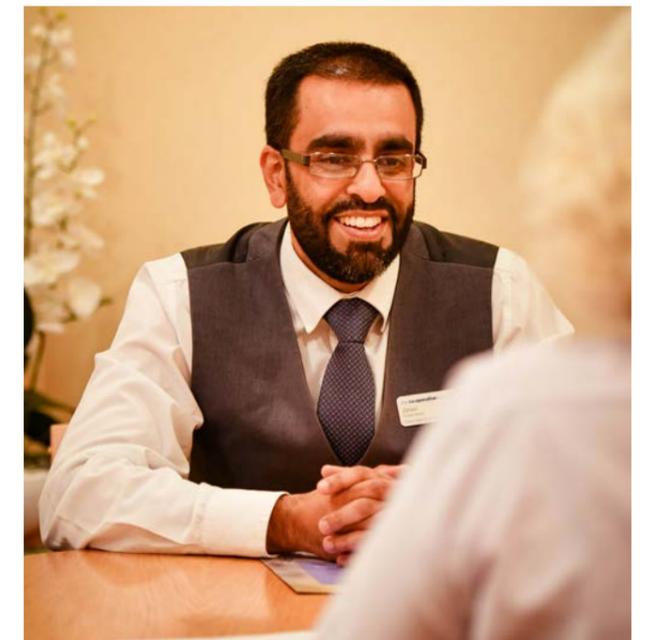
The venue now offers a vastly superior environment for those who have lost a loved one including internal and external refurbishment and new seating following a near £100,000 investment.

We feel the improvements to the crematorium reflect our commitment to providing excellent standards of care for our families during their time of need and also demonstrate how we can help people say goodbye to their loved ones in a way that is personal to them.

Bretby Crematorium provides a peaceful haven for quiet contemplation and remembrance and all of these improvements will ensure that our families can come together to say goodbye in the very best surroundings.

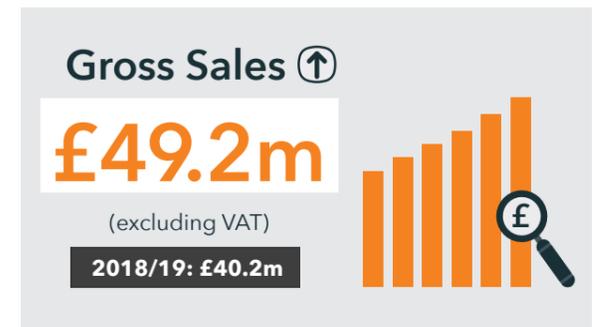
Three new colleagues have also been welcomed at the facility, with the full-time Crematorium Assistants employed from the local area in response to the increased demand for unattended funerals at the crematorium.

The funerals offer a dignified cremation without family or friends in attendance for people looking for a simple and cost-effective send-off.





Our Travel Business



Our Co-op Difference

Our dedicated and knowledgeable Travel colleagues showcased the Co-operative spirit following the sad closure of major holiday firm Thomas Cook.

They worked around the clock to help holidaymakers impacted by the end of the 178-year-old firm to ensure they were fully supported and informed about the plans in place to arrange their safe return home, as well as offering expert advice and support.

As an independent travel agent our priority was always to ensure that all of our customers abroad on holiday were returned safely to the UK and we are pleased to say that all 247 were able to get home safely as part of Operation Matterhorn.

We also worked, for several weeks after, to make sure that anyone with booked holidays was supported and still got to enjoy their planned holiday in some way, shape or form.

We also opened the doors of our shops to Thomas Cook employees to allow them to look for jobs and update and print their CVs.

The past 12 months saw our Travel and Food businesses work together on two exciting cross-marketing activities. Graham Stafford won a £10,000 dream holiday and Laura Davey and her family are heading to Lapland thanks to two special competitions during summertime and Christmas.



Investment Property

Our Co-op Difference

Our property strategy is a key part in helping us to grow and strengthen the business.

A great example of our ongoing success working with our commercial estate management partner Colliers International is two brand-new units created alongside our Petrol Filling Station in Alfreton, Derbyshire. We are pleased that Scarsdale Vets has taken a lease on one of the units, highlighting the positive work we can do in utilising existing space within our business and work with exciting partners.

We also transformed a former Travel Shop in Anstey, Leicestershire, to create a new unit now let to QD Stores, and demolished a former garage and bungalow at Stowupland, Suffolk, to help with the major redevelopment of our onsite Petrol Filling Station and to build a new Food Store on the same site, in a project worth over £1.4 million.

We are pleased to report a total of 50 new commercial and residential letterings during 2019, generating total annual rental income of over £594,000 and resulting in approximately 86% of the Society's property portfolio being occupied at the end of the year.

The Property Team has also been able to generate funds to reinvest in the Society's capital investment programme by selling six sites identified following a review of trading performance. Contracts were also exchanged on the sale of a further nine stores which completed in the first part of 2020, including the disposal of three supermarkets.

We are also excited by our work to make the most of our land assets and subsequently completed the sale of 28 acres of farmland at Raunds, Northamptonshire, to building firm Bowbridge Homes, which will help create 215 new homes and affordable housing, a new nursing home and commercial space (see image below).

Looking ahead, the Property Team will continue to focus on maximising the value of the property portfolio and the management of various development opportunities to support the wider Society's long-term aims and objectives.



Rental Income

£8.7m



2018/19: £8.7m

Investment Property Valuation

£130.6m



2018/19: £133.1m



properties let to tenants



Our revamped £1.4 million Petrol Filling Station and Food Store, in Stowupland, Suffolk



Scarsdale Vets now occupies one of two retail units behind our Petrol Filling Station, in Alfreton, Derbyshire



Our former Travel Shop, in Anstey, Leicestershire, has been converted and let to QD Stores



Corporate Responsibility



Our pioneering food redistribution project with FareShare Midlands has seen over **one million meals handed out to people in need** during the past 12 months



Over **£1.3 million** raised by colleagues, customers and Members for our corporate charity partner **Dementia UK** since the partnership began in August 2017



Over **12,000 toys** were shared out across **20 charities and good causes** following our first-ever Christmas Toybox Appeal

SAY NO TO PLASTIC BAGS!

We stopped selling single-use carrier bags and saved **12 million pieces of single-use plastic** as a result



Our continued effort to **reduce our impact** on the environment has seen our

carbon footprint fall to

61%

(since 2010)



Awarded

3

Carbon Trust Standards for reducing its **carbon emissions, waste and water** use for the

THIRD TIME

proud to support
time to change

let's end mental health discrimination

Continued training of colleagues across the Society in mental health first aid to underline our ongoing commitment to tackling this vital issue

Our Co-op Difference

In 2019, we embarked on a pioneering project aiming to help prolific shoplifters turn their lives around.

We linked up with West Midlands Police to support a unique project aiming to have a long-term impact by helping the offenders rehabilitate and transform their lives while also reducing crime.

James Kelly and Paul Brookes took the opportunity to join the Offender to Rehab programme which aims to give them the support they need to turn their backs on crime. James and Paul between them carried out nearly 200 known offences - including shoplifting - and served several prison sentences, all to sustain their heroin and crack cocaine addictions.

Paul and James have now successfully completed their programmes, at Livingstone House, a residential drug and rehabilitation programme in Small Heath, Birmingham, and have been clean for nine and seven months respectively.

The two men are now in aftercare in dry houses and are enjoying working on their relationships with their families.



Membership & Community

Our Members and the communities we trade in are vital to the success of our Society. By continuing to shop with us, our Members allow us to invest back into our trading estate, support Member groups and fund local good causes via our Community Dividend Fund.

Our approach to supporting our Members and our communities is underpinned by five key themes



Encouraging Member participation



Health & wellbeing



Education, culture and recreation



Food poverty



Engaging young people



We operated a full and successful programme of Member groups, classes and educational visits during the year.

The Society organised two unique events during the past 12 months aimed at shining a light on female equality and empowerment and raising awareness around the challenges that men face in the modern world.

The Co-operative Women's Voices Event saw prominent women come together to take part in a range of seminars, workshops and roundtable discussions tackling a range of subjects.

Our Men's Voices Event took place at Burton Albion's Pirelli Stadium and featured workshops on subjects including mental health, physical health and lifestyle.

The continuing importance of Co-operative values and principles and Fairtrade were showcased by a wide range of activities and projects including both Co-op and Fairtrade



During 2019, we awarded £180,000 in Community Dividend Fund grants to 115 local groups and good causes, reminding our Members that shopping with the Society allows us to reinvest part of our trading surplus into supporting our communities.

Our Member and Community Relations Officers (MCRO) and Membership and Community (MCC) members also teamed up with the Co-op Party to highlight the issue of food justice and campaign for change at Greenbelt Festival, in Northamptonshire.



Aside from our direct work to address the issue of people in need via our food bank campaigns, we also hosted a conference in the East Midlands bringing together key figures from food banks, credit unions and local authorities to look at how greater co-operation could help in the fight for food and finance justice.

Speakers included the Society's President Elaine Dean and Chief Executive Debbie Robinson, while our Vice-President Jane Avery, Tim Adkin from Action Homeless, Councillor Sam Webster from Nottingham Credit Union and Nigel Adams from Hope Nottingham Food Bank also took to the stage to speak on a variety of issues on the subject.



We continued to take part in several events throughout the year designed around helping to target and educate 15 to 17 years olds about the importance of Co-operatives.

The Co-op Masterclasses revolved around the business case for co-operatives and involved asking students to identify if there was a gap in the market for co-operatives for young people.

We saw colleagues from across Central England Co-operative and MCCs donate their time to help youngsters come up with ideas for their own co-ops.



As food retail sits at the core of our trading objectives, we truly understand the need to highlight health and wellbeing.

Our commitment is highlighted by the fact that we have put over 6,000 youngsters through one of our Healthy Choices Workshops, led by our MCROs and MCCs.

Equally as important was an extraordinary project that worked to bring two generations together for a multitude of benefits.

The Joining the Generations project saw children from Little Stars Nursery in Melton Mowbray make weekly visits to nearby Gretton Court Care Home for inspiring sessions of intergenerational play.



Colleagues enjoy serving our communities

Our Colleagues

Our Co-op Difference

To support our colleagues in developing the right skills, knowledge and behaviours to succeed in their roles and progress in their careers, we continue to invest in learning and development, providing a blended approach of learning interventions.

A major area of learning in 2019 was to support the implementation of our workforce schedule and management system 'Our Time' in our food stores, together with helping our colleagues embrace the new ways of working. Recognising the important role of leaders in enabling change and transformation, our 'Leading For Our Future' programme concluded during the year and the skills developed by the 300 leaders were critical in the successful delivery of Our Time. This innovative programme was externally recognised at the Training Journal awards, achieving a silver award for 'Best Leadership Development Programme'.



£725,000
awarded



to colleagues in our
Colleague Share of the Profits

49

with a further

51

colleagues
achieved an **apprenticeship**
over the past 12 months



now **working** towards
qualifications in a range
of **different areas**

72
colleague
mental health
champions

continue to
raise awareness,
signposting
colleagues that
need assistance
and **advocating** for
wellbeing

Long service
celebrations recognised

66
colleagues with a
combined
service
length of

2,195 Years

were honoured for long
service milestones of

30 & 40
Years

Silver Award in the
Training Journal
Awards 2019 for
'Best Leadership
Development
Programme'



Executive Pay

The Board's long-standing approach is to manage executive pay in a fair and responsible way and ensure that reward is aligned to the performance and values of the Society.

Full details of the Society's Executive Pay arrangements are contained in our Annual Report and Financial Statements which can be found online at www.centralengland.coop/your-co-op/reports-accounts

Measuring our Co-op Difference

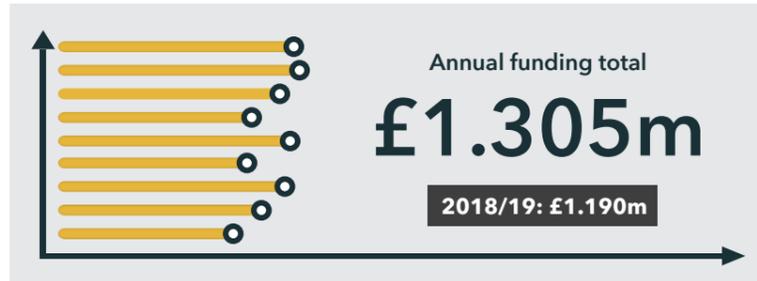
This is a snapshot of the involvement of Members in our Society, our environmental impact and our community and co-op investments - all important elements of being a Co-operative and help showcase our co-op difference.



Members shopping with the Society is key to us being able to reward our Members and reinvest in our business and our communities



This is then used to fund community and Co-operative affairs ranging from our Community Dividend Fund, supporting other co-ops and raising money for charity



Members taking part in Society democracy is a vital part of our values and principles



We work hard to engage with colleagues to ensure they are satisfied via regular surveys



Environmental impact is of major importance to our Members and customers and an area that runs through all of our businesses



A range of speakers gathered together at our Co-operative Women's Voices Event

Group Income Statement

For the 52 weeks ended 25 January 2020

	2020 52 weeks £'000	2019 52 weeks £'000
Gross Sales (including VAT)	987,067	961,403
Less Value Added Tax	(94,052)	(91,503)
Gross Sales (excluding VAT)	<u>893,015</u>	<u>869,900</u>
Turnover	843,030	827,804
Cost of sales	(600,215)	(589,488)
Gross Profit	242,815	238,316
Administrative expenses	(228,034)	(223,400)
Other income	2,764	3,184
Trading Profit	17,545	18,100
Loss on disposal of fixed assets and businesses	(436)	(1,920)
Impairment of fixed assets	(574)	(1,152)
(Loss)/Profit on revaluation of investment properties	(1,185)	2,671
Exceptional items	115	(1,467)
Exceptional pension scheme past service costs	-	(4,327)
Operating Profit	15,465	11,905
(Loss)/Profit on financial assets at fair value	(67)	11
Interest and dividends receivable	109	225
Other finance costs	(4,073)	(5,955)
Interest payable	(4,584)	(4,179)
Profit before tax and payments to and on behalf of stakeholders	<u>6,850</u>	<u>2,007</u>
Payments to and on behalf of stakeholders	(3,215)	(3,536)
Taxation	(197)	(2,502)
Retained profit/(loss) for the financial period	<u>3,438</u>	<u>(4,031)</u>

Group Statement of Financial Position

As at 25 January 2020

	January 2020 £'000		January 2019 £'000	
Fixed Assets				
Intangible assets		21,014		22,246
Tangible assets		408,761		416,898
Investments		155,023		150,614
		<u>584,798</u>		<u>589,758</u>
Current Assets				
Stocks	36,610		37,301	
Debtors: due within one year	33,605		32,325	
Debtors: due after one year	22,308		17,741	
Cash at bank and in hand	16,024		11,452	
	<u>108,547</u>		<u>98,819</u>	
Creditors: Due Within One Year				
Creditors	(104,065)		(102,169)	
Borrowings	(237)		(43)	
	<u>(104,302)</u>		<u>(102,212)</u>	
Net Current Assets/(Liabilities)		4,245		(3,393)
Total Assets Less Current Liabilities		<u>589,043</u>		<u>586,365</u>
Creditors: Due After One Year				
Creditors	(217,309)		(216,840)	
Borrowings	(31,889)		(32,007)	
		<u>(249,198)</u>		<u>(248,847)</u>
Provisions for liabilities and charges		(8,482)		(11,652)
Net pension liability		(139,689)		(109,783)
Net Assets		<u>191,674</u>		<u>216,083</u>
Capital and Reserves				
Share capital		22,848		23,863
Non-distributable reserve		26,006		29,558
Revenue reserve		142,820		162,662
Members' Funds		<u>191,674</u>		<u>216,083</u>

The full version of the Society's Annual Report and Financial Statements, for the year ended 25 January 2020, is available at www.centralengland.coop

Group Statement of Cash Flows

For the 52 weeks ended 25 January 2020

	2020 52 Weeks		2019 52 Weeks	
	£'000	£'000	£'000	£'000
Net cash generated from operating activities		33,266		28,618
Cash flows from investing activities				
Disposal of investments	-		(3,162)	
Proceeds from disposal of tangible assets	3,715		4,549	
Purchase of tangible assets	(17,331)		(26,812)	
Interest received	109		225	
Purchase of business	(2,632)		-	
Net cash flows used in investing activities		(16,139)		(25,200)
Cash flows from financing activities				
Draw down of bank loans	11,000		13,000	
Repayment of bank loans	(12,000)		(9,000)	
(Decrease)/Increase in share capital	(1,216)		(200)	
Interest paid	(841)		(754)	
Pension deficit funding	(9,420)		(6,407)	
Repayment of finance lease obligations	(78)		(154)	
Net cash flows used in financing activities		(12,555)		(3,515)
Net increase/(decrease) in cash and cash equivalents		4,572		(97)
Cash and cash equivalents at beginning of the period		11,452		11,549
Cash and cash equivalents at the end of the period		16,024		11,452

Independent Auditors' Statement

Independent Auditors' Statement to the members of Central England Co-operative Limited

We have examined the summary financial information included within the Annual Review 2019/20 (the 'Annual Review') for the year ended 25 January 2020, which comprises the Group statement of financial position as at 25 January 2020, the Group income statement and Group statement of cash flows for the year then ended.

Respective responsibilities of the directors and the auditors

The directors are responsible for preparing the Annual Review, which includes information extracted from the full consolidated Annual Report and Financial Statements of Central England Co-operative Limited for the year ended 25 January 2020.

Our responsibility is to report to you our opinion on the consistency of the summary financial information, included within the Annual Review, with the full Annual Report and Financial Statements.

This statement, including the opinion, has been prepared for and only for the Society's Members as a body and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this statement is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Basis of Opinion

Our examination involved agreeing the balances disclosed in the summary financial information to the full Annual Report and Financial Statements. Our audit report on the full Annual Report and Financial Statements describes the basis of our opinion on those financial statements.

Opinion

In our opinion the supplementary financial information is consistent with the full Annual Report and Financial Statements of Central England Co-operative Limited for the year ended 25 January 2020.

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory auditors
Birmingham

30 April 2020



Registered Office: Central House, Hermes Road, Lichfield Staffordshire WS13 6RH

Registered society under the Co-operative and Community Benefit Societies Act 2014.
Registered No 10143R

Designed and produced by:

Central England Co-operative

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