

Chief Executive's report to members September 2011

As the directors have said it has been, and continues to be a challenging year not just for this society but for everyone. We have yet to experience the effects of the changes in Penrith where we will see Sainsbury and Booths open within a week of each other and we shall be monitoring these events closely, at the same time concentrating on our core values of great customer service, quality products and value for money. Our non food business is performing well and the increased range has been well received.

Our store in Keswick has served the society well for many years and is in dire need of a major refurbishment, this is currently in the planning stage but we aim to deliver a quality shopping environment equal to the best in the business to meet our members and customers needs in Keswick whilst giving our staff a pleasant store in which to work, which is something that they currently do not have and their efforts to maintain standards as best they can are appreciated.

All stores are now on our new EPOS system that was introduced late December 2010 and we are seeing some of the benefits coming through especially in stock holding levels. There are many additions to the system and we hope to move forward with them shortly the collection of dividend information is one of them and that will address many complaints from members over our existing out dated method.

We have during the past few months been concentrating on integrating our IT systems which will enable management in planning the future needs of the society. Matching this with our retail data we can track our progress and better forecast future events. Using this information the directors are able to challenge our actions and monitor our performance. We have made a quantum leap in many areas over the last nine months and we shall see the results of that investment over time.

We support our smaller stores in rural areas and value the custom of our members in trading with us helping in many cases to keep the only store in the area open. Our home delivery operation is well used but we are wary of increasing costs so we are asking customers to help us maximise these vehicles by increasing their shopping baskets which will allow us to maintain this free service.

Members can be assured that the society's management and store teams will endeavour to serve their needs to the best of our abilities.