

MONTHLY REVIEW

BDO CHARITY RETAIL SALES TRACKER

April 2019

24 May 2019

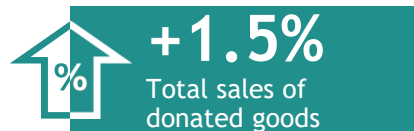


CHARITY RETAILERS BUCK THE TREND ON THE COMMERCIAL HIGH STREET

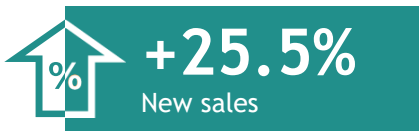
CHARITY



April 2018: +2.6%



April 2018: +2.1%



April 2018: +6.0%



April 2018: 29.2%

CHARITY RETAILERS

Charity retailers significantly outperformed their peers on the commercial high street this month, with total sales up by +2.3% off of what was already a strong performance last year. This came amid two long Bank holiday weekends and generally unremarkable weather conditions, despite bouts of glorious sunshine. Medium-sized retailers reported the strongest performance this month, bucking the trend observed in recent months. Larger-size retailers, meanwhile, recorded weaker results for donated goods, which dragged on their overall sales.

Performance across the board was strongly driven by sales of New Goods, which several charity retailers highlighted this month. With several retailers reporting the opening of new shops, the future seems bright - but with some commenting on the difficulty to recruit volunteers, staffing levels appear to remain a challenge to look out for.

COMMERCIAL

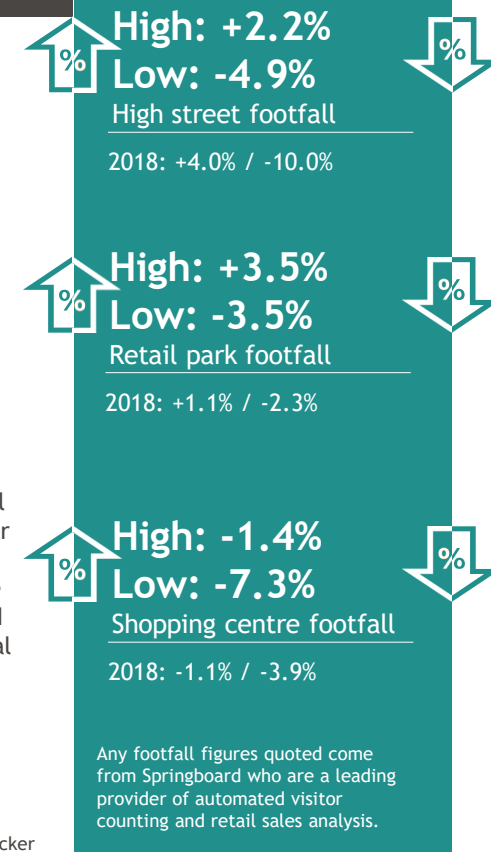


April 2018: -3.8%

COMMERCIAL RETAILERS

In-store LFLs saw a further decline of -0.4% from an already poor base of -3.8% for April last year. The result marked the third month of negative in-store LFL sales this year after recording an increase in March, though one that was unable to offset a brutal base from last year. With Easter coming slightly later this year and coinciding with record temperatures there was good reason to expect a boost for in-store sales at a critical time, but this proved to be limited in another month of fluctuating weather and political conditions. While consumer purchasing power has seen gradual improvement, reports also indicate personal finances continue to be a concern for consumers and, for businesses, the prolongation of Brexit is a challenge to long-term planning.

*Source: BDO High Street Sales Tracker
www.bdo.co.uk/sectors/retail-and-wholesale/high-street-sales-tracker



INDIVIDUAL CHARITY'S LIKE-FOR-LIKE GROWTH (APRIL 2019)

VERY LARGE CHARITIES (301+ SHOPS)	Charity	Total sales	Total sales of donated goods	New sales	Gift aid conversion rate	Comments
	B	+6.22%	+2.71%	+83.18%	46.00%	Note that dates for the sales reported do not match the calendar month.
	C	+2.31%	+2.01%	+8.81%	36.09%	This month's highlight was high levels of donated goods, while gift aid sign ups were a challenge.
	BB	+1.04%	-2.30%	+40.17%	32.09%	This month's highlight was the level of New Sales. Note that dates for the sales reported do not match the calendar month.
	H	+0.99%	+0.48%	+5.52%	29.46%	
	F	-0.41%	+1.29%	-15.10%	45.75%	Note that dates for the sales reported do not match the calendar month.
LARGE CHARITIES (101-300 SHOPS)	Charity	Total sales	Total sales of donated goods	New sales	Gift aid conversion rate	Comments
	W	+2.15%	+0.74%	+56.73%	8.85%	Note that dates for the sales reported do not match the calendar month.
	A	-0.57%	-2.39%	+12.86%	34.44%	This month's highlight was a strong new goods performance, while footfall was a challenge.
	T	-0.94%	-4.07%	+31.79%	17.43%	
	L	-0.98%	-0.99%	+7.14%	41.59%	This month's challenges were theft and staffing levels. Note that dates for the sales reported do not match the calendar month.

INDIVIDUAL CHARITY'S LIKE-FOR-LIKE GROWTH (APRIL 2019)

MEDIUM CHARITIES (21-100 SHOPS)	Charity	Total sales	Total sales of donated goods	New sales	Gift aid conversion rate	Comments
	FF	+8.21%	+8.17%	+17.50%	32.85%	
	N	+7.13%	+6.02%	+101.86%	31.78%	This month's highlight was the opening of a new shop.
	V	+4.97%	+4.85%	+7.32%	29.85%	
	U	+4.75%	+4.76%	+3.51%	38.78%	
	O	+2.50%	+2.50%	+2.86%	33.20%	This month's challenges was the weather, Note that dates for the sales reported do not match the calendar month.
	CC	+0.62%	+1.13%	-37.88%	25.38%	This month's highlight was the preparation for new shop openings. Staffing levels were a challenge this month.
	AA	-0.55%	-1.54%	+82.03%	34.59%	

LIKE-FOR-LIKE GROWTH BY RETAIL CHAIN SIZE

LFL SALES GROWTH	Retail chain size	Total sales	Total sales of donated goods	New sales	Gift aid conversion rate
	Very Large	+2.03%	+0.84%	+24.52%	37.88%
	Large	-0.08%	-1.68%	+27.13%	25.58%
	Medium	+3.95%	+3.70%	+25.31%	32.35%

LFL GIFT AID GROWTH	Retail chain size	Number of retailers/ individual stores	Total sales	Retail gift aided sales as a proportion of total sales of donated goods (gift aid conversion rate)		
				Average	Lowest	Highest
	Very Large	5/2,972	+2.03%	37.88%	29.46%	46.00%
Large	4/605	-0.08%	25.58%	8.85%	41.59%	
Medium	7/230	+3.95%	32.35%	25.38%	38.78%	

HOT TOPICS - TAX

The 2019 Finance Act has just been passed by Parliament and so for charity shops using the Retail Gift Aid scheme this Act removes the requirement for charities to write to their donors where their donated goods raise less than £20 per year; replacing it with a requirement to write every 3 years. The change is effective from 6 April 2019, so the first tax year impacted will be the year ending 5 April 2020. Therefore, the letters that charities will need to send out for the year ended 5 April 2019 will be unchanged from prior years. From a practical perspective, it might be appropriate to consider including an additional sentence in this year's letters to explain the change for subsequent years.

This report has been produced in association with the Charity Retail Association (CRA). The CRA is the only membership body in the UK that represents the interests of charity retailers. We have more than 390 members, running more than 8,900 shops between them.

The CRA produce a separate Quarterly Market Analysis report and specialist reports (e.g. on volunteers, salaries, selling prices, sources of stock, rag prices, etc.); which provide detailed retail benchmarking data for charities of all sizes. Please contact Olaia Alamos Castresana for further details: olaia@charityretail.org.uk

MONTHLY LIKE-FOR-LIKE RESULTS - LAST SIX MONTHS

LFL Growth	Nov*	Dec	Jan	Feb	Mar	Apr
New Sales	-3.71%	+5.56%	+30.02%**	+6.99%**	+20.30%	+25.52%
Total Sales of Donated Goods	+3.17%	+5.44%	+5.26%	+7.78%	+11.05%	+1.46%
Gift aid Conversion Rate	29.03%	28.18%	+30.26%	30.41%	30.67%	32.38%
Commercial High Street (stores)	-2.6%	-1.9%	-0.2%	-3.7%	+4.8%	-0.4%
Total Sales	+2.98%	+5.99%	+6.08%	+7.24%	+11.13%	+2.34%
Population						
Number of retailers/ Individual stores:	17/3,920	18/3,903	17/3,872	17/3,659	16/3,817	16/3,807
- VL	5/3,016	5/2,981	5/2,971	5/2,972	5/2,971	5/2,972
- L	4/606	4/608	4/606	3/373	4/602	4/605
- M	8/298	9/314	8/295	9/314	7/244	7/230

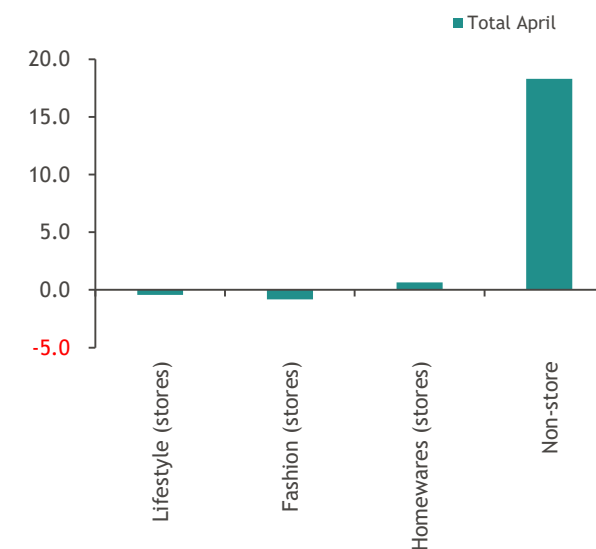
*November figures are updated and re-stated.

**Figure re-stated excluding extreme value (medium-sized charity)

ANNUAL MONTHLY ROLLING LIKE-FOR-LIKE RESULTS 2019: CHARITY VS. COMMERCIAL RETAILERS



BDO HIGH-STREET SALES TRACKER LIKE-FOR-LIKE RESULTS APRIL 2019



FURTHER INFORMATION:

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