

## Christmas card sales - comparison with National Benchmarking Survey information

The NBS figures indicate that, where charity shops sell Christmas cards, such sales represent 7.5% of the value of other shop sales.							P15
Expected total sales of CFCT shops (excluding Christmas cards)					£423,000		P23
Therefore, expected value of CFCT Christmas card sales would be:					£31,725		
					At £1.25 per pack	25,380 packs	P34
	Director's estimate (corrected)			Estimate based on NBS information			Page ref.
	No. of packs	Price per pack	Value	No. of packs	Price per pack	Value	
		£	£		£	£	
<b>Sales</b>	32,000	1.2500	40,000.00	25,380	1.2500	31,725.00	P28 & P34
<b>Cost of sales</b>	31,500		35,486.25	24,000		27,705.00	P29
	500	0.9825	491.25	1,380	1.0375	1,431.75	P29
	32,000		35,977.50	25,380		29,136.75	
<b>Gross profit</b>			4,022.50			2,588.25	
<b>Less surcharge and interest cost</b>			-783.78			-634.75	Below
<b>Profit net of surcharge and interest</b>			3,238.72			1,953.50	

## Surcharge and interest calculations - order based on NBS information

	Payment with order	Payment on delivery	
	£	£	
Amount of outlay	29,136.75	29,136.75	P29
Amount of surcharge	-	437.05	
Outlay plus surcharge	-	29,573.80	
Interest rate	4.0%	4.0%	P3 App D2
Assumed financing period (days)	244	61	
Interest cost	£779.11	£197.70	
Surcharge and interest cost	-	£634.75	

Therefore, if an order is placed with Posh Cards, it should remain beneficial to stipulate delivery in September and accept the cost of the surcharge.

<b>Profit if sales were 10% below the NBS level</b>	Packs	Selling price	£
Gross profit, as above, based on 25,380 packs sold			2,588.25
Reduction in sales (10% of 25,380 packs)	2,538	£1.25	-3,172.50
Revised gross profit (LOSS)			-584.25
Surcharge and interest cost, as above			-634.75
Revised profit after interest cost (LOSS)			-1,219.00
Note: cards that remain unsold after Christmas usually have to be scrapped and the value written off.			
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