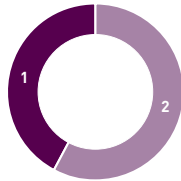
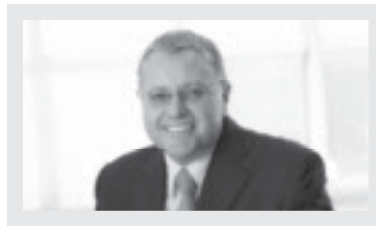


1. Stock & inventory systems & services

Revenue £26.5m



2. Professional business services



Trevor Heyburn
MD Venners

VENNERS

Venners is the longest established and the largest stock audit company in the hospitality sector.

Physical stocktaking has always been at the heart of what we do. Over 90% of our employees, 170 people, are skilled stocktakers and they conducted over 23,000 audits in 2008. But technology is also changing the way the industry operates. We are adapting our processes to take advantage of the latest developments.

Our VenPowa software gives customers the ability to assess and manage their own stock levels. It is helping to cement our relationships with customers who require both interim and regular audits. During 2008, we adapted this software to make it available in the pub sector, not just to managed groups but also to individual landlords.

RFID and automated stock management techniques can play an important role in managing stock levels, but there is no substitute for independent, authoritative

stocktaking. Skilled stocktakers pinpoint stock losses and sub-optimal stocktaking practices that get missed by automated processes.

In tough times there is a temptation to save costs by reducing the frequency of visits, but the truth is that regular external audits are self-financing.

We have been working hard to communicate the quality and value of the services we offer. We maintain a high profile as an industry expert through a regular column in *The Publican* and frequent contributions in trade magazines and at industry conferences.

Many of the gastro-pubs, which came on the scene when the smoking ban was introduced, had little experience of food preparation. Our food safety consultancy was set up to help them comply with the legislation. This business has developed rapidly: in 2008 it became the core of our new Health and Safety Division. The division extends our food safety offering to include health and safety and fire risk audits.

A new Consultancy Division is bringing together our expertise in managing stock levels. We are advising clients to a new level, helping them to better manage their businesses by developing in-house stock management capabilities.

Major new clients in 2008 included 3D Entertainment, Sodexo Defence, Enterprise Inns and Select Service Partners. We were also appointed to broking panels by Batemans and Hall & Woodhouse.

Early in 2009, Pommy Sarwal, one of our Christie Group Non-executive Directors, was appointed our Chairman. Looking ahead, we plan to build on the success of VenPowa. The next generation product will have radically enhanced management reporting. We will be investing in IT systems to support our compliance and health & safety products. We will also be focusing on training to ensure that every one of our stock auditors gains certification to our BII accredited standard.



→ **Daily grind**

A major coffee retailer was flummoxed by the apparently poor returns at one of its major outlets. **Venners** decided to complete a line by line sales analysis, to identify losses through poor grinds, staff consumption and pilferage. The losses were staggering – 35 kilos of coffee a month – equivalent to over 5,000 grinds. With an average price of £2.00 per cup, the cash being haemorrhaged was colossal. The retailer was fairly content with his profit previously but delighted once he closed these loopholes.



↑ **Outsource is the best source**

A major hotel company, which conducted internal stocktaking, appointed **Venners** to look after a portion of its estate. Within four months **Venners** showed that using an external provider had: increased the gross profit by up to 2.4% in 86% of the hotels (worth circa £96,000); reduced the stock deficits in 71% of the hotels (annualised to approximately, £250,000) and reduced allowance claims in 57% of the hotels – proving that external controls and stocktaking deliver big results.