

ScS reports first half losses despite pleasing winter sale performance

Retail park furniture seller ScS says orders have picked up in recent months but lag below last year's high levels following post-lockdown demand.

The North East-based plc reported first half results to January 28 in which it said overall order intake was down 4.7% and underlying pre-tax losses were £4.7m, compared with £5.6m the year before. Investors were told the performance was in line with a typical year for ScS, with spending on marketing in the first half to prepare for the busy winter sale period.

Gross sales grew 5% to £154.9m and the firm said like-for-like order intake momentum has continued in recent weeks, following the period under review. Earlier this year ScS acquired modular sofa firm [Snug](#) out of administration and it now plans to open concessions within its stores, in addition to the brand's one Leeds site and existing concessions.

Read more: [Dawson and Sanderson says holiday bookings back on track as it narrows losses](#)

Two new stores in York and Swindon were opened last year bringing the brand's estate to 100 locations. Investment is planned to upgrade eight sites into ScS "concept" stores – a move which has been made in its Gateshead, Uddingston and Coventry stores, which had outperformed others since opening.

The firm also said it had launched a "declutter programme" with the aim to reduce the amount and size of point of sale materials and be more selective about its ranges on display. It said the move had led to an increase in display stock sales.

Steve Carson, chief executive officer of ScS, said: “The group made good strategic progress in the first six months of the financial year and continued to take market share. We are pleased with the strength of our winter sale performance and the subsequent increase in order momentum over the last two months.

“The macroeconomic environment continues to be challenging and we are mindful of the pressures faced by many of our customers. Therefore, continuing to focus on our value driven proposition is more important than ever so that everyone is able to create the home they love.

“The board continues to believe that progress with the group’s strategy, ongoing cost management and a robust balance sheet places it in a strong financial and operational position. The outlook, therefore, is positive and ScS remains on track to deliver full year profit before tax in line with market expectations.”

READ NEXT:

- [North East sees huge jump in insolvencies in February amid high profiles collapses](#)
- [Defence giant Lockheed Martin invests £150k solar power project with Northumbria University](#)
- [Company behind The Naked Deli liquidated amid ‘restructure’ that will keep three cafes open](#)
- [A0 boss John Roberts hands over 1.4 million shares to charity but share price drop hits donation value](#)
- [Read more North East business news here](#)