



The ANTWERP ARMS



ANTWERP ARMS ASSOCIATION LTD (The Society)

BUSINESS PLAN 2018-21

From Pub to Community Hub

The Antwerp Arms Association (AAA) was founded in 2013 to save and purchase a small heritage public house in Tottenham, London. The funds were raised through a share offer and a grant from the Social Investment Bank and in March 2015 the AAA took on the 'Annie' and opened it as North London's first Community Owned Pub. The AAA has 373 Shareholders who elect a small Management Committee at the AGM every September.

The AAA employs a full time Manager and eight part time Staff to run the operational side of the business. Volunteers help with community work, maintenance, and gardening. The Committee meets monthly and primarily oversees the strategic and community aspects which are:

- **To improve the local environment**
- **To increase employment opportunities**
- **To develop community cohesion**

In the last two years the AAA has developed partnerships with the Tottenham Hotspur Supporters Trust, Friends of Bruce Castle Park, Crutch Haringey, The Mayor of Haringey, Alzheimer's Society, Contact the Elderly, Well Communities, Mind in Haringey, Studio 306 Collective, and Collage Arts, to deliver these objectives. The AAA has also supported the establishment of 2 small catering businesses using our kitchen.

We offer services and facilities that are of need to our local community. In 2016 we started a partnership with Haringey Crutch (A Citizen's Advice Project) serving weekly lunches to local people in crises who struggle financially, mentally and socially. Every Tuesday, our free community lunch is a calming nutritious lunchtime treat that gives anxious, isolated people that are struggling, an opportunity to relax, meet and socialise with other people in our comfortable, friendly community hub. **To date we have served over 2,000 meals.** We have also recently partnered with the Felix Project, who provide free



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surplus food weekly, and the Cook Up project, who will be providing advocacy support. A small grant from Wells Community provided training for volunteers to participate in our garden project resulting in the construction of our beautiful edible garden which provides organic fruit and veg.

In September 2016 the Committee's proposal to expand the rear area of the pub to provide a community space was approved by the AGM and an application was made to the Power to Change for capital funds. A grant of £111,500 was awarded in April 2017. This comprises £95,000 capital; £12,000 towards a Community Engagement Officer Post and £4,500 for Stakeholder/Community Engagement Support. We also raised money from shareholders and suppliers. Building work was completed in late 2017, although there is some redecorating to do. The refurbishment provides more dining space which can accommodate our community projects, improved kitchen facilities, disabled toilets; disabled access and baby changing facilities.

Now that the pub is running smoothly, and Spurs return to White Hart Lane is imminent, the concerns of the committee should be directed largely to community activities. **Our fundraising events have raised £5000+ to date.** As we mentioned earlier, we are looking at the financial, legal and practical effects of taking on a tenant to run the commercial side of the Society.

As a Community Pub we are committed to having a friendly and welcoming place run for our community. Any tenant that we give a lease to must co-operate with the Society to further all our aims.

Community Activities

- Host a community lunch every Tuesday (organised and managed by Community Engagement Co-ordinator and Volunteers)
- Training Workshops 'How to build an Edible Garden', completed and maintained by volunteers
- Alzheimer's Society - Dementia Friends awareness session for staff and volunteers
- Contact the Elderly – friendship and conversation tea (starting in September 2018)
- AAA Annual Family Fun day and Fundraising
- Fundraising annual event by THST
- Annual events in partnership with Friends of Bruce Castle Park
- Tottenham Theatre Community play
- Art Exhibition to showcase local artist



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- Community Writers Group – ‘Tottenham Words’
- Craft groups
- Jamaican Independence Day annual fundraising event
- Tottenham Trees Launch Walk
- Tottenham Community Press Launch
- Tottenham Soundscape
- Annual Christmas Party for community lunch attendees and children
- Volunteer Food Hygiene training with accreditation
- Volunteer outings supported by time credits
- Volunteer Christmas meal
- Christmas carol evening with local community choir
- The Society sponsors monthly quiz and live music nights
- Regularly recruit volunteers who are compensated with time credits

With more space, and better kitchen and dining areas, we will be looking to increase trade. We hope many shareholders will come regular to eat, drink, and take part in our activities. We will continue to take party and business bookings. There will also be more room for Spurs home match days, when the club returns next season. We will also be redoubling our community effort and the Committee will continue to work with other local groups to form the Bruce Castle Heritage Area to improve the local environment.

Beyond this Year

In general, Monday to Thursday we will be concentrating on Community activities during the day, and sometimes in the evenings. Friday to Sunday the pub will be open all day to provide the commercial return that we need to keep going. The back of the pub will be used for charitable, community events, parties and food, which the front bar will remain the preserve of the local drinkers. Food hours will be increased, as demand is shown. We will continue to build on our Community responsibilities by:



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- **Looking to employ apprentices in the kitchen and the bar**
- **Adding more services for the socially disadvantaged, starting with a monthly tea party for the isolated elderly**
- **Finding more local suppliers**
- **Working to improve the local environment**

These objectives will have to be met in cooperation with a tenant if we appoint one. Any lease will contain comprehensive requirements to allow us to fulfil our aims and responsibilities.

Trading Activities

Spurs being away means that we have lost about a third of our turnover for the last financial year. It was difficult to cut costs significantly, so we made a loss, after two years of profit. Indeed, we had to spend additional money on marketing and promotion to get in more customers. This will mean employing outside consultants, possibly including companies in which directors may have an interest. We need to improve our website and social media offerings and advertise on banners and fliers.

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We can now concentrate on our long-term ambitions. The Committee will direct the trading for most, if not all, of this financial year. This is a heavy burden and may need to be compensated. For future years, we show figures with, and without, a tenant in place. We envisage granting a tenancy of not more than three years, with rent probably fixed as a percentage of turnover. Either way, there should be a good surplus for Shareholders and Community spending.

Financial Projections

Our financial projections show that turnover in the current financial year should be about £320,000 (including food) – more than last year's figure. However, the start of the year has seen only small retained-profits for two months and two months with a trading loss, as annual fixed overheads became due. This is despite having increased sales for England World Cup matches. Wastage is being reduced by a new pipe-cleaning regime.



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We have not raised our prices for 2 years, but our overheads and wage costs have increased. To ensure we have retained profit at the end of each month we will be raising our prices by 3% in September and again by 3% in January. Now that the return of Spurs is not expected until the end of October, the full benefit of these increases will be further delayed. Events such as a quiz night and Karaoke generate between £300-£400 in increased sales. We are planning to have these as regular events, but they have not been included in the forecasts until they are an established feature. Wayne's food is popular, and he has been turning over approximately £2,200 a month. We envisage this rising on match days, selling approximately 40 meals at about £5.00 each. Currently we are not charging rent as he has been establishing his business, but we are looking to phase rent in during 2019.

The building works have created an increase in capacity and the addition of extra pumps. We have estimated an increase growth of 5% due to these improvements. As a consequence, we foresee a small net-profit of £9,600 by the end of the year. This will increase in the 2019-2020 financial year, as we will have additional months of football trading. The projections on the next page assume that we either manage the pub beyond next April, or that we let it to a tenant as of 1 May. As you can see, we would have to give up a significant share of future profits to a tenant. This reflects the value of the work being done by volunteers: the equivalent of at least one if not two full time positions. The figures are only indicative but are conservative rather than optimistic.

Dividends

As there is only likely to be a small profit for this financial year, a dividend on qualifying shares of 3% might be possible. The following financial year shows a net profit of £35,700, (which will be greater still if regular events succeed in generating sales). Dividends of 4% would cost approximately £6,000. There may also be a surplus to start redeeming shares – we could buy back up to 10% of the outstanding capital each year if there is enough money in hand.



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ANTWERP ARMS ASSOCIATION LTD - FINANCIAL PROJECTIONS 2018-2021

£,000	MANAGEMENT				£,000	TENANCY			
	2017-18	2018-19	2019-20	2020-21		2017-18	2018-19	2019-20	2020-21
Turnover	217.4	319.5	374.7	377.2	Tenant's Turnover		374.7.0	377.2	
Gross Profit	148.8	204.7	238.9	240.2	Rent (at 10% say)		37.4	37.7	
Wage Costs	100.5	112.0	112.1	112.4	Provision for Building				
Overheads	62.3	61.9	63.6	65.9	Repairs		7.5	8.0	
Furniture & Fittings	7.3	13.7	20.0	20.0	Net Profit		29.9	29.7	
Provision for Building					Community Benefits		10.0	10.0	
Repairs	9.3	7.5	7.5	8.0	Interest on Shares (4% say)		6.0	6.0	
Grants	1.0	0	0	0	Corporation Tax (19%)		2.6	2.6	
Net Profit	-29.7	9.6	35.7	33.9	Retained Earnings		11.3	11.1	
Interest on Shares (say 3% subsequently 4%)	0.0	4.5	6.0	6.0					
Corporation Tax (19%)	0.0	0.0	5.6	5.3					
Retained Earnings	-35.0	5.1	24.1	22.6					

Michael Hodges, Treasurer, Ian McLaren, Secretary, 17 August 2018