

The Woolwell Centre – The Next Six Months

June – December 2020

Introduction

The Woolwell Centre (WWC) is the focal point of the local community. In normal circumstances it is well utilised and held in high esteem by members of the Bickleigh Parish many of whom attend its numerous functions, enjoy food & beverages in the café, or whose children attend its AM/PM club.

Purpose of this Document

- To provide high level facts and details concerning the current financial state of the WWC due to the COVID-19 Pandemic, subsequent lockdown and cessation of trading on 23 March 2020.
- To inform the council what has been done to minimise ongoing costs by the WWC so far, prior to approaching the council for financial help.
- To demonstrate that, without the financial help of Bickleigh Parish Council, the WWC will not survive the current financial crisis.

Key Facts

- Prior to the COVID-19 lockdown, effective from 23 March, the projected income from all sources was £274,538 for 2020 with a projected expenditure of the same amount as, due to charitable status, the WWC does not make a profit, all money received being ploughed back into the business.
- As of the start of Lockdown the bank balance of the WWC was £2,346.91. It is normal for the bank balance to be low at this time of year.
- The WWC furloughed all staff, except the Centre Manager, from April 2020 and made the first claim under the Job Retention Scheme for April 2020 wages. This included zero hours contracted staff. As of the date of this document all staff, except for the Centre Manager are still furloughed.
- A bill from HMRC for £5611.74 was received in March for Employers Tax and NI contributions.
- The WWC received a Central Government Retail & Hospitality grant of £25,000 in April which brought the bank balance to £19,707.41 after essential expenditure.

Effect of Lockdown on the WWC

- When the lockdown was announced the WWC had to close and all ongoing bookings were lost and income was reduced to zero overnight.
- All suppliers demanded payment of outstanding bills. Most of these have been put on payment arrangements.

- All creditors of the WWC were approached for payment. All monies have been collected where possible.
- All monies taken for deposits for functions, bookings or AM/PM club have been retained to be used up when the cancelled bookings finally go ahead.

What the WWC as done to raise money/mitigate costs

- All sources of grants have been explored including:
Charitable Aid Foundation – grant applications suspended, still monitoring
District Council Grant - WWC does not qualify
Government Hospitality & Retail Grant – WWC successful
All Supermarket Grant Schemes - WWC unsuccessful
All Bank Grant Schemes – WWC unsuccessful
- Due to its articles as a charitable trust the WWC cannot borrow money so is unable to take advantage of any government loans schemes currently available to businesses.
- Difficult decisions have been taken and staff numbers will be reduced at the end of June by 1 full time member of staff and 2 part time members of staff. These staff members are not counted in any of the calculations used in this document.
- All zero hours contract staff will be pulled back from furlough at the end of June and reverted to their normal contracts, with no work available. This will save the WWC from having to contribute to their furloughed wages from August.
- In reality this means staff totals have reduced from 22 to 7 – 2 full time and 5 part time.

Situation as of 15 June 2020

- As of 15 June, no date for reopening has been officially received, however it is anticipated this will be sometime during July or early August.
- Staff costs for the WWC for the next six months - £42,351.91 see **Appendix 1**
- The WWC's operational outgoings for the next six months - £25,404.12 see **Appendix 2**
- Value of current bookings from September to December - £28,669 see **Appendix 3**
- Current bank balance as of 15 June 2020 £19,164.92 (*approx. £4754 ring fenced ongoing for contracted staff wages as Job Retention Scheme grant repays wages already paid*)

What the figures mean

£25,404.12 +
 £42,351.91
£67,756.03 Total anticipated outlay July – December 2020
 £28,669.00 +
 £19,164.77
£47,833.77 Bookings for Sept – Dec + current bank balance + AM/PM
 +
 £ 6,000.00 Next instalment of WWC annual grant from BPC (see page 4)

£53,833.77

£67,756.03 - £53,833.77 = **£13,922.26** Potential deficit in the WWC's finances from June to December 2020.

PROPOSAL

The Centre has had enquiries for further bookings from September onwards but only firm commitments have been included.

1. **In the first instance we would ask that the £6,000 grant (due 1/10/20) to be paid early on 1 July to get WWC Covid Ready for reopening.** (see Appendix 2 – July expenditure column).

The following requests are a worst case scenario, a failsafe, which we are asking to be approved to cover the potential deficit in the WWC's finances as detailed on bottom of page 3.

2. **£7,000** to be paid 1 September when AM/PM club & existing bookings start.
3. **£7,000** to be paid 30 October dependant on bookings received.

If the WWC receives further income bookings then the amount in figures in 2 and 3 will be reduced accordingly.