



**SOUTHWOLD AND WAVENEY  
VALLEY  
REGENERATION SOCIETY LTD**

**BUSINESS PLAN**

5 March 2019

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## Executive Summary

Southwold and Waveney Valley Regeneration Society Ltd (SouthGen) is a charitable community benefit society with an asset lock whose profits must be reinvested in the community.

The Management Committee represents the area's diversity and brings together a mix of knowledge and skills vital to the project delivery. It is supported by a full time Project Administrator and a group of over 40 volunteers.

Southgen partnered with Hastoe Housing Association to become the first community group in England and Wales to buy back from the NHS a decommissioned community hospital and recycle it for new public uses that promote the sustainability of a rural area on Suffolk's East Coast.

Thanks to its partnership with Hastoe, SouthGen was able to acquire a 999-year leasehold for a peppercorn rent on 914.1 square metres of the site for the cost of the planning permission, legal fees and an advance to Hastoe of £80,000 to pay for construction costs. These costs have been capitalised on the balance sheet.

SouthGen obtained planning permission for nine affordable dwellings and a community hub. SouthGen is responsible for developing and managing the community hub.

The value of SouthGen's leasehold when the site is redeveloped will be £545,500.

Hastoe is responsible for developing the affordable housing. Four of the Hastoe units will be for social rent at a very affordable rent that is based on 80% of the average Waveney District rent. Hastoe will manage the rental units.

The remaining five dwellings will be for shared ownership. SouthGen is working with Hastoe and Waveney District Council to obtain a change in government regulations to ensure that the shared ownership cannot eventually be sold as market dwellings.

Before obtaining planning permission, SouthGen's predecessor community group (SOS) conducted a comprehensive, inclusive and community-led feasibility study, which concluded that the most appropriate uses for the community hub would be to provide a modern home for Southwold Library (whose long term lease is coming to an end in 2022), a nursery, a co-working space, and a farm to fork café.

The library's proposed lease will be for 50 years for 109 square metres of rentable space at a starting rent of £69/square metres.

SouthGen itself will manage the nursery and co-working space; the café will be let to a tenant that shares SouthGen's community and environmental sustainability vision. These three businesses will generate sufficient income to help subsidise the library's long-term affordable lease.

The Old Hospital is in a Conservation Area. The redevelopment scheme restores the locally listed building and preserves and enhances the Conservation Area. The scheme will have high environmental sustainability values. The ungainly front porch extensions are being demolished and replaced with a wildlife friendly garden that enhances the streetscape.

SouthGen acquired the site in March 2018 and began raising money immediately to pay for non-build development costs and build costs, largely through grant applications. So far, it has a 100% track record in making successful grant applications – six out of six, including highly competitive national grants funded by the Power to Change (Big Lottery).

SouthGen's 2018 end of year accounts show an income of £102,960.27 (chiefly from grants), an after-tax profit of £75,590, and net assets of £74,502.

SouthGen's projected total development cost for the period 2019 through end of 2020, when the hub will become operational, will be £725,420, including capital expenditure, professional fees, a contingency fund and revenue costs.

The funding package to meet the development costs is based on SouthGen achieving its minimum share target of £125,000 and obtaining a match funding investment of £100,000 from the Community Share Booster Programme (CSBP), which has already given SouthGen a grant of £10,000 to develop its share offer.

The majority of the rest of the funding package is made up of £331,343 in grants from Community Business Fund and the New Anglia LEP, and a commercial loan of £150,000. If SouthGen succeeds in achieving its maximum share offer target of £250,000, the loan will not be necessary.

Southwold's financials are predicated on conservative modelling. Based on this modelling, SouthGen community share offer will be able to pay interest at 4% per annum, beginning in June 2022.

SouthGen's commercial strategy is based on maximising crossover trade between the hub users, the draw of a high-quality renovation of an historic building, low rents and rates, a mixture of rental and fee income, low maintenance and utility costs, and a favourable location near other community facilities and only a five-minute walk from the Town Centre.

SouthGen has done extensive market research which supports that there is demand for the services offered by the community businesses.

The nursery will have 17 full time places and will operate 51 weeks of the year from 8 am to 6 pm. It will be open to children from the age of two months to five years old. It will be the only childcare provider in the area that provides comprehensive care to match the working hours of parents in this age range.

The co-working space will have up to 30 desks, super-fast broadband, and two conferences rooms that can provide up to 12 spaces. It will be modelled on Indycube, a community benefit society that originated in Wales and recently opened a co-

working space in outer London. The East Suffolk Growth Plan, Southwold Neighbourhood Plan, and the Southwold Coastal Community Team Economic Plan all identified a need for flexible, affordable workspace for self-employed people and micro-businesses. SouthGen's research revealed that there is no provision for co-working space in the 10-mile area (20-minute drive) around Southwold.

SouthGen's analysis of the local hospitality offer shows that there is a niche for a café whose offer prioritises local people over tourism. The café will have a learning environment and support local food production. It will be linked to a Young Growers' Programme, run by SouthGen, to train young people in market gardening. The café will have 35-50 covers and an equivalent number in the garden in front of the café. The rent will be £12,500/annum initially. SouthGen will use an independent panel of experts in the Suffolk farm to fork sector for a public tender to recruit the right tenant.

Construction is projected to begin in April 2019 and conclude in August-September 2020, with the hub opening in October 2020.

SouthGen's financial modelling projects retained losses in the first 15 months of business (October 2020 – December 2021), and then gradually increasing profits in 2022 and 2023. By the end of the 2023, the hub will have a retained profit of £46,669.

## Introduction

This business plan is part of SouthGen's Community Share Offer to raise money to finance the development of a community hub in the Old Southwold and District Hospital.

It explains the history of this pioneering project, which began as a grass roots campaign to save an iconic civic building from demolition and redevelopment as luxury housing.

It explains how the building will be used in the future to provide community services and how the community hub will be financially sustainable in the long term.

It is written in plain English to be accessible to everyone. We have put technical detail into appendices, which are signposted by footnotes in the text.

We hope every investor will review this business plan carefully and find it an informative and enjoyable read.

## Inspired By History, Designed For The Future

On 23 March 2018, SouthGen became the first community group in England and Wales to buy back a decommissioned community hospital from the NHS.



Figure 1 Completion Date, 23 March 2018

This historic event in the life of a remote rural area on the East Anglian coast was the result of a textbook community organisation campaign. We coupled public meetings, political lobbying, local authority support, and media pressure with a sophisticated understanding of planning policies.

The first step in the campaign was Southwold Town Council's application to have the hospital designated an Asset of Community Value (ACV). The CCG had announced a consultation on closing it. The community saw the writing on the wall.

This happened at a time when our popular library faced the prospect of losing its 50 year lease whose end date was December 2017. (It was subsequently renewed for five years to give Suffolk County Council time to find an alternative.) With limited community space available in the town, there was concern that the library might be closed. The ideal place to rehome the library was the hospital.

At a Town Council meeting in February 2016, the Town Clerk announced that hospital had received ACV status. But in the very same breath, she reported that the NHS was going to appeal. There was an audible gasp in the packed Chamber.

The Town Council resolved to fight the appeal, which it did robustly, eventually winning the case. It also asked the community to form an independent group to carry out a feasibility study into making a bid to buy back the hospital.

## The Feasibility Study: Inclusive, Comprehensive, Community Led

In May 2016, over 200 residents attended a public meeting at St Edmunds Hall and unanimously voted to form a community action group, Save Our Southwold Hospital (SOS), to undertake the feasibility study. Over the course of the next year, SOS raised nearly £18,000 and obtained grants of expert help from the Plunkett Foundation and Prince's Regeneration Trust.

The feasibility study obtained answers to seven questions:<sup>1</sup>

1. How does the community want to use the hospital in the future?
2. What are Southwold and Reydon's regeneration needs?
3. Which 'uses' would work together?
4. What mix of uses would be potentially financially sustainable?
5. Who buys, owns and manages the building?
6. How to find the money to buy the land?
7. How to finance redevelopment?

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<sup>1</sup> It also researched whether there were any restrictive covenants that would prevent the NHS selling the site for market housing. The answer to this was "No."



The first step was to issue a questionnaire; 254 people responded. SOS also met with numerous stakeholders, business experts, and civic groups to learn their views, and gather information.

## Feasibility Study

### Inclusive & comprehensive



Community Questionnaire: 250 responses	Southwold Town Council Neighbourhood Plan Team	East Suffolk Economic Development Team
Plunkett Foundation	Hastoe Housing Association	Waveney Local Planning Authority
St Edmunds Church	Prince's Regeneration Trust	WDC Housing Authority
Access Community Trust	Community Land Trust East	Resonance Social Enterprise Finance
Southwold &Reydon primary schools	WDC Strategic Director	Gt Yarmouth and Waveney CCG
Tech East	White Space	Oxford Innovation
Base Point	Minehead Development Trust	Sole Bay Surgery
Voluntary Help Centre	Suffolk Library Service	Suffolk County Council
Rosebud	Tech East	Southwold WI
New Anglia Local Enterprise Partnership	Friends of Aldeburgh Hospital	Community Hospital Association

The feasibility study took 8 months to complete. The key outcomes are set out below.

- Over 90% of responses to the questionnaire supported using the Old Hospital as a new home for the library. The next highest preferred uses were for business space, training, a nursery, community space. Less than 10% wanted to use the hospital for clinical purposes or as a care home. <sup>2</sup>
- The NHS ruled out selling back the hospital for clinical purposes or its use as a care home. However, it did support using the building for well-being services that would reduce demand on the NHS.
- Suffolk County Council would consider moving the library to the Old Hospital provided the rent was affordable, but it would not contribute to the cost of building a new library.
- Southwold and Reydon has an elderly population and a very high percentage of housing stock (including new build) that is being used as second homes or for holiday letting. This is driving up housing prices and making the area unaffordable for young people.
- Young people feel disaffected and invisible. Many want leave the area to improve their prospects, but some would prefer to stay if they could find affordable housing and meaningful work.
- There is a lack of affordable, flexible business space for self-employed people and micro-businesses, which are the backbone of East Suffolk’s economy.
- In the area, there is a shortage of nursery places, in particular for children

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<sup>2</sup> See Appendix 1 for an analysis of the results of the questionnaire.

- aged two months to two years that match the working hours of parents.
- High land values translate into high rent and rates in Southwold's Town Centre, which are driving out independent businesses.
  - Local businesses support the retention and expansion of community facilities in the town because these increase year-round footfall – the full time population of Southwold is now so diminished that the seasonal highs of tourism no longer compensate for the lows.
  - The best vehicle for buying the land, raising the capital and managing the site would be a charitable Community Benefit Society. In February 2017, SOS registered SouthGen as a Community Benefit Society.<sup>3</sup>
  - Partnership with a housing association could generate the money to buy the land and provide expertise in development.

SOS had seen housing associations in action in the area. It was particularly impressed by Hastoe Housing Association, which specialises in community led development on rural exemption sites, has high environmental sustainability standards, and a reputation for innovation. SOS travelled to London to meet Hastoe's CEO and Finance Director. SouthGen returned home with an agreement in principle that Hastoe and SouthGen would sign a Service Level Agreement. The key terms were that SOS would obtain planning permission for the site, Hastoe would pay the fees and absorb the cost if SOS was not successful in making a bid, and if SOS did convince the NHS to sell, SOS would repay Hastoe.

In April 2017, SouthGen convened a public meeting. This time over 300 people piled into St Edmund's Hall to learn the outcomes of the feasibility study. BBC East covered the meeting live.

SOS had commissioned Modece Architects of Bury St Edmunds to draw up plans for affordable housing and a community hub. These were on display. SouthGen explained the uses proposed by the feasibility study, and its plan to raise part of the finance for the project by issuing community shares. Hastoe explained the affordable housing elements.

Questions were taken and answered. A resolution was put to the audience. Did the public want SouthGen to proceed on the basis of the feasibility study's outcomes to negotiate with the NHS to buy back the site? The community gave a unanimous green light.

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<sup>3</sup> Our governing Rules, which are based on Plunkett Foundation Model Rules, are attached as Appendix 2. SouthGen subsequently converted to a charity. Section 9 sets out our charitable objects.

## Buying the Site

On 23 March 2018, SouthGen and Hastoe bought back the from NHS the former Southwold and District Hospital. The purchase made front-page headlines in local media and was reported on BBC East.

**Eastern Daily Press**

**SOUTHWOLD**

**RESIDENTS**

**BUY OLD**

**HOSPITAL**

**SITE**

The purchase was achieved through three simultaneous back-to-back property transactions:

1. The NHS sold SouthGen the freehold for the site.
2. SouthGen sold the freehold to Hastoe Housing Association for £935,000, which SouthGen immediately paid to the NHS.
3. Hastoe gave SouthGen a 999-year lease for a peppercorn rent for 814.1 square metres on the ground floor of the Old Hospital.

The value of SouthGen's lease, after development, is £545,500.<sup>4</sup> The areas outlined in red on the plan below belong to SouthGen.

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<sup>4</sup> Mark J. Sargeantson FRICS, a consultant at Fenn Wright, prepared the valuation. <https://www.fennwright.co.uk/about-us/our-people/mark-sargeantson/>. His pro bono services were obtained courtesy of a grant from Suffolk Community Action Pro Help.

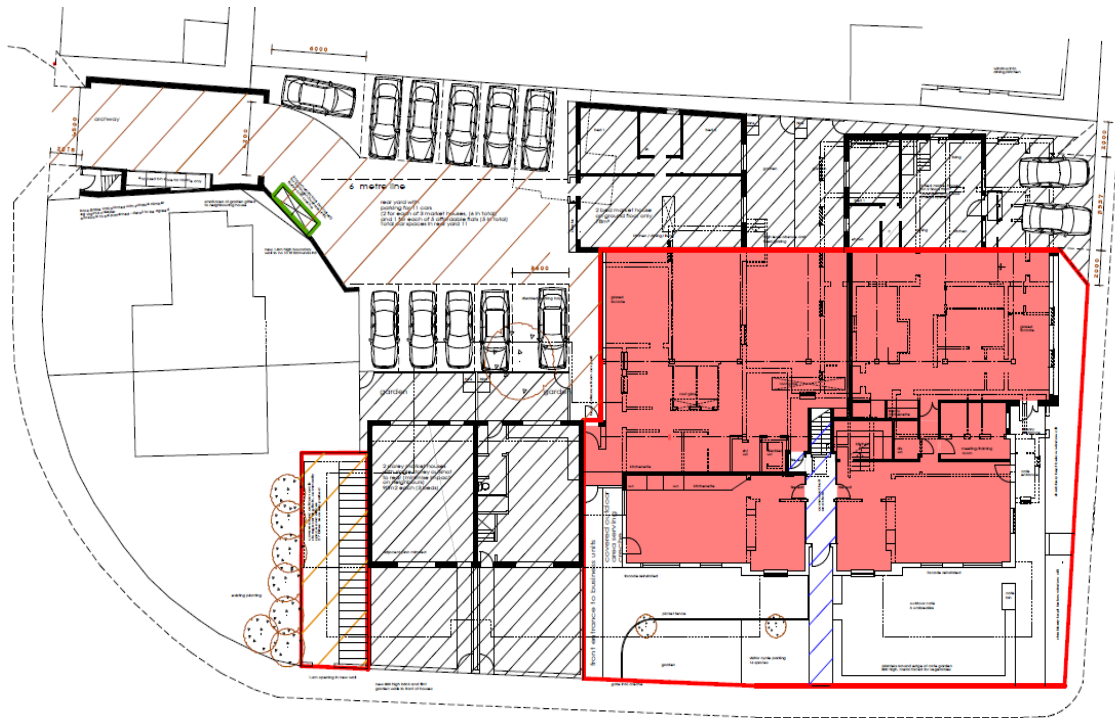


Figure 2 Map of SouthGen 999-year leasehold area

## Continuing Community Engagement

Since April 2017, SouthGen has:

- Held seven fundraising/information events;
- Gathered more detailed information on the facilities community members would like to see in the Old Hospital;
- Held three focus groups<sup>5</sup> and a volunteer's event;
- Published articles regularly in the local print media;
- Expanded its use of social media to include frequent postings on Facebook, Twitter, Instagram, LinkedIn and Next Door.
- Developed a database of 479 people who have expressed an interest in buying community shares;
- Sent its database members regular updates by email or by post.

SouthGen's first regular monthly newsletter, to be published in March 2019, will be distributed on-line and in local shops and community facilities.

In February, Community Organisers Ltd (<https://www.corganisers.org.uk/>) delivered a free two-day training workshop to SouthGen's management team and volunteers. We are the first Community Benefit Society in the country to apply community organising tools to the enlistment of new members in the Society.

<sup>5</sup> See Appendix 3 for the outcomes of community consultation events.

SouthGen has a growing list of over 40 volunteers who have shared expertise, brainstormed ideas, gardened, cleaned, collected, carried, transported, demolished, built, decorated, cooked, donated, entertained, served, bought, bid, sold and helped deliver this project in many other ways.

## The Redevelopment Scheme

### Restoring a Heritage Site

The Old Hospital is a locally listed building, in the Conservation Area, and part of the setting of St Edmunds Church, a Grade I listed building. SouthGen’s brief to Modece was to demolish all of the later extensions and create low scale and unfussy modern additions to make the restored historic building the focal point of the street scene.



Figure 3 Plan of Old Hospital, 1898



Figure 4 The Old Hospital shortly after it opened in 1903.



Figure 5 Existing building. Photograph by Rod Tassamini, October 2018.

The front ‘porch’ extensions are being removed and replaced with wildlife friendly gardens that will include growing boxes and fruit trees.

The new development has other environmentally sensitive features.

- Solar panels (concealed from street view in the south facing roof of the social housing above the co-working space) to generate electricity for the hub;
- Electric car charging points for residents;
- A covered bicycle shelter for up to 27 cycles and a shower in the co-working space to encourage people to cycle to work;
- A buggy shelter;
- A public drinking fountain & water bottle refill station.



Figure 6 Visualisation of the Old Hospital when the development is completed

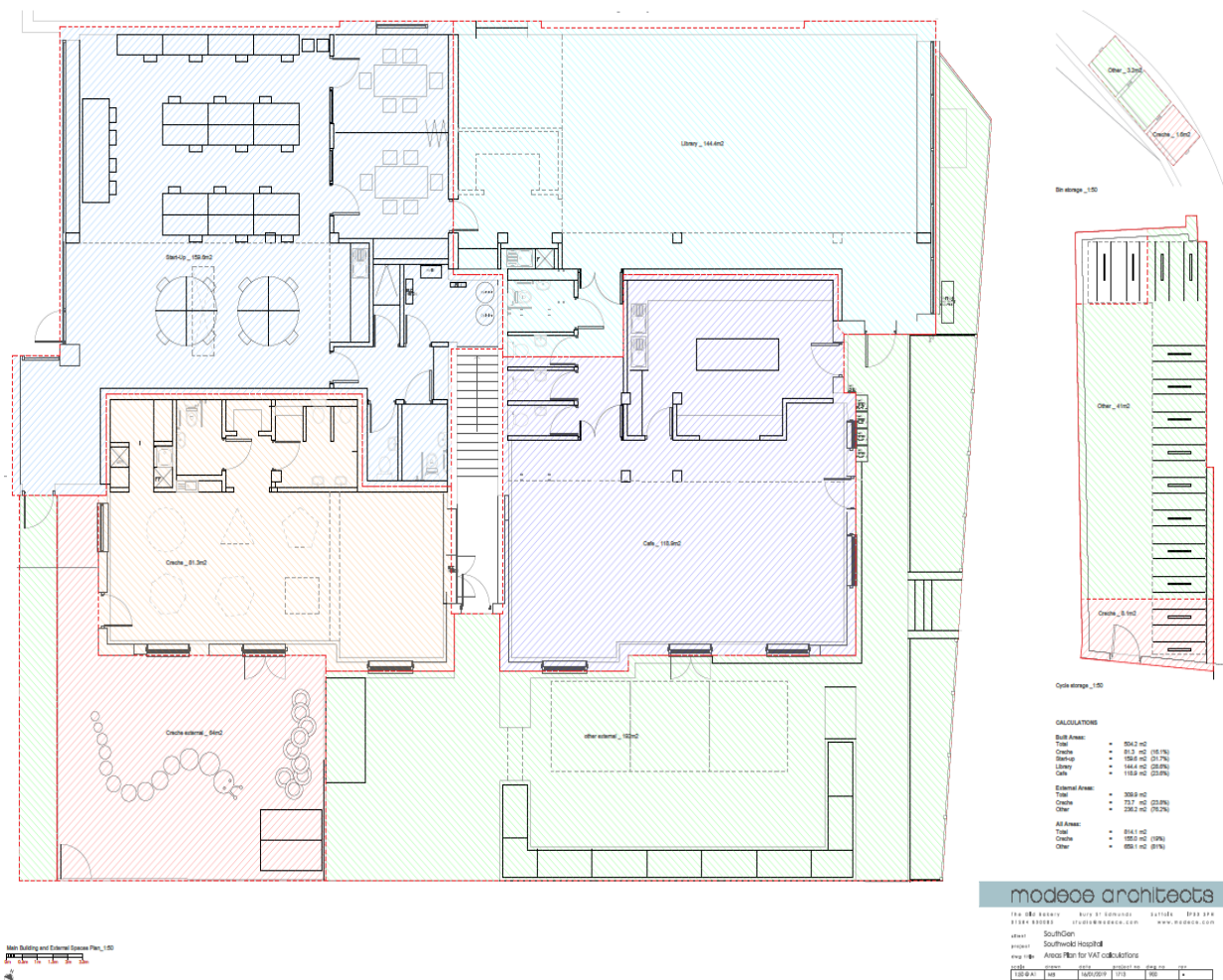
### Flexible, Integrated, Multi-Use Space

The hub is divided into four areas that are physically or functionally integrated.

The nursery is physically separate, with its own entrance, but it will use the café for children’s meals and the library.

On weekends and weekday evenings, the nursery will convert to a public space that can be used for classes, events and other activities.

The library, café, and co-working space connect with each other so that users can walk from one space to another during library opening hours.



## The Hastoe Affordable Housing

The Modece design includes 9 affordable dwellings that Hastoe will build and manage.

- Four flats above the community hub. These are for social rent at prices linked to the Waveney Valley average rent.
- A two bedroom flat for shared ownership on St Edmund's Road above the entrance to the scheme's car parking area.
- Four shared ownership houses including a fully disability compliant bungalow.



SouthGen is working with Waveney District Council to obtain a change in government rules to prevent shared ownership housing from being sold on as market housing.<sup>6</sup>

## The Southgen Community Benefit Society

### A Charity

SouthGen is a charitable community benefit society with a geographic area aligned to the catchment area of the Old Hospital, which cared for patients living within a 13-mile radius of Southwold.

SouthGen's charitable objectives, set out in the Society's Rules, are broad. They include:

- Providing affordable housing and affordable work space, buildings and land to create jobs and training
- Providing, maintaining and improving public amenities including childcare
- Preserving buildings or sites of historic or architectural importance
- Providing an inclusive place for community association, social welfare and wellbeing programmes
- Advancing education and training opportunities, particularly for the unemployed.

Like any other charity, SouthGen has an asset lock and all profits must be reinvested for the public benefit. However, because it is also a community benefit society, SouthGen's members (shareholders) decide how best to use profits to achieve its charitable objects. This could involve investing in socially beneficial projects developed by SouthGen such as paying for internships or apprenticeships for local young people or it could involve making donations to other local charities. Whatever the decision, it is made transparently and democratically at the Annual General Meeting, whose minutes will be posted on the SouthGen website.

### A Management Committee with a Mix of Skills

The founding members of SOS formed SouthGen and became its first Management Committee.

The current Management Committee consists of six people who are a diverse group with a mix of skills and knowledge whose common denominator is a commitment to making the project happen. They have created within the Committee a problem-solving, respectful culture which values everyone's contributions. Collectively, they have a mix of skills and knowledge essential to this phase of the project – legal, negotiation, research, business planning, fundraising, start-up businesses, community knowledge, public relations, media, communications and marketing. They are:

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<sup>6</sup>Rural areas can be identified as Designated Protected Areas (DPAs) under the Housing (Right to Enfranchise) (Designated Protected Areas) (England) Order 2009. DPAs make it less likely that shared ownership homes in England will be lost to the private sector.

- Jessica de Grazia Jeans, Chair. Jessica is a retired barrister who specialised in prosecution and advised nationally and internationally on improving the institutional capacity of police and prosecutors to investigate complex crime. She understands how to influence government bodies to obtain good outcomes for the community. Jessica has lived full time or part-time in Southwold since 1987. Her children attended local nursery and primary schools.
- Duncan Cardwell, Vice Chair. Duncan is Chief of Growth at Adnams Plc and also serves on its Executive Committee. Duncan's business experience spans the tech sector, start-up companies, logistics, bricks and mortar retail, and E-commerce. Duncan thinks outside the box to find innovative solutions. Duncan has three children and commutes to the Adnams Distribution Centre daily from his home in Norfolk.
- Charlotte Brown, Secretary. As an insurance loss adjuster, Charlotte's career has taken her all over the world investigating catastrophic accidents in the oil and gas sector. Until recently, she was a Board Director at Matthews Daniel, a small company of specialist energy loss adjusters. Charlotte retired recently to Southwold and has thrown herself into the life of the area, using her skills to help individuals and local charities. She brings to the Management Committee a meticulous eye for detail, and an understanding of business and corporate risk and corporate governance. Her role as Secretary includes relationship manager with grant bodies and business planning lead.
- David Burrows. Dave, who was born and raised in Reydon, brings to SouthGen drive, enthusiasm, expertise in the construction sector, and commitment to community. He is Southwold Town Crier and recently founded a Cubs division of the Sole Bay Junior FC Cubs. Dave rose from local "brickie" to project manager for a major construction company before moving to the UAE where he served in senior management roles in multi-national companies in the Middle East oil and gas sector. After returning to his Reydon roots, he started up Pegasus Solutions to provide facilities to the offshore energy and construction industry. Dave, who has three small children, fully understands the issues faced by local businesses and young families.
- Martin Culwick, Treasurer. Martin is a well-known face to local residents from his years working at Lloyds Bank in the Market Square and then H.A. Adnams on the High Street, and also his long record of community service. For 20 years, Martin kept the books of the Southwold Sailors Reading Room and was secretary to the Southwold Lions for three years. In retirement, he is a driver for the Voluntary Help Centre and serves as SouthGen's Treasurer. Martin's meticulous record keeping and his patience in negotiating the online world of HMRC and banking make him a huge asset to SouthGen.
- Nicola Jopling. Nicola, who is currently employed as a Digital Consultant at GroupM, has 19 years' experience in the world of advertising. She has led the strategic communications planning for some of the world's most high-profile brands. She holds a Cannes Media Lion for her creativity. Nicola, who lives in London, is a frequent visitor to Southwold; her extended family owns a second home around the corner from the Old Hospital. When Nicola learned of the project, she volunteered to help with SouthGen's marketing and

communications strategy for shares. Nicola brings to SouthGen the perspective of the visitor and second homeowner who think of Southwold and Reydon as their second community.

The Management Committee is supported by volunteers with expertise in childcare, hospitality, delivery of co-working space, marketing and sales. Its Project Administrator is Phoebe Dunning, who grew up in Halesworth, attended Bungay High School and graduated from Plymouth University.

## Members

SouthGen is a values-led, members-based business. Investors in its share offer will also become members, who will guide the direction of the Society, both through their votes on key decisions – such as who serves on the Management Committee – and how to spend profits for the benefit of the community. Members are also customers of the businesses, who can help “quality control” SouthGen services to ensure a high standard. Finally, members provide the skills and resources to make the Society a success as a business and charity.

SouthGen has a Membership Strategy, which explains how the Society grows, maintains and engages its members fully in the work of the Society. It reflects SouthGen’s core values of innovation, inclusiveness and openness. It also helps SouthGen stay true to these values.<sup>7</sup>

## Southgen’s Business Strategy

The hub is a community business that will generate revenue from two income streams – rent from the library and café (which SouthGen will lease to a tenant) and profit from the nursery and co-working space, which SouthGen will manage directly using paid staff. (SouthGen anticipates that within five years of opening the hub, it will have generated 35 new jobs for Southwold and Reydon.)

SouthGen intends to use volunteers for programmes that deliver its charitable objectives and as experts on an advisory panel to help manage the businesses.

The hub will cater to local needs but also take advantage of income generating opportunities created by the area’s visitor economy.

SouthGen has identified specific commercial strengths that it intends to maximise.

- The complementary uses of the hub and the advantages of crossover trade.
- High quality space at affordable rents.<sup>8</sup>
- A unique venue created by the building’s history, built character, and the gardens.
- 80% charitable reduction in rates.
- Use of solar-sourced electricity to reduce substantially utility bills (only the

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<sup>7</sup> See Appendix 4 for the Membership Strategy (2019).

<sup>8</sup> SouthGen will be able to offer high quality space at affordable rents because it did not pay ground rent and is raising a substantial percentage of its capital finance through grants.

café will use gas).

- Minimal maintenance and repair costs for the first 20 years.
- A favourable location with a higher density of full-time residents, and close to the High Street, the Adnams shop, Southwold Primary School and pre-school, St Edmund's Church, Tibby's Green (a popular children's play ground), and the Southwold Arts Centre.
- Town Centre signposting to the library.
- Location of a Visitor Information Point in the library.
- Passing trade on Field Stile Road, a route linking the Town Centre and beach.

Parking is an issue for any new business in Southwold. SouthGen has asked Suffolk County Council to turn the ambulance bay into three disabled/short stay parking spaces on Field Stile Road. Outside the tourism season, there is on street parking availability on Cautley Road, Field Stile Road and Hotson Road. There is also a small short-term off-street parking area next to Tibby's Triangle. For co-working users, SouthGen is seeking to rent a small block of parking spaces from either the Millennium Foundation or the Common Trust.

## Southgen Staff

### Southgen Central

SouthGen will employ two people to be responsible for the hub and SouthGen administration.

### Project Administrator/Southgen Manager

During the Build in 2019 and 2020 (Year 0) our **Project Administrator** will be responsible for assisting and supporting the Management Committee in all activities, including but not limited to, managing the construction programme and outfitting of the hub, fundraising, community engagement and organisation, communications, marketing and business development in preparation for the hub becoming operational in October 2020.

Once the project becomes operational in October 2020 (Year 1) the role will switch to that of **SouthGen Manager**. This is not a full-time role and is designed to be combined with the role of **Co-working Space Manager** (described below). These two part time roles combine to create a full-time job for one person. Both roles require the same key skills of problem solving, good organisation and time management, good inter-personal skills and responsiveness, IT expertise, office management experience, flexibility and great enthusiasm.

### Caretaker

The caretaker role is a part time role that will be filled by a local who is able to sort out all minor practical problems in the building and garden on a day to day basis. His role will include sourcing and liaising with specialist vendors', manufacturer's contractors and repair service personnel as needed.

## Co-Working Space

The Co-working Space Manager role is combined with that of SouthGen Manager (see description above under SouthGen Central). In line with the model used by our mentor at Indycube, the Co-working Space Manager need have no previous experience of working in this sector. The Manager will be based in the Co-working Space to be on hand to assist users during core hours. The role includes but is not limited to office management, taking and managing all inquiries and bookings for use of workstations and meeting rooms, payment collection and day to day management of our payment and accounting software package Xero (in relation to the Co-working Space), ongoing business development, IT support, managing cleaning contractors and equipment servicing. Most importantly, the Co-working Space Manager will be a friendly, people-facing individual who is responsive and welcoming. They will run all aspects of the Co-working Space from making sure the coffee is fresh and filling the dishwasher to facilitating high level IT assistance.

## Staff Reporting Lines

The Nursery staff (described in detail on p. 24-27 below) will report directly to the Nursery Manager.

The Nursery Manager, Co-working Space Manager, Project Administrator/ SouthGen Manager and Caretaker will all report directly to a specific member of the SouthGen Management Committee.

It is envisaged that the Caretaker and SouthGen Manager will interact with and assist all personnel in the running of all common and managed areas of the hub in a spirit of mutual co-operation.

## Provision for the Library

Southwold and Reydon has one of the best small libraries in Suffolk. It is run by a dedicated professional librarian who lives locally.

Southwold Library serves parishes within an eight-mile area<sup>9</sup> and sometimes people living further afield. It is popular with visiting families. Open six days a week, it serves between 2,000-4,000 visitors per month. In 2016, it delivered 327 events, including courses!<sup>10</sup>

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<sup>9</sup> The library's catchment area is Southwold & Reydon, Wangford, Wenhaston, Wrentham, Walberswick, Frostenden, South Cove, Uggeshall, Blythburgh

<sup>10</sup> 'Friends of Southwold Library' annually raises over £5,000 for the library itself. Monies raised from lessons and events help fund the county-wide library service.



Fiona A  
Beccles, United Kingdom

35 18

Reviewed 10 January 2018

### Small but welcoming!

Not just a place to borrow books! There are computers to use, DVDs to borrow, helpful staff to give you expert advice about what to read and also local information to help local people and visitors. There are good fun activities for young people too. If you want to join one of the clubs run through the library, you're spoilt for choice - Lego, Mahjong, poetry, plays and yes of course books!

[Show less](#)

## Conditional Lease Contract

In 2017, Suffolk County Council (SCC) negotiated an extension of the library's lease to give it time to find an alternative location.<sup>11</sup> SCC and SouthGen have agreed to sign a conditional lease contract. The purpose of the conditional lease contract is to commit SCC to lease space from SouthGen. Thereafter, SouthGen and SCC will negotiate the detailed lease terms.

The lease terms for the conditional lease contract are under discussion. We have agreed the most important term -- a 50-year lease of 109 square metres at £69 per per square metre, with review every 5 years to open-market rent for use of the space as a library. SCC and Suffolk Library Services, which has a contract with SCC to deliver library services, advise that there are no plans now or in the foreseeable future to close the library, which is thriving. However, should that happen, the SouthGen would have the option of converting the space to additional affordable co-working/office space or for another use that supports its charitable objectives.

## Southgen's Target Market

SouthGen has segmented the market for the hub's services into a community of interests focused on Southwold and Reydon, which consist of six groups of potential customers.<sup>12</sup>

Group 1: Southwold & Reydon – SouthGen's doorstep community. The two settlements are effectively one community. Southwold provides services, shops, jobs, leisure, recreational and other amenities for Reydon residents. Reydon provides less expensive housing, the GP Practice, a business park, and volunteers for organisations, events and groups based in Southwold.

Group 2: People employed in Southwold and Reydon. Southwold and Reydon is a significant employment centre. The tourism sector alone (which constitutes 51% of the local economy) employs over 1,700 people – twice the size of Southwold's full-time population.

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<sup>11</sup> The extended lease term is until December 2022 with an earlier break clause.

<sup>12</sup> Unless otherwise stated, data comes from the latest Census (2011).

Adnams Plc, a nationally recognised brand, is the largest business, with 400 staff working locally.<sup>13</sup> Southwold's High Street, which does not cover all of the Town Centre, has 73 businesses.<sup>14</sup> The largest business outside the High Street is Spring, a creative design company employing over 20 people. An estimated 280 people are employed at the Reydon Business Park.<sup>15</sup>

Although most people working in Southwold and Reydon live in parishes and towns within the SouthGen area, some live in Ipswich and Norwich (both an hour's drive from Southwold.)

Group 3: Southwold Library catchment area. This includes the parishes of Wangford, Wrentham, Walberswick, Wenhaston, Frostenden, South Cove, Uggeshall, and Blythburgh that historically looked to Southwold as their market town.

Group 4: The 13-mile arc. This is the full-time population living within a half an hour commute of Southwold who describe themselves as 'local' to distinguish themselves from tourists. They come to the town to use the beach, Harbour and shops, walk the marshes, visit the pubs, to play tennis or rugby.

Group 5: Second homeowners. Southwold has 1,400 dwellings; in 2015, 35% were occupied as second homes and another 22% are used primarily for holiday letting.<sup>16</sup> The most up to date public information about the number of second homes and holiday lets in Reydon is for 2012 when 11% of dwellings were second homes and 2% were holiday lets.<sup>17</sup>

Significantly, about a third of the second homeowners who answered the Southwold Neighbourhood Plan questionnaire expressed concern about the impact of second home ownership on Southwold's sustainability; about 60% supported restrictions on the sale of new housing to non-principal residents.<sup>18</sup> Some second homeowners have a policy of supporting local businesses by 'buying local only' when they are in town.

Group 6: Visitors. In 2015, the number of day and staying trips to Southwold was estimated at 1,427,400. Of these, 34,400 were staying trips – typically a week at a holiday let in Southwold and Reydon.<sup>19</sup> There are regular returners in both categories.

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<sup>13</sup> Adnams HR Department.

<sup>14</sup> Southwold Town Council Audit of High Street businesses, 2017.

<sup>15</sup> Waveney District Council Economic Development Team

<sup>16</sup> Southwold Neighbourhood Plan 2019 – 2038, Draft for Consultation, September 2018, pp. 18–19.

<sup>17</sup> Southwold and Reydon Society Housing Report, 2012, cited in Southwold Draft Neighbourhood Plan, Appendices, pp. 9–10.

<sup>18</sup> Ibid, p. 34.

<sup>19</sup> <https://www.eastsuffolk.gov.uk/assets/Business/Coastal-Community-Teams/Southwold-Coastal-Community-Team-Economic-Plan.pdf>

## Impact of Tourism in Southwold

Total number of trips (day & staying)	1,427,400
Total staying trips	34,400
Total day trips	1,393,000
Total Tourism Value	£72 million
Total actual tourism related employment	1,719

## The Old Hospital Nursery

### Target Market

The nursery's target market comprises Group 1, 2 and 3 customers: families living in Southwold and Reydon; parishes within the Library Catchment Area; and parents employed in Southwold and Reydon. There are 576 households with dependent families in the target market.

Note that this table understates the number of families with dependent children because it does not include Walberswick, South Cove, Blythburgh, and Wenhaston, which has a primary school.

	Households with dependant children (%)	Households (#)	Number of households with dependant children (#)
Southwold	8	1068	85
Reydon	20	1386	277
Wangford with Henham	22	334	73
Wrentham	23	469	108
Frostenden	21	97	20
Uggeshall	16	79	13
<b>TOTAL</b>			<b>576</b>

The number of target customers for the nursery is likely to increase. Southwold & Reydon are building more affordable housing. In addition, the New Local Plan calls for an additional 329 houses in Reydon and 30 on the old Southwold police and fire



station site. Southwold's Neighbourhood Plan calls for affordable housing or market housing for full time residents on undeveloped brown field sites.

Employment will also grow – 35 direct new full-time jobs at the Old Hospital and at least an equivalent number from the redevelopment of Station Yard.

## Demand

The Reydon Village Plan 2014 identified a need for nursery care.<sup>20</sup> SouthGen's research of child care providers (excluding child minders) in the Library catchment area confirmed this need.

- There are only three child care providers in this area: Rosebuds, St Felix Nursery and Brambles (now an Alpha nursery).
- Rosebuds and St Felix do not accept children under aged two and are open only during school terms and for school hours (9am – 3:30pm). Rosebuds (in Southwold) has a waiting list.
- Brambles accepts very young children and provides year-round day care from 9am – 6pm but is over-subscribed and could not guarantee the days and sessions requested. It also opens at 9 am, which is too late to meet the needs of many working parents.

## The Offer

The Old Hospital is ideally located for a nursery – next door to the library, across the street from Tibby's Green, a well equipped, maintained and popular children's playground, and a five-minute walk from Southwold Primary School and Rosebud's pre-school.<sup>21</sup>

SouthGen has identified an aspirational child-minder, Sarah Thompson, to fill the key role of nursery manager. Sarah will report directly to the Management Committee. A designated member of the Management Committee with relevant experience will serve as Sarah's line manager.

*“My main objective is to help local families with their child care needs. So many are unable to find suitable child care for their children in the area. I want to offer a unique service, which caters for all the children and their families' needs. I plan to take full advantage of the local area – the beach, Tibby's Green, the Pit Stop. I would like to work with local businesses – a photographer to take portraits once or twice a year, a music and movement group that could provide weekly sessions.”*

Sarah, who was born and raised in Southwold, recently moved from Kessingland to Reydon. She has a BSc in psychosocial science and is Level 6 qualified. After graduating, she travelled and worked around the world. In Sarah's words, *“This has made me an open-minded person willing to embrace a new challenge.”* Her child-

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<sup>20</sup> Reydon Village Plan 2014, pp. 9-10.

<sup>21</sup> Pre-School covers ages three to five.

minding business, Childwise, which has a waiting list, received a recent OFSTED rating “GOOD” in all categories. Sarah has an excellent reputation locally.

*“Our daughter is exceptionally happy when in Miss Thompson’s care. We find her personal way of learning and teaching one that meet’s our family’s needs. I make four journeys a week to and from Miss Thompson’s work address in Kessingland. If she were working from the Old Hospital, it would improve our lives in a number of ways. I would be able to walk from where I live to drop off and collect our daughter” – A Reydon parent.*

*“I live in Reydon and work in Southwold. When I was ready to return to work, I was surprised that there was only one childcare provider for under twos that would not require me to get in my car and drive out of town. My daughter started at Brambles but when I needed to increase my working hours, it did not have availability. Fortunately, I found Sarah. She has a natural ability to bring out the best in children and make them feel at ease.*

*The thought that additional childcare may become available so close to where I, and many other young mothers, work is very exciting. It is something that the town is currently missing” – A Reydon parent.*

SouthGen has worked with Sarah on the business model, design and fit-out of the nursery. It will support her with mentoring and training to excel at her new role.

Sarah’s immediate task is to fill the childcare places and recruit staff (the nursery will open with a minimum of three full-time employees). She has already identified a potential assistant manager.

### **Marketing Strategy**

Upon opening, 9 out of 17 childcare places are expected to be filled for the first year with Sarah’s existing 3 and 4-year-old children. The remaining places will be marketed to the younger age range. Towards the end of the first year of operation, there will be a second marketing drive to fill the nine vacated places. We some of these places will be filled with siblings of children already attending the nursery. By the end of the first year the nursery will be up and running and therefore easier to market than a completely new venture.

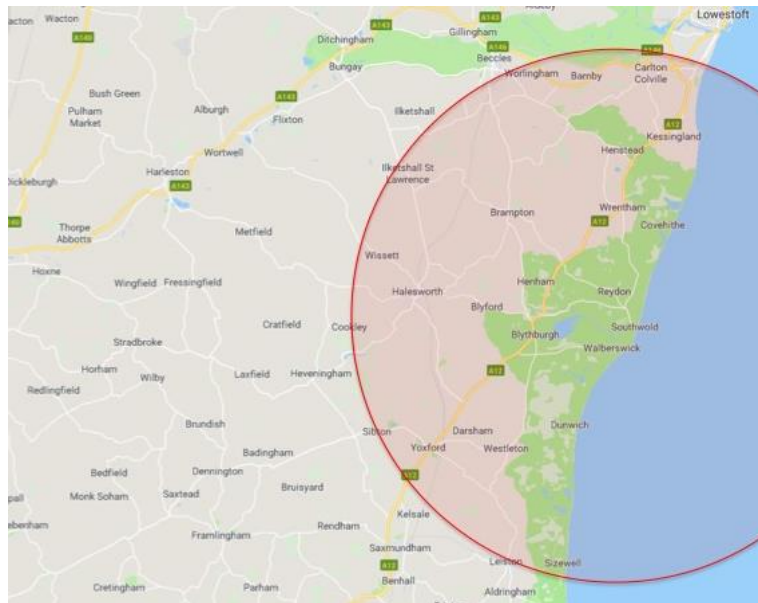
Sarah herself will be the best marketer for the nursery. She knows the business and has in-depth local knowledge of the families currently looking for childcare in and around Southwold and Reydon. The nursery will also be advertised on our website, in the local press, in places used by local families, and through employers in the area.

# The Co-Working Space

## Target Market

The market for SouthGen’s co-working space are self-employed workers, start-ups, micro-businesses, free-lancers, and remote workers who live or are staying within convenient cycling or walking distance or a 20-minute drive from the Old Hospital.

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A 20-minute drive equates to an approximate ten-mile radius of Southwold that includes Reydon, Wangford, Wrentham, Walberswick, Frostenden, South Cove, Uggeshall, Blythburgh, and Wenhaston in addition to the settlements shown on the map.

## Demand

SouthGen’s decision to create co-working space within the Old Hospital is a response to national changes in the way people are working that are mirrored in East Suffolk.

Nationally:

- There are 5 million self-employed people in the UK, and this is estimated to rise to 10 million in the next decade.
- More people are now self-employed than work in the public sector.
- 60% of the working population think that stable long term (conventional) jobs are a thing of the past.
- 47% of millennials are self-employed.<sup>23</sup>

<sup>22</sup> The experience of Old Jet, a co-working space on the old Bentwaters Air Base, is that its customer base is people living within a 20-minute drive.

<sup>23</sup> [www.thelivingwage.org.uk](http://www.thelivingwage.org.uk); [www.theworkfoundation.com](http://www.theworkfoundation.com); [www.timewise.co.uk](http://www.timewise.co.uk); [www.resolutionfoundation.org](http://www.resolutionfoundation.org).

In East Suffolk:

- The economic fabric is woven out of micro and small businesses. Altogether, there are 9300 and the vast majority of these, (88.7%, 8,249) are micro businesses.<sup>24</sup>
- Self-employment is high; many micro businesses begin at the kitchen table of self-employed people.<sup>25</sup>

The East Suffolk Growth Strategy has identified lack of affordable space for self-employed and micro businesses, which is a barrier to economic growth. (This is a market failure - building affordable space is not sufficiently profitable for commercial property developers.)

The East Suffolk Economic Development Team advises that, when affordable office/commercial space is built in rural areas in the Waveney Valley, it is quickly filled.

Both Southwold's draft Neighbourhood Plan and the Southwold Coastal Community Team Economic Plan have concluded that there is a lack of office space for knowledge-based businesses and that affordable, flexible space is needed to reduce the local economy's unsustainable over-reliance on tourism.<sup>26</sup>

SouthGen's model for its co-working space is Indycube, a Community Benefit Society that has spread throughout Wales, and recently opened a co-working space in outer London.<sup>27</sup> Indycube facilitates communities of diverse solo workers to act collectively to support each other and solve the financial challenges of small-scale working.

The SouthGen Manager will administer the co-working space. The manager's duties will marketing, bookings, and ensuring a high quality work environment for co-working users. The SouthGen manager will also be responsible for the administering the hub.

SouthGen researched the availability of co-working space in East Suffolk and Norfolk to understand demand and develop its offer. The nearest co-working space is the Old Jet, Rendelsham, on the former RAF Bentwaters airfields, which is outside our 20-minute car ride/10-mile radius and whose offer is not comparable.

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<sup>24</sup> East Suffolk Economic Growth Plan, citing Office of National Statistics UK Business Counts.

<sup>25</sup> East Suffolk Economic Growth Plan 2018 – 2023, P. 9

<sup>26</sup> Southwold Neighbourhood Plan, P. 31; Southwold Coastal Community Team Economic Plan P.43

<sup>27</sup> <https://www.indycube.community/>.

## The Offer

The Old Hospital co-working space will provide:

- A friendly, inclusive environment open to people from all sectors
- Superfast broadband – 100 mgs in and out
- Modular desks that can be laid out according to the needs of members
- Up to 30 desks and two small conferences rooms, seating six each, which can be joined into a 12-person conference room
- Audio visual conferencing facilities
- A projector and screens for presentations, printers and other equipment
- Mentoring/information/training programmes designed by the users that respond to their needs
- Both membership and non-membership-based fee systems to ensure the facilities are accessible to all and support flexible use.

Users of the Co-Working Space can choose whether or not they want to be member users or itinerant users. Both types of members pay a fee for using the facilities.<sup>28</sup> Membership includes specific benefits such as out-of-hours access and discounts on fees. Users who commit to full time use of a workstation or hot-desking for one year pay in advance and are automatically given membership. Users of hot-desking for 5 or 10 days per month pay monthly in advance and do not receive automatic membership but they can become members if they choose. Full and half day use is payable either in advance to secure their space or on the day of use and membership is optional. Meeting room use is always payable in addition to use of a work station, either in advance or on the day of use and is open to members and non-members alike.

## Marketing Strategy

Our marketing strategy is based on Indycube's experience of opening their first co-working space and includes the following elements:

- Plan to have at least one full time user in place at the time of opening. (We have already had three enquiries despite not having yet marketed the space.)
- Charge no fees for the first month of opening so the space is busy, workers become comfortable, and develop a habit of use, and form relationships.
- Ensure an excellent work experience by leasing equipment with service contracts and buying a communications package with full IT support.
- Expect a lull in use after the free month.
- Use the operating experience to market to future users.
- Based on our research, after six months, the hub is expected to take on a life of its own through word of mouth and users networking.

Our marketing strategy includes:

- Raising awareness with local employers – our research has found an interest in placing visiting contractors and suppliers in the space for short periods. One local employer has already agreed to disseminate information about the

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<sup>28</sup> See Appendix 5 for the user's fee schedule.

- space on its intranet.
- Marketing the space with nursery users and through other hub users, tenants and SouthGen members.
- Placing paid advertising in the local press, social media and word of mouth to local business groups, Chambers of Trade, universities and colleges, local organisations (such as sports clubs and community organisations), and to second homeowners.
- Marketing the space through holiday letting agencies.

*“I have been visiting Southwold for over a decade and, although not always planned, on numerous times during my visits I have been required to conduct meetings, communicate with my office and, unfortunately, work. Many of the properties we’ve rented have had unreliable broadband. Were a hub available with meeting rooms, high speed internet and potentially conferencing facilities, I would have been in a position to pay to utilise these facilities”. Jim Clark, Regular visitor to Southwold.*

## The Farm to Fork Café

SouthGen’s analysis of the hospitality offer of Southwold shows that there is a niche for a café whose offer prioritises local people over tourism.<sup>29</sup>

The cafe has the internal capacity for 35-40 covers and an equivalent number in the garden, which can be used from May-September.

There is an opportunity for a small cooking school within the restaurant operation to help offset the quieter months of January, February, September, and October in Southwold and provide more regular income. This would generate additional revenue for the tenant at a base of £65-£99 for a 3-hour session 2 nights per week.

Our business planning calls for a ten-year lease with a five-year break clause and rent to be pegged at an affordable level - £12,500/annum initially with an RPI based rent review every three years.

SouthGen will use an independent panel of experts (already identified) with local knowledge of the hospitality and Suffolk artisan food sectors to design and manage the tender process. It has identified experts interested in serving on the panel.

The expert advisory panel will work with SouthGen to develop the terms of the lease. SouthGen will be looking for a tenant with sufficient experience and the flexibility to work collaboratively on marketing and achieving excellent service and food.

The Invitation to Tender will set out SouthGen’s social and food vision for the café.

- Excellent coffee, simple menus, locally produced food

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<sup>29</sup> See Appendix 6 for an analysis of Southwold’s food offer.

- Pricing that gives value for money to the local community
- An environmentally sustainable ethos
- An inclusive meeting and socializing place for people of all ages
- Training for staff

Suffolk hospitality experts advise that the café has the potential to be an exciting and unique business venture for the reasons set out below.

- Its south-facing garden, with the proposed landscaping, is unique to Southwold;
- There will be regular cross-over footfall from the nursery, co-working space, and the library (which is also a Tourist Information Point), creating opportunities for joint events.
- Our business planning calls for rent to be pegged at an affordable level – £12,500/annum initially with an RPI based rent review every three years and a 10-year lease with a five-year break clause.
- SouthGen’s charitable discount on rates (80%) could potentially be passed onto the tenant.
- The café will be located in a renovated historic building that has a strong emotional resonance for local people.
- It can draw on the support of member-shareholders, and will attract local residents particularly in the summer when their regular haunts on the High Street are fully booked serving tourists.
- There is potential for a small cookery school operation to offset quieter months and generate additional revenue.

## Southgen Finance and Funding Package

We project that the total development cost, including contingency funds, will be £725,420. This includes the cost of build, professional fees, unrecoverable VAT, capital outfitting of the nursery and co-working space, finance charges, and staff costs for 2019–2020.

Southgen Capital Expenditure and Development (revenue) costs					
		2019	2020	Total	
Construction	465,966			-	
Fees	40,688			-	
Contingency	50,000			-	
Unrecoverable VAT	21,284			-	
Nursery	19,809			-	
Co-working hub	46,500			-	
Staffing		16,000	23,339	39,339	
Crowdfunder	7,130			-	
Share Offer costs		19,180		19,180	
Fundraising costs		1,000	1,000	2,000	
Loan interest		-	4,524	4,524	
Loan interest		-	9,000	9,000	
	<b>651,377</b>	<b>36,180</b>	<b>37,863</b>	<b>74,043</b>	<b>725,420</b>
<b>Funded by</b>		<b>2019</b>	<b>2020</b>	<b>Total</b>	
Community Business fund	152,813			-	
NALEP	150,000			-	
Community Share Issue	125,000			-	
Booster (Community Shares)	100,000			-	
Loan	123,564	7,420	19,016	26,436	
Community Business fund		20,968	7,562	28,530	
Fundraising		5,000	5,000	10,000	
Bank interest		2,792	2,349	5,141	
Other grants			3,936	3,936	
	<b>651,377</b>	<b>36,180</b>	<b>37,863</b>	<b>74,043</b>	<b>725,420</b>

Our minimum share offer target is £125,000; the maximum is £250,000. We will accept more than maximum. Our funding package is predicated on an achieving the minimum target and receiving a match funding investment from the Community Share Booster Programme (CSBP) of £100,000. CSBP provided a development grant to support developing our share offer and we will learn whether we have received match funding in March 2019, before our launch date for the share offer on Crowdfunder on 10 May 2019.

Share investment constitutes only 28% of the funding package. We have included a loan facility of £150,000 to fill the gap, which will not be necessary if we achieve our maximum share offer target of £250,000 and also obtain match Booster Programme investment.



Our financial modelling shows that, subject to meeting our projections, we can pay a dividend of 4% to investors beginning in June 2022. We have not provided for any withdrawals for the period of the financial modelling but there is sufficient cash in the business from 2022 to enable yearly withdrawals. We are requiring three-month notice of withdrawals, which cannot exceed £10,000/annum subject to the financial health of businesses. For shareholders owning in excess of £7,500 shares, tranches of shares can be prioritized for withdrawal on a yearly basis or subject to mutually acceptable arrangements.

## Marketing the Share Offer

The Society's community consultation has informed our strategy for marketing our share offer.

In essence, our goal is to secure the largest number of investors representing the full diversity of our community.<sup>30</sup> We also have a financial goal, which is to reach or surpass our maximum share offer target - £250,000.<sup>31</sup>

We have incentives for all 'would-be' members.

- Potential financial return from interest on shares
- Priority booking and discount on the event space at the hub
- A limited number of packs of exclusively brewed Adnams 'Old Hospital Hop'
- Members' names captured for posterity in the Old Hospital or garden
- Potential significant tax relief through government schemes

But most importantly, Society membership brings voting rights, including deciding how profits should be reinvested into the area to address the community concerns that are most important to members.

We are planning to use the two months ahead of the date when the share offer goes public (10th May 2019) to market it intensively. We have a two-fold objective. First, everyone should know about the share offer. Second, before the offer opens, secure promises from the largest number of people to buy shares.

- Email and post communications to our database of 479 people, who have already expressed interest in buying shares. We have an exceptionally high open-rate for email correspondence.
- Social media announcements via Facebook, Instagram, LinkedIn, Next Door, Twitter (a collective following of nearly 600 people).
- Two public meetings – in Reydon and in Southwold – to air a short film documenting the story of how the community took back its hospital and to provide information on the share offer and how to apply.
- Awareness/recruitment events, organized by volunteers, to provide information on the project and share offer, and get to know the Management Committee and other potential members.

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<sup>30</sup> See Appendix 7 for our Message Analysis for Target Market Research

<sup>31</sup> See Appendix 8 for our Marketing and Communications strategy.

- “I’m in” badges and stickers to wear or post in windows to make support for the project visible, and encourage others to join.
- Circulate information posters in shops, the parish and town halls, information boards, and resident’s windows.
- Circulate leaflets to houses in Reydon and Southwold.
- Circulate leaflets and posters in neighbouring parishes, and through parish clerks.
- Use our volunteers to circulate information by word of mouth through their networks.
- Recruit word of mouth ‘champions’ in local clubs, societies and organisations.
- Local, regional and national media.

All communications will promote in clear, simple language how to apply for shares.

- Online Crowdfunder
- Offline through an application that will be available in the Post Office and Library. SouthGen will deliver the application to homebound residents on request.

## Risk Assessment

Appendix 9 includes a detailed risk assessment prepared by an experienced Risk Management professional.

Risks are grouped logically but are not in order of importance. In Year zero, generic major construction project related uncertainties, such as schedule slippage, unplanned cost increases and loss of contractors are assess as high probability, high severity risks. We are managing these risks by ensuring that the highest possible portion of such risks is retained by the Main Works Contractor under contract. Furthermore, our construction budget includes a generous contingency and as a final resort, we have budgeted for the cost of access to a revolving credit facility for the construction period and beyond.

During the operational phase, from October 2020 onwards, we have insured against the risk of losing rental income and for liabilities flowing from the managed business strands. A potential high frequency, medium severity risk (in terms of damage to business) for the Co-working Space is equipment failure and loss of high-speed broadband. We are mitigating this risk by budgeting to pass it on to expert service providers through hire of work-horse equipment such as printers and photocopiers and by purchasing a full IT and communications service, repair and support package.

The listed risks should not be regarded as an exhaustive statement of all potential risks and uncertainties. Our risk register is a constantly evolving document and additional risks and uncertainties that are not presently known, or which are currently deemed low, may have a future adverse effect on the Society’s operating results, financial condition and prospects.

# Southgen Financials

## 2018 Accounts

SouthGen's 2018 end of year accounts show an income of £102,960.27 (chiefly from grants), an after tax profit of £75,590, and net assets of £74,502.<sup>32</sup>

## Five Year Financial Forecasts 2019 – 2023

The following are the summary financials: profit and loss accounts, cash flow forecasts and balance sheets 2019–2023.

<b>Profit &amp; Loss Accounts</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Turnover Nursery	0	43,340	201,633	212,834	219,219
Turnover Co-working space	0	871	19,890	30,650	44,410
Rent Café	0	3,125	12,500	12,500	12,500
Library	0	1,880	7,521	7,521	7,521
Service charges	0	1,355	5,421	5,421	5,421
Fundraising	5,000	5,000	5,000	5,000	5,000
<b>Total Sales</b>	<b>5,000</b>	<b>55,571</b>	<b>251,965</b>	<b>273,926</b>	<b>294,071</b>
Less cost of sales	0	(3,940)	(18,330)	(19,349)	(19,929)
<b>Gross profit</b>	<b>5,000</b>	<b>51,631</b>	<b>233,634</b>	<b>254,577</b>	<b>274,142</b>
<b>Less overheads</b>					
Staff costs Nursery	0	(27,113)	(125,752)	(129,698)	(133,764)
Property expenses Nursery	0	(2,890)	(8,564)	(8,564)	(8,564)
Property expenses Co-working space	0	(1,441)	(5,762)	(5,762)	(5,762)
Administrative expenses Nursery	0	(798)	(2,304)	(2,304)	(2,304)
Administrative expenses Co-working space	0	(5,450)	(4,300)	(2,300)	(2,300)
Staff costs Central	(16,000)	(23,870)	(26,307)	(26,937)	(27,586)
Audit fee	(1,200)	(1,800)	(2,400)	(3,000)	(3,600)
Depreciation, Building	0	(3,440)	(10,319)	(10,319)	(10,319)
Depreciation, Nursery	0	(1,321)	(3,962)	(3,962)	(3,962)
Depreciation, Co-working space	0	(3,391)	(11,625)	(11,625)	(11,625)
Depreciation, Capitalised fees	0	(271)	(814)	(814)	(814)
Consultancy Fees	(5,000)	0	0	0	0
Share Offer Costs	(19,180)	0	0	0	0
Fundraising costs	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Other income	25,540	7,562	0	0	0
	(16,840)	(65,221)	(203,108)	(206,285)	(211,599)
<b>Profit before Interest and Tax</b>	<b>(11,840)</b>	<b>(13,590)</b>	<b>30,526</b>	<b>48,292</b>	<b>62,543</b>
<b>Interest costs</b>					

<sup>32</sup> See Appendix 10 for the 2018 Management Accounts.

Bank interest	2,792	2,349	1,100	1,202	1,436
Loan interest	0	(9,000)	(9,000)	(6,050)	(3,025)
Loan interest	0	(4,524)	(4,524)	(4,524)	(4,524)
	2,792	(11,175)	(12,424)	(9,372)	(6,113)
<b>Profit before Tax</b>	(9,048)	(24,765)	18,102	38,920	56,430
Tax	0	0	0	0	0
<b>Profit after Tax</b>	(9,048)	(24,765)	18,102	38,920	56,430
Less Share Interest	0	0	0	(9,762)	(9,762)
<b>Retained profit/(loss)</b>	(9,048)	(24,765)	18,102	29,159	46,669

<b>CASHFLOW</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Receipts</b>					
Customer receipts Nursery	0	43,340	201,633	212,834	219,219
Customer receipts Co-working space	0	1,045	23,868	36,780	53,292
Café Rent	0	3,125	12,500	12,500	12,500
Library rent	0	1,880	7,521	7,521	7,521
Service charges	0	1,355	5,421	5,421	5,421
NALEP	150,000	0	0	0	0
Community Business Fund	173,781	7,562	0	0	0
Loan received	0	150,000	0	0	0
Share Investment received	125,000	0	0	0	0
Booster Programme	100,000	0	0	0	0
Fundraising	5,000	5,000	5,000	5,000	5,000
HMRC	1,869	0	0	0	0
Interest received	2,538	2,532	1,100	1,194	1,412
	558,188	215,839	257,042	281,250	304,365
<b>Payments</b>					
Supplier payments Nursery	0	(6,092)	(29,337)	(30,205)	(30,786)
Supplier payments Co-working space	0	(6,819)	(12,363)	(9,905)	(9,674)
Payroll costs Central	(16,000)	(23,774)	(26,307)	(26,937)	(27,586)
Payroll costs Nursery	0	(26,339)	(125,870)	(129,664)	(133,729)
Accruals paid	(1,250)	(1,350)	(2,000)	(2,500)	(3,000)
Capex gross of VAT, Building	(351,319)	(248,119)	0	0	0
Capitalised Fees	(38,426)	(8,844)	0	0	0
Capex gross of VAT, Nursery	0	(19,809)	0	0	0
Capex gross of VAT, Co-working space	0	(55,800)	0	0	0
VAT (paid)/reclaimed (construction)	51,449	38,598	0	0	0
VAT (paid)/reclaimed (co-working)	0	10,359	(1,632)	(4,272)	(7,005)

Crowdfunder fees	(5,963)	0	0	0	0
Share Offer Costs	(19,180)	0	0	0	0
Share interest paid	0	0	0	(9,762)	(9,762)
Consultancy fees	(5,000)	0	0	0	0
Fundraising costs	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Loan interest (directors)	0	(4,524)	(4,524)	(4,524)	(4,524)
Loan interest	0	(9,000)	(9,000)	(6,050)	(3,025)
Loan capital repayment	0	0	(45,000)	(50,000)	(55,000)
	<u>(386,689)</u>	<u>(362,513)</u>	<u>(257,032)</u>	<u>(274,820)</u>	<u>(285,090)</u>
<b>Net cash flow</b>	171,499	(146,674)	10	6,430	19,275
Balance b/fwd	<u>31,611</u>	<u>203,110</u>	<u>56,436</u>	<u>56,447</u>	<u>62,877</u>
<b>Balance c/fwd</b>	<u>203,110</u>	<u>56,436</u>	<u>56,447</u>	<u>62,877</u>	<u>82,152</u>

<b>Balance sheets</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Fixed assets</b>					
Building	382,398	592,526	582,207	571,887	561,568
Capitalised fees	95,755	103,096	102,283	101,469	100,655
Nursery	0	18,488	14,526	10,565	6,603
Co-working space	0	43,109	31,484	19,859	8,234
Other	0	0	0	0	0
	<u>478,153</u>	<u>757,220</u>	<u>730,500</u>	<u>703,780</u>	<u>677,060</u>
<b>Current assets</b>					
Stock	0	1,700	1,806	1,860	1,916
Debtors	0	0	0	0	0
Prepayments	254	71	71	79	103
Bank - current a/c	<u>203,110</u>	<u>56,436</u>	<u>56,447</u>	<u>62,877</u>	<u>82,152</u>
	<u>203,364</u>	<u>58,207</u>	<u>58,323</u>	<u>64,816</u>	<u>84,171</u>
<b>Creditors &lt; 1 year</b>					
Bank overdraft	0	0	0	0	0
Trade creditors	0	(4,685)	(4,364)	(4,198)	(4,265)
Loan	0	0	0	0	0
VAT (Construction)	2,816	0	0	0	0
VAT (Co-working)	0	145	(189)	(434)	(699)
PAYE/NI (Central)	0	(96)	(96)	(96)	(96)
PAYE/NI (Nursery)	0	(774)	(656)	(690)	(725)
PAYE/NI (Co-Working)	0	0	0	0	0
Corporation tax	0	0	0	0	0
Share Interest	0	0	0	0	0
Loan Interest	0	0	0	0	0
Accruals	<u>(1,200)</u>	<u>(1,650)</u>	<u>(2,050)</u>	<u>(2,550)</u>	<u>(3,150)</u>

	1,616	(7,060)	(7,354)	(7,968)	(8,935)
Net current assets	204,980	51,147	50,969	56,848	75,236
<b>Creditors due &gt; 1 year</b>					
Directors Loan	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)
Loan	0	(150,000)	(105,000)	(55,000)	0
Grants	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)
<b>NET ASSETS</b>	<b>309,491</b>	<b>284,726</b>	<b>302,828</b>	<b>331,987</b>	<b>378,655</b>
<b>CAPITAL AND RESERVES</b>					
Share capital	244,038	244,038	244,038	244,038	244,038
Retained profit and loss account	65,454	40,689	58,791	87,950	134,618
<b>SHAREHOLDERS FUNDS</b>	<b>309,492</b>	<b>284,726</b>	<b>302,828</b>	<b>331,987</b>	<b>378,656</b>

## Financial Assumptions

Financial modelling started in mid-2018 and has been refined over the last 9 months. SouthGen is projecting the construction period for both the housing and the hub to begin in Spring 2019 and complete in September 2020. Trading is expected to commence from October 2020. The financial modelling is for five years, beginning in Year 0, 2019.

The financial forecasts comprise:

- Profit and Loss accounts (5 years)
- Cash flow forecasts (5 years)
- Balance sheets (5 years)

Construction work is expected to commence in April 2019, but this date could be postponed by the need for Hastoe to obtain additional grant funding for an all-affordable dwelling scheme from Homes England. (Hastoe has a high degree of confidence that the additional grant will be forthcoming.)

We are proposing to use Hastoe's approved builder, Wellington of Lowestoft, which has built high standard social housing in Southwold and Reydon. This decision is based on the fact that: i) it will be difficult to deploy two different builders on the same small site at the same time; ii) increased costs; and iii) increased length of time for completion. Wellington has also given us a favourable price.

SouthGen acquired its lease on the site on 23 March 2018 and secured its share of the construction work with an advance payment of £80,000 (plus legal costs) funded by a Directors' loan.

The remaining construction costs are as follows:

Build costs = £465,966

Fees = £40,688  
 Contingency = £50,000  
 Unrecoverable VAT = £21,284  
**Total = £577, 938**

The table below provides a breakdown of the £465,966 cost of the build.

“Shared” refers to SouthGen’ percentage of the shared cost of the build that are common to the housing and the community hub. “SouthGen” refers to costs that are specific to the hub.

<u>Breakdown of building costs</u>	<u>Shared</u>	<u>SouthGen</u>	<u>Sub-Total</u>
Preparatory works	£23,472		£23,472
Preliminaries	£41,828		£41,828
Demolition & asbestos removal	£34,650		£34,650
Structural alteration to existing	£21,600		£21,600
Substructures	£31,860		£31,860
Ground floors		£15,000	£15,000
External walls	£41,400		£41,400
Internal Walls		£30,000	£30,000
External Windows and Doors		£30,000	£30,000
Internal doors and joinery		£8,000	£8,000
Upper Floors	£33,834		£33,834
Roofs and RWGs	£18,500	£5,000	£23,500
Floor finishes		£30,000	£30,000
Wall finishes		£10,000	£10,000
Ceiling finishes		£10,000	£10,000
Tea points etc fit-out		£10,000	£10,000
Heating and Plumbing		£30,000	£30,000
Electrics & Lighting		£40,000	£40,000
Ventilation		£17,000	£17,000
WCs & Showers		£15,000	£15,000
Service connections	£10,000		£10,000
PV array and associated works	£10,000		£10,000
Externals	£5,940	£20,000	£25,940
<b>Total</b>	<b>£273,083</b>	<b>£270,000</b>	<b>£543,083</b>
Paid to date			(77,117)
			<b>465,966</b>

### Recoverable Vat

SouthGen has sought specialist VAT advice and negotiations with HMRC are advanced. Our proposal is that for any “mixed use” costs, whether construction or other development costs, 80.89% of all VAT is recoverable based on the fact that all

businesses save the nursery will be charging VAT. (SouthGen opted to charge VAT on rent.) This percentage is based on the floor area occupied by the library, café, and co-working space.

**Other Capital Expenditure**

SouthGen is planning to fit out both the Nursery and the Co-working space.

**Nursery**

			Contingency	Total	
Equipment	washing machine	400			
	Dryer	400			
	dishwasher	250			
	microwave	55			
	Fridge	180			
	Kettle	10			
	cleaning equip	100			
	vacuum cleaner	150			
		<b>1,545</b>	1,545.00	154.50	1,699.50
Office/Reception	software	1,800			
	tablet	170			
	pc	400			
	printer	250			
	card machine	100			
	Telephone/bb	720			
	Filing Cabinet	60			
	Desk & Office chair	150			
	office consumables	200			
		<b>3,850</b>	3,850.00	385	4,235.00
Resources	Evacuation Cot	400			
	Rugs & Cushions				
	Toys				
	Books				
	Art Consumables	1,000			
		<b>1,400</b>	1,400.00	140	1,540.00
Furniture	sleep baskets	2,352			
	library rack	250			
	rest mats	400			



chairs x 17	1,087			
tables x3	756			
play frame x1	3,228			
room dividers	2,232			
pushcarts 2	396			
kiddie cars 2	252			
bench cloaks and pegs	260			
	<b>11,213</b>	11,213.00	1121.30	12,334.30
		<b>18,008.00</b>	<b>1,800.80</b>	<b>19,808.80</b>

### Co-working space

Furniture	2 x Meeting/Board room visual	3,000	
	2 X Meeting/Board room furniture	1,600	
			£4,600
Equipment and Comms	25 Workstations for hot desking	18,750	
	Printers and support	700	
	Other Consumables		
	Comms – Switch & wi-fi access points	2,000	
	Comms - Cabling	1,000	
	Comms - phone	200	
	Comms -systems setup, configuration & first year support contract	4,500	
			£27,150
Other	Security	3,000	
	Signage	500	
	Kitchen equipment	250	
	Décor	0	
	Website	8,000	
	Contingency	3,000	
			£14,750
		<b>£46,500</b>	<b>£46,500</b>

### Funding and Financing

SouthGen has raised the following grants for revenue:

- a. Southwold Trust: £20,000
- b. Co-ops UK, CSBP: £10,000
- c. REACH Fund, Access: £14,981
- d. Community Business Fund: £24,657 (2018) and £28,530 (2019)

SouthGen has raised the following grants for capital:

- e. Community Business Fund: £152,813
- f. NALEP: £150,000

SouthGen has secured agreement for both the large grants: Community Business Fund and New Anglia LEP. SouthGen is negotiating with the Community Share Booster Programme to obtain funding of £100,000 of share investment if SouthGen raises its minimum of £125,000 of public investment.

### **Southgen Staffing (Central)**

SouthGen has been paying a project administrator since April 2018 and intends to continue to do so throughout 2019 and part of 2020. When the building opens for business, SouthGen will recruit a manager to supervise the various aspects of the new community hub. One of the key tasks will be to ensure promotion of the activities and services provided within the building. While we envisage that the nursery will come with an existing client base, the co-working space will be starting from a relatively low base.

### **Nursery**

The nursery will open on 1<sup>st</sup> October 2020.

It will provide for 17 places, a maximum of:

- Seven (less than) 2-year olds
- One 2-year-old
- Nine 3-4-year olds

A flat rate of £50 per day will be charged for all categories. Meals will be charged at £5 each day and will be additional. The meals will be prepared by the Farm to Fork Café, so the £5 charge is treated as cost neutral. Because an existing business will be transferring to SouthGen, the build-up of trade is forecast to be steep.

The business will employ a nursery manager, a deputy manager and 4 nursery workers.

### **Co-working Space**

The co-working space will also open on 1<sup>st</sup> October 2020 with the first month free to members.

We have forecast that there will be a gradual build-up of dedicated and hot desk facilities in the co-working space particularly in Year 1, where no fees will be collected in the first month of operation (October). The fee structure is based on a number of packages (including member and non-member rates). These will be adapted and refined as the business matures. Payment will be one month in advance for the top 3 package tiers at least. We have budgeted for 25 workstations and mid-range furniture.

### **Farm to fork café**

We will be working throughout the construction period to advertise the space and to recruit a high-quality tenant. The rent for the space is £12,500 per annum with a share of service charges. Professional advice will be sought on lease terms.

### **Library**

This space will be let to Suffolk County Council, who will sub-lease to Suffolk Libraries, for an annual rate of £7521 plus a share of service charges.

### **Overheads**

Overheads such as business rates, insurances, power, water and waste disposal have been researched extensively. Where relevant these costs have been apportioned to the constituent businesses based on the area used in the community hub.

### **Loans**

- i. A Directors loan enabled SouthGen to pay the advance on shared construction costs and legal fees. In the 2018 accounts, this stands at £100,400. Based on the maximum share raise of £250,000, £25,000 of the Directors loan will be converted to shares. Interest has not been charged to date but will commence in 2020 (6%). The loan remains at £75,400 throughout the current financial model although there are plans to refinance it when the hub is financially stable.
- ii. A further loan facility of £150,000 features although it is the intention of the Directors to draw on this only when required. This loan is at 6%. Interest is charged from 2020 on the balance until it is fully repaid.

### **Shares**

Our minimum share raise is £125,000, our maximum: £250,000. Share interest of 4% is payable from 2022. No repayment of shares features in the financial model period but there are sufficient profits to pay out for withdrawals.

## Detailed Financials

### Profit & Loss Account, Year 0

	2019	1	2	3	4	5	6	7	8	9	10	11	12	Total
		£	£	£	£	£	£	£	£	£	£	£	£	£
Total Sales		417	417	417	417	417	417	417	417	417	417	417	417	5,000
Less cost of sales		0	0	0	0	0	0	0	0	0	0	0	0	0
Gross profit		417	417	417	417	417	417	417	417	417	417	417	417	5,000
<b>Less overheads</b>		626	126	626	(2,652)	(3,102)	(5,248)	(2,668)	(2,668)	(470)	(470)	(470)	(470)	(16,840)
<b>Profit before Interest and Tax</b>		1,043	543	1,043	(2,235)	(2,685)	(4,831)	(2,251)	(2,251)	(53)	(53)	(53)	(53)	(11,840)
<b>Interest costs</b>		133	131	168	156	219	293	380	316	307	256	180	254	2,792
<b>Profit before Tax</b>		1,176	673	1,211	(2,079)	(2,466)	(4,538)	(1,872)	(1,935)	254	202	126	200	(9,048)
Tax		0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Profit after Tax</b>		1,176	673	1,211	(2,079)	(2,466)	(4,538)	(1,872)	(1,935)	254	202	126	200	(9,048)
Less Share Interest		0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Retained profit/(loss)</b>		1,176	673	1,211	(2,079)	(2,466)	(4,538)	(1,872)	(1,935)	254	202	126	200	(9,048)

**Profit & Loss Account,  
Year 1**

<b>2020</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Total Sales	417	417	417	417	417	417	417	417	417	13,977	16,124	21,720	55,571
Less cost of sales	0	0	0	0	0	0	0	0	0	(1,040)	(1,200)	(1,700)	(3,940)
Gross profit	417	417	417	417	417	417	417	417	417	12,937	14,924	20,020	51,631
<b>Less overheads</b>	(691)	(691)	(787)	(691)	(691)	(2,265)	(3,429)	(3,429)	(5,619)	(15,497)	(15,497)	(15,933)	(65,221)
<b>Profit before Interest and</b>	(274)	(274)	(370)	(274)	(274)	(1,848)	(3,013)	(3,013)	(5,203)	(2,560)	(573)	4,088	(13,590)
<b>Interest costs</b>	(727)	(773)	(781)	(847)	(933)	(925)	(950)	(989)	(1,042)	(1,076)	(1,076)	(1,056)	(11,175)
<b>Profit before Tax</b>	(1,002)	(1,047)	(1,151)	(1,121)	(1,207)	(2,773)	(3,962)	(4,002)	(6,245)	(3,636)	(1,650)	3,031	(24,765)
Tax	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Profit after Tax</b>	(1,002)	(1,047)	(1,151)	(1,121)	(1,207)	(2,773)	(3,962)	(4,002)	(6,245)	(3,636)	(1,650)	3,031	(24,765)
Less Share Interest	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Retained profit/(loss)</b>	<b>(1,002)</b>	<b>(1,047)</b>	<b>(1,151)</b>	<b>(1,121)</b>	<b>(1,207)</b>	<b>(2,773)</b>	<b>(3,962)</b>	<b>(4,002)</b>	<b>(6,245)</b>	<b>(3,636)</b>	<b>(1,650)</b>	<b>3,031</b>	<b>(24,765)</b>

**Profit & Loss Account, Year 2**

	<b>2021</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Total Sales		19,027	19,027	23,149	19,588	19,588	23,851	19,588	19,588	24,318	19,962	19,962	24,318	251,965
Less cost of sales		(1,360)	(1,360)	(1,700)	(1,411)	(1,411)	(1,764)	(1,411)	(1,411)	(1,806)	(1,445)	(1,445)	(1,806)	(18,330)
Gross profit		17,667	17,667	21,449	18,177	18,177	22,087	18,177	18,177	22,512	18,517	18,517	22,512	233,634
<i>Less overheads</i>		(16,796)	(16,796)	(17,184)	(16,796)	(16,796)	(17,184)	(16,796)	(16,796)	(17,184)	(16,796)	(16,796)	(17,184)	(203,108)
<b>Profit before Interest and Tax</b>		870	870	4,265	1,380	1,380	4,903	1,380	1,380	5,328	1,720	1,720	5,328	30,526
<i>Interest costs</i>		(1,056)	(1,055)	(1,047)	(1,044)	(1,040)	(1,032)	(1,030)	(1,025)	(1,016)	(1,014)	(1,009)	(1,056)	(12,424)
<b>Profit before Tax</b>		(185)	(184)	3,219	336	340	3,871	351	355	4,311	707	711	4,271	18,102
Tax		0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Profit after Tax</b>		(185)	(184)	3,219	336	340	3,871	351	355	4,311	707	711	4,271	18,102
Less Share Interest		0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Retained profit/(loss)</b>		(185)	(184)	3,219	336	340	3,871	351	355	4,311	707	711	4,271	18,102

**Profit & Loss Account, Year 3**

	<b>2022</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Total Sales		21,266	21,266	25,949	21,266	21,266	25,949	21,266	21,266	25,949	21,266	21,266	25,949	273,926
Less cost of sales		(1,488)	(1,488)	(1,860)	(1,488)	(1,488)	(1,860)	(1,488)	(1,488)	(1,860)	(1,488)	(1,488)	(1,860)	(19,349)
Gross profit		19,778	19,778	24,088	19,778	19,778	24,088	19,778	19,778	24,088	19,778	19,778	24,088	254,577
<b>Less overheads</b>		(17,074)	(17,074)	(17,423)	(17,074)	(17,074)	(17,423)	(17,074)	(17,074)	(17,423)	(17,074)	(17,074)	(17,423)	(206,285)
<b>Profit before Interest and Tax</b>		2,704	2,704	6,665	2,704	2,704	6,665	2,704	2,704	6,665	2,704	2,704	6,665	48,292
<b>Interest costs</b>		(828)	(826)	(816)	(813)	(807)	(798)	(794)	(789)	(780)	(776)	(771)	(573)	(9,372)
<b>Profit before Tax</b>		1,876	1,878	5,849	1,891	1,897	5,867	1,909	1,915	5,885	1,928	1,933	6,092	38,920
Tax		0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Profit after Tax</b>		1,876	1,878	5,849	1,891	1,897	5,867	1,909	1,915	5,885	1,928	1,933	6,092	38,920
Less Share Interest		(813)	(813)	(813)	(813)	(813)	(813)	(813)	(813)	(813)	(813)	(813)	(813)	(9,762)
<b>Retained profit/(loss)</b>		1,062	1,064	5,035	1,078	1,083	5,054	1,096	1,101	5,072	1,114	1,120	5,278	29,159

**Profit & Loss Account, Year 4**

	<b>2023</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Total Sales		22,816	22,816	27,886	22,816	22,816	27,886	22,816	22,816	27,886	22,816	22,816	27,886	294,071
Less cost of sales		(1,533)	(1,533)	(1,916)	(1,533)	(1,533)	(1,916)	(1,533)	(1,533)	(1,916)	(1,533)	(1,533)	(1,916)	(19,929)
Gross profit		21,283	21,283	25,970	21,283	21,283	25,970	21,283	21,283	25,970	21,283	21,283	25,970	274,142
<i>Less overheads</i>		(17,517)	(17,517)	(17,866)	(17,517)	(17,517)	(17,866)	(17,517)	(17,517)	(17,866)	(17,517)	(17,517)	(17,866)	(211,599)
<b>Profit before Interest and</b>		3,766	3,766	8,103	3,766	3,766	8,103	3,766	3,766	8,103	3,766	3,766	8,103	62,543
<i>Interest costs</i>		(568)	(564)	(553)	(548)	(540)	(529)	(524)	(516)	(505)	(500)	(492)	(274)	(6,113)
<b>Profit before Tax</b>		3,198	3,202	7,551	3,219	3,226	7,574	3,243	3,250	7,598	3,267	3,274	7,829	56,430
Tax		0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Profit after Tax</b>		3,198	3,202	7,551	3,219	3,226	7,574	3,243	3,250	7,598	3,267	3,274	7,829	56,430
Less Share Interest		(813)	(813)	(813)	(813)	(813)	(813)	(813)	(813)	(813)	(813)	(813)	(813)	(9,762)
<b>Retained profit/(loss)</b>		2,385	2,388	6,737	2,405	2,412	6,761	2,429	2,436	6,785	2,453	2,461	7,016	46,669



2019	1	2	3	4	5	6	7	8	9	10	11	12	Total
CASHFLOW	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>Receipts</b>													
Customer receipts Nursery	0	0	0	0	0	0	0	0	0	0	0	0	0
Customer receipts Co-Working Hub	0	0	0	0	0	0	0	0	0	0	0	0	0
Café Rent	0	0	0	0	0	0	0	0	0	0	0	0	0
Library rent	0	0	0	0	0	0	0	0	0	0	0	0	0
Service charges	0	0	0	0	0	0	0	0	0	0	0	0	0
NALEP	93,734	0	38,482	0	0	0	0	17,784	0	0	0	0	150,000
Community Business Fund	12,559	0	0	0	0	0	98,837	0	0	0	0	62,385	173,781
Loan received	0	0	0	0	0	0	0	0	0	0	0	0	0
Other grants/donations	0	0	0	0	0	0	0	0	0	0	0	0	0
Share Investment received	0	0	0	0	50,000	50,000	25,000	0	0	0	0	0	125,000
Booster Programme	0	0	0	0	50,000	50,000	0	0	0	0	0	0	100,000
Fundraising	417	417	417	417	417	417	417	417	417	417	417	417	5,000
HMRC	0	1,869	0	0	0	0	0	0	0	0	0	0	1,869
Interest received	0	133	131	168	156	219	293	380	316	307	256	180	2,538
	106,710	2,419	39,029	585	100,572	100,635	124,547	18,580	733	724	672	62,981	558,188
<b>Payments</b>													
Supplier payments Central	0	0	0	0	0	0	0	0	0	0	0	0	0
Supplier payments Nursery	0	0	0	0	0	0	0	0	0	0	0	0	0
Supplier payments Co-Working Hub	0	0	0	0	0	0	0	0	0	0	0	0	0
Payroll costs Central	(1,333)	(1,333)	(1,333)	(1,333)	(1,333)	(1,333)	(1,333)	(1,333)	(1,333)	(1,333)	(1,333)	(1,333)	(16,000)
Payroll costs Nursery	0	0	0	0	0	0	0	0	0	0	0	0	0
Insurance, rates prepaid	0	0	0	0	0	0	0	0	0	0	0	0	0
Accruals paid	0	(1,250)	0	0	0	0	0	0	0	0	0	0	(1,250)
Capex gross of VAT, Construction	(7,993)	0	(3,227)	(1,965)	(41,084)	(37,929)	(50,548)	(63,167)	(28,465)	(37,929)	(60,012)	(19,001)	(351,319)
Capitalised Fees (inc VAT)	(20,738)	0	(6,709)	(2,440)	0	(2,440)	0	(2,440)	0	(2,440)	0	(1,220)	(38,426)
Capex gross of VAT, Nursery	0	0	0	0	0	0	0	0	0	0	0	0	0
Capex gross of VAT, Co-Working hub	0	0	0	0	0	0	0	0	0	0	0	0	0
VAT (paid)/reclaimed (construction)	0	0	3,993	0	0	7,718	0	0	21,796	0	0	17,942	51,449
VAT (paid)/reclaimed (co-working)	0	0	0	0	0	0	0	0	0	0	0	0	0
Crowdfunder fees	0	0	0	0	(2,366)	(2,366)	(1,199)	(31)	0	0	0	0	(5,963)
Share Offer Costs	0	0	0	(4,778)	(5,228)	(4,778)	(2,198)	(2,198)	0	0	0	0	(19,180)
Share interest paid	0	0	0	0	0	0	0	0	0	0	0	0	0
Consultancy fees	(1,500)	(2,000)	(1,500)	0	0	0	0	0	0	0	0	0	(5,000)
Fundraising costs	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(1,000)
Loan interest (directors)	0	0	0	0	0	0	0	0	0	0	0	0	0
Loan interest	0	0	0	0	0	0	0	0	0	0	0	0	0
Loan capital repayment	0	0	0	0	0	0	0	0	0	0	0	0	0
	(31,647)	(4,667)	(8,860)	(10,600)	(50,095)	(41,212)	(55,361)	(69,252)	(8,085)	(41,785)	(61,429)	(3,695)	(386,689)
<b>Net cash flow</b>	75,063	(2,248)	30,169	(10,015)	50,478	59,424	69,185	(50,672)	(7,353)	(41,062)	(60,756)	59,286	171,499
Balance b/fwd	31,611	106,673	104,426	134,594	124,580	175,057	234,481	303,667	252,994	245,642	204,580	143,824	31,611
<b>Balance c/fwd</b>	106,673	104,426	134,594	124,580	175,057	234,481	303,667	252,994	245,642	204,580	143,824	203,110	203,110

2019												
Balance Sheet, Year 0	1	2	3	4	5	6	7	8	9	10	11	12
	£	£	£	£	£	£	£	£	£	£	£	£
<b>Fixed assets</b>												
Building	86,880	86,880	89,657	91,349	126,712	159,359	202,868	257,239	281,740	314,387	366,043	382,398
Capitalised fees	80,530	80,530	86,305	88,405	88,405	90,505	90,505	92,605	92,605	94,705	94,705	95,755
Nursery	0	0	0	0	0	0	0	0	0	0	0	0
Co-Working Hub	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0
	<b>167,410</b>	<b>167,410</b>	<b>175,962</b>	<b>179,754</b>	<b>215,117</b>	<b>249,864</b>	<b>293,373</b>	<b>349,844</b>	<b>374,345</b>	<b>409,092</b>	<b>460,748</b>	<b>478,153</b>
<b>Current assets</b>												
Stock	0	0	0	0	0	0	0	0	0	0	0	0
Debtors	1,869	0	0	0	0	0	0	0	0	0	0	0
Prepayments	133	131	168	156	219	293	380	316	307	256	180	254
Bank - current a/c	<b>106,673</b>	<b>104,426</b>	<b>134,594</b>	<b>124,580</b>	<b>175,057</b>	<b>234,481</b>	<b>303,667</b>	<b>252,994</b>	<b>245,642</b>	<b>204,580</b>	<b>143,824</b>	<b>203,110</b>
	<b>108,676</b>	<b>104,556</b>	<b>134,763</b>	<b>124,735</b>	<b>175,276</b>	<b>234,774</b>	<b>304,046</b>	<b>253,311</b>	<b>245,949</b>	<b>204,836</b>	<b>144,004</b>	<b>203,364</b>
<b>Creditors</b>												
Bank overdraft	0	0	0	0	0	0	0	0	0	0	0	0
Trade creditors	0	0	0	0	0	0	0	0	0	0	0	0
Loan	0	0	0	0	0	0	0	0	0	0	0	0
VAT (Construction)	3,993	3,993	1,384	1,997	7,718	5,621	12,660	21,796	3,964	9,585	17,942	2,816
VAT (Co-working)	0	0	0	0	0	0	0	0	0	0	0	0
PAYE/NI (Central)	0	0	0	0	0	0	0	0	0	0	0	0
PAYE/NI (Nursery)	0	0	0	0	0	0	0	0	0	0	0	0
PAYE/NI (Co-Working)	0	0	0	0	0	0	0	0	0	0	0	0
Corporation tax	0	0	0	0	0	0	0	0	0	0	0	0
Share Interest	0	0	0	0	0	0	0	0	0	0	0	0
Loan Interest	0	0	0	0	0	0	0	0	0	0	0	0
Accruals	(1,350)	(200)	(300)	(400)	(500)	(600)	(700)	(800)	(900)	(1,000)	(1,100)	(1,200)
	<b>2,643</b>	<b>3,793</b>	<b>1,084</b>	<b>1,597</b>	<b>7,218</b>	<b>5,021</b>	<b>11,960</b>	<b>20,996</b>	<b>3,064</b>	<b>8,585</b>	<b>16,842</b>	<b>1,616</b>
Net current assets	<b>111,319</b>	<b>108,349</b>	<b>135,846</b>	<b>126,333</b>	<b>182,494</b>	<b>239,796</b>	<b>316,007</b>	<b>274,307</b>	<b>249,013</b>	<b>213,421</b>	<b>160,846</b>	<b>204,980</b>
<b>Creditors due &gt; 1 year</b>												
Directors Loan	(100,400)	(100,400)	(100,400)	(100,400)	(100,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)
Loan	0	0	0	0	0	0	0	0	0	0	0	0
Grants	(102,650)	(99,007)	(133,847)	(130,204)	(126,561)	(125,515)	(223,305)	(240,042)	(238,996)	(237,949)	(236,903)	(298,241)
<b>NET ASSETS</b>	<b>75,678</b>	<b>76,351</b>	<b>77,562</b>	<b>75,483</b>	<b>170,650</b>	<b>288,745</b>	<b>310,675</b>	<b>308,708</b>	<b>308,962</b>	<b>309,164</b>	<b>309,291</b>	<b>309,491</b>
<b>CAPITAL AND RESERVE S</b>												
Share capital	0	0	0	0	97,634	220,268	244,069	244,038	244,038	244,038	244,038	244,038
Retained profit and loss account	75,678	76,351	77,562	75,483	73,017	68,478	66,606	64,671	64,925	65,127	65,254	65,454
<b>SHAREHOLDERS FUNDS</b>	<b>75,678</b>	<b>76,351</b>	<b>77,562</b>	<b>75,483</b>	<b>170,650</b>	<b>288,746</b>	<b>310,675</b>	<b>308,709</b>	<b>308,962</b>	<b>309,165</b>	<b>309,291</b>	<b>309,492</b>

2020												
Balance Sheet, Year 1	1	2	3	4	5	6	7	8	9	10	11	12
	£	£	£	£	£	£	£	£	£	£	£	£
<b>Fixed assets</b>												
Building	409,614	436,831	450,470	499,410	556,496	561,989	575,629	595,966	595,106	594,246	593,386	592,526
Capitalised fees	95,755	96,805	96,805	97,855	97,855	99,955	99,955	103,368	103,300	103,232	103,164	103,096
Nursery	0	0	0	0	0	0	0	0	19,479	19,149	18,818	18,488
Co-Working Hub	0	0	0	0	0	0	0	0	22,766	45,047	44,078	43,109
Other	0	0	0	0	0	0	0	0	0	0	0	0
	505,369	533,636	547,275	597,265	654,351	661,944	675,584	699,333	740,650	761,673	759,446	757,220
<b>Current assets</b>												
Stock	0	0	0	0	0	0	0	0	0	1,040	1,200	1,700
Debtors	0	0	0	0	0	0	0	0	0	0	0	0
Prepayments	400	354	346	280	194	202	177	138	85	51	51	71
Bank - current a/c	319,617	283,239	276,796	223,923	155,293	161,715	141,889	110,409	67,984	40,932	40,664	56,436
	320,017	283,593	277,142	224,203	155,487	161,917	142,067	110,547	68,069	42,024	41,915	58,207
<b>Creditors</b>												
Bank overdraft	0	0	0	0	0	0	0	0	0	0	0	0
Trade creditors	(462)	(462)	(577)	(462)	(462)	(577)	(462)	(462)	(1,548)	(4,081)	(3,361)	(4,685)
Loan	0	0	0	0	0	0	0	0	0	0	0	0
VAT (Construction)	7,219	11,792	2,207	10,294	19,529	1,228	3,435	7,277	0	0	0	0
VAT (Co-working)	77	154	404	481	558	1,212	1,288	1,365	4,746	9,589	9,705	145
PAYE/NI (Central)	0	0	0	0	0	(145)	(145)	(145)	(96)	(96)	(96)	(96)
PAYE/NI (Nursery)	0	0	0	0	0	0	0	0	0	(774)	(774)	(774)
PAYE/NI (Co-Working)	0	0	0	0	0	0	0	0	0	0	0	0
Corporation tax	0	0	0	0	0	0	0	0	0	0	0	0
Share Interest	0	0	0	0	0	0	0	0	0	0	0	0
Loan Interest	0	0	0	0	0	0	0	0	0	0	0	0
Accruals	(1,350)	(150)	(300)	(450)	(600)	(750)	(900)	(1,050)	(1,200)	(1,350)	(1,500)	(1,650)
	5,484	11,334	1,734	9,863	19,025	988	3,217	6,986	1,903	3,289	3,975	(7,060)
Net current assets	325,501	294,927	278,876	234,066	174,513	162,886	145,284	117,533	69,972	45,312	45,890	51,147
<b>Creditors due &gt; 1 year</b>												
Directors Loan	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)
Loan	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)
Grants	(296,981)	(295,720)	(294,460)	(300,762)	(299,501)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)
<b>NET ASSETS</b>	<b>308,489</b>	<b>307,442</b>	<b>306,291</b>	<b>305,169</b>	<b>303,962</b>	<b>301,189</b>	<b>297,227</b>	<b>293,225</b>	<b>286,981</b>	<b>283,344</b>	<b>281,695</b>	<b>284,726</b>
<b>CAPITAL AND RE SERVE S</b>												
Share capital	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038
Retained profit and loss account	64,452	63,405	62,254	61,132	59,925	57,152	53,190	49,188	42,944	39,307	37,658	40,689
<b>SHAREHOLDERS FUNDS</b>	<b>308,490</b>	<b>307,443</b>	<b>306,291</b>	<b>305,170</b>	<b>303,963</b>	<b>301,189</b>	<b>297,227</b>	<b>293,226</b>	<b>286,981</b>	<b>283,345</b>	<b>281,695</b>	<b>284,726</b>

2021												
Balance Sheet, Year 2	1	2	3	4	5	6	7	8	9	10	11	12
	£	£	£	£	£	£	£	£	£	£	£	£
<b>Fixed assets</b>												
Building	591,666	590,806	589,946	589,086	588,226	587,366	586,506	585,646	584,786	583,926	583,066	582,207
Capitalised fees	103,028	102,961	102,893	102,825	102,757	102,689	102,622	102,554	102,486	102,418	102,350	102,283
Nursery	18,158	17,828	17,498	17,168	16,837	16,507	16,177	15,847	15,517	15,187	14,857	14,526
Co-Working Hub	42,141	41,172	40,203	39,234	38,266	37,297	36,328	35,359	34,391	33,422	32,453	31,484
Other	0	0	0	0	0	0	0	0	0	0	0	0
	754,993	752,766	750,540	748,313	746,086	743,860	741,633	739,407	737,180	734,953	732,727	730,500
<b>Current assets</b>												
Stock	1,360	1,360	1,700	1,411	1,411	1,784	1,411	1,411	1,806	1,445	1,445	1,806
Debtors	0	0	0	0	0	0	0	0	0	0	0	0
Prepayments	71	72	80	83	87	95	97	102	111	113	118	71
Bank - current a/c	57,155	57,888	64,323	66,179	69,382	76,148	77,942	81,224	88,472	90,571	94,216	56,447
	58,586	59,320	66,103	67,673	70,880	78,007	79,451	82,736	90,388	92,129	95,779	58,323
<b>Creditors</b>												
Bank overdraft	0	0	0	0	0	0	0	0	0	0	0	0
Trade creditors	(2,790)	(3,130)	(4,236)	(2,892)	(3,181)	(4,313)	(2,828)	(3,181)	(4,398)	(2,853)	(3,215)	(4,364)
Loan	0	0	0	0	0	0	0	0	0	0	0	0
VAT (Construction)	0	0	0	0	0	0	0	0	0	0	0	0
VAT (Co-working)	(6)	(158)	(189)	(340)	(491)	(189)	(340)	(491)	(189)	(340)	(491)	(189)
PAYE/NI (Central)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)
PAYE/NI (Nursery)	(656)	(656)	(656)	(656)	(656)	(656)	(656)	(656)	(656)	(656)	(656)	(656)
PAYE/NI (Co-Working)	0	0	0	0	0	0	0	0	0	0	0	0
Corporation tax	0	0	0	0	0	0	0	0	0	0	0	0
Share Interest	0	0	0	0	0	0	0	0	0	0	0	0
Loan Interest	0	0	0	0	0	0	0	0	0	0	0	0
Accruals	(1,850)	(50)	(250)	(450)	(650)	(850)	(1,050)	(1,250)	(1,450)	(1,650)	(1,850)	(2,050)
	(5,398)	(4,089)	(5,427)	(4,433)	(5,074)	(6,103)	(4,970)	(5,674)	(6,788)	(5,595)	(6,308)	(7,354)
Net current assets	53,189	55,231	60,676	63,239	65,806	71,903	74,481	77,062	83,600	86,534	89,471	50,969
<b>Creditors due &gt; 1 year</b>												
Directors Loan	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)
Loan	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(105,000)
Grants	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)
<b>NET ASSETS</b>	<b>284,541</b>	<b>284,357</b>	<b>287,575</b>	<b>287,911</b>	<b>288,251</b>	<b>292,122</b>	<b>292,473</b>	<b>292,828</b>	<b>297,139</b>	<b>297,846</b>	<b>298,557</b>	<b>302,828</b>
<b>CAPITAL AND RESERVE S</b>												
Share capital	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038
Retained profit and loss account	40,504	40,319	43,538	43,874	44,214	48,085	48,436	48,791	53,102	53,809	54,520	58,791
<b>SHAREHOLDERS FUNDS</b>	<b>284,541</b>	<b>284,357</b>	<b>287,575</b>	<b>287,912</b>	<b>288,252</b>	<b>292,123</b>	<b>292,473</b>	<b>292,828</b>	<b>297,140</b>	<b>297,846</b>	<b>298,557</b>	<b>302,828</b>

	2022											
Balance Sheet, Year 3	1	2	3	4	5	6	7	8	9	10	11	12
	£	£	£	£	£	£	£	£	£	£	£	£
<b>Fixed assets</b>												
Building	581,347	580,487	579,627	578,767	577,907	577,047	576,187	575,327	574,467	573,607	572,747	571,887
Capitalised fees	102,215	102,147	102,079	102,011	101,943	101,876	101,808	101,740	101,672	101,604	101,537	101,469
Nursery	14,196	13,866	13,536	13,206	12,876	12,546	12,215	11,885	11,555	11,225	10,895	10,565
Co-Working Hub	30,516	29,547	28,578	27,609	26,641	25,672	24,703	23,734	22,766	21,797	20,828	19,859
Other	0	0	0	0	0	0	0	0	0	0	0	0
	728,273	726,047	723,820	721,593	719,367	717,140	714,913	712,687	710,460	708,233	706,007	703,780
<b>Current assets</b>												
Stock	1,488	1,488	1,860	1,488	1,488	1,860	1,488	1,488	1,860	1,488	1,488	1,860
Debtors	0	0	0	0	0	0	0	0	0	0	0	0
Prepayments	74	76	86	89	95	104	108	113	122	126	131	79
Bank - current a/c	59,074	60,778	68,583	71,357	75,631	83,209	86,002	90,294	97,890	100,701	105,012	62,877
	60,636	62,343	70,529	72,935	77,214	85,174	87,598	91,895	99,873	102,315	106,631	64,816
<b>Creditors</b>												
Bank overdraft	0	0	0	0	0	0	0	0	0	0	0	0
Trade creditors	(2,756)	(3,073)	(4,198)	(2,701)	(3,073)	(4,198)	(2,701)	(3,073)	(4,198)	(2,701)	(3,073)	(4,198)
Loan	0	0	0	0	0	0	0	0	0	0	0	0
VAT (Construction)	0	0	0	0	0	0	0	0	0	0	0	0
VAT (Co-working)	(537)	(884)	(434)	(782)	(1,129)	(434)	(782)	(1,129)	(434)	(782)	(1,129)	(434)
PAYE/NI (Central)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)
PAYE/NI (Nursery)	(690)	(690)	(690)	(690)	(690)	(690)	(690)	(690)	(690)	(690)	(690)	(690)
PAYE/NI (Co-Working)	0	0	0	0	0	0	0	0	0	0	0	0
Corporation tax	0	0	0	0	0	0	0	0	0	0	0	0
Share Interest	0	0	0	0	0	0	0	0	0	0	0	0
Loan Interest	0	0	0	0	0	0	0	0	0	0	0	0
Accruals	(2,300)	(50)	(300)	(550)	(800)	(1,050)	(1,300)	(1,550)	(1,800)	(2,050)	(2,300)	(2,550)
	(6,378)	(4,793)	(5,718)	(4,819)	(5,789)	(6,468)	(5,569)	(6,539)	(7,218)	(6,319)	(7,289)	(7,968)
Net current assets	54,258	57,549	64,811	68,116	71,426	78,706	82,029	85,357	92,655	95,996	99,343	56,848
<b>Creditors due &gt; 1 year</b>												
Directors Loan	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)
Loan	(105,000)	(105,000)	(105,000)	(105,000)	(105,000)	(105,000)	(105,000)	(105,000)	(105,000)	(105,000)	(105,000)	(55,000)
Grants	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)
<b>NET ASSETS</b>	<b>303,891</b>	<b>304,955</b>	<b>309,990</b>	<b>311,068</b>	<b>312,151</b>	<b>317,205</b>	<b>318,301</b>	<b>319,402</b>	<b>324,474</b>	<b>325,589</b>	<b>326,708</b>	<b>331,987</b>
<b>CAPITAL AND RESERVES</b>												
Share capital	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038
Retained profit and loss account	59,853	60,918	65,953	67,031	68,114	73,168	74,264	75,365	80,437	81,551	82,671	87,950
<b>SHAREHOLDERS FUNDS</b>	<b>303,891</b>	<b>304,955</b>	<b>309,991</b>	<b>311,068</b>	<b>312,151</b>	<b>317,205</b>	<b>318,301</b>	<b>319,403</b>	<b>324,475</b>	<b>325,589</b>	<b>326,709</b>	<b>331,987</b>

2023												
Balance Sheet, Year 4	1	2	3	4	5	6	7	8	9	10	11	12
	£	£	£	£	£	£	£	£	£	£	£	£
<b>Fixed assets</b>												
Building	571,027	570,167	569,307	568,447	567,587	566,728	565,868	565,008	564,148	563,288	562,428	561,568
Capitalised fees	101,401	101,333	101,265	101,198	101,130	101,062	100,994	100,926	100,858	100,791	100,723	100,655
Nursery	10,235	9,904	9,574	9,244	8,914	8,584	8,254	7,924	7,593	7,263	6,933	6,603
Co-Working Hub	18,891	17,922	16,953	15,984	15,016	14,047	13,078	12,109	11,141	10,172	9,203	8,234
Other	0	0	0	0	0	0	0	0	0	0	0	0
	701,553	699,327	697,100	694,873	692,647	690,420	688,194	685,967	683,740	681,514	679,287	677,060
<b>Current assets</b>												
Stock	1,533	1,533	1,916	1,533	1,533	1,916	1,533	1,533	1,916	1,533	1,533	1,916
Debtors	0	0	0	0	0	0	0	0	0	0	0	0
Prepayments	84	88	99	104	112	123	128	136	147	152	160	103
Bank - current a/c	67,297	70,095	79,257	83,596	89,470	98,392	102,755	108,653	117,598	121,985	127,907	82,152
	68,914	71,716	81,272	85,234	91,115	100,431	104,416	110,322	119,662	123,671	129,600	84,171
<b>Creditors</b>												
Bank overdraft	0	0	0	0	0	0	0	0	0	0	0	0
Trade creditors	(2,791)	(3,118)	(4,265)	(2,735)	(3,118)	(4,265)	(2,735)	(3,118)	(4,265)	(2,735)	(3,118)	(4,265)
Loan	0	0	0	0	0	0	0	0	0	0	0	0
VAT (Construction)	0	0	0	0	0	0	0	0	0	0	0	0
VAT (Co-working)	(994)	(1,553)	(699)	(1,258)	(1,817)	(699)	(1,258)	(1,817)	(699)	(1,258)	(1,817)	(699)
PAYE/NI (Central)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)
PAYE/NI (Nursery)	(725)	(725)	(725)	(725)	(725)	(725)	(725)	(725)	(725)	(725)	(725)	(725)
PAYE/NI (Co-Working)	0	0	0	0	0	0	0	0	0	0	0	0
Corporation tax	0	0	0	0	0	0	0	0	0	0	0	0
Share Interest	0	0	0	0	0	0	0	0	0	0	0	0
Loan Interest	0	0	0	0	0	0	0	0	0	0	0	0
Accruals	(2,850)	(150)	(450)	(750)	(1,050)	(1,350)	(1,650)	(1,950)	(2,250)	(2,550)	(2,850)	(3,150)
	(7,455)	(5,642)	(6,235)	(5,564)	(6,807)	(7,135)	(6,464)	(7,707)	(8,035)	(7,364)	(8,607)	(8,935)
Net current assets	61,459	66,074	75,038	79,669	84,309	93,296	97,952	102,615	111,627	116,306	120,994	75,236
<b>Creditors due &gt; 1 year</b>												
Directors Loan	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)	(75,400)
Loan	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)	0
Grants	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)	(298,241)
<b>NET ASSETS</b>	<b>334,371</b>	<b>336,760</b>	<b>343,497</b>	<b>345,902</b>	<b>348,314</b>	<b>355,075</b>	<b>357,504</b>	<b>359,941</b>	<b>366,726</b>	<b>369,179</b>	<b>371,640</b>	<b>378,655</b>
<b>CAPITAL AND RESERVE S</b>												
Share capital	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038	244,038
Retained profit and loss account	90,334	92,723	99,460	101,865	104,277	111,038	113,467	115,904	122,689	125,142	127,602	134,618
<b>SHAREHOLDERS FUNDS</b>	<b>334,372</b>	<b>336,760</b>	<b>343,497</b>	<b>345,902</b>	<b>348,315</b>	<b>355,076</b>	<b>357,505</b>	<b>359,941</b>	<b>366,726</b>	<b>369,179</b>	<b>371,640</b>	<b>378,656</b>