



# **BUSINESS PLAN**

**In support of the Clubhouse Extension, Junior Pitch Drainage, Car Park Improvements and Infrastructure developments at The Hollyhedge Community Stadium at Hollyhedge Park, Sharston, Manchester**



**Prepared by: Board Directors**

**September 2020**

## **LEGAL DISCLAIMER**

Wythenshawe AFC Community Society (“Wythenshawe AFC”) is incorporated as a community benefit society, registration number 7250. It is governed by its Rules.

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## Contents

1.	Executive Summary .....	4
2.	Introduction .....	5
2.1	History .....	5
2.2	Ground and Tenure .....	5
2.3	Legal Structure .....	6
2.4	Governance and Management.....	7
2.5	Teams .....	9
3.	Facility .....	10
3.1	Current Facilities .....	10
3.2	Replacement Facilities.....	10
4.	Capital Build .....	12
4.1	Planning.....	12
4.2	Designs and costings .....	12
4.3	Sources of finance .....	13
4.4	Project Team .....	14
4.5	Timeline.....	14
5.	Operating model .....	14
5.1	Income streams .....	14
5.2	Management and staffing .....	15
5.3	Pitch maintenance.....	15
5.4	Operational management .....	16
5.5	Programme of use and pricing policy.....	17
6.	Community Share Issue .....	19
6.1	Members .....	19
6.2	Share marketing and promotion .....	19
6.3	Share targets .....	20
6.4	Social investment tax relief .....	20
7.	Financial information .....	21
8.	Risks and Mitigations .....	22

## 1. Executive Summary

Wythenshawe AFC is a football club based in Wythenshawe, Manchester, incorporated as a community benefit society. The club runs a variety of football teams, and in total close to 550 boys, girls, men and women represent the Club each week.

Wythenshawe consists of 5 wards, Sharston, Woodhouse Park, Baguley, Brooklands and Northenden, the current population is 110,000 . There are 282 Lower Super Output Areas (LSOA) across the City of Manchester which 44 are in the 5 Wards of Wythenshawe. There are 12 LSOA's within Wythenshawe that are within the top 5% of the most deprived in the country.

Our club is based in the Sharston Ward of Manchester. There are 259 Lower Super Output Areas across Manchester of which 10 are in Sharston Ward. There is a strategic need for local neighbourhood sports facilities in the Sharston Ward, local residents face barriers to participation with many from low income families and/or no car at household. High quality facilities locally will support these residents to access regular sport on their doorstep.

Wythenshawe AFC's main facility is located at Hollyhedge Park in Sharston and despite considerable annual investment and countless hours working on it weekly from a dedicated band of volunteers and outside contractors it suffers from various (inherited) problems which lead to poor pitch quality and games being called off in poor weather. Ancillary facilities such as car parking, Children's play areas, storage and catering facilities also require renovation.

Wythenshawe AFC wishes to extend the current clubhouse building to incorporate a small community room, renovate and expand the car parking and access areas, install drainage to the junior pitches and improve the clubs catering facilities.

The community room will be large enough to offer the room out to small community groups of up to 30 people along with giving the club the opportunity to hire out the main function room of Saturdays, given the club a much needed boost for its sustainability plans.

Due to finances the club were forced to part build the car parking and road surfaces into and around the club and need to improve the entrance to the site and then resurface the current loose gravel parking spaces.

The club has a small area where children are encouraged to play whilst parents are visiting the facility, unfortunately this area has become tired and badly worn and needs urgent renovation to make it safe.

The junior pitches have not received the essential and required maintenance program for several years prior to the club signing a licence for them in 2017. We have begun investing in the pitches through capital and maintenance programs however this is a gradual process and the recent bad weather has reduced the usage to less than 30% of the season. We have increased maintenance routines and budgets to continually improve the pitch quality however we need the drainage to be installed to ensure usage and pitch improvements take effect.

Detailed financial forecasts have been prepared which shows the capital spend costs and improved facilities will help increase profits and usage further strengthening the club's financial sustainability.

The next stage of this phase is to secure the funding required. Wythenshawe AFC envisages this being funded via a combination of grants and community shares.

## 2. Introduction

### 2.1 History

Wythenshawe AFC was formed in 1946 as Wythenshawe Lads' Club by local resident Reg Gauntlet, based in Wythenshawe, Manchester. In 1956 they played Manchester United, including Bobby Charlton, in the Altrincham FA Cup. This was a great day for Wythenshawe because not only did they hold a very talented United team but according to press reports were quite as good as their opponents. After two lots of extra time the score was 1-1, the cup was shared.

The club led a nomadic existence until it won a £150,000 grant in 2013, the catalyst of opening their stadium in Hollyhedge Park in 2017. The legal entity was changed in 2017 to become a Community Benefit Society, the current Board consists of Carl Barratt, Peter Andrews, John Cotton, Ray Gibson, Stephen Hall, Martin Howe and Neil Owen. The club climbed the football pyramid, winning over 50 pieces of silverware, playing on the national stage in the FA Vase, reaching the Semi-Professional level of the North West Counties League in 2018.

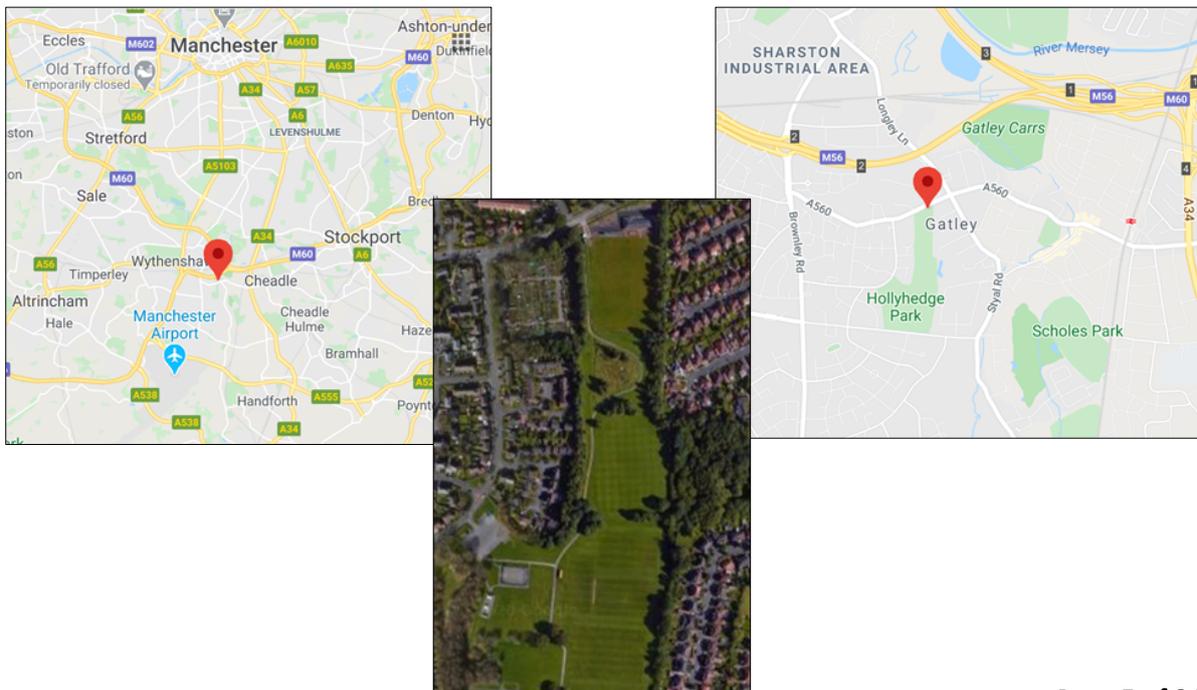
We are proud to say that our First Team have never been relegated in its near 75-year history.

### 2.2 Ground and Tenure

The club has played over various sites throughout Wythenshawe during this period and finally settling at its "home" Hollyhedge Park. The club signed a 26-year lease and Licence for Hollyhedge Park and opened its brand-new facility on 30th September 2017. The official grand opening was on 6<sup>th</sup> May 2018 with Bryan Robson cutting the ribbon.

The renamed "Hollyhedge Community Stadium" has 6 pitches on site, a covered stand, floodlighting and a brand-new clubhouse with function rooms.

The facility is located approximately 6 miles south of Manchester City Centre, as per the below map and satellite views:



The facility is split into two sections, the bottom section is fenced in and has the main pitch, clubhouse, stand and floodlights. The top of Hollyhedge Park has 5 grass pitches hosting some of our junior teams.



The club has secured a 26-year lease and licence agreement with Manchester City Council for the park.



The main pitch, clubhouse, stand and floodlights are in excellent condition however the surrounding car park, road entrances and pitch drainage require upgrades, expansion, and renovation.

The clubhouse is made up of one large room with a licenced bar, WCs, a small kitchen, and changing rooms for home and away teams and officials. The pitch is used by our men's 1<sup>st</sup> team, men's reserves and women's 1<sup>st</sup> team. The clubhouse is predominately used by its members and hired functions.

The focus of this business plan is to extend the Clubhouse, upgrade the road access and car parking, install junior pitch drainage and infrastructure improvements that with help sustain the large investment in the park and its community. The need for this work, along with considerations on its build, funding, and operations, are considered in later sections.

## 2.3 Legal Structure

Wythenshawe AFC is incorporated as a community benefit society, Wythenshawe AFC Community Society, registration number 7250.

Its community purpose is:

- To provide football and social opportunities for its officials, supporters, players, and their families.
- Enhancing the social, cultural, and economic value of the Club to its Communities and by acting as a responsible custodian of the club for future generations
- Upholding the mutual ownership of the club operating democratically, fairly, and transparently
- Ensuring the Club operates with the financial responsibility enabling the Club to be in for the long-term interest of the community

Wythenshawe AFC's aims are:

- To provide, promote and encourage a safe, fun and a quality environment for all, regardless of age, ability, gender, race, sexuality, or social status.
- To provide the opportunity for people to develop and advance their social and football skills, to encourage and realise their potential
- To offer a safe, monitored, and alternative arena for all, giving a choice to the local community and promoting a positive spirit
- To assist with the FA's national game strategy, growth and retention, football for all, raising standards, player development, running the game, better workforce, better facilities, develop partnerships, gain investment and promoting the game.
- To bring to life a declining local facility to benefit the surrounding community.
- To provide a safe environment for young people to come along and develop their sporting and life skills in a deprived area of Manchester
- Promote general fitness in a culture of widespread national concern about the levels of obesity in young people
- To provide hope and aspiration for local youngster!
- To have football teams playing in every age group and level to ensure that everyone is able to be included and have opportunities to play football and be part of the community in line with the football club's football development plan and strategic plan.
- Wythenshawe AFC strives to ensure that it keeps its FA Charter Standard Community club status as this is the highest possible quality guarantee from the FA for non-league clubs and community clubs.

## **2.4 Governance and Management**

For administrative and FA purposes, the Club is divided between its Junior and Senior Sections, all run on a voluntary basis. Each section has its own committee headed by a Chairman, and each section reports to the board of directors.

Both section committees meets monthly and comprises the coach from each team and its committee members and volunteers. The minutes of each meeting are recorded and sent to the board of directors.

The Facility is administered separately and controlled by the board of directors and its paid staff members.

All three parts of the club are administered, budgeted and accounted separately however year-end financial records are combined for company legal and financial obligations. All sections abide by the company's rules and regulations set out in its constitution.

Wythenshawe AFC currently has seven directors, who have almost 140 years of service to the Club between them:

**Chair and Treasurer: Carl Barratt**

Carl has been part of Wythenshawe AFC for 16 years, initially starting as a junior team manager. He has been Junior Section Chair for 9 years and under his leadership, the juniors have expanded from 3 teams to the current 31 teams. Carl became Club Chair in 2019 following the resignation of former Chair Bas Kabbani. He is a wholesale consultant within the fashion industry with well over 25 years' experience of implementing and driving successful sales and marketing strategies. Carl sits on the board of a multi-million-pound UK based Fashion brand.

**Vice Chair and Commercial Director: Martin Howe**

After refereeing football for 18 years, Martin chose to get involved with 'the Ammies' after several visits to Hollyhedge. Martin loves his sport, as well as being Vice Chairman of the Club, he captains a darts team on a Wednesday night and from April to September umpires in the Cheshire County Cricket League. In 2018, Martin was invited to join the board after running a beer festival that raised valuable money for the club. Martin is a Commercial Finance Broker with a number of contacts, you will see him running around the club doing golden goals, man of the match presentations, generally turning his hand to anything that needs doing.

**Facilities Director: Pete Andrews**

Retired Engineer- Peter has been associated with Wythenshawe Amateurs since 1993, and was the club's Lancashire FA representative for over 25 years, dealing with administration matters from affiliation requirements to discipline, Peter is responsible for ground development and improvement to facilities he has overseen the project to get the ground ready to meet the grading needed for promotion to the North West Counties Football League.

**Facilities Director: Stephen Hall**

Steve is a retired HR manager who spent over 30 years in the Brewing industry and has been with the Ammies for 43 years joining as a player in 1977 and serving on the committee in numerous positions, joining the board at its inception at the start of the Hollyhedge project.

**Senior Section Director: Ray Gibson**

Ray is Senior Section Chair, having spent over 40 years at the club, he has had many roles starting as a player and running teams at all ages from the juniors to the senior sides. He has been the clubs league secretary dealing with both the Manchester and Altrincham leagues for The Gibson family are embedded into the fabric of the club.

**Legislation Director: John Cotton**

John has been a committee member of Wythenshawe AFC for over 10 years and is Junior Section Secretary along with First Team Secretary.

John, a LLB Bachelor of Law, is a Legal Advisor in the Courts Service and has been in the Court Service for 45 years, Married to Janet and has one daughter Sola.

John responsibility on the board is to ensure the club adheres to all Corporate, Legal and Football legislation.

**Junior Section Commercial Director: Neil Owen**

Neil has been with Wythenshawe Amateurs for the past 8 years running a junior team for 6 years. Neil became manager of the first all-girls junior team in 2018 . He has been a board member for 4 years. Neil is an account manager within the motor industry and has been in the trade for 30 years.

The club has 8 paid members of staff who work at the clubhouse; Wythenshawe AFC's activities are made possible by a loyal, dedicated team of around 100 volunteers; who act as team coaches, committee members, or help around the ground or other tasks on matchdays etc. The key personnel have all been involved with the Club for a long time, and Wythenshawe AFC is incredibly lucky and grateful to have such a loyal, committed and hard working committee and a structure that works perfectly.

Wythenshawe AFC is recognised by the FA as a Charter Standard Community Club, the highest accolade the FA can award non-league clubs to recognise excellence in youth coaching and long term player development. This award is subject to annual review and is dependent upon having the necessary constitution, open and non-discriminatory membership, relevant codes of conduct and all coaches having the relevant qualifications and up to date DBS checks.

## **2.5 Teams**

Due to the recent improved transport links, increased business incentives, local hospital and Manchester airport, the population is increasing, our football development plan is looking to increase team numbers from 34 to 60 within the next 6 years.

Teams for 2019/20 season were:

- 26 youth teams, from u7s to u18s
- 7 senior teams, 5 men's teams playing on Sat & Sun and 2 Ladies teams
- A walking Football team for over 50s
- Weekly training for u6s

In total this is over 550 boys, girls, men and women representing the Club each week.

### **3. Facility**

#### **3.1 Current Facilities**

Hollyhedge Park has seen an incredible amount of investment over the past 3 years, the Club has raised just over £1m to build the “Hollyhedge Community Stadium” and its facilities. Thanks goes to The Football Foundation, Power to Change, Sport England, Tesco “Bags of Help”, Budweiser Club Awards, Local Neighbourhood Investment funds, Manchester City Council and the Clubs members for realising our dream of building our own Home.

The clubs main facilities are enclosed by paladin fencing at the bottom of Hollyhedge Park consisting of an impressive clubhouse with changing facilities for two teams and referees, a fully operational bar with a main function room, car parking for 30 vehicles, a covered seated and standing Spectator stand, state of the art flood lights and a main pitch which has had just over £150k invested in it surrounded by a quality hardstanding and pitch perimeter fence.

The facility extends further into Hollyhedge park, this is where the juniors are based, there are 5 pitches here, two 9 a side and 3 mini soccer pitches, these pitches are situated on existing playing fields which have been rarely used due to the poor condition and unsuitable drainage systems. Although the club have heavily invested in maintenance programs including complete top-level removal and replacement, the pitches have been unable to be used fully over the past 3 seasons due to poor weather and terrible drainage issues. During the last three seasons Wythenshawe AFC have almost 100 games postponed due to waterlogged pitches. The club hope that with continued maintenance the pitches will improve and enable us to increase the numbers of games played on site however until the drainage has been improved the site will not be able to be fully utilised.

#### **3.2 Replacement Facilities**

Wythenshawe AFC wish to extend the current Clubhouse footprint to include a small community room at the front of the building, this will enable the club to increase usage and maximise revenue by hiring out the main function room on Saturdays which has not been possible due to football game scheduling.

The additional functions and usage will increase the demand for catering, the current layout of the kitchen is extremely restrictive therefore we are looking to increase our catering offering by adding a catering container to pitch side area which will relieve the pressure on the already stretched facility.

The club has been approached by several local community groups to use the facility; however, the current room has not been free or is unsuitable for their requirements, they will be able to use the new room free of charge.

The club has plans to increase the car park spaces, improve the existing surfaces, and extend the entrance road to come further into the facility to assist with road travel management and safe accessibility.

The junior pitches have suffered recently, the past three years have resulted in the usage being reduced dramatically and despite a substantial investment in the pitches they are still not fit for purpose and will always be susceptible to harsh weather, the club intend to install and improve the drainage system across all the pitches.

During a recent membership survey the club identified the need to add a safe area where children can play whilst their families are visiting the facility, with this in mind we would like to create an area south of the stand to install a small astroturf pitch surrounded by a fence.

The forecast surplus from the additional functions will help contribute to the annual maintenance costs.

## 4. Capital Build

### 4.1 Planning

Planning consent for the original build was received from Manchester City Council in August 2016 with the further extension planning approved in May 2020. Manchester City Council have also approved the works as landlord.

### 4.2 Designs and costings

A Chartered Architect who was involved with the original clubhouse build, Northern Design Partnership, have provided designs and costings for the planned extension and infrastructure works. Northern Design Partnership design high quality fit for purposes facilities across the North of England, and have almost 30 years' experience in Commercial Leisure and Industrial.

The works were sent to tender and 3 quotations were obtained in 2019, our preferred suppliers and their quotations were agreed as follows.

**Extension** – Littleborough Construction (original clubhouse builders) - £87,752 (inc

**Internal Refurbishment** – Pelli Property - £19,200

**Drainage Works** – Duncan Ross (previous drainage and maintenance contractors) - £100,000

**Car Park Improvements** – Yates (Previous Car Park Contractors) - £33,600

**Catering Container/Storage Container** – Safeguard Group - £14,400

**Children's Safe Play Area** – Hassle Free Lawns - £5,000

**Total - £259,952**

#### ***Update -September 2020***

The original plan for this project had us undertaking a share offer in spring 2020 to raise the funds to complete the extension, as this was time critical, and needed to be completed for the start of the 2020-21 football season. The Coronavirus pandemic caused us to suspend the share issue due to the severe economic uncertainty, but that suspension did not change the time-critical pathway.

The club was successful in securing several grants totalling some £70,000 during the crisis, and with borrowings from Directors and the Bounce Back Loan of £50,000, commenced the extension and refurbishment element of the work in order that this be completed by then end of September 2020 and the new football season.

As a result, the minimum target for this share issue is £53,000, which will cover the car parking works, storage container and children's play area.

The optimum target remains the total investment required to complete all the works; the maximum target has an additional £30,000 to repay the remaining principle of the Bounce Back Loan.

So, uses of the funds are, in order or priority:

Priority	Amounts	Minimum £53K	Optimum £188K	Maximum £218K
1. Car Park, Container and Play Area	£53,000			

2. Directors' Loans	£15,000	
3. Middle Pitch Drainage	£20,000	
4. Bounce Back Tranche 1	£30,000	
5. Junior Pitch Drainage 2	£30,000	
6. Junior Pitch Drainage 3	£40,000	
7. Bounce Back Tranche 2	£30,000	

### 4.3 Sources of finance

The project will be financed through a mix of grant funding, community shares, and social investment. The current funding mix is as follows:

Source	Amount	Notes
<b>Bounce Back Loan</b>	<b>£50,000</b>	The club has secured a £50,000 bank loan, the project aims to repay £20,000 back from the Share Issue. The remaining repayments have been built into the business plan, repayable over 6 years starting June 2021
<b>Community shares</b>	<b>£170,000</b>	Wythenshawe AFC has been raising awareness locally of the impending share offer and has excellent initial feedback, giving the Club confidence that this amount can be raised.

It is anticipated that the Community Shares Booster Programme, a funding scheme to support community share offers, will match the investment secured.

Further information on the share offer is in Section 6.

<b>Heineken</b>	<b>£10,000</b>	Heineken have agreed to a £10,000 brewery loan which will be paid back through barrellage, the previous £15,000 was repaid over 3 years ahead of schedule and will be financed through the business plan.
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A financial model has been created which demonstrates that this amount can be serviced by the Club.

<b>Other grant funding</b>	<b>£15,000</b>	Wythenshawe AFC has received £2,500 in grants towards the renovation of the clubroom, has £5000 in a Football Foundation pot to go towards Car parking and Road Entrance. We will be applying for £7,500 of Neighbourhood Investment fund to contribute towards the infrastructure costs.
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<b>Director Loans</b>	<b>£40,495</b>	The board of Directors have agreed to loan the club an interest free loan to cover the Vat Element of the Extension build, as way of a Bridging loan - £25,495, this will be repayable from VAT
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claimed. There will be a further £15,000 which will help short term with the cash flow to finance the extension build. This will be repayable from the Community Share Issue provided it achieves a sum above the minimum target.

**Club Funds            £9,457**

The Club has a surplus of funds that will be utilised to cover the balance of the project. Should the Share Issue raise more than planned, this total will reduce.

**Total    £294,952**

#### **4.4 Project Team**

Ray Malla, a senior committee member and former Quantity Surveyor, will be responsible for the day to day project management, Ray has many years' experience and success in project management from technical installations, facility management, to final documentation and accounts.

Carl Barratt, Chair and Board Director will be responsible for securing the funds, cash flow and ensuring the project is kept to budget.

Martin Howe, Vice Chair and Board Director will look after the Interior Design and planning.

David Broadbent, Clubs Commercial Manager will work alongside Dave Boyle, a Community Shares Specialist who has worked on over 40 share issues to launch and promote the Share Issue.

#### **4.5 Timeline**

The current timeline is as follows:

March 2020 to June 2020	Funding Applications
June 2020	Extension Start Date
Sept 2020	Extension Completed
Oct 2020 to Dec 2020	Community Share Issue Opens
Feb 2021	Infrastructure Completion
April 2021	Community Share Issue Closes
May 2021	Junior Drainage Completion

### **5. Operating model**

#### **5.1 Income streams**

The Club's main income streams come from Bar Taking, Player subscriptions and local business sponsorship. The club also receives income from gate receipts for 1st team matches, fundraising,

sponsorship and donations. The planned capital works will allow existing income streams to increase in scale.

- Football teams: improved pitch conditions will enable us to increase usage on the site, this will assist with our club development plan where we aim to increase current team numbers from 34 to 60 over the next 6 years.
- Gate receipts: due to more people being connected to the Club, plus fewer games being called off due to poor conditions, gate receipts should increase.
- Sponsorship: pitch side advertising - expected to increase as there will be more people using the site, and for more days per week. The extension will be able to cater for Corporate booking prior to match day, this will increase food, sponsorship, and bar sales.
- Bar Sales: This will see the biggest increase due to the increased function room bookings, the additional of children’s play areas should encourage families to visit the site and stay longer.
- Catering: Increasing the catering space will enable to club to offer more choice and the ability to cater for larger groups
- Hire Fees: The extension will allow us to hire out the main function room on a Saturday evening, we anticipate a minimum of 25 booking per year.

## 5.2 Management and staffing

Wythenshawe AFC current workforce will be able to manage the increase income streams through adjusted staff rotas, we have employed a full time Commercial manager who will be responsible for the increased corporate and sponsorship possibilities.

## 5.3 Pitch maintenance

The club currently has a full pitch maintenance program across all 6 pitches on site, we have recently been awarded a 6-year Football Foundation Pitch Maintenance grant worth £36,000. The main pitch has a full drainage system and is maintained throughout the year by a club volunteer, the junior pitches are managed and maintained by contractors. The maintenance program costing have been incorporated into the business plan, and are as follows:

Maintenance Item	Responsibility	Frequency	Annual Cost
Grass Cutting	Committee Member	Weekly	£4,680
Line Marking	Committee Member	Three Weekly	£900
Application of fertiliser	Duncan Ross	Annually (August, October)	£3,120
Verti-draining	Duncan Ross	Three Times (Oct, Feb, June)	£3,150
End of Season Renovation	Duncan Ross	Annually (May)	£14,505
<b>Total Maintenance Costs</b>			<b>£26,355</b>
<b>Number of pitches on site</b>			<b>6</b>

Maintenance activities which require additional equipment, such as heavy-duty tractors, will be carried out by the specialist pitch maintenance contractor. Wythenshawe AFC does not envisage entering any other sub-contracting arrangements apart from maintenance.

## 5.4 Operational management

Responsibility for operational management will fall to existing committee members, full time staff and volunteers:

System / Process area	Examples	Responsibility
Marketing and promotion	Marketing facility to new user groups Promoting club in media Developing partnerships with local organisations who will use pitch	Existing Committee member and commercial manager responsible for marketing, media/social media and developing partnerships.
Financial management	Accounting records Paying bills Invoicing Budgeting, Business Plans and Cashflows Processing employee pay	Club Treasurer
Taking bookings	Taking bookings from users	Bar Steward
Health and Safety	Ensuring facility is safe to use Risk Assessments First aid equipment available	Bar Steward
Human resources	Dealing with volunteer / staff HR issues	Committee
Training and development of volunteers / staff	Ensuring volunteers / staff have suitable skills for their responsibilities relating to the pitch, eg. maintenance	Committee
Opening / closing the facility	Physically opening and closing the facility	Groundsman/bar staff
Compliance	Legislation Ensuring insurance in place	Committee

## 5.5 Programme of use and pricing policy

The current and intended programme of use has been included below:

Day	Facility Area	9-10am	10-11am	11-12pm	12-1pm	1-2pm	2-3pm	3-4pm	4-5pm	5-6pm	6-7pm	7-8pm	8-9pm	9-10pm	10-11pm	11-12am
Monday	Main Room							Facility Closed on Mondays								
	Small Room															
	Main Pitch	Maintenance														
	Jnr Pitches															
Tuesday	Main Room	Community Usage					Facility Hire									
	Small Room										Community Usage					
	Main Pitch															
	Jnr Pitches															
Wednesday	Main Room	Community Usage					Facility Hire					Darts Team				
	Small Room										Members Night					
	Main Pitch															
	Jnr Pitches															
Thursday	Main Room	Community Usage					Facility Hire									
	Small Room										Community Usage					
	Main Pitch															
	Jnr Pitches	Maintenance														
Friday	Main Room											Function Hire				
	Small Room										Members Night					
	Main Pitch	Maintenance														
	Jnr Pitches															
Saturday	Main Room	Community Usage									Function Hire					
	Small Room						Corporate Usage					Members Night				
	Main Pitch						Match									
	Jnr Pitches	Matches														
Sunday	Main Room															
	Small Room															
	Main Pitch						Match									
	Jnr Pitches	Matches														

The main types of bookings and pricing for each, as well as how they have been financially forecast, are as follows:

<b>Booking type</b>	<b>Pricing policy</b>	<b>Notes</b>
Main Room Function Hire	<ul style="list-style-type: none"> <li>• £80 Room Only</li> <li>• From £5.95 - Food pricing</li> <li>• DJ - £140</li> <li>• Room Dressing from £1.50 per chair</li> </ul>	<ul style="list-style-type: none"> <li>• Room hire is £80 however members get the room hire for free as part of membership benefits.</li> <li>• Catering costs start at £5.95, we have an outside caterer who we received 20% of their profit from.</li> <li>• DJ costs – We only charge DJ costs direct to customer.</li> <li>• Room can be dressed to customer requirement, costs applicable to work involved.</li> <li>• Calculations based on additional 40 functions per annum for budget plan.</li> <li>• Community groups – free of charge</li> </ul>
Small Room Meeting Hire	<ul style="list-style-type: none"> <li>• £7.50 p/p incl tea-coffee-biscuits</li> <li>• £15 p/p Incl food</li> <li>• average £10 per person</li> <li>• 50% occupancy</li> <li>• 35 booking per year</li> </ul>	<ul style="list-style-type: none"> <li>• Meeting room hire.</li> <li>• For financials records, assumption based on 35 booking per year – 50% occupancy</li> <li>• Catering starts from £7.50 p/p</li> </ul>

## **6. Community Share Issue**

### **6.1 Members**

We're hoping that new members will support us with more than just their money. We will welcome new members to become more involved in Club at every level, from volunteering and assisting all aspects of our operations. Members will have a say in the governance of the Club through voting at the Annual General Meeting and the ability to put forward items for discussion, as well as being consulted on important issues, and will be able to stand and vote for election of the Club's board.

### **6.2 Consultation**

The developments at the club since 2013 have been the subject of much consultation and discussion with club members and volunteers. As a club that depends on voluntary action, the club take a great deal of confidence from the continued support of its volunteers and views this as support for the direction of travel of the club.

As the club has a devolved system of governance, all decisions made about the development of Hollyhedge Park and the need for the works we have identified have started with conversations with the people who run our teams, who make up the various junior and senior committees. These feed into the Board of the club which executes these plans.

At various stages of our journey since 2013, we have had to call upon those volunteers and players and the wider community to support us; for example, we won a cash award from the FA's sponsors Budweiser because we got the most engagement on social media for our video demonstrating what the club will be all about – this required us to get the active support of people beyond the immediate community of players and volunteers and indicated to us that what we were doing was supported widely.

This was reinforced through the planning process for the development of Hollyhedge Park, as we undertook consultation with local residents to assuage their concerns and engage them in seeing how the facility would be a welcome addition to the area; given the decline in support available for the park from Manchester City Council, our occupancy of the park and role in stewardship was strongly supported.

### **6.3 Share marketing and promotion**

The main routes for the promotion of the share issue will be local media, social media, and most importantly, the club's existing networks built around its teams. In order of importance:

Team networks - These people will be contacted and made aware of the share issue and invited to invest, and we will ask them to not just consider investing themselves, but to spread the opportunity to invest to their own family and friend networks who we know to contain many people who have previously been associated with the club.

The club have an excellent relationship with the local media and they will be called upon to promote the share issue, mainly through the local newspaper.

The club's social media channels will also be used. Previously, we have won FA-supported competitions which relied on us mobilising a community of supporters through our social media channels, so we are confident we can target investors through this means again.

## **6.4 Share targets**

At the present time, the minimum target is the amount in Section 4 - the £53,000 needed to finish the car park and entrance works, increase the catering and storage capacity and refurbish the children's play area.

The optimum target is £188,000 – this would enable us also pay back Directors' Loans, the first tranche of Bounce Back Loan (which reduces the drag on our cash and profitability in the future) and sort out the pitch drainage.

The maximum target is £218,000. This would enable the Club to also pay down the Bounce Back Loan and thus improve its operating position going forward.

The Club does not have any additional long-term plans, apart from those mentioned in this business plan, which may affect share capital liquidity, share interest and other member interests.

## **6.5 Social investment tax relief**

The Social Investment Tax Relief ("SITR") scheme is a government scheme devised to encourage investment into social enterprises. Wythenshawe AFC has received advance assurance that the investment will be eligible for SITR.

The main benefit of SITR is that individuals who buy shares are able to deduct 30% of the cost of their investment from their income tax liability, either for the tax year in which the investment is made of 2020-21 or backdated to the previous tax year. The investment must be held in full for a minimum period of 3 years for the relief to be retained.

Any individuals who aim to buy shares and benefit from SITR should check they are eligible. Further information is available at the following website:

<https://www.gov.uk/guidance/venture-capital-schemes-tax-relief-for-investors>

## 7. Financial information

Income is derived through trading, charging subscriptions, sponsorship, fundraising, grants and donations. Cashflow is tightly managed on a weekly basis, and Wythenshawe AFC has broadly operated on a break-even basis over the past few years.

Until year commencing 2017, the club had a much smaller turnover, made up overwhelmingly of player subscriptions and payments. Beginning in September 2017, we opened the new facility at Hollyhedge Park, and began trading in earnest, and so the first full year for which accounts have been prepared are included below, alongside the projected financial out-turns for the next 5 years:

	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
Clubhouse Income	£175,348	£149,937	£217,671	£293,576	£316,328	£340,866
Kit Sales	£46	£93	£10,954	£9,800	£10,780	£11,858
Sponsorship	£11,646	£8,850	£65,230	£79,830	£83,689	£87,736
Subscriptions	£2,507	£2,355	£3,973	£5,760	£6,048	£6,350
Misc Income	£98,944	£93,939	£132,498	£157,644	£165,192	£173,199
Grants	£8,604	£40,031	£52,494	£9,879	£13,987	£14,407
<b>Total Income</b>	<b>£297,094</b>	<b>£295,205</b>	<b>£482,820</b>	<b>£556,489</b>	<b>£596,024</b>	<b>£634,416</b>
Cost of Sales	£101,427	£81,148	£141,502	£203,267	£219,749	£235,319
Salaries	£52,175	£60,242	£95,514	£102,660	£105,740	£108,912
Playing staff	£4,432	£6,531	£24,060	£23,000	£26,450	£30,418
Maintenance	£25,897	£31,114	£29,065	£31,100	£32,655	£34,288
Pitch hire	£31,442	£23,692	£46,347	£49,472	£51,946	£54,543
Coaching fees	£9,213	£7,930	£12,238	£12,600	£13,230	£13,892
League Fees	£17,412	£16,871	£21,705	£22,350	£23,215	£24,115
Misc Expenditure	£62,404	£66,976	£83,803	£101,445	£104,894	£108,495
<b>Total Expenditure</b>	<b>£304,403</b>	<b>£294,503</b>	<b>£454,234</b>	<b>£545,894</b>	<b>£577,877</b>	<b>£609,980</b>
<b>Surplus(Deficit)</b>	<b>(£7,308)</b>	<b>£701</b>	<b>£28,586</b>	<b>£10,595</b>	<b>£18,147</b>	<b>£24,436</b>

The key assumptions are as follows:

- Inflation of 3% (average of RPIX over past 3 years) on all income and costs
- Gate receipts and bar sales will increase by 10%, as there will be more people connected to club, plus games will be called off less through better drainage
- Burger van will double as it is currently only used on Saturdays, but will now be open every night
- The number of youth player teams will increase from 28 to 36 in year 1, and to 40 in year 2. Player subs will increase in proportion to the number of new teams.
- Sponsorship will increase by 20% as there will be people attending every night instead of every Saturday
- Player expenses will increase from £13k to £20k per year, in order to match other clubs in the league and retain first team players
- Other existing expenses will generally remain constant
- £5k contingency for unexpected costs
- Soccer school costs will total £11k per year, for weekly and holiday coaches and equipment
- Share investment @ 2% interest per year
- First withdrawal in year 6, once the unsecured debt to BBL has been fully repaid

## ***Covid and WAFC***

The club has an incredibly loyal support from its members and up to the enforced closure had been trading 13% up on the previous year.

During lockdown our facility was maintained free of charge as we had an volunteers coming in to assist. We had most of our bills reduced or credited during the period and so our main costs were staffing.

We accessed cover for all but one staff member from the government Job Retention Scheme, and the remaining member (who started too late with us to qualify) had their salary covered thanks to a grant from Power to Change to support community businesses during the pandemic. This staff member was instrumental in increasing our community outreach and fundraising during the period via the clubs online and social media platforms.

We were very proactive securing grants from

Power to Change:	£25,000
Sport England:	£5,600
Manchester City Council:	£10,000
Football Foundation:	£2,000

We finally re-opened in mid-July, and despite the restrictions in place, we are currently trading up 2% like-for-like on the same point in 2019. We had originally budgeted for 2020-21 revenues to rise by 8% but had kept a standstill budget for the current year.

We have also not factored any private booking being held at the club until FY 2021-22 and then at 30% of what we had initially projected, so if there is any good news on this front in terms of relaxation of restrictions, this will be a very welcome and positive change. Even despite this we have been extremely busy with funerals, which has helped us maintain sales.

There is a feel-good factor around the club despite Covid and numbers buying season tickets and attending the games so far has been incredible and far exceeding what we had budgeted for. For example, we have sold out our permitted capacity of 300 for the 3 men's home games held in season 2020-21 to 12/09/20, despite budgeting to get 180 people per game. We had budgeted for 15 hospitality packages per game with catering, and sold 30 each match.

This buzz goes deeper than the first-team; football team memberships are at their highest ever level this coming season, whilst our youth team just won their 1<sup>st</sup> ever home FA Cup game in front of 218 people (another record crowd for the area) and our women's team have been taken over by a new management team, with a lot of buzz and excitement surrounding them which has seen them increase the number of spectators watching them over the two friendlies they have had so far.

The club has also just agreed its biggest ever club sponsorship partnership of £20k from a local business who had been following the social media updates, fundraising and progress during lockdown. They have previously only supported charities but having witnessed the incredible work we do within the community and the support we get back from them they wanted to be involved with us.

So, whilst we are by no means bullish, we are quietly confident that the figures projected will be achieved.

## 8. Risks and Mitigations

The following major risks associated with capital projects have already been mitigated as the club has planning permission for these works and has designs for this phase which have been completed and costed

The remaining key risks have been identified below, along with how they have been mitigated:

<b>Risk</b>	<b>Mitigation</b>
Capital costs higher than expected	The works have been fully costed; the building work contains a 10% contingency
Capital funding not secured	The Board have options in terms of social investment debt-finance which they could explore to ensure some or all of the work could be undertaken.
Income / usage lower than expected	See discussion above on page 22
Working capital low when operations start, putting a strain on cashflow and reserves	Working capital funding of £35,000 is sought to help Wythenshawe AFC in the initial few years of operations. The minimum cash balance in the financial projections is £26k once the pitch is operational, giving plenty of headroom should profits be lower than expected during the first few years.

## Appendix 1 - Capital Plan

	Amount	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Total
<b>Income</b>																	
Shares	£85,000							£10,000	£6,600	£12,500	£5,900		£15,000	£10,000	£15,000	£10,000	£85,000
Booster	£85,000											£35,000				£50,000	£85,000
Grants	£10,000	£1,000	£1,500									£7,500					£10,000
Football Foundation	£5,000											£5,000					£5,000
Heineken	£10,000							£10,000									£10,000
Club Funds	£9,457							£1,957						£7,500			£9,457
Director Loan	£15,000				£7,505			£7,495									£15,000
Bridging Loan	£25,495				£17,495								£8,000				£25,495
Bounce Back Loan	£50,000				£50,000												£50,000
<b>Total Income</b>	<b>£294,952</b>	<b>£1,000</b>	<b>£1,500</b>	<b>£0</b>	<b>£75,000</b>	<b>£0</b>	<b>£0</b>	<b>£29,452</b>	<b>£6,600</b>	<b>£12,500</b>	<b>£5,900</b>	<b>£47,500</b>	<b>£23,000</b>	<b>£17,500</b>	<b>£15,000</b>	<b>£60,000</b>	<b>£294,952</b>
<b>Expenditure</b>																	
Extension																	
Build Costs	£55,750				11000	26000	8000	£10,750									£55,750
Bar Relocation	£3,000						3000										£3,000
Flooring	£3,000						3000										£3,000
New Clubroom	£3,000						3000										£3,000
Clubroom Renovation	£10,000						10000										£10,000
Landscaping Cost	£1,500						1500										£1,500
Professional Fees	£5,732					2407	£2,250	1075									£5,732
Contingency	£7,475						7475										£7,475
Car Park Front- Tarmac Existing	£10,000												£10,000				£10,000
Car Park Front- Extend to Fencing	£10,000												£10,000				£10,000
Car Park - Stand Side	£5,500												£5,500				£5,500
Road Entrance	£2,500												£2,500				£2,500
Storage/External Container	£12,000												£12,000				£12,000
Childrens Play Area	£5,000												£5,000				£5,000
Vat Element	£25,495				1000	5000	9045	2450							£8,000		£25,495
Pitch Work - Middle Pitch	£30,000																£30,000
Pitch Work - Junior Drainage 2 9 v 9	£30,000																£30,000
Pitch Work - Junior Drainage 3 mini	£40,000																£40,000
Director Loan repayment	£15,000												£15,000				£15,000
Bank Loan Reduction	£20,000												£20,000				£20,000
<b>Total Expenditure</b>	<b>£294,952</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£12,000</b>	<b>£33,407</b>	<b>£47,270</b>	<b>£14,275</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£80,000</b>	<b>£0</b>	<b>£8,000</b>	<b>£100,000</b>	<b>£294,952</b>
<b>Monthly Cash</b>		£1,000	£1,500	£0	£63,000	-£33,407	-£47,270	£15,177	£6,600	£12,500	£5,900	£47,500	-£57,000	£17,500	£7,000	-£40,000	£0
<b>Net Cash</b>		£1,000	£2,500	£2,500	£65,500	£32,093	-£15,177	£0	£6,600	£19,100	£25,000	£72,500	£15,500	£33,000	£40,000	£0	£0