**Report on Pavilion Accounts 2017/18**

This is my last report, as in September 2018 I decided with very mixed emotions to resign as Voluntary Pavilion Manager after 8 years in the role. I have grown the Pavilion from a no income and run down building in 2009 into what it is today and I do feel very proud of what I have achieved. It now needs a group of volunteers to continue the work and get the benefits of the new kitchen by breaking into to new markets like budget weddings and conferences.

The report for this year is in 2 parts. Firstly the normal trading report for the Pavilion itself. The second part is the progress of the fundraising and building for the new Kitchen and Store.

Actual Trading Profit was £782 or 12.7% of Revenue compared to a budget of £800. The trading revenues at £6,150 were down £472 from last year but was £1,050 lower than budget. This was caused partially by loss of revenues when we registered for VAT without being able to pass the 20% onto our users, partly by some losses during the building works which was inevitable. The Art Society decided to hold their annual exhibition in Sidmouth in August 2017 meaning we lost £500 of revenues. We obviously are in a different league from Kennaway House. In addition I have again spent a significant amount of time on the fund raising effort for the new kitchen and not sufficient time on marketing. Of the £6,150 of trading income, £4,837 was from regular bookings amounting to 79% showing our regular users supported us during this difficult phase. Income from one-off functions at £1,311 was up 10% on 2017, but has again been affected by the inability to let the Pavilion on most Saturday and Sunday afternoons during the May to August period. However during the current year it was decided by both the Parish Council and the Trustees that the £200 pa compensation for this would not only cease but all unpaid amounts totalling £1,000 would be reversed in 2018. This changes the actual £782 profit into a £218 trading loss. The top 3 contributors to the income were The Lunch Club, Tap Happy and the Table Tennis Club. These 3 organisations provided 46% of the Hall Income.

The Kitchen & Store Project is now complete. The total cost ended up at just over £52,000. The last part was raised during the summer of 2018 with catering events including a fantastic wedding. Of the total amount raised, only £11,950 has been from grants.

Again this year because of the building project we do need to split the Profit & Loss Report into 2 sections, the first being the trading figures just to do with the Pavilion as it is, and secondly the building project which of course has dwarfed the trading figures.

It has been decided that the accounts for the Foundation, due to the income levels re the fund raising for the Kitchen Project, should be subjected to an internal audit, which obviously has not yet been carried out. Thus all the figures I am talking about are for this reason provisional. There are significant complications to the spread sheets used to record all the accounting entries due to VAT registration and we will have to work on the best way forward. In the year there were 260 transactions. In 2019 provided we stay VAT registered we will have to be compliant with HMRC’s Making Tax Digital

Actual Trading Profit was £872 or 15% of Revenue compared to a budget of £800 and £784. The trading revenues at £6,288 were down £334 from last year but was £918 lower than budget. This was caused partially by loss of revenues when we registered for VAT without being able to pass the 20% onto our users, partly by some losses during the building works which was inevitable. The Art Society decided to hold their annual exhibition in Sidmouth in August 2017 meaning we lost £500 of revenues. We obviously are in a different league from Kennaway House. In addition I have again spent a significant amount of time on the fund raising effort for the new kitchen and not sufficient time on marketing. Of the £6,288 of trading income, £5,076 was from regular bookings amounting to 93% showing our regular users supported us during this difficult phase. Income from one-off functions at £1,212 was up 2% on 2017, and has again been affected by the inability to let the Pavilion on most Saturday and Sunday afternoons during the May to August period. However during the current year it was decided by both the Parish Council and the Trustees that the £200 pa compensation for this would not only cease, but all unpaid amounts totalling £1,000 would be reversed in the year. This changes the actual £946 profit into a £54 trading loss.

On the expense side Utilities were just under budget at £2,347 versus the budget of £2400. Maintenance was lower than budget at £1372 versus the budget of £1800. This was mostly due to putting of some planned maintenance till after the building project was complete. Cleaning & Consumables was also lower at £745 versus the budget of £1,250. This was caused by over 3 months of not having a cleaner. The previous cleaner left before Christmas 2017 and was not replaced till the summer of 2018. The work was done on a voluntary basis. Insurance under the new allocation under the new policy organised by the Parish Council has gone up by a third from £637 last year to £854 this year.

The outlook for the Pavilion is very good. The new commercial kitchen will allow us to get into new markets like small conferences, budget weddings as well as the possibility of having 2 rooms for hire at the same time. In addition with effect from the beginning of April the field revenues and costs will become part of the Foundation. There is some interest by the football and cricket clubs to enlarge the changing rooms and shower areas with external funding. Whoever takes over form me will be working with these parties to reach that goal. We also are considering the enlargement of the car park as it is becoming insufficient for the combined needs of the Pavilion users and the Sports Club users. This will mean moving the fence and putting special matting on the existing grass to ensure good traction.

Geraldine Swan continues to be my deputy and has done a terrific job handling a couple of crises while I was away. Paul Hayward, our Parish Clerk, and I are working together to get through some of the difficult issues of the Parish Council being the Sole Managing Trustee and therefore both parties are the same but have different priorities. We still have some spare slots especially during the day and management will be working hard to find new organisations to take up these spare slots.

The Bank Balances at March 31, 2018 at the Co-operative Bank was £2,735 in the Main account and £31,135 in the Kitchen Fund Accounts.