

Robert Nelson

**Whitehaven Stadium Special Purpose Vehicle Company
(SPV) - Financial Forecast Year 1-3**

<u>Income</u>	<u>Note</u>	<u>Yr 1</u> £	<u>Yr 2</u> £	<u>Yr 3</u> £
Naming Rights		75,000	75,000	75,000
ATP	1	55,000	57,750	60,637
Bar /Catering	2	194,900	213,625	224,306
Advertising	3	35,000	45,000	45,000
Conference/Meetings/Exhibitions	4	41,250	42,750	44,325
WRLFC- Match Day charges	5	15,500	18,600	20,460
WAFC- gate receipts	6	2,500	2,500	2,500
Leisure Events	7	21,600	28,800	36,000
WRLFC-Rent	8	<u>25,000</u>	<u>26,250</u>	<u>27,500</u>
		<u>£465,750</u>	<u>£510,275</u>	<u>£535,728</u>

Expenditure

WAFC -Lease costs		35,000	35,000	35,000
Stadium Maintenance sinking fund		10,000	10,000	10,000
Governance/Management Fee		5,000	5,000	5,000
Staff costs	9	100,040	100,890	101,357
Catering and Bar Costs	10	149,034	163,432	171,604
Advertising / marketing		15,000	15,000	15,000
Cleaning, refuse		15,000	15,000	15,000
Security, first aid		5,000	5,000	5,000
Audit/Accountancy /Legal		10,000	10,000	10,000
Stadium, Grounds maintenance		10,000	10,000	10,000
Insurances		20,000	20,000	20,000
Energy		20,000	20,000	20,000
Rates and Water		20,000	20,000	20,000
Licences		1,500	1,500	1,500
Training		1,500	1,500	1,500
Telephones /IT		4,000	4,000	4,000
Office supplies, postage		<u>3,000</u>	<u>3,000</u>	<u>3,000</u>
		<u>£424,074</u>	<u>£439,322</u>	<u>£447,981</u>

Profit

£41,676 £70,953 £87,747

Notes on Year 1 Forecast

- 1) It is assumed that the SMC will receive all Income from the ATP because WAFC will be paid an annual sum of £35,000 by the SPV for the Headlease.
- 2) Estimated Bar/Catering income of £194,900 (net of VAT) made up as follows:-
 - Non Rugby functions and events @£2300 per week 52 weeks (£119,600)
 - Rugby Match days 17 games and 7 events @£2500 each (£60,000)
 - Charge made to WRLFC for Catering/Drinks supply to Rugby Sponsors 45 people @£20 for 17 matches (£15,300)
- 3) Ground Advertising assumed at £35,000 (net of VAT) made up as follows:-
 - Pitch side £20,000 split 50:50 SPV/WRLFC (£10,000)
 - 2 X Stands @£10,000 each split 50:50 SPV/WRLFC (£10,000)
 - 4 X ATP stands/sides 100% SPV (£15,000)
- 4) Conference /Meetings income estimated at an approx average of £600 per week for 50 weeks. (£30,000)
Business space (£11,250)
- 5) RLFC payment to cover turnstile and security costs:- 500 entrants@£1 each X 17 matches.
- 6) WAFC gate receipts are assumed at 50 entrants @£3 each X 20 matches
- 7) Assumed that no major Leisure events are hosted during Year 1 but a number of smaller events e.g. Weddings are staged 3 per month at £600 (£21,600)

8) WRLFC rental payment for stadium use subject to minimum sum and turnover /profit premium

9) Staff costs are estimated as :-

Stadium /Facilities Manager	30,000
P/T Promotions/Marketing Manager	12,500
Sports Development function	12,000
Stewards (Match Days)	8,500
Head Groundsman	15,000
Admin – 3 P/t @ 5,000	15,000
On costs @8%	<u>7,440</u>
	<u>£100.040</u>

10) Assumed that Catering and bar costs vary according to type of event as follows:-

- Non Rugby functions and Rugby Sponsors (Income Forecast £134,900 (Supplies 33% of Income (£44,517) Wages and other costs 33% of Income (£44,517)
- Rugby Match days (Income Forecast £60,000) (Supplies 55% of Income (£33,000), Wages (24 matches/events @£125 each = (£3,000), profit to WRLFC (£24,000)

NB

Bar/Catering Trading Account

Income	Non Rugby	Rugby	Charge to WRLFC
<u>£194,900</u>	<u>119,600</u>	<u>60,000</u>	<u>15,300</u>
Expenditure			
Supplies	44,517	33,000	
Wages etc	44,517	3,000	
Payment to WRLFC			24,000
Total spend			
<u>£149,034</u>	<u>89,034</u>	<u>36,000</u>	<u>24,000</u>
Profit			
£45,866	30,566	24,000	(8,700)

Notes on Year 2 Forecast

- 1) Assumed 5% ATP usage increase
- 2) Assumed 10% activity increase
- 3) Assumed 2 additional stands advertising at £10,000 per stand split 50:50 SPV/WRLFC
- 4) Assumed 5% growth
- 5) Increased Rugby Match attendance in line with WRLFC Business Plan forecasts
- 7) Leisure (weddings) increased to 4 per month
- 8) WRLFC 5% rent increase
- 9) Stewards costs increased by 10% in line with increased match attendance levels
- 10) Increased catering costs in line with turnover levels

Notes on Year 3 Forecast

- 1) Assumed 5% ATP usage increase
- 2) Assumed 5% activity increase
- 4) Assumed 5% growth
- 5) Increased Rugby Match attendance in line with WRLFC Business Plan forecasts
- 7) Leisure (weddings) increased to 5 per month
- 8) WRLFC 4.7% rent increase
- 9) Stewards costs increased by 5% in line with increased match attendance levels
- 10) Increased catering costs in line with turnover levels

Bob Collins

Revised following KKP report 1/3/2012