



Chairman's Report

Year ended – 28 February 2021

Management Summary

I am pleased to present the fourth annual report of the Society's activities but, unfortunately, one which reflects a topsy-turvy year in which trading was badly affected by lockdowns. As usual, I will only cover the period to our year end, when lockdown was still in place.

We had another change of tenants within the year plus a period of running the Yew Tree ourselves.

There were two significant periods of lockdown but, during the first one, we managed to redesign and renovate the interior of the Yew Tree. The refreshed and lighter appearance helped us to attract new tenants.

Although our income stream was significantly below our expectations and we received no grant support from government we managed to remain solvent at the year end.

With lockdown still in place at the Year End, with a tenant in place we looked forward to an end to lockdown and a return to better trading conditions.

Detailed Report

At the start of the year our tenants, All Saints Bars Limited, had given notice of termination of their lease in June 2020. However, as the Yew Tree was closed due to lockdown, we agreed an earlier release date of March 2020.

On losing our tenants and having no income while having to meet standing financial commitments, we applied for loans and grants to offset our reduction in revenue but were unsuccessful as we were not the business rates payer at the time of lockdown.

With little chance of attracting new tenants during lockdown we set about renovating and redesigning the interior of the pub to a design brief suggested by one of our committee members, with the work being carried out by volunteers. The interior of the pub was cleaned, much of the dark brown paint was replaced with lighter colours to brighten it up. Brickwork was covered with panelling and furniture was painted in matching colours, with even the bar top being repaired and revarnished to complement the effect. With new pictures chosen around

a motoring theme, the overall effect created the impression of a cleaner fresh pub, which attracted positive comments from customers. Our thanks go out to the small army of volunteers who gave time, efforts and resource to make this happen

Once the Government announced 4 July as a date when pubs could reopen we made arrangements to open the pub and run it ourselves while we tried to find a suitable tenant. This involved transferring utility accounts to the Society, negotiating and opening a wide range of contracts with new suppliers for a range of items ranging from wet and dry goods to waste disposal and insurance. One of our members volunteered to obtain a licence so that we could trade and together we had to quickly learn about running a pub, which none of us had done before.

We successfully opened, as soon as we could, and managed to run the pub ourselves with the help of volunteers, supplemented by a limited number of paid staff. The smoking shed was converted into an ice cream shack and volunteers designed an “Aperitivo” menu to offer modern tapas style food to supplement the drinks offerings, while not having a full kitchen in place. We participated in the “Eat out to Help Out” programme and managed to establish the Yew Tree as a venue which attracted customers from outside the area, which helped to improve the reputation of the pub and begin to make it a “go-to” destination.

Although the Yew Tree was becoming successful this put significant additional pressure on our volunteers. We had to register as an employer with HMRC, put a payroll system in place and deal with the increased administration associated with placing orders, matching goods received to invoices, preparing staff rotas, paying staff and accounting for receipts including banking cash. We took over responsibility for our own website and communications while also deciding to change our accountants appointing a more local company to provide accounting services at lower cost. This also required time and effort to put a new contract in place. Special thanks are due to all involved, without whom the pub would have remained closed and the Society would have faced a financial crisis and could have been forced to be wound up and the Yew Tree sold.

In parallel to running the pub ourselves we began the search for a new tenant and were pleased that we identified two strong candidates, but with differing ideas about how they would run the pub. We settled on appointing Jack McEntee, trading as the Happy Wolf Pub Co Limited, as our new tenant and were pleased that he was able to take over on 4 September 2020.

Jack was enthusiastic about the new look and feel of the pub and had lots of ideas about how he could develop his business around it. With the help of friends and family, Jack got off to a flying start and began to build a successful business. Therefore, after only two months of trading it was a blow to both Jack and the Society to be forced to lockdown again in November, but, this time until the New Year. As the rates payer, Jack managed to receive support for his furloughed staff and grants to compensate for some of his lost income. The Society received no grants and was successful only in receiving a bounce back loan for £5,000 which was interest free for the first year.

Jack introduced takeaways on specific nights to maintain customer interest and to keep some income flowing. As a Society we assisted him by extending a rent deferral scheme and granting a rent free period to both help the business and try to ensure that the pub remained a viable proposition.

During the lockdown we faced other challenges including a dispute with a former tenant over the end of lease settlement, which went to Court, and a limited number of requests for the repayment of shares.

We had to commission legal advice to defend our case in the dispute, but are pleased to report that we won the case and were granted costs by the Court.

As to the repayment of shares, our share redemption policy allows the repayment of shares in extenuating circumstances (eg death or bankruptcy) and at the discretion of the Management Committee and subject to the availability of funds. Although we were sympathetic to the repayment requests we were unable to redeem any shares due to the shortage of funds. However, the requests made us question the need to consider limiting shareholdings while making positive efforts to recognise requests for repayment as a cost that the Society should prepare to cover by setting aside funds each year.

As we approached our Year End and despite our much reduced income we were advised that we needed to spend some money on the pub or face a tax bill. We chose to have a number of single glazed windows replaced to improve the condition of the building.

Therefore, at our Year End, our accounts showed a small financial loss on the years trading but we are pleased to report that the Society was declared solvent and still able to trade.

At the end of the year we were still uncertain as to when the Yew Tree would be allowed to open and under what restrictions. However, with the positive attitude shown by Jack and his staff during lockdown we were optimistic that 2021/22 would be a better year.

Summary

In closing this report I thank all of our Management Committee for their extensive efforts and input during the last year; each and every one of them has given their time and shared their expertise without which we would have faced extra cost to buy in to replace.

Finally, I reiterate my thanks to each and every one of our volunteers who helped to keep the Yew Tree open. Together, we all know that the pub is the only active community asset in the village and keeping it open is our main priority. Without help from all involved our task would have been significantly harder.

