



16/02/22

For Attention of Planning Officer,

Please find attached 4 years accounts prior to Covid relating to The Mermaid Inn (Surfleet) Ltd

Comments re Financial History of The Mermaid.

The Mermaid Inn was closed and near derelict in 2011 when G&K Swindells bought the property for £415K. The customer base had dwindled to next to nothing after 10 years of being owned by a local butcher and an absentee landlord. It was left to the previous landlord and an associate to run it. The business had made no money and had had no investment in the main building.

G&K Swindells thought they could make a profitable business by being on site and set about spending an addition £120k in the re-opening year by getting it “public friendly”. This involved re-structuring the overgrown, uninviting, dark, gardens and unsafe play area. Inside, the building had to be totally refurbished upstairs as there was 20 years’ worth of rubbish stacked in the 6 rooms upstairs going back to the 1960’s. Double glazed wooden sash windows were installed to ensure the building looked the same, and inside all safety alarms, fire and electrics were added or updated. Broken and unsafe kitchen equipment was mended or removed and new purchased.

At first G&K thought it would be a case of getting The Mermaid up and running, make it warm, friendly, clean and inviting with a range of sensibly priced pub grub and weekly specials that were more of a restaurant price with beef and lamb supplied from their own farm. But this proved fickle and Mrs Swindells always had to be on site.

Chefs generally stay about 3 years before getting bored and wanting a change of scenery once they have proved their worth, and each move would be a substantial increase in wages.

Hospitality front of house or chambermaids invariably do not see this job as a vocation so were transient, when a better job came along where they didn’t have to work split shifts or weekends, which invariable meant that Mrs Swindells had to become a permanent resident to ensure all the legalities of insurance of property were met. Mrs Swindells opened up the 3 new letting rooms and was hopeful that it would be a boost to the food and drink side of the business and maybe leave enough to be able to take a dividend each year but realistically those 3 rooms supported the main business, and no wages or dividend were ever taken.

The size and layout of the building meant that whatever day of the week it was, it needed 3.5 staff on duty.

The 4 years accounts presented represent a true and accurate financial record of this business. Fixed outgoings like wages, electric, water, insurance, employers NI and pension contributions, VAT, licenses, pest control, credit/debit card machine had been kept as tight as possible but realistically are part of the business financial structure and have to be absorbed through menu pricing.

The variable turnover figure can be altered quite drastically by a wet summer, for example 2018, as a decent summer in the garden months of June, July and August could add £20K-25k onto this figure.

Another variable was hosting funerals, there was no pattern to a busy week or a slow month in this side of the services offered.

In 2019, after consultation with other landlords and staff, Mrs Swindells took on an extra half chef, who also worked elsewhere, to see if increased speed at busy times could achieve higher customer throughput, but this resulted in higher turnover which was good but offset against higher staff wages and again just about breakeven figures.

It is very easy for locals and people who previously assisted running the Mermaid into the ground, to assume a full car park twice or thrice a week means the owner is making a mint, but the Mermaid was run so that staff were properly trained in first aid and health and hygiene, all controls and checks on food storage and preparation were carried out professionally, all financials were gone through the electronic till whilst ensuring customers were given the best service and attention to try and ensure they came back regularly. There were many days when there would be only 6 cars in the car park.

The accounts are all filed online and up to date with Companies House.

