



Trinity Solutions Consultancy Ltd

*"Pointing you towards added value in property, construction, maintenance
& related procurement"*

REVIEW OF THE S G CULVERHOUSE PUBLIC HOUSE VIABILITY REPORT

Prepared by Michael Lawton MRICS of Trinity Solutions Consultancy Limited.

DATE	12 th December 2016
PROPERTY	The Cabinet High Street Reed, Royston Hertfordshire SG8 8AH



The Cabinet – 9th December 2016

CONTENTS

Page 3 – INTRODUCTION and INSTRUCTION

Page 5 – EXECUTIVE SUMMARY

Page 6 – REVIEW FINDINGS

Page 16 – ABOUT THE AUTHOR

Appendices:

- A. The Cabinet FMT a – investment appraisal using £375,000 purchase price.**
- B. The Cabinet FMT b – investment appraisal using FMT based price with adjustment for condition.**

INTRODUCTION and INSTRUCTION

Introduction

The non-viability of the pub is a commonly cited major reason for justifying a change of use. Planning authorities regularly accept that this is a relevant issue and often take the view that an objective assessment could be made about the likely future viability of the pub.

To help all concerned in such cases (applicants, local authorities, public house owners, public house users, Planning Inspectors etc), CAMRA have developed the Public House Viability Test to subject arguments made about viability to rigorous scrutiny and testing against a set of well-accepted yardsticks.

The Viability Test does not seek to protect the continued existence of each and every pub in the land. Times and circumstances do change and some pubs will find themselves struggling to continue as a going concern. However, any arguments put forward to that effect must be exposed to reasonable analysis so that they may be properly understood and, where appropriate, assessed and questioned by those concerned.

The Campaign for Real Ale's Public House Viability Test is designed to address a single question:

“What could this business achieve given a management dedicated to it, and with full discretion over stocking policy and type of operation?”

This review has been commissioned to review the viability report prepared by S G Culverhouse for Mr R Newman (The Report). The Report has been submitted in support of a planning application for change of use of The Cabinet from public house to residential use.

Instruction

On 1st December 2016 North Hertfordshire District Council (NHDC) instructed Trinity Solutions Consultancy Limited to:

- Review the S. G. Culverhouse viability report submitted in support of the planning application for change of use of The Cabinet public house to residential use. This review to consider and comment on the following matters;
 - Does The Report adequately deal with the relevant matters regarding options for viability as typically set out in the CAMRA Public House Viability Test?
 - Is the Applicant's conclusion that the public house is no longer viable fair and reasonable?
 - Is the Applicant's conclusion supported by evidence and/or fair and reasonable expert opinion regarding what the business could achieve given a management dedicated to it, and with full discretion over stocking policy and type of operation?

In carrying out this review, Trinity Solutions Consultancy Ltd have:

- On 9th December 2016;
 - Visited and reviewed the internal and external arrangements and facilities of The Cabinet in the presence of Mr Richard Newman of Newman Properties (the Applicant).
 - Visited and reviewed the location and environs of The Cabinet.
 - Visited and reviewed The Tally Ho in Barkway and The Fox and Duck in Therfield – two of the nearest competitors.
- Carried out desktop research into matters relevant to the viability of The Cabinet.
- Reviewed the S. G. Culverhouse viability report dated 22nd November 2016 (The Report).
- Prepared sample investment appraisals using Trinity Solutions Consultancy Ltd simple desktop modelling tool.
- Prepared this review report.

EXECUTIVE SUMMARY

1. Does The Report adequately deal with the relevant matters regarding options for viability as typically set out in the CAMRA Public House Viability Test?
 - a. **ANSWER: YES. The Report does adequately deal with the relevant matters regarding options for viability as typically set out in the CAMRA Public House Viability Test.**
2. Is the Applicant's conclusion that the public house is no longer viable fair and reasonable?
 - a. **ANSWER: YES. The Applicant's conclusion that the public house is no longer viable is fair and reasonable.**
3. Is the Applicant's conclusion supported by evidence and/or fair and reasonable expert opinion regarding what the business could achieve given a management dedicated to it, and with full discretion over stocking policy and type of operation?
 - a. **ANSWER: YES. The Applicant's conclusion is supported by evidence and/or fair and reasonable expert opinion regarding what the business could achieve given a management dedicated to it, and with full discretion over stocking policy and type of operation.**

REVIEW FINDINGS

1. *Utilising the principles of the CAMRA Public House Viability Test, The Report for The Cabinet does adequately deal with the relevant matters regarding options for viability as typically set out in the CAMRA Public House Viability Test.*

Whilst not fully covering all the relevant matters, The Report does cover them adequately with regard to the particular circumstances of The Cabinet and adequately to enable viability to be assessed.

- a. **THE QUESTION TO BE ADDRESSED** (See Page 9 – 17 of The Report).

- i. The Report refers to;
 1. What The Cabinet has achieved in the past.
 2. What S G Culverhouse believes The Cabinet needs to achieve to be viable in the future.
 3. How S G Culverhouse believes the business would have traded in 2015.
- ii. The Report conclusions are based on desktop analysis, assumptions about the operational readiness of The Cabinet and information provided by the Applicant.
- iii. The Report notes that S G Culverhouse has not attended The Cabinet in connection with this matter.
- iv. The Report does not directly nor fully answer the question to be addressed: “What could this business achieve given a management dedicated to it and with full discretion over stocking policy and type of operation?” It relies largely on extrapolation and general opinion rather than an assessment of the market’s perception of the property.

- b. **ASSESSING TRADE POTENTIAL**

- i. **Population Density** (see Page 3 & 5 of The Report): The Report notes the population of Reed (310) and the general location of The Cabinet.
 1. The Report does not expand on broader matters of population that may impact viability such as;
 - a. Wider catchment – particularly relevant when considering rural pubs with the prospect of dining as an operating type.

- b. Demographics – affluence and the like are relevant to operating type, price sensitivity, wage costs and the like.
- ii. **Visitor Potential:** The Report appears silent on this matter.
 - 1. Consideration of the opportunity to attract visitors to the area, who may be in the area for other purposes, is relevant to operating type and volumes.
- iii. **Competition** (See Page 3 & 8 of The Report): The Report provides general notes in regard to competition.
 - 1. The Report notes there are 38 public houses listed within 10km of the village.
 - 2. The Report makes a general statement that many of these fall in to the same category as The Cabinet.
 - 3. The Report does not make any specific reference to local competitors. The three nearest competitors are;
 - a. The Tally Ho Barkway
 - b. The Fox & Duck Therfield
 - c. The Chequers Barley
 - 4. The Report gives general commentary on the challenges facing pubs looking to operate in the fine dining sector.
 - 5. The Report specifically only looks at wet led and fine dining operating types.
 - 6. The Report is silent on other types of operation that maybe relevant to compete with other pubs in the area.
- iv. **Flexibility of the Site** (see Page 6 & 7 of The Report): The Report provides little detail in regard to flexibility of the site.
 - 1. The Report does not comment on space utilisation or space use options.
 - 2. The Report does not comment on overall site demise and options relating to this.
 - 3. The Report makes some reference to building status and condition, and notes the Applicants comments in regard to the

cost of refurbishment being unjustifiable in the eyes of the Applicant.

v. **Parking** (see Page 7 of The Report): The Report notes 25 car park spaces by reference to the agent's particulars.

1. A review of car parking would suggest this is overstated.
2. On street parking is limited and may obstruct the highway.

vi. **Public Transport** (see Page 4 of The Report): The Report notes the local bus services.

1. There are limited usable footpaths in the village and the roads are largely unlit. Access to and from bus stops is not via safe routes.

vii. **Multiple Use** (see Page 3 of The Report): The Report notes the community facilities available in Reed.

1. The cricket club has a licensed bar.

c. COMPETITION CASE STUDIES (See Page 15, 16 & 21 of The Report).

i. The Report provides some high level reference to trading data for pubs generally.

ii. The Report does not explore factors contributing to the success or otherwise of local competitors.

1. The three nearest competitors are;
 - a. The Tally Ho Barkway
 - b. The Fox & Duck Therfield
 - c. The Chequers Barley

d. THE BUSINESS AT PRESENT (See Page 7 – 9 of The Report).

i. The Report describes the recent and current circumstances regarding trading of The Cabinet.

ii. There is no business at present.

iii. The Applicant has not traded The Cabinet since acquiring it in November 2015.

iv. The Cabinet has had periods of success in the past – trade of £485,229 in the year ending 30/05/2007. This appears to have been in exceptional circumstances, led by celebrity chef Paul Bloxham at the

time, and should not be taken as representative of the Fair Maintainable Trade that a reasonably efficient operator would expect to derive from the business.

- v. The Cabinet has had periods of less successful trading with the period 2007 to 2011 seeing a series of unsuccessful operations.
- vi. The April 2010 Rateable Value of £22,750 (after appeal) would suggest Fair Maintainable Trade at the time was assessed as in the order of £200,000 - £250,000.

e. THE SALE (See Page 25 – 33 of The Report, the Appendices).

- i. The Report describes the various sales particulars at various times.
- ii. The Applicant acquired The Cabinet in November 2015 following an auction in October 2015.
- iii. The sales particulars for the auction refer to The Cabinet as:
 - 1. "...detached village pub and restaurant."
 - 2. "...excellent potential to develop (STTP)."
 - 3. "...offers amazing potential to relaunch..."
- iv. The guide price appears to have been £350,000.
- v. The Applicant appears to have been the only interested party.
- vi. The Applicant paid £375,000.
- vii. The Cabinet went through the hands of a number of specialist and general agents from when it was closed in 2011 to when it was sold at auction in October 2015. It appears no acceptable offers were made from operators during this time.
- viii. The sale price of The Cabinet in October 2015 of £375,000 appears high in the context of;
 - 1. Not a going concern.
 - 2. No recent trading history.
 - 3. No declared FMT.
 - 4. Not fit for immediate take over and operation.
 - 5. The general condition of the pub, having deteriorated since closure in 2011.
 - 6. No usable fixtures and fittings or furniture and equipment.

- 7. The extent and cost of works required to make The Cabinet fit for operation.
- ix. A profits based valuation using Year 2+ FMT would appear to be;
 - 1. £200,000 to £300,000.
- x. A reasonable valuation with an adjustment to reflect the condition of the property would appear to be;
 - 1. £150,000 - £250,000.

2. The Applicant's (The Report) conclusion that the public house is no longer viable is fair and reasonable.

Whilst some of the methodology used in The Report lacks veracity, the overall conclusion arrived at is consistent with the conclusions of the Trinity Solutions Consultancy Ltd investment appraisals and is fair and reasonable.

- a. These are a number of critical factors that contribute to the conclusion that The Cabinet is no longer viable. They include, but are not limited to;
- i. Reed is a small village (310). This population does not provide a sufficient base for a local pub to be viable. To have any potential to be viable The Cabinet would need to operate as a food led destination pub.
 - ii. Reed is made up of a network of narrow roads; there is no recognisable village centre.
 - iii. There are few, if any, recognisable paved footpaths in Reed and there is little, if any, street lighting.
 - iv. Access on foot to The Cabinet is either across grass verges or along the roads themselves. The lack of lit footpaths is likely to deter both locals and visitors from attending The Cabinet on foot.
 - v. The Cabinet is on a narrow road in Reed and is not easily and readily accessible by car; it is most unlikely to attract passing trade.
 - vi. The car park for The Cabinet is unlikely to accommodate more than 20 cars safely. This level of car parking is unlikely to be sufficient to allow The Cabinet to optimise trade at peak times.
 - vii. On street parking is limited and severely restricted by the narrow road.
 - viii. The Cabinet is not a logical focal point for the village and does not appear, in practical terms, to be capable of being a community asset.
 - ix. The capacity of the dining areas is noted as 52 covers plus snug/bar area. This is at the lower end of capacity for a food led operation to be viable and limits the ability to optimise trade at peak times – further compounded by the car parking limitations.

- x. Notwithstanding the Applicants current circumstances, price paid, or works carried out to date; it is reasonably apparent that significant investment in structure and fabric and fit out was/is required to bring The Cabinet back to an operationally ready state.
- xi. As part of this review sample investment appraisals using Trinity Solutions Consultancy Ltd simple desktop modelling tool have been prepared to determine;
 - 1. Year 2+ Fair Maintainable Trade <£283,071 per annum
 - 2. Year 2+ operating profit based on purchased price of £375,000 plus £150,000 allowance for investment, a loss of >£29,791 per annum
 - 3. Year 2+ operating profit at justifiable business value price of circa £240,000 plus £150,000 allowance for investment, a loss of >£17,145 per annum.

3. *The Applicant's (The Report) conclusion is supported by evidence and/or fair and reasonable expert opinion regarding what the business could achieve given a management dedicated to it, and with full discretion over stocking policy and type of operation.*

Whilst some of the evidence used and expert opinion expressed in The Report is of a broad and general nature, it does support the overall conclusion arrived at and is consistent with the evidence used and expert opinion expressed by Trinity Solutions Consultancy Ltd.

- a. The Report provides a variety of items of evidence to support the analysis of viability. These include;
 - i. Information relating to The Cabinet specifically.
 - ii. Information based on generally available industry data.
 - iii. Information based on data held by S G Culverhouse on other pubs.
- b. The Cabinet trade of £485,229 achieved in the year ending 30/05/2007 whilst in the hands of celebrity chef Paul Bloxham, seems to be exceptional and unlikely to be sustainable for any length of time by a reasonably efficient operator. Thus it would be unreasonable to assume this is representative of FMT (Fair Maintainable Trade) at any time;
 - i. <http://www.morningadvertiser.co.uk/Pub-Food/Chefs/Great-Pub-Chefs-Cabinet-Reshuffle-Paul-Bloxham>
- c. The Report states on Page 9 "...the level of trade achieved at the time of the sale (to Albanwise Limited) was the Fair Maintainable Trade for the business."
 - i. The Report defines Fair Maintainable Trade (FMT) on Page 10 as "...the turnover required to cover the overheads and to provide the operators with a living wage." This is not a correct or generally recognised definition of FMT and is not consistent with the definitions used by the Valuation Office Agency or the RICS.
 - ii. The Valuation Office Agency defines Fair Maintainable Trade as;
 1. *Fair maintainable trade is a **standard valuation** approach used to calculate **pub and licensed trade** rents. We use fair maintainable trade to arrive at the rateable value for pubs and other licensed premises. It is the **same approach** pub*

*companies' use. Fair maintainable trade is the **annual level of trade** (excluding VAT) that a pub can be **expected to achieve** assuming a reasonably efficient operator. It is based on:*

- a. The **type** of pub or licensed premises.*
 - b. The **area** it is in.*
 - c. What **services** it is able to offer – such as food, gaming, sports screenings.*
- iii. The RICS defines Fair Maintainable Turnover as;
- 1. The level of trade that an REO (reasonably efficient operator) would expect to achieve on the assumption that the property is properly equipped, repaired, maintained and decorated.*
- d. The Report extrapolates the 2007 data forward to arrive at a turnover in 2016 of £604,968, stating that this is "...the level of trade required (FMT) in 2016 to operate successfully." This extrapolation lacks veracity, since;
- i. The definition of FMT used in The Report is not consistent with accepted industry definitions.
 - ii. The calculation assumes the same proportions of values, costs and margins as the 2007 data despite the significant change in turnover.
 - iii. The level of trade has no regard to the physical capacity, condition and restrictions of The Cabinet that impact FMT.
- e. The Report provides a reconstituted profit & loss account for a Gastro Pub scenario in 2015 using other pub examples and industry norms and averages;
- i. The Report arrives at net sales of £286,000 per annum. This is not significantly different from the Year 2+ £283,071 per annum arrived at in the Trinity Solutions Consultancy Ltd sample investment appraisals.
 - ii. The Report arrives at a loss of £67,256 per annum. This compares to the Year 2+ loss of £29,791 per annum arrived at in the Trinity Solutions Consultancy Ltd sample investment appraisals.
 - iii. Examination of the reconstituted profit & loss account reveals the following;
 1. Gross profit of 57%.

- a. This is not consistent with expectations for a gastro pub where prices would be at a premium. Industry norms would expect >59%, Trinity Solutions Consultancy Ltd would expect >60%. Thus The Report gross profit is potentially understated by >£10,000.
2. Rent at £47,000 based on RPI increases to the 2007 rent.
 - a. This is not consistent with turnover of £286,000. Industry norms would expect rent of between £28,000 and £35,000. Thus The Report rent is potentially overstated by >£12,000.
3. Utilities at £30,363 based on RPI increases to 2007 figures.
 - a. This is not consistent with turnover of £286,000. In 2007 utilities were 5% of turnover = £14,300. Thus The Report utilities are potentially overstated by >£16,000.
4. Taking these matters together
 - a. Total potential adjustment = £38,000
 - b. Adjusted S G Culverhouse loss = £29,256
 - c. Trinity Solutions Consultancy Ltd Year 2+ loss = £29,791
- f. Whilst there is some lack of veracity in the construction of the appraisals contained in The Report, both S G Culverhouse and Trinity Solutions Consultancy Ltd arrive at the same overall conclusion, that is, the evidence available and expert opinions expressed support the conclusion that The Cabinet is no longer viable.

ABOUT THE AUTHOR

Michael Lawton MRICS, Dip Proj Man

I am a chartered surveyor and RICS qualified project manager with in excess of 30 years experience in the construction and property sector, more than 25 years of which have involved me in the management of the property related and operational related aspects of pubs, bars, restaurants and hotels across the United Kingdom.

My relevant experience includes:

- Director of Property for Beefeater and Operational Executive Committee Member
- Director of Developments for Whitbread Plc Pubs & Bars
- Director of Property for SFI Group Plc
- Management Consultant to various hotel, restaurant, pub companies and others associated with licensed premises

I have had experience preparing investment appraisals and Public House Viability Tests for:

- Various hotel, restaurant and pub groups both as an employee and as a consultant
- Independent hotel, restaurant and pub operators as a consultant
- Selling & letting agents as a consultant
- Property freeholders as a consultant
- Local Authorities as a consultant

My qualifications and credentials include:

- MRICS – Member of The Royal Institution of Chartered Surveyors
- Dip Proj Man – holder of the RICS Diploma in Project Management
- Personal Licence – holder of Personal Licence issued under Section 117 of The Licensing Act 2003
- Food Hygiene – holder of a Level 2 Food Hygiene certificate
- CIPS – Affiliate member of The Chartered Institute of Purchasing and Supply

APPENDIX A

Project name:	9-Dec-2016	THE CABINET REED
Sponsor		Michael Lawton
Status:		FMT as purchased
Launch costs		2500.00
VERSION		FMT - Pub with good food

	Year 1	Year 2+
Dining covers		52.00
Cost per cover	£	10,096.2
Average weekly sales	£	5,443.68
Rent, Interest or Repayments	£	57,483.97

£K	Year 1	Year 2+
Total investment	£ 525,000	
Gross Profit	£ 59,777	£ 61,639
Net Operating Profit	-£ 33,701	-£ 29,791
% of Revenue	-12%	-11%
% of Investment	-6.42%	

Capex

Depreciation Class	Structure, fabric etc	Years	% of Capex	This site p.a.
Buildings	Structure, fabric etc	60	20%	£ 500
Long	Sanitary, bars etc	15	50%	£ 5,000
Medium	Furniture, equip etc	9	15%	£ 2,500
Short	Painting, softs etc	6	10%	£ 2,500
Very short		3	5%	£ 2,500
			100%	£ 13,000

Operational Assumptions

	Inflation	Year 1	Year 2+
Year on year growth	0.00%	0.00%	0.00%
Drinks Average per day	76	75.72	75.72
Food Average per day	38	37.86	41.64
Average spend drinks	3.00% £2.75	2.75	2.83
Average spend food	3.00% £14.00	14.00	14.42
Drinks gross margin	60%		
Food gross margin	65%		
Staff wage General	3.00% £8.00	8.00	8.24
Staff on cost multiplier	1.10	1.10	1.10
Staff hours General	33.00% 8.00	10301.63	10305.99
Other			

Credit card commissions	1.50%	75.00%	75.00%
Sales & marketing	1.50%		
Utilities & refuse	2.50%		
Repairs & servicing incl pest control	2.50%		
Licenses & consents e.g. PRS	1.00%		
Other e.g. entertainment, cleaners etc	1.00%		

			Year 1	Year 2+
Drinks	Monday	20.00	£ 55.00	£ 56.65
	Tuesday	30.00	£ 82.50	£ 84.98
	Wednesday	40.00	£ 110.00	£ 113.30
	Thursday	80.00	£ 220.00	£ 226.60
	Friday	120.00	£ 330.00	£ 339.90
	Saturday	160.00	£ 440.00	£ 453.20
	Sunday	80.00	£ 220.00	£ 226.60
Total		530	£ 1,457.50	£ 1,501.23
Average		76	£ 208.21	£ 214.46
Food	Monday	10.00	£ 140.00	£ 144.20
	Tuesday	15.00	£ 210.00	£ 216.30
	Wednesday	20.00	£ 280.00	£ 288.40
	Thursday	40.00	£ 560.00	£ 576.80
	Friday	60.00	£ 840.00	£ 865.20
	Saturday	80.00	£ 1,120.00	£ 1,153.60
	Sunday	40.00	£ 560.00	£ 576.80
Total		265	£ 3,710.00	£ 3,821.30
Average		38	£ 530.00	£ 545.90

Revenues

Per Day	Year 1	Year 2+		
Drinks	£ 208	£ 214		
Food	£ 530	£ 546		
Day totals	£ 738	£ 760		
Per Annum	Days	Weeks	Year 1	Year 2+
Drinks	7	52	£ 75,790	£ 78,064 27.58%
Food	7	52	£ 192,920	£ 198,708 70.20%
Other	Machine etc.	5.00%	£ 1,000	£ 1,050 0.37%
Other	Events etc.	5.00%	£ 5,000	£ 5,250 1.85%
Total Revenue			£ 274,710	£ 283,071

Operational Cost

Staff	£ 90,654	£ 93,414
Credit card commission	£ 3,090	£ 3,185
Sales & marketing	£ 4,121	£ 4,246
Utilities & refuse	£ 6,868	£ 7,077
Repairs & servicing	£ 6,868	£ 7,077
Drink costs	£ 30,316	£ 31,225
Food costs	£ 67,522	£ 69,548
Licenses & consents	£ 2,747	£ 2,831
Other e.g. entertainment, cleaners etc	£ 2,747	£ 2,831
Total operational costs	£ 214,933	£ 221,432
Total Gross Profit	£ 59,777	£ 61,639

Other Administrative Costs

Rent	0.00%	£ -	£ -
25 year mortgage	£375,000.00 8.00%	£ 35,129.54	£ 35,129.54
10 year loan	£150,000.00 8.00%	£ 22,354.42	£ 22,354.42
Depreciation Allowance		£ 3,500.00	£ 3,500.00
Landlord service charge	0.00%	£ -	£ -
Insurances	3.00%	£ 2,500.00	£ 2,575.00
Launch Costs		£ 2,500.00	
Business rates Allowance		£ 15,000.00	£ 15,000.00
Council tax	3.00%	£ -	£ -
Accountant	3.00%	£ 3,500.00	£ 3,605.00
Acquisition agent		£ -	
Other legal & professional	3.00%	£ 3,500.00	£ 3,605.00
Office & other costs	1.00%	£ 2,747.10	£ 2,830.71
Contingency	1.00%	£ 2,747.10	£ 2,830.71
Total		£ 93,478	£ 91,430

Profit/Loss	-£ 33,701	-£ 29,791
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APPENDIX B

9-Dec-2016

Project name:	THE CABINET REED
Sponsor	Michael Lawton
Status:	FMT at value price
Launch costs	2500.00
VERSION	FMT - Pub with good food

	Year 1	Year 2+
Dining covers		52.00
Cost per cover	£ 7,500.0	
Average weekly sales	£ 5,443.68	
Rent, Interest or Repayments	£ 44,837.33	

£K	Year 1	Year 2+
Total investment	£ 390,000	
Gross Profit	£ 59,777	£ 61,639
Net Operating Profit	-£ 21,055	-£ 17,145
% of Revenue	-8%	-6%
% of Investment	-5.40%	

Capex

Depreciation Class	Structure, fabric etc	Years	% of Capex	This site p.a.
Buildings	Structure, fabric etc	60	20%	£ 500
Long	Sanitary, bars etc	15	50%	£ 5,000
Medium	Furniture, equip etc	9	15%	£ 2,500
Short	Painting, softs etc	6	10%	£ 2,500
Very short		3	5%	£ 2,500
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Operational Assumptions

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Repairs & servicing incl pest control	2.50%		
Licenses & consents e.g. PRS	1.00%		
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Licenses & consents	£ 2,747	£ 2,831
Other e.g. entertainment, cleaners etc	£ 2,747	£ 2,831
Total operational costs	£ 214,933	£ 221,432
Total Gross Profit	£ 59,777	£ 61,639

Other Administrative Costs

Rent	0.00%	£ -	£ -
25 year mortgage	£ 240,000 8.00%	£ 22,483	£ 22,483
10 year loan	£ 150,000 8.00%	£ 22,354	£ 22,354
Depreciation	Allowance	£ 3,500	£ 3,500
Landlord service charge	0.00%	£ -	£ -
Insurances	3.00%	£ 2,500	£ 2,575
Launch Costs		£ 2,500	£ -
Business rates	Allowance	£ 15,000	£ 15,000
Council tax	3.00%	£ -	£ -
Accountant	3.00%	£ 3,500	£ 3,605
Acquisition agent		£ -	£ -
Other legal & professional	3.00%	£ 3,500	£ 3,605
Office & other costs	1.00%	£ 2,747	£ 2,831
Contingency	1.00%	£ 2,747	£ 2,831
Total		£ 80,832	£ 78,784

Profit/Loss	-£ 21,055	-£ 17,145
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