

# Business Plan

Your Marketing, Development and Financial plan



# The key to your business success is planning

The document will guide you through a structured process to produce a working document detailing the marketing, development and financial plan for your pub business.

ei publican partnerships will require you to seek independent professional advice on your business plan. You will need to take advice from a suitably qualified accountant and you will need to complete your own research specific to the pub you are interested in.

Remember that any business plan is a draft and that as the business develops, this will change and evolve over time. You need to be constantly mindful of changes in market forces and how they will affect your business.

Once you have taken the agreement on your pub, this business plan will become a working document for you to review at regular intervals with your Regional Manager. It will be used to track your business success to date and to formulate the strategy for further success.

# About you

**Please provide details of the pub you are applying for:**

Name of Pub	
Address of Pub	

**Your details:**

Name	
Address	
Telephone Number	
Email Address	

**Your personal profile:**

Please describe yourself including your skills, experience, personal attributes and ambitions. Please include any trade qualifications currently held.

**Your partner's profile:**

Please describe your partner's skills, experience, personal attributes and ambitions. Please include any trade qualifications currently held.

**Other key members of your team:**

Please describe the other key members of your team, including any trade qualifications currently held.

# About the pub

## The location:

Describe the environment in which the pub is located.

## The amenity / facility:

Describe the attributes of the pub (including facilities) and the outside trading areas.

## Local demographics:

Describe the local demographics and the type of customers that you expect to attract.

## Current trading operation:

Describe the current trading operation, and consider whether you aspire to replicate or change the trading style.

## Proposed trading style:

Describe the style of operation which will attract potential customers.

## Unique selling point:

Describe what your pub will be famous for.

# SWOT analysis

List your pub's main strengths and weaknesses.

## Strengths:

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## Weaknesses:

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## Opportunities:

What can you do in your pub that is different, better or something you would stop doing that is damaging trade?

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## Threats:

Consider unexpected situations - such as environment issues, negative perceptions, new competition, changes to the economy or the law and trend shifts.

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## Summary:

How are you going to exploit your strengths, and overcome threats and weaknesses? Focus on how you can develop your business going forward.

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# Market overview

What drinking and eating trends are popular in your area? Please use demographic, customer and competitor information to form your evaluation and propose your target market(s).

## Competitor analysis

It is very important that you fully understand the effectiveness of the local competition for your potential customers. The competition will be from other pubs, restaurants, bars, working men's clubs and other leisure activities.

<b>Name of pub / outlet</b>	
<b>Location and distance</b>	
<b>Retail style</b>	
<b>What is the price of standard lager?</b>	
<b>What is the average price of an evening meal?</b>	
<b>Customer base</b>	
<b>How do you rate this competition?</b>	

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<b>How do you rate this competition?</b>	

# Planning for your pub

## People:

**How will you recruit your staff?**

**How will you train, develop, motivate and retain your staff?**

## Promotion:

How do you plan to promote your pub? Consider your main objectives, any food and drink offers, roadside presence, web presence, etc.

**How are you going to launch your new business?**

**What activity are you doing to help launch your business?**

# Operating plan

Please consider the specific activities you will be undertaking each day to maximise the retail opportunities at the pub. Using the calendar below, tell us your plans for the year ahead, considering key events such as Christmas, Easter, Mothering Sunday, Valentine's Day, and sporting occasions (what activities you are going to host and how you are going to market them).

Day	Activities	Marketing required
Monday		
Tuesday		
Wednesday		
Thursday		
Friday		
Saturday		
Sunday		

<b>Month</b>	<b>Activities</b>	<b>Marketing required</b>
<b>January</b>		
<b>February</b>		
<b>March</b>		
<b>April</b>		
<b>May</b>		
<b>June</b>		

Month	Activities	Marketing required
July		
August		
September		
October		
November		
December		

# Summary plan

Please outline your summary action plan into short, medium and long term goals.

## In summary, your goals:

**Short term (0-6 months):**

**Medium term (6-12 months):**

**Long term (year two onwards):**

# Some key questions to consider

There will be lots of questions that will need to be answered before you can convert your creative ideas which are contained in your operating plan into a financial appraisal.

## 1. Draught beer / cider potential

Main brands	Retail price per pint (inc VAT)	Retail price per pint (exc VAT)	Cost price per pint (exc VAT)	Gross margin per pint (exc VAT)	Gross margin per pint %

## 2. Bottled beer / cider potential

Main brands	Retail price per bottle (inc VAT)	Retail price per bottle (exc VAT)	Cost price per bottle (exc VAT)	Gross margin per bottle (exc VAT)	Gross margin per bottle %

## 3. Wines, spirits and minerals potential

Main brands	Retail price per unit (inc VAT)	Retail price per unit (exc VAT)	Cost price per unit (exc VAT)	Gross margin per unit (exc VAT)	Gross margin per unit %
Average wine 175ml glass					
Average spirit 25ml measure					
Average mineral drink ½ pint draught					

## 4. What is the extent of the food opportunity?

How many covers are in the pub?						
	Average daily servings no.	Average retail price per serving (inc VAT)	Average retail price per serving (exc VAT)	Average weekly turnover (exc VAT)	Average weekly gross margin (exc VAT)	Gross margin %
Restaurant						
Bar Food						
Breakfast						
Sandwiches / wraps / other						
Sundry food / hot drinks / (snacks, crisps, etc).						
<b>Total</b>						

## 5. Accommodation potential

	No. of letting rooms	Average retail price per room (inc VAT)	Average retail price per room (exc VAT)	Average occupancy %	Average weekly turnover (exc VAT)
Letting rooms					

## 6. Machine potential

	No. of machines	Average weekly income / machine	Average weekly income
AWPs (fruit machines)			
Other machines			
Vending machines			

## 7. Other income potential

<b>Consider what other opportunities may arise.</b>				
	<b>Average weekly takings (inc VAT)</b>	<b>Average weekly turnover (exc VAT)</b>	<b>Gross Margin (exc VAT)</b>	<b>Gross Margin %</b>
Other income				

## 8. Initial investment

	Annual cost (inc VAT)	Annual cost (exc VAT)
Trade fixtures and fittings		
Security deposit		
One month's rent in advance and other contractual costs		
Stock, glassware and cleaning materials		
Legal fees, licensing and removal costs		
Training fees		
Cash floats and machine floats		
Initial decoration		
Initial cleaning		
Equipment repairs		
Other		
<b>Total</b>		

Source of funding (tick all that apply)	
Cash	
Loan	
Other (please specify)	

## 9. Staff costs

	Number of staff	Hourly rates	Hours per week	Weekly cost
Bar				
Chef				
Kitchen				
Cleaner				
Doorman				
Other				
Total				
Ave rate %				
Employers National Insurance				
Employers pension contribution (if applicable)				
<b>Total cost</b>				

## 10. Utilities

	Annual cost (inc VAT)	Annual cost (exc VAT)
Water		
Gas		
Electricity		
Other		
<b>Total</b>		

## 11. Repairs and maintenance

	Annual cost (inc VAT)	Annual cost (exc VAT)
Compliance service health & safety		
Compliance heating / maintenance		
Cellar cooling		
Exterior decoration		
Interior decoration		
Building maintenance		
Other maintenance		
<b>Total</b>		

## 12. Insurance

	Annual cost (inc VAT)	Annual cost (exc VAT)
Buildings insurance		
Contents and Liability insurance		
Other insurance		
<b>Total</b>		

### 13. Entertainment

	Annual cost (inc VAT)	Annual cost (exc VAT)
TV costs including subscription costs		
PRS / PPL costs		
Quiz		
Bands		
Poker / Bingo / Other		
Other		
<b>Total</b>		

### 14. Other costs

	Annual cost (inc VAT)	Annual cost (exc VAT)
Marketing		
Advertising		
Promotional costs		
Stock taker		
Accountant		
Other professional costs		
Bank charges		
Telephone		
Travel / Car		
Cleaning materials		
Waste management		
Printing / Stationery		
Glassware / Crockery		
Equipment hire for events		
Sundries		
<b>Total</b>		

# Forecast maintainable profit and loss

This represents your view of the annual sustainable trade that may be achieved after you have developed the trade in line with your expectations. All numbers below are exclusive of VAT.

## 1. Calculate your annual turnover

Category	Turnover (Sales)	Gross margin	Cost of sales	Gross margin
Beers, ciders, fabs				
Wines, spirits, minerals				
Food				
Machines				
Accommodation				
Other				
<b>Total</b>				

## 2. Calculate your gross margin percentage

Total turnover	
Total gross margin	
Gross margin %	

## 3. Calculate your annual overheads

Staff costs (excluding own earnings)	
Business rates	
Utilities	
Repairs and maintenance	
Insurance	
Entertainment	
Interest	
Other (including bank charges)	
Rent payable to ei publican partnerships	
Tie release fees payable to ei publican partnerships	
<b>Total overheads</b>	

## 4. Calculate your estimated net profit

Gross profit	
Total overheads	
Estimated net profit	

## 5. Sales breakeven analysis

Total overheads	
Gross margin percentage	
Annual sales required to breakeven (including VAT)	
Weekly sales required to breakeven (including VAT)	

# Profit and loss (excluding VAT)

## Year 1

(if Year 1 is not representative of mature trade, also provide additional years until maturity is reached)

Sales (£)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total (£)
Drinks													
Food													
Accommodation													
Other													
<b>Total Sales (£)</b>													

Cost of Sales (£)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total (£)
Drinks													
Food													
Accommodation													
Other													
<b>Total Cost of Sales (£)</b>													
<b>Gross profit (£)</b>													

Overheads (£)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total (£)
Staff costs (excluding publican's own earnings)													
Business rates													
Utilities													
Repairs and maintenance													
Insurance													
Entertainment													
Interest													
Other (including bank charges)													
Rent payable to us													
Tie release fees payable to us													
<b>Total overheads</b>													
<b>Net Profit (£)</b>													

# Cashflow

	Month	Month	Month	Month	Month
<b>RECEIPTS</b>					
Bar					
Food					
<b>Total Food and Bar</b>					
Machines					
<b>Total Income</b>					
<b>Loans / capital investment</b>					
<b>PAYMENTS</b>					
Cost of Sales					
VAT Payments					
MGD					
Drawings					
<b>OVERHEADS</b>					
Staff Wages					
NI Ers and Pensions					
Rates					
Insurance and Licenses					
Entertainment					
Repairs and Maintenance					
Cleaning and Disposal Costs					
Motor and Travel					
Equipment Leasing					
Postage and Stationery					
Accountancy Fees					
Legal and Professional					
Training					
Enterprise Compliance Fee					
Rent					
Tie Release Fees					
Bank, Interest and Credit Changes					
Other					
<b>Total Expenditure</b>					
<b>Opening Balance</b>					
<b>START UP COSTS</b>					
Deposit					
Rent					
Fixtures and Fittings					
Other					
<b>Subtotal</b>					
<b>Opening Balance</b>					
<b>Net Cash Flow</b>					
<b>Closing Balance</b>					



## 5 year profit and loss summary

	Year 1	Year 2	Year 3	Year 4	Year 5
Sales					
Cost of sales					
<b>Gross profit</b>					

Rent					
Other overheads					
<b>Net profit</b>					

Volume projection*	Year 1	Year 2	Year 3	Year 4	Year 5
Beer					
Cider					
FABs					
<b>Total</b>					

\*Measured in brewers barrels – 36 gallons.

Sensitivities* <i>impact on net profit</i>	Year 1	Year 2	Year 3	Year 4	Year 5
10% increase in sales					
10% decrease in sales					

10% increase in overheads					
10% decrease in overheads					

\*Notes:

1. If a different % is more appropriate to your business then it should be used.
2. If this analysis results in a significant deterioration in profit, then a contingency plan must be provided below.

**Contingency Plan** (Actions you would take to reduce the impact of a significant deterioration in profit or loss).

# Business plan sign-off sheet

## Accountant declaration:

The business plan for (Pub name)

This has been prepared and / or reviewed and is an accurate reflection of the business opportunity based on the information provided to me.

Name of Accountant

Professional Qualification

Address of Accountant's Business

I confirm that I hold the qualification above

I confirm I have attended the pub

Date of visit:

I confirm I have met with the Applicant

Date of visit:

Signed and dated

# Business plan sign-off sheet

## Applicant declaration:

The business plan for (Pub name)

Name of Applicant(s)

Applicant 1

Applicant 2

Applicant 3

Name of Limited company, if applicable

I / We confirm this business plan is a realistic representation of my / our plans for the pub.

We confirm we are current tenants:

TAW (tenant at will)

Substantive

OR

I / We confirm I am / we are new applicants and have visited the pub prior to completion of the business plan.

Date of visit

OR

I / We confirm that I am / we are new applicants and my / our representative has visited the pub prior to the business plan and provided me / us all the necessary information.

Date of visit

Before completing the business plan: -

I / We confirm I / we have considered independent professional advice:

I / We confirm I / we have received all Pub Factual\* information for a new letting (\*Information contained in schedule 1 of the Pubs Code)

I / We confirm I / we have received the Pub Rent Proposal\* information for an existing letting (\*Rent assessment proposal and supporting information in schedule 2 of the Pubs Code)

Signed and dated (applicant(s))

Applicant 1



Applicant 2



Applicant 3



Position within company (if applicable)  
(e.g. Director, Company Secretary)

Applicant 1

Applicant 2

Applicant 3

