



HALL & WOODHOUSE
INDEPENDENT FAMILY BREWERS



RAISING THE BAR

BUSINESS PLAN

Applicant: _____

Date completed: _____

Pub name and address: _____

Area Manager: _____

BUSINESS PLANNING

Taking on any business is a serious decision and a pub is no different. Before you embark upon any new venture it is important that you have thought hard about why you want to take such a step and that you are sure it is going to be profitable.

Equally, we at Hall and Woodhouse want to be convinced that you are confident about your plans and that you have a clear idea of how you are going to make the pub work.

Therefore we consider the business plan not only to be a core part of the application process, but also the roadmap for the growth and development of your pub.

Your plan will include your research into the proposition and its feasibility, your plans and goals and the financial projections to show how you will generate enough income to meet your objectives. The following pages will help you to compile the plan for your chosen business. Please complete each section including as much detail as possible. Guidance is available should you need it from one of our Area Managers.

It is vital for your application that you complete pages 12 – 15 on the financial projections for your business. We will be able to provide some of the information for you, especially historical barrelage, cost prices, etc.

It is important that you make your own assessment of your financial projections.

ABOUT YOURSELF

This section is about you, your business experience and where you want to be. It is essential that you have a vision for the future so you can set goals and milestones to achieve your business objectives.

- *Describe your experience in the licensed trade*
- *Describe your partner's experience in the licensed trade*
- *Describe any other business experience you may have*

ASPIRATIONS AND AMBITIONS

It is important that you think hard about your personal goals for your business and are clear about what you want to achieve.

- *What motivates you?*
- *What key issues do you face?*
- *What goals do you have both short and long term?*

THE SITE

Describe the strengths and weakness of the pub site.

- *Include the existing building, its shape and its condition both internally and externally*
- *Also consider its location and what the immediate area is like*
- *Are there opportunities for alternative uses or redevelopment of parts of any of the building?*

DEMOGRAPHICS

Describe the sort of people that live in, work in and visit the area.

- *How wealthy or poor are they?*
- *What is the local age profile?*
- *Are there many families/students/pensioners in the area?*
- *What type of businesses/jobs are there locally?*
- *Why do people visit the area?*
- *What are the implications for your 'target market'?*

DEVELOPMENTS

Are there any potential developments in the area which could influence trade?

- *Is the local area on the up or in decline?*
- *Are there any businesses opening or closing?*
- *Are there any planning applications that could affect trade?*
- *Are there any significant events under threat or gaining in importance?*

LOCAL MARKET

Where do people eat and drink in the local area? Please provide any relevant maps as an attachment. (Please also note the Competitor Profile section overleaf).

- *Who are the main competitors? Which are the most successful and why?*
- *Is there a circuit (if relevant for your pub type). Where does the pub fit in it?*
- *Are there any notable gaps you could exploit?*

COMPETITOR PROFILE

Main Competitors		What do they offer? (Include any menus here)	Who are their customers?	Why do they go there? (Consider pricing, product range etc)
Name				
Ownership				
Pub type				
Name				
Ownership				
Pub type				
Name				
Ownership				
Pub type				
Name				
Ownership				
Pub type				
Name				
Ownership				
Pub type				
Name				
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Name				
Ownership				
Pub type				
Name				
Ownership				
Pub type				
Name				
Ownership				
Pub type				
Name				
Ownership				
Pub type				

CUSTOMER PROFILE

Existing	am	pm	pm/late
<p><i>Who are your existing customers? Why do they use your pub?</i></p>			
Potential	am	pm	pm/late
<p><i>Are there customers you could move from your competitors, or aren't catered for in the area?</i></p>			
Target	am	pm	pm/late
<p><i>What should your target market be to increase and maximise your trade and profit?</i></p>			

THE OFFER (current)

What are the strengths and weaknesses of the current offer?

- *Consider each of the following elements:*
 - *Product range*
 - *Pricing*
 - *Menus*
 - *Customer service*
 - *Facilities*
 - *Entertainments/events*
 - *Staffing levels*
 - *Standards*

THE OFFER (your plan for the future)

Describe what you plan to offer in order to grow the business.

Explain how this will attract the people you want to come to the pub.

What is the unique selling point of the pub?

- *What sort of pub is it going to be?*
- *How will you position the wet offer? What will make it stand out from the competition?*
- *What will the food offer be? How big will the menu be? How will it be presented? How will the food offer change during the day?*

Attach any draft menus

- *Will entertainment be part of the offer? If so, what form will it take – eg games, quizzes, charity nights, promotions?*
- *Describe any other parts of the offer, e.g. accommodation.*

How will you tell people about what is on offer?

Please attach additional pages if required.

CONCLUSIONS

Briefly summarise in a few sentences what you are trying to achieve.

Constantly ask yourself : “Why am I doing this?” to make sure all decisions fit with your plan.

Please try to be specific with targets if relevant.

It is essential that you forecast how much money you are likely to make. This should be the major factor in deciding whether you want to proceed with your business plan.

If you are unsure how to do this yourself, seek the assistance of an accountant or another independent professional advisor.

In this section please complete the following forecasts:

- **A twelve month profit and loss forecast**
This predicts how profitable the business is likely to be.
- **A twelve month cash flow forecast**
This will provide you with information on the actual flow of money into and out of the business. It will highlight the capital needs of the business, especially the working capital required.
- **The money you will require**
This will ensure you have a full view of the costs associated with starting your business.
- **Source of Funds**
This will provide a detailed account of where you will obtain the finance needed.

ESTIMATE OF TURNOVER – YEAR 1

AT THE BAR PRICES:							
(use largest volume product in each category)						Price per Pint	
Draught Beer				£			
Standard Lager				£			
Stout				£			

VOLUME		TOTAL (Barrels / Litres)		TURNOVER (No of Pints/Measure)		PUB PRICE Pint/Measure Inc. VAT £		TURNOVER £
Draught Beer	1 barrel = 288 pints		x 288 =		x		=	
Draught Lager	1 barrel = 288 pints		x 288 =		x		=	
Stout	1 barrel = 288 pints		x 288 =		x		=	
Cider	1 barrel = 288 pints		x 288 =		x		=	
Bottled Beer	1 barrel = 576 x ½ pint bottles equiv.		x 576 =		x		=	
Wine	1 litres = 5.7 x 175ml glasses		x 5.7 =		x		=	
Spirits	1 litre = 40 x 25ml glasses		x 40 =		x		=	
Packaged Minerals	1 litre = 7.3 babies (average)		x 7.3 =		x		=	
Post Mix Minerals	1 litre = 4 post mix measures (average)		x 4 =		x		=	
TOTAL WET GROSS TURNOVER								
NET WET TURNOVER (excl VAT)						(x 85.1064%)		

SUMMARY OF ANNUAL TURNOVER		NET TURNOVER		GROSS PROFIT %		GROSS PROFIT £
Wet Sales			x		=	
Food Sales			x		=	
Ancillary			x		=	
Accommodation			x		=	
Machine Income			x		=	
Other			x		=	
TOTAL				100%		

12 MONTHS PROFIT AND LOSS FORECAST

<p>SALES</p> <p>Drink Sales <input style="width: 100%;" type="text"/></p> <p>Food Sales <input style="width: 100%;" type="text"/></p> <p>Machine Takings <input style="width: 100%;" type="text"/></p> <p>Accommodation <input style="width: 100%;" type="text"/></p> <p>Other (specify) <input style="width: 100%;" type="text"/></p> <p>Total Sales (3) <input style="width: 100%; border: 2px solid black;" type="text"/></p> <p>PURCHASES</p> <p>Drinks Purchases <input style="width: 100%;" type="text"/></p> <p>Food Purchases <input style="width: 100%;" type="text"/></p> <p>Other (specify) <input style="width: 100%;" type="text"/></p> <p>Total Purchases (1) <input style="width: 100%; border: 2px solid black;" type="text"/></p> <p>GROSS PROFIT</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Drinks</td> <td style="width: 20%;">WET GP%</td> </tr> <tr> <td>Food</td> <td>DRY GP%</td> </tr> <tr> <td>Machine Takings</td> <td></td> </tr> <tr> <td>Accommodation</td> <td></td> </tr> <tr> <td>Other (specify)</td> <td></td> </tr> <tr> <td>Total Gross Profit</td> <td>OVERALL GP%(2)</td> </tr> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="background-color: #d4c08e;">Net Profit (before drawings) (= GP – total costs)</td> <td><input style="width: 100%;" type="text"/></td> </tr> <tr> <td style="background-color: #d4c08e;">Drawings</td> <td><input style="width: 100%;" type="text"/></td> </tr> <tr> <td style="background-color: #d4c08e;">Net Profit after Drawings</td> <td><input style="width: 100%;" type="text"/></td> </tr> </table> <p>WEEKLY BREAK EVEN SALES CALCULATION:</p> <ol style="list-style-type: none"> 1) Add Total Purchases (1) to Total Controllable Expenses (2) 2) Divide by Total Sales (3) 3) Deduct the above from £1.00 4) Divide Total Fixed costs (4) by the above 5) Divide by 52 to give weekly break even point <input style="width: 100%; height: 20px;" type="text"/>	Drinks	WET GP%	Food	DRY GP%	Machine Takings		Accommodation		Other (specify)		Total Gross Profit	OVERALL GP%(2)	Net Profit (before drawings) (= GP – total costs)	<input style="width: 100%;" type="text"/>	Drawings	<input style="width: 100%;" type="text"/>	Net Profit after Drawings	<input style="width: 100%;" type="text"/>	<p>OPERATING COSTS</p> <p>Rent <input style="width: 100%;" type="text"/></p> <p>Business Rates <input style="width: 100%;" type="text"/></p> <p>Loan Interest <input style="width: 100%;" type="text"/></p> <p>Insurance <input style="width: 100%;" type="text"/></p> <p>Licenses <input style="width: 100%;" type="text"/></p> <p>Depreciation <input style="width: 100%;" type="text"/></p> <p>Total Fixed Expenses (4) <input style="width: 100%; border: 2px solid black;" type="text"/></p> <p>Wages (incl. NI) <input style="width: 100%;" type="text"/></p> <p>Utilities, Gas, Electric, Water <input style="width: 100%;" type="text"/></p> <p>Entertainment incl Music/TV <input style="width: 100%;" type="text"/></p> <p>Advertising/Promotions <input style="width: 100%;" type="text"/></p> <p>Travel and Transport <input style="width: 100%;" type="text"/></p> <p>Telephone and Postage <input style="width: 100%;" type="text"/></p> <p>Cleaning Materials <input style="width: 100%;" type="text"/></p> <p>Glassware and Crockery <input style="width: 100%;" type="text"/></p> <p>Stocktaking Fees <input style="width: 100%;" type="text"/></p> <p>Laundry <input style="width: 100%;" type="text"/></p> <p>Postage, stationery <input style="width: 100%;" type="text"/></p> <p>Repairs and Decoration <input style="width: 100%;" type="text"/></p> <p>Training <input style="width: 100%;" type="text"/></p> <p>Accountancy Fees <input style="width: 100%;" type="text"/></p> <p>Machine Rental <input style="width: 100%;" type="text"/></p> <p>Staff Uniforms <input style="width: 100%;" type="text"/></p> <p>Sundries <input style="width: 100%;" type="text"/></p> <p>Other <input style="width: 100%;" type="text"/></p> <p>Total controllable expenses (2) <input style="width: 100%; border: 2px solid black;" type="text"/></p> <p>Total Costs <input style="width: 100%; border: 2px solid black;" type="text"/></p>
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Drawings	<input style="width: 100%;" type="text"/>																		
Net Profit after Drawings	<input style="width: 100%;" type="text"/>																		

CASHFLOW

The cash flow projection is a support for your ideas for the pub and an aid to help you take an objective look at the financial aspects of the business. It will ensure that you have enough working capital or banking facilities to enable you to operate effectively throughout the first and most difficult year of trading.

Most of the items covered in this projection will match your profit and loss projection. However, it is worth mentioning that the profit and loss does not include VAT and the cash flow does include VAT.

You must try and project each month in turn thinking about how much money you intend to take and what expenses you may have in each particular month. For instance you will probably project taking more money in December than January. You can do this by thinking about your likely drinks sales for each day of the week, adding this together for a weekly total and multiplying for the month. The same can be done for food, by working out how many meals you intend to serve and how much cash you intend to generate from each customer.

NB: Closing bank balance is carried forward each month to balance brought forward. Therefore the calculation in the second month will be total income less expenditure plus balance brought forward equals closing bank balance. This figure may on occasions be a minus figure. This would therefore tell you when it would be necessary to arrange an overdraft facility or that you will need extra working capital.

	Month	Month	Month	Month	Month	Month	Month	Month	Month	Month	Month	Month	Month	Month	Month	Totals
Capital Introduced																
Drink Sales																
Food Sales																
Machines																
Other Income																
Total Income																
Drinks Purchases																
Food Purchases																
Rent																
Business Rates																
Licenses																
Insurance																
Utilities, Gas, Electric, Water																
Loans																
Entertainment																
Stocktaking																
Wages Inc. NI																
Travel and Transport																
Telephone																
Cleaning Materials																
Accountancy Fees																
Stocktaking Fees																
Repairs and Decoration																
Training Fee																
Fixtures Purchased																
Drawings																
VAT Payments																
Other																
Other																
Other																
Total Expenses																
Incomeless Expenditure																
Balance Brought Forward																
Closing Bank Balance																

THE MONEY REQUIRED

Outline the overall cost of starting the business and if you have not already done so state the intended investment including VAT.

COSTS

Fixtures and Fittings	
Deposit	
Brokers fees	
Training	
Stock on Valuation	
Working Capital	
Investment Capital Inc. VAT	
TOTAL	

SOURCE OF FUNDS

Cash	
Secured Loan	
Unsecured Loan	
Overdraft	
Other please state	
TOTAL	

ADDITIONAL INFORMATION

The following area allows you to include any further information you feel may be appropriate to include in your business plan.

By completing this application form Hall & Woodhouse does not commit itself to accept your application and, for the avoidance of doubt, it does not constitute any offer, expressed or implied, of any appointment, tenancy or business opportunity.

Once you are in your pub, your Area Manager will review the business with you and together agree a 90 day action plan and identify what you plan to do to develop the business over the first 12 month period.

WHAT DO YOU WANT TO ACHIEVE IN THE FIRST:

3 Months	6 Months	12 Months