



A DIFFERENT APPROACH

BUSINESS PLAN

Applicant:

Date completed:

Pub:

Business Development
Manager:



Taking on a pub is a serious decision. It is important that you have thought hard about why you want to take such a step and have planned exactly what you will need to do to ensure your venture will be a success. Only then can you judge whether you are likely to be able to achieve the income and rewards that you desire.

ABOUT BUSINESS PLANNING

Admiral also wants to be convinced that you know what to do and why, and that your plans are right for you and the pub in question. For these reasons we ask all applicants to complete a business plan for the pub they are applying for.

A business plan can help you to:

- Consider all aspects of the business
- Decide the best course of action to take things forward
- Have a clear understanding of the pub and how you can make it work

Please complete each section including as much detail as possible. You can either use this template, or alternatively, write your own business plan. Guidance is available should you need it from one of our Business Development Managers

**THE SITE**

Provide a description of the pub, its facilities and trading history. Also talk about the immediate area surrounding the pub, focusing on possible sources of customers

- *Are any areas suitable for alternative use or redevelopment?*
- *Describe the existing building - shape, facilities & condition*
- *Include the exterior and outside areas*
What is the immediate area like?
Residential, businesses, shops, roads, etc.

DEMOGRAPHICS

Describe what sort of people live, work, or visit the area. Mention things such as age, occupation, wealth, housing, etc. This is your chance to show that the people that you intend to attract are around.

- *Have you driven or walked around the area and talked to future customers, competitors and local businesses?*
- *The people who live nearby – how wealthy or poor are they? Are they old or young? Do they have families - old or young? What sort of houses do they live in? What condition is the housing in? How many people own a car? What do they do as jobs – work in an office, have a skilled trade, manual workers, unemployed? Do students live in the area?*
- *Who comes into the area WHY AND WHEN? Shoppers during the day? Office workers? Young people at night?*
- *Think about which people will be your 'target market'*

**DEVELOPMENTS**

Indicate whether there are developments in the area that may influence trade.

- *Ask around, speak to the council, find out what is happening in the area. Look in the local paper for licensing or planning applications*
- *Is the area doing well or is it in decline? Are shops opening or closing? Are houses selling? Is new housing being built?*
- *What specific future events might impact on trade - good or bad? e.g. the building of a shopping centre or the closure of a factory*

LOCAL MARKET

Show an understanding of where people drink, eat and also take part in other leisure activities (cinemas, retail parks). Talk specifically about the competition and why people chose to go to these places. If there is a "circuit" describe it - both for day and night trade. Attach any relevant maps to the Business Plan.

- *Have you visited and talked to local competitors?*
- *Where are these venues in relation to your pub? Could/does it fit into the circuit?*
- *How successful is the competition? Why are they successful - what do they offer customers? Describe the major competitors.*
- *Is there anything missing from the circuit that people might look for?*



| LOCAL MARKET continued | | | |
|-------------------------------|--------------------------|--|---|
| Main Competitors | Who are their customers? | What do they offer to attract customers? | Could/should we attract their customers and if so, how? |
| Venue | | | |
| Brand | | | |
| Venue | | | |
| Brand | | | |
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| Venue | | | |
| Brand | | | |



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

**THE OFFER**

Describe what you intend to offer in order to attract custom. Make specific mention of drink, food, music, entertainment, promotions, games, etc.

Show reasons why the people that you want to attract would want to come to your pub.

What is the unique selling point of the pub?

Also how you intend to market the offer.

General

- *What sort of pub is it going to be? How will it differ during the course of the day?*

Drink

- *Is business going to be driven by cask ales, cream flow, standard draught lagers, premium draught lagers, bottled beers, spirits, wine?*
- *What will make your wet offer stand out from your competitors?*

Food

- *What sort of food is going to be on offer? How big will the menu be? Give some sample menu items. What will the price of the meals be? How will the food offer change during the day?*
- *What will make your food offer stand out from your competitors?*
- *Attach any draft menus*

Music

- *How will music be provided? What sort of music will it be? How will it change throughout the day?*

Entertainment/promotions/games/etc

- *Will entertainment play a part in your offer? What sort of entertainment? What else - pub games, quizzes, charity nights, promotions, etc?*
- *How much additional income would you expect to generate from entertainment activities?*

Other

- *Describe any other key parts of the offer*

Marketing

- *How will you tell people about what is on offer? Adverts, flyers, radio, A-boards, direct mail, etc?*

**CONCLUSIONS**

Briefly summarise what you are trying to achieve. Constantly ask yourself

“Why am I doing this?” to make sure there is a measurable cash benefit to any action or investment decision.

- *In a few words ..*
- *Who the customers are now and whether you intend to change them, attract different people as well, or build on this existing base*
- *How this fits into the opportunity in the area*
- *How you will attract these people by changing the look of the pub, the food*
- *you offer, etc.*



FINANCES

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.

Your decision to take a Admiral Agreement should be influenced by these forecasts. Therefore every effort should be made to ensure the greatest accuracy possible.



12 MONTHS PROFIT AND LOSS FORECAST

SALES

| | |
|--------------------|--|
| Drink Sales | |
| Food Sales | |
| Machine Takings | |
| Accommodation | |
| Other (specify) | |
| Total Sales | |

PURCHASES

| | |
|------------------------|--|
| Drinks Purchases | |
| Food Purchases | |
| Other (specify) | |
| Total Purchases | |

GROSS PROFIT

| | | |
|---------------------------|--|----------------|
| Drinks | | WET GP% |
| Food | | DRY GP% |
| Machine Takings | | |
| Accommodation | | |
| Other (specify) | | |
| Total Gross Profit | | OVERALL GP%(2) |

| | |
|-------------------------------------|--|
| Net Profit (before drawings) | |
| Drawings | |
| Net Profit after Drawings | |

WEEKLY BREAK EVEN SALES CALCULATION:

- 1) Total cost figure from above
- 2) Overall GP% from above
- 3) Divide (1) by (2) and multiply by 100
- 4) Multiply by 1.175 to add VAT
- 5) Divide by 52 to give weekly break even point

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OPERATING COSTS

| | |
|---------------------------------|--|
| Rent | |
| Business Rates | |
| Wages Inc. NI | |
| Insurance | |
| Utilities, Gas, Electric, Water | |
| Bank Charges | |
| Accountancy Fees | |
| Machine Rental | |
| Entertainment | |
| Promotions | |
| Staff Uniforms | |
| Travel and Transport | |
| Telephone and Postage | |
| Cleaning Materials | |
| Glassware and Crockery | |
| Stocktaking Fees | |
| Legal Fees | |
| Licenses | |
| Repairs and Decoration | |
| Training Courses | |
| Sundries | |
| Other | |
| Loan Repayments | |
| Total Costs (1) | |



CASH FLOW

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.



Business Plan

| | 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 | | | | | | | | | | | | | |
| Cash Repayments | | | | | | | | | | | | | |
| Entertainment | | | | | | | | | | | | | |
| Stocktaking | | | | | | | | | | | | | |
| Wages Inc. NI | | | | | | | | | | | | | |
| Travel and Transport | | | | | | | | | | | | | |
| Telephone | | | | | | | | | | | | | |
| Cleaning Materials | | | | | | | | | | | | | |
| Accountancy Fees | | | | | | | | | | | | | |
| Stocktaking Fees | | | | | | | | | | | | | |
| Legal Fees | | | | | | | | | | | | | |
| Surveyors' / Valuers' Fees | | | | | | | | | | | | | |
| Repairs and Decoration | | | | | | | | | | | | | |
| Training Courses | | | | | | | | | | | | | |
| Fixtures Purchased | | | | | | | | | | | | | |
| Rent Deposit | | | | | | | | | | | | | |
| Drawings | | | | | | | | | | | | | |
| VAT Payments | | | | | | | | | | | | | |



Business Plan

| | | | | | | | | | | | | | |
|-------------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|
| Other | | | | | | | | | | | | | |
| Other | | | | | | | | | | | | | |
| Other | | | | | | | | | | | | | |
| Total Expenses | | | | | | | | | | | | | |
| Incomeless Expenditure | | | | | | | | | | | | | |
| Balance Brought Forward | | | | | | | | | | | | | |
| Closing Bank Balance | | | | | | | | | | | | | |



Business Plan

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 | |
| Solicitors | |
| Training | |
| Stock on Valuation | |
| Survey | |
| Working Capital | |
| Investment Capital Inc. VAT | |
| TOTAL | |

SOURCE OF FUNDS

| | |
|--------------------|--|
| Cash | |
| Secured Loan | |
| Unsecured Loan | |
| Overdraft | |
| Other please state | |
| TOTAL | |



ADDITIONAL INFORMATION

SWOT ANALYSIS - SUMMARISE YOUR THOUGHTS:

| | |
|---------------|------------|
| Strengths | Weaknesses |
| Opportunities | Threats |

ADDITIONAL INFORMATION

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



Business Plan

ADMIRAL TAVERNS

By completing this form Admiral Taverns 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, lease, tenancy or business opportunity.