

## Appendix 7 - Income and Expenditure Assumptions

<b>Item</b>	<b>Assumptions</b>
<b>Income</b>	<i>Off season/Peak season split 6 months each</i>
<i>Bar Sales</i>	<i>7.5% increase per annum (Equivalent to 300 pints/glass of wine a week in off peak at av. £4.50 a drink , 500 a week in peak season)</i>
<i>Food Sales</i>	<i>7.5% increase per annum. Based on serving 50 meals a week in off season, 80 a week in peak season, at £12 per meal</i>
<i>Accommodation</i>	<i>40% room occupancy, 30% bed occupancy, £25 per person, 6 people max, then 15% increase in first two years, thereafter room rate up 5% per annum</i>
<i>Office &amp; meeting room hire</i>	<i>£15 per hour, hired out 1.5 hours per day, 2 days a week in year one, 3 days a week years 2-5, room rate increased at 3% per annum</i>
<i>Visitor facilities</i>	<i>Showers at £1 per shower, 5 showers a week off season, 10 a week peak season</i>
<b>Expenditure</b>	
<i>Manager (some time in bar, esp weekends)</i>	<i>25 hours per week at £15 per hour. 5% increase each year</i>
<i>Bar</i>	<i>9 hours per day at £9 per hour (average), 5.5 days a week, 5% increase each year (4 – 5 part-time staff)</i>
<i>Chef/Kitchen</i>	<i>6 hours per day at £12 per hour, 5.5 days a week. 5% increase each year</i>
<i>Admin</i>	<i>7 hours a week at £9 per hour. 5% increase each year</i>
<i>Cleaner/ B&amp;B Maid</i>	<i>2.5 hours per day on average at £9 per hour. 5% increase each year</i>
<i>NI and Pension costs</i>	<i>Calculated at approximately 15% of staff earning over NI threshold. From 6 April 2019, pension costs are 3.0% of the qualifying earnings (assumed opt out for Admin &amp; Cleaner)</i>
<i>Laundry</i>	<i>40% room occupancy (3 rooms), £10 per bed set - possible service provided in village, increasing 15% per annum (higher costs and occupancy)</i>
<i>Bar Supplies</i>	<i>Drink gross margin 55%</i>
<i>Kitchen Supplies</i>	<i>Food gross margin 60%</i>
<i>Regulatory – license etc...</i>	<i>£200 application fee + £180 License fee in Year 1, £180 pa thereafter. Confirmation on other consents and charges required.</i>
<i>Repairs &amp; Maintenance</i>	<i>Lower for first two years following refurbishment, then to routine level in year 3, then increasing 2% per annum</i>
<i>Heating(oil) and electricity</i>	<i>Oil: 3000L a year, at 50p, Electricity £300 per month, increasing 5% per annum.</i>
<i>Insurances</i>	<i>David H has requested quotes</i>
<i>Waste &amp; recycling</i>	<i>Further work required on costs</i>
<i>Water Rates</i>	<i>Further work required on costs</i>
<i>Rates</i>	<i>No business rates due to relief</i>

<i>Cleaning Materials</i>	<i>£25 per month, increasing at 2% per annum</i>
<i>Phones &amp; broadband</i>	<i>£150 per month, increasing 2% per annum</i>
<i>Card Payment Fees</i>	<i>Average at 0.5% of income</i>
<i>Stationery, postage &amp; printing</i>	<i>Estimated, increasing 2% per annum</i>
<i>Professional &amp; audit fees</i>	<i>Including payroll costs, increasing 2% per annum</i>
<i>Marketing and Website Fees</i>	<i>Larger campaign at launch and first year of trading, incl website</i>
<i>Fundraising towards working capital</i>	<i>Fund raising at launch allocated towards initial set up costs/working capital, excluding bar and food stock.</i>
<i>Funding of Meals on Wheels etc</i>	<i>50% of surplus to fund community projects, minimum £1000</i>