DRAFT BUSINESS PLAN - BARRINGTON HALL

November 2006

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PROFIT AND LOSS ACCOUNT

	£	
Turnover	601,080	
Net operating expenses		
Administrative expenses	511,076	
Operating profit	90,004	
Interest payable	40390	
Profit / Loss on ordinary activities		
before taxation	49,614	Note (4)
Taxation	9922.8	
Profit / Loss on ordinary activities after taxation		
retained for the period	39,691	

Basic Financial Data

Capital Expenditure		£	•		
Internal alterations to Hall includ		280000			
Construction of Annexe building		150000			
Construction of accommodation		60000			
Improvements to grounds and e	external areas		30000		
Motor Vehicle (van)			12000		
Repairs to current fabric			25000		
Facilitisation (tables, chairs, aud		20000			
Total			577000		
Fixed Overhead Costs		13,100 40390	Note (1)		
rixed Overnead Costs			Interest payable =		
Rates		22500		Note (2)	
Insurance			6000		,
Licences	•		500		
Permanent Staff	1 x Manager 1 x Assistant Manager 1 x Groundsmen	28000 18500 10000	18500		
Employment costs (in addition to	1 x Cleaner o salary)	9000	9000 13100		
Marketing / website / promotions / fairs			10000		
Utilities		10000			
Total			127600		

					Number of Weddings pa = Ave number wedding guests breakfast = Ave number wedding guests evening = Number of Conferences = Ave number conference delegates =			
Registrar	cost per wedding =		300	9600				
Conference cost				163800				
Drinks cost				30720				
Champagne cost				6144				
Buffet cost				38912				
Wedding breakfast	cost			102400				
Bar / support staff w	veddings	8	50	12800				
Bar / support staff c	onferences	2	50	6000				
Total				370376	497976			
Income					601080 103104			
Conference per dele	egate =		60	252000	133.104			
Wedding Drinks per	head =		10	51200	£10 per head x 160			
Wedding Champage	ne per head =		2	10240	£2 per head x 160			
Wedding evening B	uffet per head		9.5	48640	£9.5 per head x 160			
Wedding breakfast j	oer head		50	128000	£50 per head x 80			
Wedding Hall Fee (i	ncludes Registrar)		3000	96000	por mode x co			
Rental of Lodge net	per month		1250	15000				
Total				601080				

NOTES ON BUSINESS PLAN

Depreciation Calculation

Tangible fixed assets	Land and Buildings	Plant and Machinery, etc.	Total		
	£	£	£		
Cost					
At Inception	565,000	12,000	577,000		
Additions	0	0	0		
After 1 year	565,000	12,000	577,000		
Depreciation					
At Inception	0	0	0		
Charge for the period	11,300	1,800	13,100		
After 1 year	11,300	1,800	13,100		
Net book amount					
At Inception	565,000	12,000	577,000		
After 1 year	553,700	10,200	563,900		

Notes to the Business Plan

- 1) The depreciation calculation has been prepared under the reducing balance method
- 2) The rates have been estimated based on the business use of the ground floor of the Hall only. mestic rates for first and second floors to be paid by the occupants)
- 3) The costs of changes not associated with the commercial use of the Hall have been excluded from this business plan.
- 4) The net profit before tax (approximately £50,000) is specifically required to meet the larger part of the maintenance costs of the Hall and grounds.
- These have been estimated at a total of £55,000 (building maintenance = £25,000 and grounds = £30,000)
- 5) The Business Plan does not include capital repayment. The Net Present Value Ratio of 0.48 (see Appendix I for detailed calculation) indicates that if the cost of capital is considered the expenditure is not justified by the returns generated as shown in the profit and loss calculation.

This calculation underpins the main purpose of the proposed change of use of the Hall, that is to enable its return to its former residential use and condition and the maintenance thereof.

INVESTMENT RATIO / PROFITABILITY INDEX

PROJECT			Budget Ref	No : Lozi Barr 0	001				CURRENCY	ſ: ξ	r	DATE :
Barrington Hall Conference and Wedding Centre											28 Nov 2006	
	3	£	£	Ē	Ē	£	Ē	Ē	£	£	£	<u>£</u>
Capital Investment	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	<u> </u>
Other one-off costs	-577,000				******							-577,000
Development cost												-
Set up / Start up costs												-
Total Investment												-
Income	-577,000		-		-	-	•	-	-	-	-	-577,000
		601,080	601,080	601,080	601,080	601,080	601,080	601,080	601,080	601,080	601,080	6,010,800
												-,,
Other												-
Annual (costs) / Savings		604.000					·····					-
Capital Allowances (@ 4% or 25%)	-31	601,080	601,080	601,080	601,080	601,080	601,080	601,080	601,080	601,080	601,080	6,010,800
(Loss)/Profit before Tax	49,614	-29	27	-26	-25	-24	-23	-23	-23	-22	-22	-273
Tax at 30%	-14,884	49,614	49,614	49,614	49,614	49,614	49,614	49,614	49,614	49,614	49,614	545,754
(Loss)/Profit after Tax		-14,884	-14,884	-14,884	-14,884	-14,884	-14,884	-14,884	-14,884	-14,884	-14,884	-163,726
Add back Capital allowances	34,730	34,730	34,730	34,730	34,730	34,730	34,730	34,730	34,730	34,730	34,730	382,028
Revenue Cash in	31	29	27	26	25	24	23	23	23	22	22	273
Un-Discounted Cash Flow	34,761	34,758	34,757	34,755	34,754	34,754	34,753	34,753	34,752	34,752	34,752	382,301
Discount factor @ 7% (WACC)	-542,239	34,758	34,757	34,755	34,754	34,754	34,753	34,753	34,752	34,752	34,752	-194,699
Net Present Value Per Year	1	0.934579	0.873439	0.816298	0.762895	0.712986	0.666342	0.622750	0.582009	0.543934	0.508349	
Cumulative Net Present Value	-542,239	32,484	30,358	28,371	26,514	24,779	23,157	21,642	20,226	18,903	17,666	-298,139
Present Value of savings	-542,239	-509,755	-479,39 <i>7</i>	-451,026	-424,513	-399,734	-376,576	-354,934	-334,708	-315,805	-298,139	
Present Value of Investment	34,761	32,484	30,358	28,371	26,514	24,779	23,157	21,642	20,226	18,903	17,666	278,861
VI BITOGUIRIT	-577,000	-	-		-	-	-	-	-			-577,000
Present Value of savings	278,861											-577,000
Present Value of Investment	-577,000	İ										

 Present Value of savings
 278,861

 Present Value of Investment
 -577,000

 Net Present Value
 -298,139

investment Ratio / Profitability Index :

0.48