OUR financial model is based on a full roll out of our concept within 5 years. We believe our brand will be easy to operationally replicate and we therefore have an aggressive growth strategy to maximise profits and returns for our stakeholders reaching twelve, 80 bedroom leasehold properties by the end of year 5. We will continually monitor our financial performance with weekly, monthly and yearly KPI's and our forecasting will be scientific rather than emotive. Our KPI's will be the spine of our success:

REVENUE - Recorded daily and measured weekly against budget and previous years. Specifically, we will measure ARR, Occupancy, RevPAR and in App purchases

COST OF SALES - Measured monthly and controlled through strict central purchasing and standardisation within our bedroom stock

PAYROLL - Budgeted and costed on a weekly basis

Forecasting will also be a key part of our management tools. We will use business on the books (BOB) reporting to accurately forecast our position against budget and previous years adapting cost controls, bedroom rates and marketing strategies to reflect our financial position.

THE P&L

Our budget is detailed within the appendices of this plan but to further explain some of our forecast

SALES - During our first year of trading we aim to successfully open one property. We have budgeted for 10 months of trading with an assumption of two months pre-opening training.

We believe occupancy will grow quickly and have assumed a challenging but achievable 75% in year 1 supported by an ARR of £104 which is in line with industry standards. As the property reaches maturity we forecast it will produce net sales of £2.8M with a RevPAR of £91 net of VAT.

After 18 months of trading we will look to open our second property and steadily build the portfolio, reaching twelve properties and a turnover of £27M by the end of year 5.

12
PROPERTIES

£27M
TURNOVER

5
YEARS

FINANCIALS