Hotel Business Plan

Pennine Rooms | Manchester

DOCUMENT GUIDE

Contents

Proposed leased 32 room hotel | 3 October 2026 | Model 1.0

Decision document for prospective owners and funders. Hotel site, demand, funding and operating readiness are unconfirmed.

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01 / PROPOSAL

Executive summary

Pennine Rooms is a hypothetical proposal for a 32-room leased hotel in the Manchester urban travel area. It is intended for prospective owners and funders deciding whether to commission site and demand diligence. No property, founder, lease, funding, supplier quote or customer contract has been secured. The proposed narrow service is room-only accommodation for one to seven nights with awake paid reception throughout the day and night.

The staffing budget deliberately funds safe coverage rather than assuming the owner can work unpaid night shifts. Ordinary rooms revenue must cover a substantial fixed team, lease and building costs. The current assumptions should not justify an unconditional lease. Base 2027 net room revenue is GBP 595,503 and net result GBP (527,458). Minimum cash including opening is GBP (254,649). Additional funding to the GBP 150,000 reserve is GBP 404,649. Proposed equity and debt are uncommitted. This outcome requires funded commercial revision before lease commitment.

02 / PROPOSAL

Business details

Pennine Rooms Ltd is a working company name subject to availability and incorporation, not an established hotel. The intended legal structure is a privately held UK operating company leasing an existing lawful hotel. Manchester is a search area, not an address. January 2027 is a nominal model calendar, following six paid preparation months in Base. It is not an achievable opening commitment from this October 2026 evidence snapshot: six funded preparation months from an uncommitted start require a later launch.

If preparation cannot be funded in time, change the calendar and recost the launch before proceeding. The model spans January 2027 through December 2029 in GBP. It assumes no acquisition of land, building, existing hotel goodwill or franchise. A real lease, survey and operating specification may invalidate the capital and rent budgets.

03 / STRATEGY

Business concept and objectives

Offer a clean, quiet room with a clear total nightly price and a staffed point of contact. Initial objectives are to establish a compliant property, a funded roster and a credible market test at prices that can cover paid labour. Room condition and response time should be measured before making quality claims.

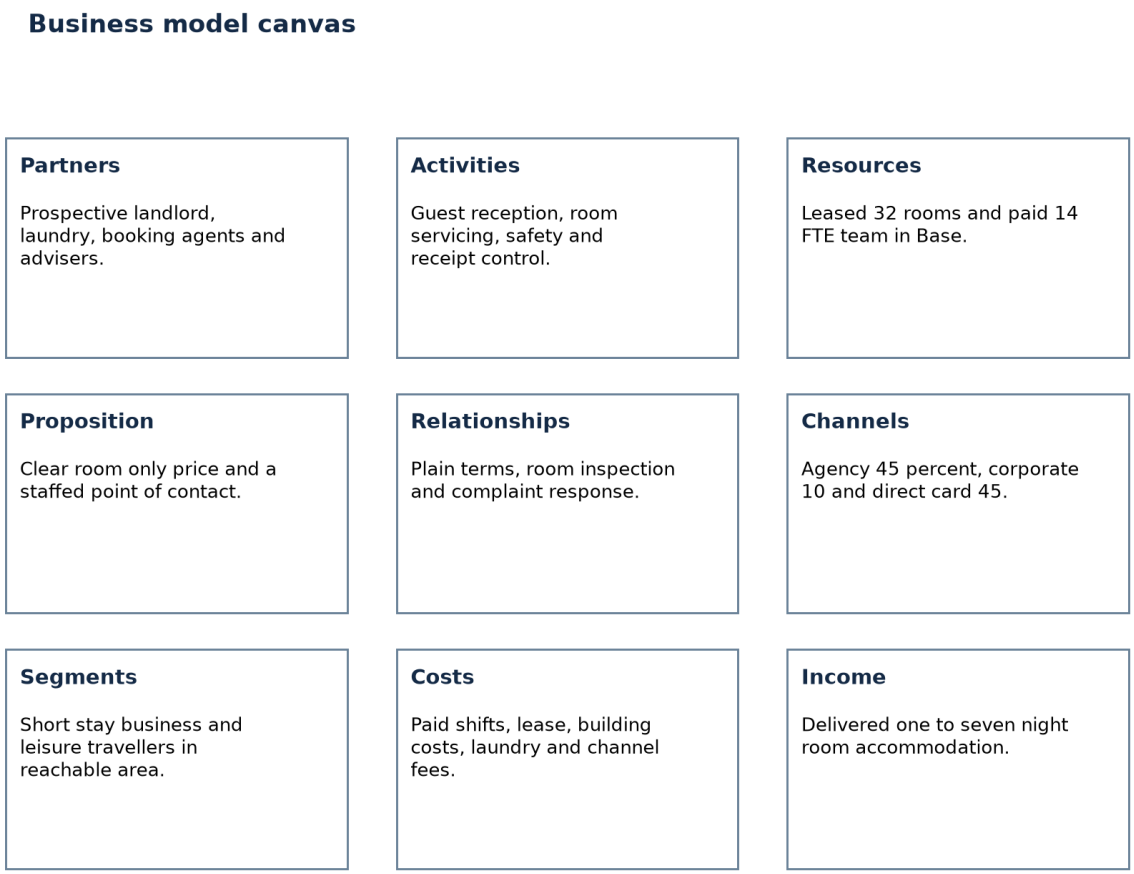
Launch only after the independent survey, fire and water assessments, booking terms, recruitment and committed funds are complete. Track sold room nights, net realised ADR, cash reserve, incidents and complaints. The owner should compare actual contribution against fixed costs weekly, then decline or revise the concept if a fully staffed 32-room property cannot support its economics.

04 / STRATEGY

Business model canvas

All nine elements describe one leased room-only hotel. Customers pay for delivered nights, while payroll, rent and emergency readiness continue regardless of occupancy. Proposed landlord, agency channels and specialist service providers are prospects rather than signed partners.

No restaurant, breakfast, alcohol, parking, meeting rooms or laundry sales are assumed. The operating company retains accommodation responsibility under a proposed agency channel arrangement. A change to merchant reseller channels, franchise obligations or property ownership would require a separate model and contract review.



Planning framework and evidence limits.

05 / STRATEGY

SWOT and longer term goals

A focused service reduces the number of operating departments but does not remove overnight safety responsibilities. Unverified site condition and weak room scale are important weaknesses. The opportunity is a possible market for uncomplicated short stays; it is not established demand.

Years three to five should focus on demonstrating reliable service and sustained funded cash at one property before considering another. No sale, terminal property value, expansion income or refinancing proceeds enter the model. Improvements must be justified by measured contribution and independently costed work, not by a rising hotel valuation hypothesis.

SWOT findings

Strength S1 Focused room only service with funded awake shifts.	**Weakness W1** No confirmed site demand or quotes; costly small room scale.
Opportunity O1 Possible demand for uncomplicated short stays.	**Threat T1** Unfunded building defects, weak rates and channel dependency.

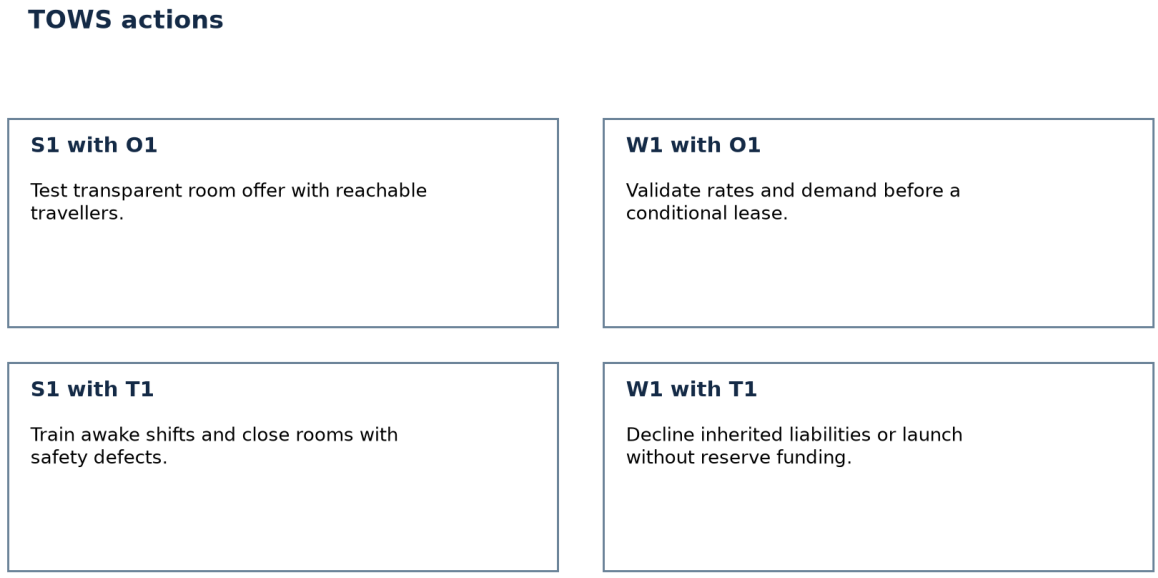
Planning framework and evidence limits.

06 / STRATEGY

TOWS strategy matrix

Test whether the narrow room offer solves a practical customer problem at the eventual site. Pair every attractive hypothesis with a decision gate: actual travel convenience, a dated price register and funded trial operations. The canvas actions connect market uncertainty and fixed costs to concrete work.

Respond to safety and funding threats before guests arrive. A lease should allow a properly documented diligence period. Do not treat a cheaper rent as sufficient if fire remediation, access works or labour coverage remain unfunded. Pause launch when a mandatory check fails or the reserve has no agreed funding.



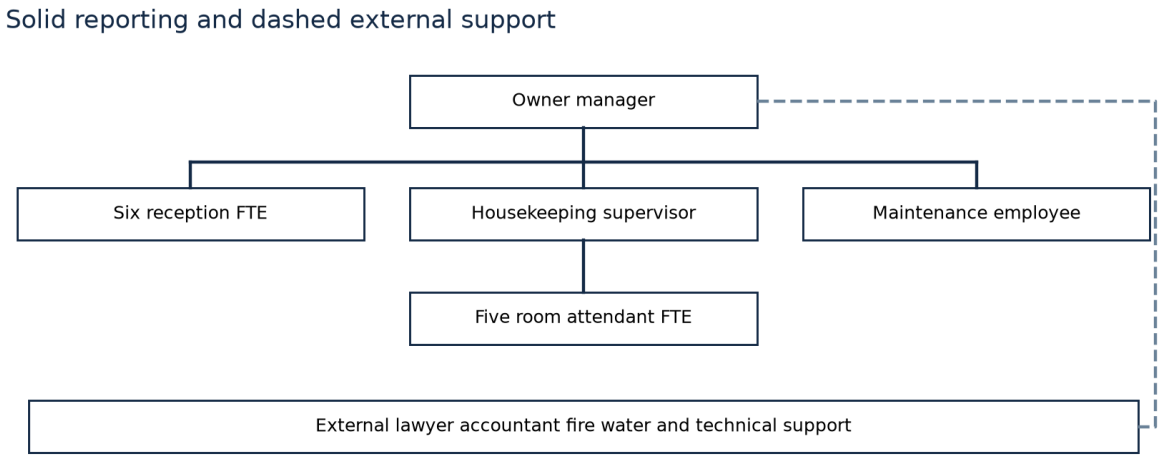
Planning framework and evidence limits.

07 / PEOPLE

Owner and management

The paid owner manager oversees cash, recruitment, building obligations, customer terms and operating controls. Six reception employees share 6 FTE and include awake night coverage; the owner is not counted as reception cover. A paid housekeeping supervisor directs five room attendants sharing 5 FTE. A maintenance employee has a 40-hour week and escalates out-of-hours technical incidents through budgeted external support.

External accountant, property lawyer, competent fire and water advisers and contracted technical response providers have dashed support relationships. They do not replace the responsible person or the hotel's trained shift staff. No named candidate, professional credential or supplier appointment is claimed.



Planning framework and evidence limits.

08 / PEOPLE

Owner and key personnel profiles

Recruit a manager who can administer short-stay accommodation, reconcile channel receipts and manage a lawful 24-hour rota. Reception recruits need customer communication, emergency escalation and booking-system competence. Housekeeping needs safe chemical handling, room standards, linen controls and respectful guest access.

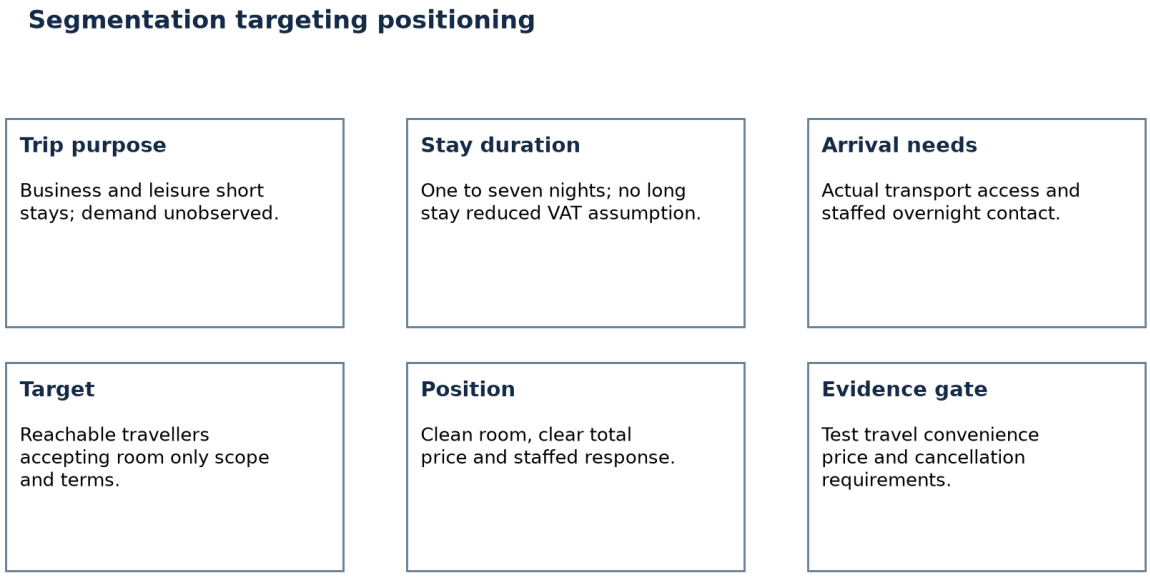
Verify references, right to work, relevant training and the specific duties before appointment. The supervisor performs inspections and common-area work; their hours are not counted twice as room cleaning. The maintenance employee handles authorised routine tasks and arranges specialists for work beyond competence. No biography or assumed founder experience fills these requirements.

09 / MARKET

Target customers

The initial hypothesis is demand from domestic adult short-stay business and leisure travellers seeking practical Manchester access. Rooms accommodate at most two guests, with no events or group guarantees. Accessibility and family policies must follow the actual property and equality advice, not a promise that every building suits every guest.

Corporate direct accounts are a small credit channel within ordinary room nights. Agency bookings and direct bookings use the same room inventory; they cannot each claim the full capacity. Test trip purpose, travel connection, stay length, budget and booking terms with reachable travellers.



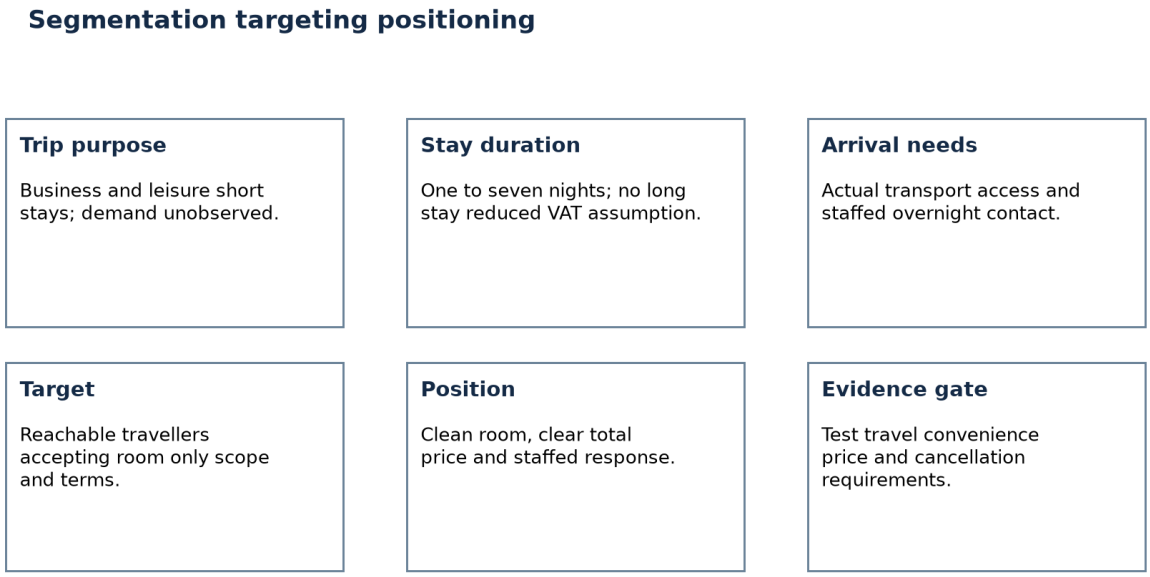
Planning framework and evidence limits.

10 / MARKET

Segmentation targeting and positioning

Segment by trip purpose, stay duration, arrival time, required accessibility, price sensitivity and booking channel. Target travellers seeking a room-only one-to-seven-night stay in a genuinely convenient catchment. Position the proposal around transparent price, clean rooms and a staffed contact.

The strategy excludes luxury facilities and long-stay accommodation. No customer survey has established demand for this position. A selected property must support the service truthfully; a remote location cannot be marketed as convenient solely because it has a Manchester postal address.



Planning framework and evidence limits.

11 / MARKET

Value proposition canvas

Customer jobs are to find suitable accommodation, understand total cost and get help when needed. Proposed pains include unclear extras, uncertain arrival access and poor room condition. These are research hypotheses, not attributed customer findings.

The offer pairs a room-only rate with trained staff, plain cancellation terms and documented room inspection. Gains must be measured through actual response and defect data. Neither self check-in nor an outsourced call number substitutes for the paid onsite overnight role in this plan.



Planning framework and evidence limits.

12 / MARKET

Market size and trends

TAM is annual UK short-stay hotel room spending in 2027 within the proposed one-to-seven-night scope. SAM is spending by travellers who can use the eventual Manchester catchment and room-only offer. Reliable scope-matched totals are unavailable here. General visitor counts cannot be converted into this segment by inventing room share, stay length and ADR.

SOM is the model's own revenue target and sold nights, not validated market share. Obtain a licensed local accommodation data source where justified, check its geography and period, and supplement it with dated public-rate comparisons and customer research. Do not equate full physical capacity with obtainable demand.



Planning framework and evidence limits.

13 / MARKET

PESTLE analysis

The six panels connect external conditions with operating decisions. No local incentive or tax relief is counted. Inflation may raise salaries and building costs while travellers trade down. Booking software assists inventory control but does not establish demand or fire readiness.

Employment, guest safety, water systems, property use and consumer terms must be addressed before opening. Energy and linen use should be measured at the actual building. A proposed efficiency measure is not a quantified environmental saving until a comparable baseline exists.

PESTLE operating implications



Planning framework and evidence limits.

14 / MARKET

Local demand and evidence

Base begins with a 60 percent occupancy request before monthly seasonal factors. Twelve factors range from 0.75 to 1.10 and are planning hypotheses. Occupancy growth, rate growth and channel shares are unobserved; there is no historical hotel trading dataset or guaranteed event demand.

Interview at least 40 reachable travellers or business bookers and collect total comparable room-only prices across ordinary weekday, weekend and event dates. Record refusals, inconvenient travel and cancellation requirements. Do not extrapolate a convenience sample into a city hotel occupancy forecast. A nonbinding enquiry is not a paid night.

Demand evidence before commitment



Planning framework and evidence limits.

15 / MARKET

Competitors and positioning

Relevant alternatives are budget chains, independent hotels, serviced accommodation and staying outside the immediate travel area. No competitor occupancy, rating or current price has been invented. The proposed position must survive comparison on total price, location, access and room condition.

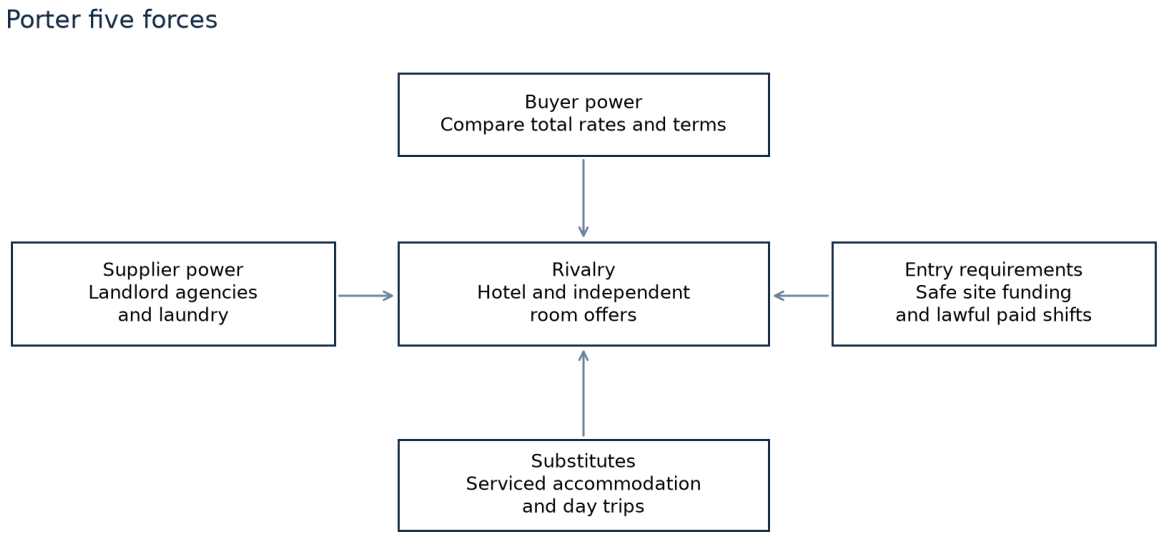
Maintain a dated register of public prices with stay date, booking date, tax, cancellation terms, room occupancy and compulsory extras. Separate promotional prepaid rates from comparable pay-later room-only rates. Brand presentation alone cannot justify a premium where actual travel convenience or room quality is weaker.

16 / STRATEGY

Porter five forces

Rivalry sits at the centre because travellers can compare many accommodation offers. Buyers can switch or cancel; agency channels and a limited suitable-property supply can shape costs. Entry requires funded safety work and a trained team, while serviced accommodation and day trips are substitutes.

These are qualitative judgements, not measured competitive scores. Responses include a real catchment study, multiple property options, written channel terms and a contribution test after fees. The model cannot establish bargaining power or customer loyalty before actual contracts and trading exist.



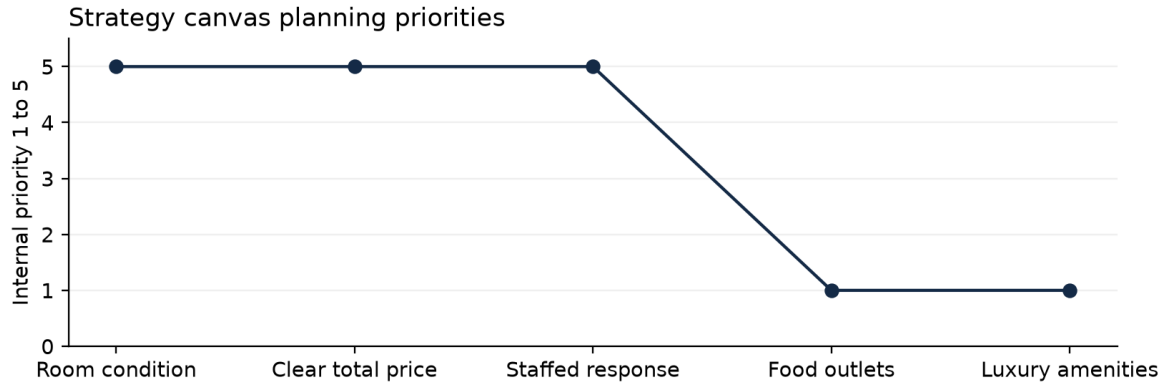
Planning framework and evidence limits.

17 / STRATEGY

Strategy canvas

The canvas gives internal priorities on a one-to-five scale. Room condition, clear total price and a staffed response take priority over food outlets and luxury amenities. It does not rate real competitors or claim market research.

Use the priorities to direct paid training, room inspection and cash. Adding breakfast or a bar to hide weak room economics would require food registration, service staff and separate cost and revenue evidence. Demonstrate a viable room operation before widening the offer.



Planning framework and evidence limits.

18 / OPERATIONS

Location and premises

Seek an existing legally usable 32-room hotel with safe access, suitable escape arrangements, staff welfare, housekeeping storage and maintainable water systems. No property is identified. Independent building and access surveys must precede an unconditional commitment, including checks on permitted use, repair liability and lease restrictions.

Base rent is GBP 12,000 net monthly, provisionally standard rated following an assumed landlord option to tax [R9]. The refundable GBP 60,000 lease security is a balance-sheet asset. GBP 3,000 monthly business rates is an unverified cash budget, with no relief assumed. Confirm actual rating, taxes, service charges and landlord responsibilities at the selected site.

19 / OPERATIONS

Equipment and resource plan

Initial room furniture, linen and operating equipment cost GBP 320,000 net; initial hotel improvements cost GBP 180,000 net. These are unquoted allowances for an existing lawful building, not a construction budget or proof that fire works are affordable. Obtain itemised room, IT, safety and contractor specifications.

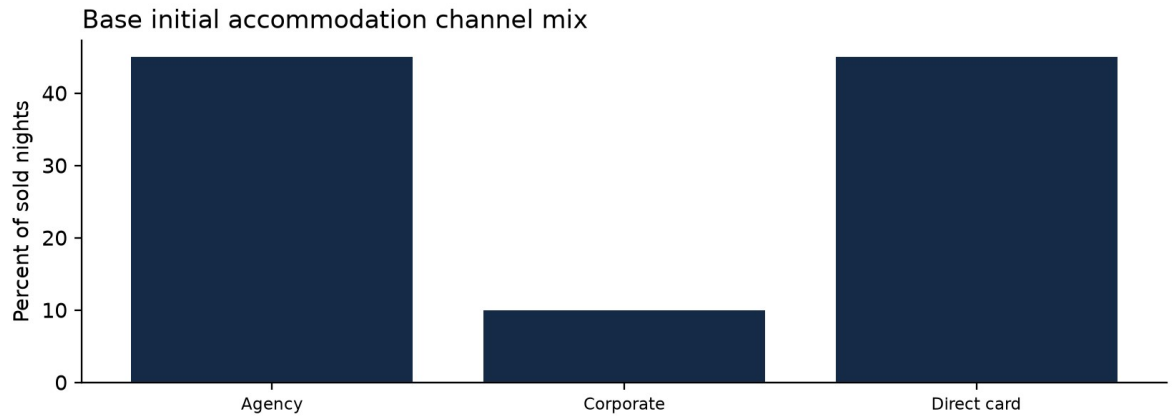
Furniture and equipment depreciate over 60 months, improvements over 120 months from opening. A GBP 60,000 net replacement cohort in month 25 has its own 60-month life. Each cohort is independently capped; no building or land is owned, no scrap proceeds are assumed and no rent is capitalised.

20 / OPERATIONS

Room and service strategy

Provide only ordinary room-only one-to-seven-night stays, paid at departure, with card authorisation rather than receipt of advance cash. No food, alcohol, parking, leisure facilities, nonrefundable advance sale or long-stay package enters the financial scope. Guests must be told actual access and occupancy limits.

Agency channels are assumed to act as disclosed agents, with accommodation billed by the hotel and commission separately invoiced. A merchant reseller arrangement or prepaid booking would change revenue, VAT and liabilities and must be modelled before use. Nights spanning a month are recognised as delivered nights, with cash timing approximated by uniform monthly invoices.



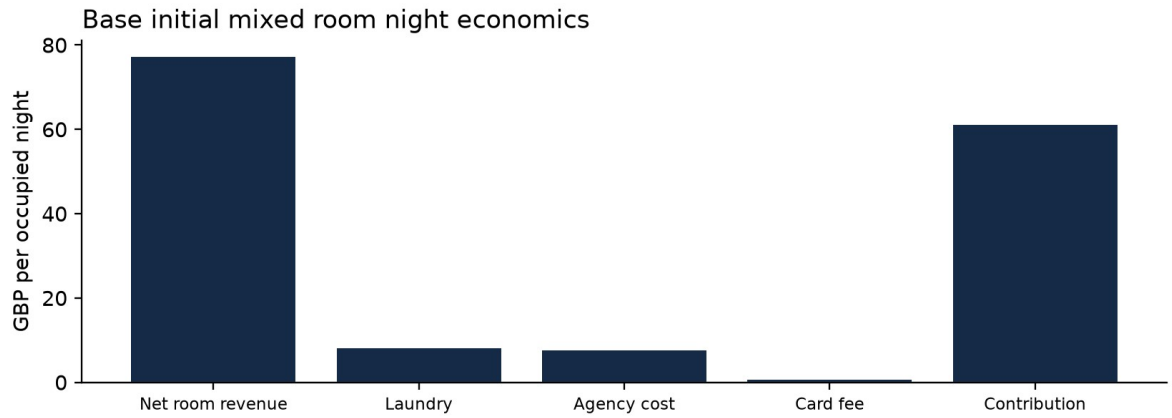
Planning framework and evidence limits.

21 / COMMERCIAL

Pricing and room economics

Base gross ADR starts at GBP 105 before seasonal price factors, with 20 percent accommodation VAT [R1]. A two percent same-month service refund allowance reduces earned accommodation. Agency bookings are 45 percent of gross issued sales and carry 18 percent net commission; direct card fees apply only to the remaining noncorporate share.

Net laundry and consumables cost GBP 8 per sold night. Commission is charged conservatively on gross sales after the refund allowance; confirm actual agency fee base and UK VAT or reverse-charge treatment. No guest cancellation revenue or unclaimed deposits are assumed. Positive contribution does not imply profit at the fixed staffing budget.



Planning framework and evidence limits.

22 / COMMERCIAL

Competitor price comparison

The GBP 105 gross initial ADR is an editable budget hypothesis. No verified comparable price set is available, so the proposal cannot claim to be cheapest, average priced or better value. Compare the same occupancy, arrival date and cancellation flexibility with current dated rates.

Account for mandatory charges and transport costs as well as headline room rate. Collect source links and screenshots lawfully, noting that dynamic rates may expire. Rate evidence must be refreshed before booking goes live and must not be substituted for observed paid demand.

Monthly ADR factors are proposed yield assumptions rather than measured event premiums. Base annual rate growth is 3 percent. The only sold product is a room night; direct and agency channels share the same gross room rate in this simplified forecast.

Future channel-specific offers need separate price, fee and allocation schedules. Do not represent a flexible price as fixed for the year or claim that the building warrants a premium without inspection and customer testing. Discounts reduce contribution and should be evaluated against remaining clean-room capacity.

23 / GROWTH

Brand and customer experience

Pennine Rooms is a working name. Images, testimonials and descriptions must identify the actual venue and must not imply a completed property or established customer record. Publish a clear total room-only price, check-in and departure times, accessibility facts and a staffed contact once verified.

Reception logs defects, incidents and complaints. The manager should distinguish urgent safety faults from comfort complaints, close affected rooms and record corrective actions. A room must not be sold because the monthly forecast needs revenue when its safe condition or servicing is unresolved.

24 / GROWTH

Sales channels and process

Base room sales comprise 45 percent agency,10 percent approved direct corporate credit and 45 percent direct pay-at-departure card. Channel shares sum to one and allocate delivered nights only once. Agency and corporate settlement terms are modelled as gross receivables with actual-calendar invoice cohorts.

The process is availability check, clear terms and card authorisation, guest registration, delivered accommodation, departure invoice and settlement. No advance funds or deferred revenue enter the narrow policy. Configure channels to prevent advance collection; reject contract terms that cannot implement it, then rebuild the model if commercial viability requires prepayment.

25 / GROWTH

Launch marketing

The GBP 60,000 net nonpay preparation allowance includes GBP 15,000 property and legal diligence, GBP 15,000 fire water and building advice, GBP 10,000 recruitment training systems, GBP 10,000 demand and rate research and GBP 10,000 opening communications. All are provisional VATable budgets, not quotes or approved remediation costs.

Ongoing direct marketing is GBP 2,000 net monthly within fixed suppliers. Agency commission is accounted separately as a variable cost, so it is not hidden in that marketing allowance. No commission rebate, influencer guarantee or existing distribution contract is asserted.

26 / GROWTH

Retention and ongoing sales

Ask permission for relevant follow-up and make opting out straightforward. Repeat demand is not separately counted: it is included within the occupancy request hypothesis. Record actual booking sources and stay patterns before treating returning guests as a stable cohort.

Review net room contribution by channel, complaints, unpaid corporate accounts and guest return rate after enough trading data exists. Experiments should have capped spend and dated outcomes. Do not increase occupancy assumptions because an email was opened or an agency listing received impressions.

27 / OPERATIONS

Daily operations and suppliers

Awake reception covers 24 hours daily with handover and break relief. Room attendants clean and replenish rooms; the supervisor checks room condition and common areas. Maintenance checks authorised building tasks during a paid 40-hour week; out-of-hours technical support is within fixed supplier budgets and requires a real written service agreement.

Laundry and consumables are variable suppliers; energy, software, safety services, marketing and professional support are fixed budgets. Reconcile sold nights to invoices and bank receipts daily. Stock consumption is expensed monthly with no opening inventory asset; obtain actual replenishment and minimum-stock requirements before procurement.

28 / OPERATIONS

Sustainability practices

Measure electricity, heat, water and linen quantities per available and sold night at the eventual building. Energy is budgeted in fixed taxable costs; no solar saving, subsidy or efficiency rebate enters the model. Safe ventilation and water control take priority over reducing cost.

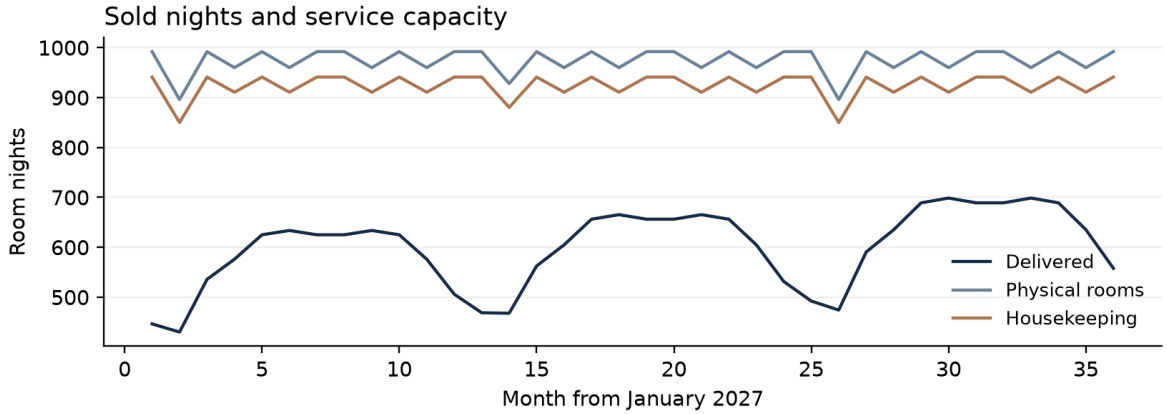
Give guests accurate options without implying that lower servicing removes hygiene or safety duties. Review leak response, waste separation and laundry contracts with competent suppliers. Environmental marketing needs a measured baseline and a defensible claim, not an unverified emissions label.

29 / PEOPLE

Staffing and training

Base pays one owner, six reception FTE, one housekeeping supervisor, five room attendants FTE and one maintenance employee, all 40-hour roles. Reception 6 times 40 times 85 percent availability yields 204 weekly hours against 168 active desk hours plus 14 hours of planned handover and break relief, leaving 22 hours contingency. The owner’s 40 hours are reserved for management and do not fill night gaps.

Housekeeping reserves 15 percent for leave absence and training, then uses 75 percent of remaining hours for direct rooms work. Each occupied night needs 0.4 hours plus 0.4 hours per departure at an assumed two-night stay. This caps monthly delivered nights alongside physical rooms. Peak arrival patterns and emergency duties still need an individual lawful roster before opening.



Planning framework and evidence limits.

30 / PEOPLE

Staff skills and fair work

The lowest Base proposed monthly gross pay is GBP 2,600 for 40 weekly hours, equivalent to GBP 15 hourly on 52 weeks over 12 months. The current adult floor is GBP 12.71 from April 2026 [R4]; future lawful floors are unknown and must be checked at recruitment. Employer loading 20 percent is an allowance for employer costs, not an exact payroll return.

Almost all workers have 5.6 weeks paid leave [R5]. Adult rest and night work rules require individually compliant arrangements [R6 R7]. Offer free night worker health assessments before assignment and regularly thereafter [R12]. Paid awake night work, training and break cover are budgeted. Six reception FTE may be split into suitable contracts, but no worker is assumed to operate a permanent 56-hour rota or supply unpaid emergency availability.

31 / COMPLIANCE

Legal and insurance requirements

Before opening verify property use, lease rights, accessibility and equality duties, employer and public liability cover, guest and employment terms, data security and required business registrations. Fire responsibilities include risk assessment, measures, emergency planning and staff training [R2 R3]. Shared landlord responsibilities must be documented. Water systems require competent legionella assessment and controls [R10].

The planned one-to-seven-night hotel supply is standard rated [R1]; no long-stay reduced value rule is claimed. Tax and channel contracts need professional review. There is no food or alcohol service in scope. The plan contains no assertion that a hotel licence, survey, compliant fire system or insurer approval has already been obtained.

32 / IMPLEMENTATION

Opening roadmap

Six Base paid preparation months are a schedule hypothesis. The owner and housekeeping supervisor are paid throughout; all other staff are paid for the final preparation month for training and rehearsals. Rent and holding suppliers for all preparation months are separately funded. Equipment enters service at opening, after tests.

Sequence funded diligence, conditional lease, surveys and works specification, recruitment, systems and emergency tests, then conditional public booking. Proposed equity must be available before preparation. A delay stress keeps the full operating payroll and fixed costs while revenue is zero; a longer preparation phase must instead be separately recosted.

33 / CONTROL

Risks and management actions

Key risks are insufficient room contribution for a 24-hour team, unverified demand, major inherited building defects, fire or water failure, channel contract mismatch, late invoice collections and funding shortfall. Close unsafe rooms, restrict corporate credit and suspend unfunded launch expenditure.

Review a 13-week cash projection weekly using actual invoices, payroll dates and VAT obligations. Set a board stop rule before signing: never rely on an unapproved loan, advance guest deposits or unpaid owner cover to meet the reserve. Cash below zero in the forecast is unmet funding, not a permitted overdraft. Losses should prompt commercial revision, not a spreadsheet plug.

34 / EVIDENCE

Research and evidence

Sources R1 to R12 support general current UK tax, employment, fire and water obligations, checked 3 October 2026. They do not validate the property, demand, price, pay offers or supplier budget. A professional site-specific assessment may impose additional requirements.

Retain a dated evidence register with actual lease, surveys, insurer terms, channel contracts, staff candidates and customer research. Market estimates remain unavailable. All occupancy, rates, seasonality, costs, finance terms and productivity assumptions are labelled planning inputs rather than observations.

R1 https://www.gov.uk/guidance/hotels-holiday-accommodation-and-vat-notice-7093

R2 https://www.gov.uk/workplace-fire-safety-your-responsibilities/who-is-responsible

R3 https://www.gov.uk/government/publications/fire-safety-risk-assessment-sleeping-accommodation/fire-safety-risk-assessment-sleeping-accommodation-accessible

R4 https://www.gov.uk/government/news/national-living-wage-increases-to-1271-per-hour

R5 https://www.gov.uk/holiday-entitlement-rights

R6 https://www.gov.uk/rest-breaks-work

R7 https://www.gov.uk/night-working-hours

R8 https://www.gov.uk/corporation-tax-rates

R9 https://www.gov.uk/guidance/opting-to-tax-land-and-buildings-notice-742a

R10 https://www.hse.gov.uk/legionnaires/

R11 https://www.gov.uk/hmrc-internal-manuals/vat-water-and-sewerage-services/vwass2500

R12 https://www.gov.uk/night-working-hours/health-assessments

35 / EVIDENCE

Quotes and assumptions

Obtain competing written quotations for rooms equipment, improvement work, laundry, software, channel costs, maintenance response, utilities and insurance. Confirm security deposit, rent VAT, rating and repair obligations with the landlord and advisers. The GBP 500,000 net initial capex is not a quotation or proof of building readiness.

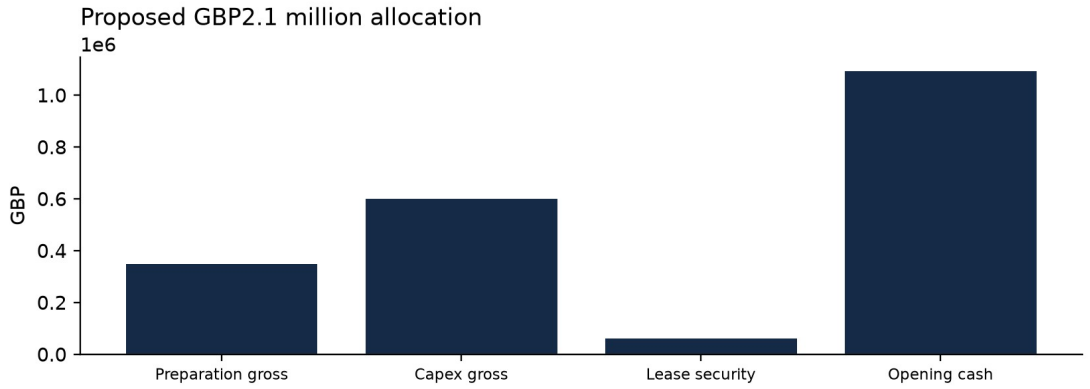
Resolve room layout, staff welfare, lawful individual rosters, accessible rooms, water and fire work before commitment. Finance availability, valuation and security are unknown. The company cannot safely proceed on this paper budget alone. Replace assumptions consistently across Excel, exported results, figures and Word when evidence arrives.

36 / FINANCE

Startup costs and funding

Funding is proposed, not secured. Equity must precede paid preparation, holding rent and setup. The loan is assumed drawn only at operational day zero with no earlier debt interest. There is no owner bridge, automatic equity call or balancing overdraft.

Startup expenses reduce retained earnings; refundable lease security remains an asset and equipment is capitalised. VAT paid on setup and capex is carried as a credit without an assumed cash refund. Operating cash is what remains after these uses. Funders must assess the full downside reserve requirement.



Base model 1.0; planning assumptions, January 2027 to December 2029.

Cash allocation GBP	Amount
Loaded preparation payroll	96,960
Nonpay preparation net	214,800
Setup capex VAT credit	137,200
Initial capex net	500,000
Refundable lease security	60,000
Opening operating cash	1,091,040

37 / FINANCE

Itemized startup costs

Base nonpay preparation includes GBP 60,000 net diligence, recruitment, research and systems plus six months of rent, fixed suppliers, insurance, rates and water. Owner and supervisor salaries are paid for all six months; reception, room attendants and maintenance are paid for the final month. Initial net equipment and improvements total GBP 500,000.

No unpaid founder development, furniture donation or goodwill asset is assumed. Site work above the allowance is an additional cash requirement. Figures below are verified model outputs, not supplier quotations. Security is excluded from expenses and has no automatic release within the forecast.

Startup measure GBP	Amount
Loaded preparation payroll	96,960
Nonpay preparation net	214,800
Preparation VAT and capex VAT	137,200
Initial capex net	500,000
Refundable security	60,000
Opening operating cash	1,091,040

38 / FINANCE

Owner personal survival budget

The owner receives GBP 5,000 gross monthly Base salary during preparation and operations. A 65 percent retained-pay planning proxy leaves GBP 3,250 against GBP 3,000 monthly household spending, a GBP 250 monthly surplus before personal tax differences, debt or unforeseen needs. This is not a PAYE calculation or a dividend promise.

Confirm the owner’s actual household budget and tax with an adviser. Company losses do not excuse omitting owner pay. Salary is in payroll once; household spending is not a second company expense. No other personal income, savings, spouse subsidy or founder finance has been invented.

Monthly personal measure GBP	Amount
Gross salary	5,000
Retained planning proxy	3,250
Household spending	3,000
Estimated surplus	**250**

39 / FINANCE

Financing terms and security

Base proposes GBP 1,800,000 equity before preparation and GBP 300,000 loan at opening. Interest is 9 percent yearly on opening balance, with six principal-grace months followed by 60-month straight principal repayment capped at outstanding debt. Debt remains due after this forecast where amortisation extends beyond 36 months.

No lender approval, collateral valuation, personal guarantee or lease security consent is available. Obtain actual terms and test their effect. Downside is an operating stress, not an agreed rescue facility. Figures showing additional funding are requirements to negotiate, not contributions automatically inserted into cash.

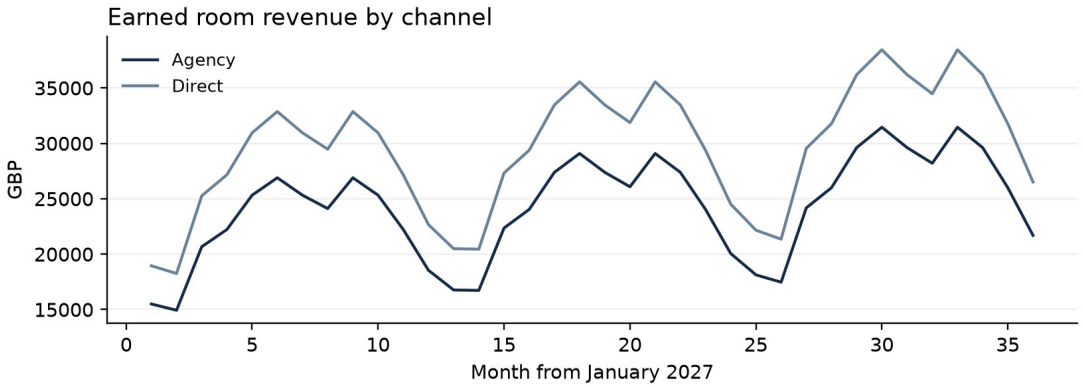
Captured case GBP	Minimum cash	Reserve funding
Base	(254,649)	404,649
Downside	(1,619,270)	1,819,270
Upside	993,957	0

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Revenue forecast and capacity

Rooms times actual calendar days determine physical room nights. Requested occupancy is the case driver times seasonal factor and annual growth, capped at 100 percent. Delivery is also capped by housekeeping hours, and all rooms close if paid reception availability is below the 24-hour coverage requirement. Delay months have no sold nights.

Expected nights are fractional planning values, not confirmed bookings. Gross ADR has its own monthly factor and growth. Refund allowance reduces net revenue; agency and direct corporate shares do not create extra rooms. No cancellation or advance income enters.



Base model 1.0; planning assumptions, January 2027 to December 2029.

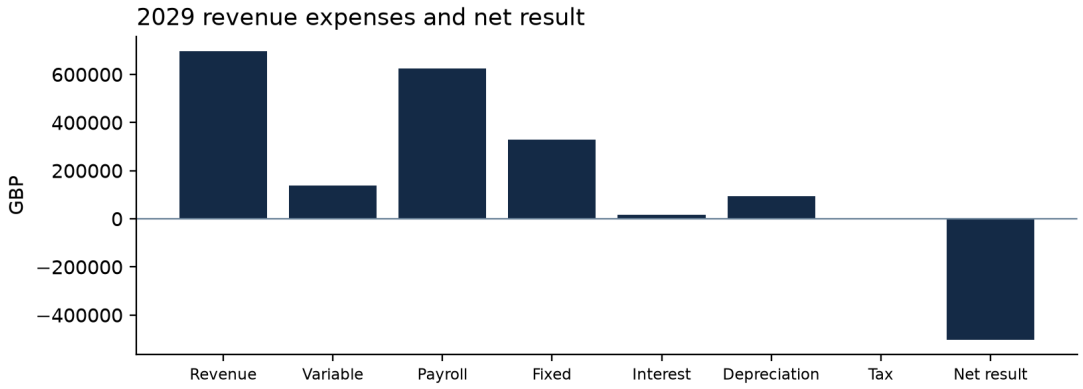
Annual measure	2027	2028	2029
Delivered room nights	6,837	7,195	7,538
Available room nights	11,680	11,712	11,680
Total net revenue	**595,503**	**645,318**	**696,525**

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Costs and projected profit

Variable expenses are sold-night laundry and consumables, separate agency commission and direct card fees. Fixed cost includes fully loaded paid staff, lease, taxable suppliers, business rates, insurance and direct water [R11]. Costs and pay rise 3 percent annually in Base and 4 percent Downside.

GBP 9,000 net fixed suppliers comprise energy 3000 software 1000 maintenance response 1000 safety services 1000 marketing 2000 and professional administration 1000. Rent 12000, insurance 1200 rates 3000 and direct water 600 are separate. No expense ratio, unpaid cover or duplicate agency charge is used.



Base model 1.0; planning assumptions, January 2027 to December 2029.

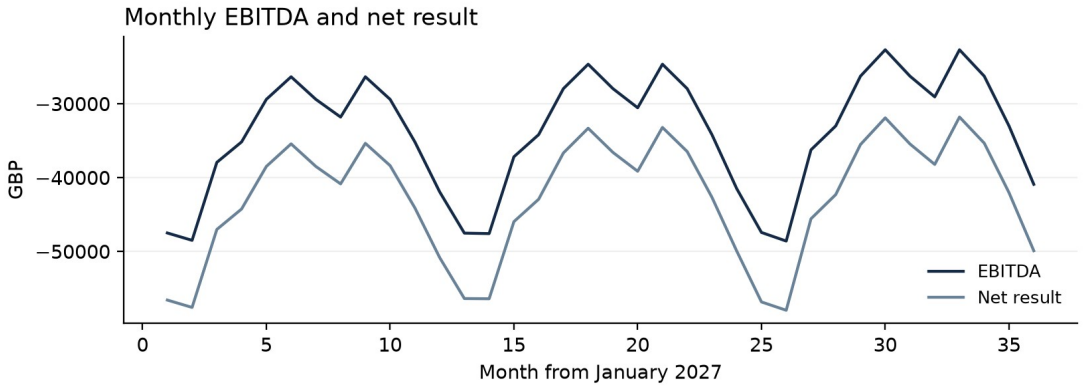
Expense GBP	2027	2028	2029
Variable supplier expense	117,403	127,240	137,320
Payroll	587,520	605,146	623,300
Fixed supplier and insurance expense	309,600	318,888	328,455
Loan interest	26,438	21,825	16,425
Depreciation	82,000	82,000	94,000

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Profit and loss forecast

Accommodation is recognised when nights are delivered. Refunds are same-month service allowances; unplayed cancelled bookings earn nothing. Expenses are accrued when incurred, while invoice terms affect cash. Depreciation is noncash and each equipment vintage has its own life.

Tax is a conservative 25 percent cash reserve on positive monthly book profit, not the actual annual UK corporation tax computation [R8]. It omits relief, allowances and loss offsets. No refund is assumed in loss months. The net result is therefore a planning result, not a filed accounting or tax statement.



Base model 1.0; planning assumptions, January 2027 to December 2029.

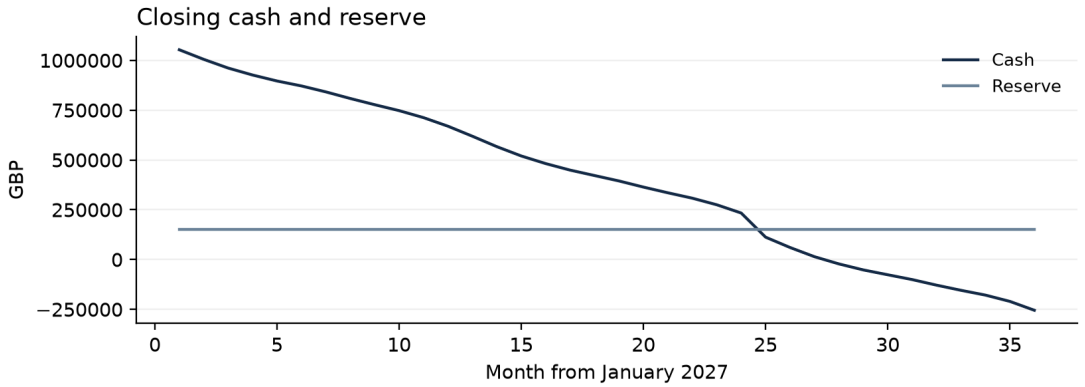
GBP	2027	2028	2029
Total net revenue	**595,503**	**645,318**	**696,525**
Variable supplier expense	117,403	127,240	137,320
Payroll	587,520	605,146	623,300
Fixed supplier and insurance expense	309,600	318,888	328,455
EBITDA	**(419,021)**	**(405,955)**	**(392,549)**
Depreciation	82,000	82,000	94,000
Loan interest	26,438	21,825	16,425
Profit before tax	**(527,458)**	**(509,780)**	**(502,974)**
Tax reserve	0	0	0
Net profit	**(527,458)**	**(509,780)**	**(502,974)**

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Cash flow and financial position

Gross agency and corporate invoices and gross taxable supplier invoices age through 36 individual actual-calendar cohorts under uniform issue timing. A long payment term never creates receivables greater than actual historical issued sales. Immediate direct card sales are settled in the same month.

VAT credits carry without cash refund and prior positive VAT is paid monthly as a conservative cash timing proxy, not quarterly filing. Corporate tax reserve and insurance fees are paid when expensed. Negative cash is an unfunded shortfall. No advance guest liability or automatic debt source balances it.



Base model 1.0; planning assumptions, January 2027 to December 2029.

Annual cash measure GBP	2027	2028	2029
Net cash change	(421,858)	(435,682)	(488,149)
Closing cash	**669,182**	**233,500**	**(254,649)**
Receivables	26,323	28,469	30,789
Supplier payables	33,739	35,233	36,811
VAT credit	91,015	38,266	0
VAT payable	0	0	3,301

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Cash flow forecast months one to six

January toJune 2027 show gross customer collections, supplier payment, payroll and other exempt cash, VAT, interest tax and principal. Each cash line links to the same live monthly build. Opening cash includes paid preparation and all initial cash uses.

The uniform-invoice convention approximates within-month departure timing and is not a bank-daily liquidity forecast. Model stays crossing month-end as delivered nights; before launch replace it with booking-level payment dates in a 13-week cash tool. No advance receipt is assumed.

GBP	Jan	Feb	Mar	Apr	May	Jun
Opening cash	**1,091,040**	**1,053,007**	**1,004,927**	**961,188**	**926,240**	**896,247**
Agency corporate collections	733	20,537	24,351	29,339	33,797	35,940
Immediate card receipts	18,603	17,923	24,805	26,672	30,386	32,273
Gross supplier payment	1,081	30,261	36,513	34,549	37,709	36,545
Payroll fixed exempt fees	54,039	54,029	54,132	54,160	54,216	54,244
VAT cash	0	0	0	0	0	0
Interest and tax	2,250	2,250	2,250	2,250	2,250	2,250
Capex gross	0	0	0	0	0	0
Principal	0	0	0	0	0	0
Net cash change	(38,033)	(48,080)	(43,740)	(34,948)	(29,992)	(24,826)
Closing cash	**1,053,007**	**1,004,927**	**961,188**	**926,240**	**896,247**	**871,421**

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Cash flow forecast months seven to twelve

July toDecember 2027 continue the same cash roll-forward. Principal begins after the six-month grace period. Paid shift coverage remains fixed through low occupancy and delay months; it cannot disappear because rooms are empty.

Overdue accounts need an operational credit response, not a longer receivable assumption presented as collectible cash. Individual issued-invoice cohorts cap balances and collections stay nonnegative. Future room refurbishment and reserve needs continue even where a month earns positive contribution.

GBP	Jul	Aug	Sep	Oct	Nov	Dec
Opening cash	**871,421**	**841,512**	**808,372**	**777,212**	**747,416**	**712,223**
Agency corporate collections	40,642	37,081	34,229	40,642	35,940	33,476
Immediate card receipts	30,386	28,939	32,273	30,386	26,672	22,255
Gross supplier payment	39,472	37,753	36,242	39,472	36,545	37,615
Payroll fixed exempt fees	54,216	54,194	54,244	54,216	54,160	54,094
VAT cash	0	0	0	0	0	0
Interest and tax	2,250	2,212	2,175	2,138	2,100	2,062
Capex gross	0	0	0	0	0	0
Principal	5,000	5,000	5,000	5,000	5,000	5,000
Net cash change	(29,909)	(33,140)	(31,160)	(29,797)	(35,193)	(43,040)
Closing cash	**841,512**	**808,372**	**777,212**	**747,416**	**712,223**	**669,182**

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Financial position summary

The company owns equipment and improvements but not land or building. Assets comprise cash, gross receivables, VAT credit, lease security and remaining asset values. Liabilities are supplier balances, VAT payable and the loan. Paid equity is fixed; retained earnings include the paid preparation loss and each monthly net result.

There is no goodwill, customer deposit, deferred advance revenue or sale value in this narrow model. Each month and year closes with an explicit balance difference. Negative equity or cash are disclosed outcomes, not missing formula corrections.

GBP	2027	2028	2029
Closing cash	**669,182**	**233,500**	**(254,649)**
Receivables	26,323	28,469	30,789
VAT credit	91,015	38,266	0
Lease security	60,000	60,000	60,000
Equipment and improvements	418,000	336,000	302,000
Total assets	**1,264,521**	**696,235**	**138,140**
Supplier payables	33,739	35,233	36,811
VAT payable	0	0	3,301
Loan debt	270,000	210,000	150,000
Total liabilities	**303,739**	**245,233**	**190,112**
Paid equity	1,800,000	1,800,000	1,800,000
Retained earnings	(839,218)	(1,348,998)	(1,851,972)
Total equity	**960,782**	**451,002**	**(51,972)**
Total liabilities and equity	**1,264,521**	**696,235**	**138,140**
Balance sheet difference	0	0	0

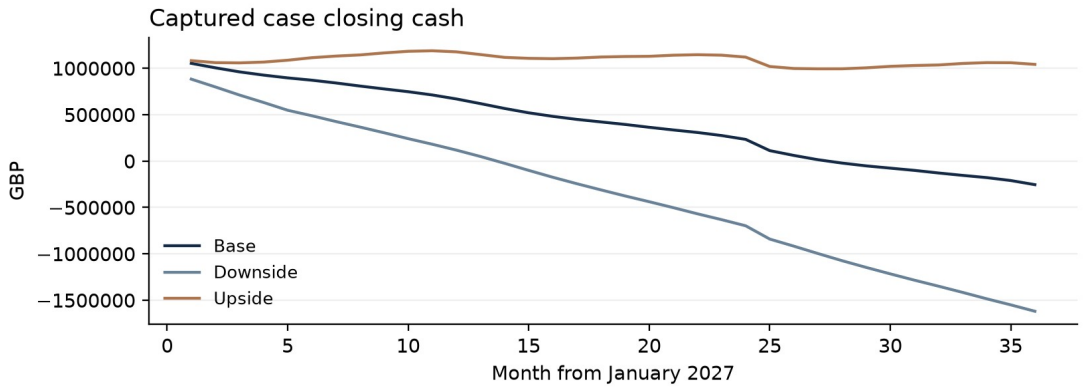
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Break even and scenarios

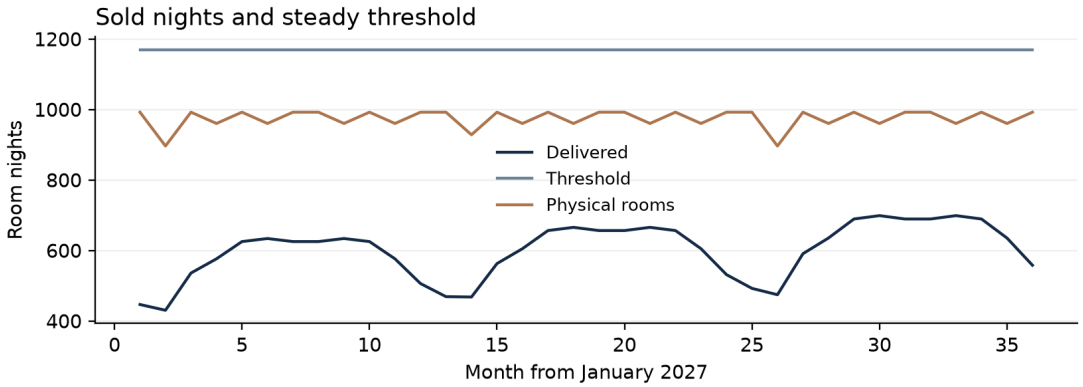
The steady sold-night threshold divides fixed paid operating costs plus interest by per-night contribution at the final-year price and fee mix. It excludes depreciation, tax, principal, capital replacement and changes in working capital. A threshold above available or clean-room capacity indicates that occupancy alone cannot solve the economics.

Base Downside and Upside are static captured comparisons from one live selectable build. Any changed or missing case input or seasonal factor flags them stale; rebuild JavaScript, results, visuals and Word together. None is validated demand. A better Upside result is conditional on a higher tested rate and occupancy, not proof of viability.

Base steady threshold is 1,169 sold nights monthly, above the 992 physical room nights in a 31 day month. Occupancy growth alone cannot achieve this threshold at the final year price and cost assumptions.



Base model 1.0; planning assumptions, January 2027 to December 2029.



Steady sold night indicator excludes capex, tax, principal and growth working capital.

Case GBP	2027 revenue	2027 net result	Minimum cash	Reserve funding
Base	595,503	(527,458)	(254,649)	404,649
Downside	284,753	(847,695)	(1,619,270)	1,819,270
Upside	1,135,362	(121,389)	993,957	0

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Model guide and completion

Use the single Inputs selector for Base Downside or Upside. Blue numeric case and seasonal cells are editable; selected inputs route the same room, cost, asset, invoice and statement formulas. A missing selected input makes headline output unavailable; blank inputs in another case mark captures stale without blocking a valid live case.

Retained build_model.mjs generates the workbook and model-results.json. Review actual dates, invoice terms, staff availability, asset lives and source notes before relying on it. Native Excel charts bind to live ranges. Changes require revalidation and financial integration. Trading, funding, property readiness and legal compliance remain unconfirmed despite successful arithmetic and visual tests.