

**MS L**

**BUSINESS A**

**KEY FINANCIAL STATEMENTS FOR BUSINESS PLAN**



**MS L**

**BUSINESS A**

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**KEY FINANCIAL STATEMENTS**

**ACCOUNTANTS REPORT**

The projected total investment in the business over the first three years is £201,000.00.  
Please refer to the summary in page 8.

As noted therefore, Ms L intends to make the investment of over £200,000.00 to comply with the requirements for her visa to stay in the UK as an entrepreneur.

In accordance with instructions given to us we have prepared the key financial statements set out on pages 4 to 8 and confirm them to be in accordance with the assumptions and workings set out pages 6 & 7 from the information and explanation supplied to us.  
Whilst care has been taken to see that the forecasts are as accurate as possible, they are subject to inherent uncertainties of business and cash flow forecasting. The figures and forecasts made must be accepted in the context.

As is normal professional practice, this information is provided in strict confidence and without acceptance by AC Business Plans of any responsibility whatsoever.

**ACCOUNTANTS**

AC Business Plans  
Ealing House  
33 Hanger Lane  
London  
W5 3HJ

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**CLIENT APPROVAL CERTIFICATE**

I approve the business plan and key financial statements and confirm that I have made available all relevant records and information for their preparation.

.....

Ms L

Date: .....

## BUSINESS A

## CASH FLOW FORECAST

Cash Flow Forecast														
Month		1	2	3	4	5	6	7	8	9	10	11	12	Total Year 1
<b>Receipts</b>														
Sales		0	0	34,000	36,720	39,658	42,830	46,257	49,495	52,959	56,666	60,633	64,877	484,095
Capital Introduced (owner)		2,500	17,500	75,000	3,000	3,000	3,000	8,000	8,000	8,000	8,000	8,000	5,000	149,000
														0
<b>Total Receipts</b>		<b>2,500</b>	<b>17,500</b>	<b>109,000</b>	<b>39,720</b>	<b>42,658</b>	<b>45,830</b>	<b>54,257</b>	<b>57,495</b>	<b>60,959</b>	<b>64,666</b>	<b>68,633</b>	<b>69,877</b>	<b>633,095</b>
<b>Payments</b>														
Purchases - food & packaging		0	0	10,200	11,016	11,897	12,849	13,877	14,848	15,888	17,000	18,190	19,463	145,228
Salaries and wages		0	0	11,269	11,269	11,269	11,269	11,269	11,269	11,269	11,269	11,269	11,269	112,690
Payroll taxes & Pensions		0	0	2,855	2,855	2,855	2,855	2,855	2,855	2,855	2,855	2,855	2,855	28,550
Rent/Storage		0	0	37,500	0	0	0	6,250	6,250	6,250	6,250	6,250	6,250	75,000
Rates		0	0	800	800	800	800	800	800	800	800	800	800	8,000
Utilities		0	0	441	454	468	482	496	511	526	542	558	575	5,053
Cleaning & refuse disposal		0	0	400	70	70	70	70	70	70	70	70	70	1,030
Telephone/Internet		0	0	84	83	83	84	83	83	84	83	83	84	834
Insurance		0	1,500	0	0	0	0	0	0	0	0	0	0	1,500
Legal/Accountancy fees		1,000	0	1,300	268	268	268	268	268	268	268	268	268	4,712
Marketing/promotion/Website		1,500	500	300	300	300	300	300	300	300	300	300	300	5,000
Business acquisition		0	0	0	0	0	0	0	0	0	0	0	0	0
Restaurant refurbishment		0	15,000	0	0	0	0	0	0	0	0	0	0	15,000
Ordering/ Payment & Website Technology		0	0	15,000	0	0	0	0	0	0	0	0	0	15,000
VAT - Paid to HMRC		0	0	4,250	4,590	4,957	5,354	5,782	6,187	6,620	7,083	7,579	8,110	60,512
Courses/Training		0	0	1,000	0	0	0	0	0	0	0	0	0	1,000
Licence fee		0	0	1,200	0	0	0	0	0	0	0	0	0	1,200
Other Expenses		0	0	200	200	200	200	200	200	200	200	200	200	2,000
<b>Total Payments</b>		<b>2,500</b>	<b>17,000</b>	<b>86,799</b>	<b>31,905</b>	<b>33,167</b>	<b>34,531</b>	<b>42,250</b>	<b>43,641</b>	<b>45,130</b>	<b>46,720</b>	<b>48,422</b>	<b>50,244</b>	<b>482,309</b>
<b>Cashflow Surplus/Deficit (-)</b>		<b>0</b>	<b>500</b>	<b>22,201</b>	<b>7,815</b>	<b>9,490</b>	<b>11,299</b>	<b>12,007</b>	<b>13,853</b>	<b>15,830</b>	<b>17,946</b>	<b>20,211</b>	<b>19,633</b>	<b>150,786</b>
<b>Opening Cash Balance</b>		<b>0</b>	<b>0</b>	<b>500</b>	<b>22,701</b>	<b>30,516</b>	<b>40,006</b>	<b>51,305</b>	<b>63,312</b>	<b>77,165</b>	<b>92,995</b>	<b>110,941</b>	<b>131,152</b>	
<b>Closing Cash Balance</b>		<b>0</b>	<b>500</b>	<b>22,701</b>	<b>30,516</b>	<b>40,006</b>	<b>51,305</b>	<b>63,312</b>	<b>77,165</b>	<b>92,995</b>	<b>110,941</b>	<b>131,152</b>	<b>150,786</b>	

## PROJECTED TRADING, PROFIT &amp; LOSS STATEMENT

	Notes	£	£
<b>Sale</b>			484,095
VAT - Paid to HMRC			<u>60,512</u>
<b>Net Sale</b>			423,583
<b>Cost of Sale</b>			
Purchases		145,228	
Closing Stock		<u>(1,000)</u>	
			<u>144,228</u>
Gross Profit			279,355
<b>Expenditure</b>			
Salaries and wages		112,690	
Payroll taxes & Pensions		28,550	
Rent/Storage		75,000	
Rates		8,000	
Utilities		5,053	
Cleaning & refuse disposal		1,030	
Telephone/Internet		834	
Insurance		1,500	
Legal/Accountancy fees		4,712	
Marketing/promotion/Website		5,000	
Restaurant refurbishment		15,000	
Ordering/ Payment & Website		15,000	
Courses/Training		1,000	
Licence fee		1,200	
Other Expenses		<u>2,000</u>	
<b>Total Expenditure</b>			<u>(276,569)</u>
<b>Net Projected Profit</b>			<u><u>2,786</u></u>

**NOTES AND ASSUMPTIONS TO THE SALARIES, PAYROLL TAXES & PENSIONS WORKINGS**

Months 3 to 12

In Months 3 to 12 it is projected that three Chefs, a manager and three part time staff. The staff members will be expected to clean these premises as well as working within the kitchen and restaurant.

The cost estimated as follows:

	<b>Full Time 2 Chefs</b>	<b>Full Time 1 Normal Chef</b>	<b>Full Time 1 Manager</b>	<b>Part Time 3 Staffs</b>	<b>Total</b>
<b>Gross salary</b>	4500	2250	2083	2436	11269
<b>PAYE</b>	516	258	225	0	999
<b>Employee's NIC</b>	376	188	168	48	780
<b>Employee's Pensions</b>	45	23	21	0	88
<b>Net Pay</b>	<u>3563</u>	<u>1782</u>	<u>1669</u>	<u>2388</u>	<u>9402</u>
<b>Employer's NIC</b>	434	217	194	54	899
<b>Employer's Pensions</b>	45	23	21	0	88
<b>Total Tax &amp; NIC, Pensions</b>	<u>1416</u>	<u>708</u>	<u>629</u>	<u>102</u>	<u>2855</u>

MS L

BUSINESS A

VAT WORKINGS

For business plan purposes It is assumed business operate under the flat rate scheme for VAT.

Month		1	2	3	4	5	6	7	8	9	10	11	12	Total Year 1
<b>Sale (see Assumption 1)</b>														
Rate of Increase Assumed		8%	8%	8%	8%	8%	8%	7%	7%	7%	7%	7%	7%	0
Sale		-	-	34,000	36,720	39,658	42,830	46,257	49,495	52,959	56,666	60,633	64,877	484,095
VAT (As Below)		0	0	4,250	4,590	4,957	5,354	5,782	6,187	6,620	7,083	7,579	8,110	60,512
<b>Net Sales</b>		<b>0</b>	<b>0</b>	<b>29,750</b>	<b>32,130</b>	<b>34,700</b>	<b>37,476</b>	<b>40,475</b>	<b>43,308</b>	<b>46,339</b>	<b>49,583</b>	<b>53,054</b>	<b>56,768</b>	<b>423,583</b>
<b>VAT</b>														
Flat Rate Scheme at 12.5%		0	0	4,250	4,590	4,957	5,354	5,782	6,187	6,620	7,083	7,579	8,110	60,512
VAT on Capital Goods		0	0	0	0	0	0	0	0	0	0	0	0	0
<b>VAT Payable/Recoverable</b>		<b>0</b>	<b>0</b>	<b>4,250</b>	<b>4,590</b>	<b>4,957</b>	<b>5,354</b>	<b>5,782</b>	<b>6,187</b>	<b>6,620</b>	<b>7,083</b>	<b>7,579</b>	<b>8,110</b>	<b>60,512</b>
<b>Quarterly VAT Payments</b>		<b>4,250</b>			<b>14,901</b>			<b>18,589</b>			<b>22,772</b>			<b>60,512</b>

**MS L****BUSINESS A****TOTAL INVESTMNET SUMMARY**

The total amount of investment/expenditure by Ms L is projected to be as follows:

	Year 1	Year 2	Year 3	Total
	£	£	£	£
<b>INVESTMNET SUMMARY</b>	149,000	52,000	0	<b>201,000</b>
<b>Sale</b>	484,095	580,914	697,097	1,762,105
VAT - Paid to HMRC	60,512	72,614	87,137	220,263
<b>Net Sale</b>	423,583	508,300	609,960	1,541,842
Cost of Sale	144,228	203,320	243,984	591,532
Salaries and wages	112,690	116,634	120,716	350,040
Payroll taxes & Pensions	28,550	29,549	30,583	88,683
Rent/Storage	75,000	75,000	75,000	225,000
Rates	8,000	8,280	8,570	24,850
Utilities	5,053	5,230	5,413	15,696
Cleaning & refuse disposal	1,030	1,066	1,103	3,199
Telephone/Internet	834	863	893	2,591
Insurance	1,500	1,553	1,607	4,659
Legal/Accountancy fees	4,712	4,877	5,048	14,637
Marketing/promotion/Website	5,000	5,175	5,356	15,531
Restaurant refurbishment	15,000	0	0	15,000
Ordering/ Payment & Website Technology	15,000	0	0	15,000
Courses/Training	1,000	1,035	1,071	3,106
Licence fee	1,200	1,200	1,242	3,642
Other Expenses	2,000	2,070	2,142	6,212
<b>Total Expenditure</b>	<b>420,797</b>	<b>455,852</b>	<b>502,729</b>	<b>1,379,379</b>
<b>Total Profit</b>	<b>2,786</b>	<b>52,448</b>	<b>107,230</b>	<b>162,464</b>