



Life-Cycle and First Year Estimate Financials

Project: UWTSD Leisure Complex

Contract Number: 6023

Life cost plan

	Low	High					
	All numbers have been adjust from Wales National Pool Swansea (2023)						
Revenue	Based on a 4 week period						
Cafe	£21000.00	£23800.00	Low £750 & high £850 a day				
Pool	£14000.00	£22400.00	Estimate of a rotation of 100 people a day. Low £5 / high £8				
Shop	£19600.00	£22400.00	Low £700 & high £800 a day				
Room Rent/ Pool Rental	£6400.00	£8000.00	Room Rent/ Pool Rental 2 days a week low £800 / high £1000				
PT Gym Rental	£1600.00	£3200.00	Low 5 PT's £80 a week/ high 10 PT's £80 a week				
Total Revenue	£62600.00	£79800.00					
Government Grant	From looking at Sport Wales, it shows they provide around £3.5 million a year in grants to leisure centres and the National Lottery fund Be More Active. Based on that an estimate of £40,000 has been added as a grant for the year.						
Staff Wages	£33344.00	£41680.00	Based on Minimum wage from April 2023 £10.42, low 30 people / high 35 people. All working 40 hour weeks				
Maintenance	Cost	Maintenance %	A year	Sinking Fund	A year	Sinking fund is a pot to replace or repair broken equipment, can be unexpected break or damage.	
Pool	£6732060.00	1.1%	£74052.66	0.4%	£26928.24	% Taken from https://sportengland-production-files.s3.eu-west-2.amazonaws.com/s3fs-public/2021-07/Life%20cycle%20costs%20-%20indoor%20sports%20facilities%20-%202Q2021.pdf?VersionId=xxzbBk7GpjOy7meFSHvJ8TIEPaYvjkFy	
Equipment	£157500.00	0.4%	£630.00	0.1%	£157.50	After First year the amounts can decrease. This ensures liquid cash in the company, to prevent loans or debt.	
Building	£35000000.00	0.2%	£70000.00	0.1%	£35000.00		
			£144682.66		£62085.74	£206768.40	Provisional Sum
Depreciation		Over 10 year period					
Equipment	£80000.00	£8000.00					

Table 1

Months	No People		Monthly Cost	
	Low	High	Low Total	High Total
1	80	100	£1996.00	£2495.00
2	85	105	£2120.75	£2619.75
3	90	110	£2245.50	£2744.50
4	95	115	£2370.25	£2869.25
5	100	120	£2495.00	£2994.00
6	105	125	£2619.75	£3118.75
7	110	130	£2744.50	£3243.50
8	115	135	£2869.25	£3368.25
9	120	140	£2994.00	£3493.00
10	125	145	£3118.75	£3617.75
11	130	150	£3243.50	£3742.50
12	135	155	£3368.25	£3867.25
			£32185.50	£38173.50
	Each membership agreement will hold the person for 12 months before they can cancel, £24.95 monthly fee. With additional 5 people joining a month			

Profit & Loss Account for the first year of trading

Based on the high side costing from sheet 1			
		£	£
Revenue			995,773.5
Government Grant			45,000
			1,040,773.5
Opening Inventory		0	
Closing Inventory		-5,000	
			-5,000
Gross Profit			1,035,773.5
Less Expenses			
Wages		500,160	
General Expenses		310,732.05	
Maintenance		206,768.4	
			1,017,660.45
Net Profit			18,113.05

Balance Sheet

		£	£
Fixed Assest			
Equipment			80,000
Premises			35,000,000
Current Assests			
Stock			5,000
Cash (From Profit/Loss)			18,113.05
			23,113.05
Current Liabilities			
Loans		0	
			0
			23,113.05
Net Assests			35,023,113.05
Depreciation			
Equipment		8,000	
			-8,000
Owner's Investment			0
Retained Earnings			0
			-8,000
Total Capital			35,015,113.05

References

Wales National Pool Swansea (2023)	Available at - https://find-and-update.company-information.service.gov.uk/company/04336723/filing-history on 2nd April 2023)			
General Expenses - electric, water,	Research states leisure centres have about 30% of their profit as bills, Information at - https://bhesco.co.uk/reduce-energy-costs-sports-leisure-centres-sussex			
Sport Wales, (2023)	Sport Wales, (2023), <i>SPORT WALES ANNOUNCE NEARLY £3.1M OF NEW CAPITAL FUNDING</i> , Available at - https://www.sport.wales/media-centre/latest-news/sport-wales-announce-nearly-31m-of-new-capital-funding/ (Accessed on 3rd April 2023)			