

Glenmore Visitor Centre

Supporting a Sustainable Rural Economy

Business Plan

Presented by



January 2024

Background

This short document has been prepared to accompany the Community Asset Transfer (CAT) request to Forestry and Land Scotland from Aviemore and Glenmore Community Trust (AGCT) for the Glenmore Visitor Centre Buildings, Land and Car Park (GVC), illustrated below. It aims, where possible, not to repeat the information in that Request and should, therefore, be considered a complementary document to be read in association with it. It is presented on behalf of AGCT and has been prepared by them with assistance from Creative Services (Scotland) Ltd.

The ACGT seeks to empower the local community to have stewardship over local assets whose profits can be reinvested for further community benefit. We want to create employment, develop the local economy, enhance the profile of the area to visitors, and to grow self-confidence within the community in their own abilities to control and sensitively exploit the many natural and cultural assets of the area. The CAT, and this Business Plan, should be seen in that context.

Duncan Swarbrick

Chair

On behalf of the Board of Aviemore and Glenmore Community Trust



1 Objectives

1.1 The vision for the Glenmore Visitor Centre is to develop a vibrant visitor facility under sustainable community stewardship, and to enhance and expand the current offering within the context of FLS's Visitor Strategy outcomes¹. It will achieve this by a) improving the visitor experience to the site in general, and b) enhancing and developing the current café offer. Specifically:

1.2 *Visitor Experience*

- Creating a warm, welcoming space for the enjoyment of both locals and visitors, by enhancing the centre with improvements to internal decoration, improving flow of visitors, providing additional facilities for outdoor enthusiasts and through family friendly experiences
- Further enhancing the visitor interpretation/information centre bringing to life the rich story of Glenmore for the enjoyment of all
- Developing a visitor information hub to work with stakeholders to promote other Glenmore, Cairngorm and wider Aviemore area activities
- Developing an events space for talks, workshops and special events for schools, special interest groups, and the general public
- Developing strong working relationships with other Glenmore area operators
- Developing strong partnerships between key stakeholders and the community to create a unified approach to visitor management
- Supporting responsible tourism and environmental protection messaging
- Improving the visitor centre's environmental impact by improving the buildings energy performance and reducing amount of waste produced

1.3 *Café*

- Maintaining a café offer that meets customer demand and is financially sustainable
- Reinvesting profits generated from the café in the building, visitor experience and wider area
- Increasing opening times and encouraging visitors to spend more time at the centre
- Developing with local and Highland-wide food and drinks producers to source great produce, to support local supply chains and reduce food miles
- Providing local employment and training opportunities
- Developing mentorship programmes with other local hospitality providers
- Being a Real Living Wage employer

1.4 This Business Plan outlines the principal objectives for the first 4-5 years of operation, ensuring financial sustainability is established, and allowing sufficient reserves to be accrued to enable a second phase of site development that will extend the range of facilities and services available.

¹ Especially Outcome 1 - 'Supporting a Sustainable Rural Economy'

2. Market

2.1 Badenoch and Strathspey is a popular tourist destination known for its natural beauty, outdoor activities, and community spirit. The region attracts a diverse range of visitors, including outdoor enthusiasts, families, and cultural heritage seekers. The nearby watersports and winter sports infrastructure at Loch Morlich and Cairngorm respectively ensure visitor traffic at all times of year. Glenmore Forest Park is a destination in itself for locals and visitors and it is rare to see the car park empty at any time of day.

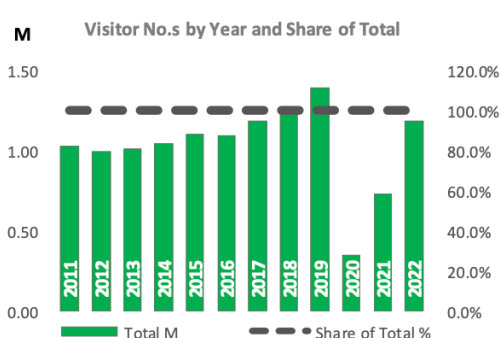
2.2 There is, then, an existing market that is already aware of Glenmore and the broader surrounding area. Aviemore and Glenmore is a popular tourist destination in Scotland, known for its beautiful scenery and outdoor activities. The target markets for Glenmore Visitor Centre will, therefore, be broad and diverse. The facility will offer a range of services and amenities that cater to the needs of these different groups.

Size of Markets

2.3 The area is home to a large number of SMEs that operate in the tourism, hospitality, and outdoor activity sectors. There are self-catering lodges, camping pods, a campsite, a hostel, and hotel accommodation in close proximity to the site, several within walking distance, creating a **hyper-local** market. This may constitute around 50 people at any one time, i.e. c.18,000 p.a.

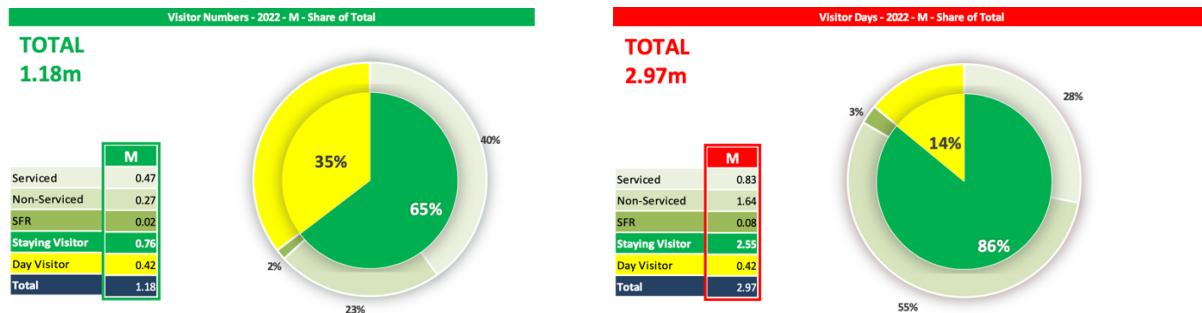
2.4 There is a base **local** market of around 8,000 (Aviemore - 3,200; a further 3,000 in towns within 15miles (Boat of Garten, Kingussie and Newtonmore), plus another 1,500 in smaller communities). However, the core market is the **regional** one which extends to the Inner Moray Firth area and the large population pockets around Inverness and Elgin – a total of c.158,000 (2018 figures), who view the area as a convenient location to reach by car (within 60 minutes).

2.5 Another major market is **visitors to the area**, drawn largely because of the excellent outdoor offer (walking, skiing, climbing, cycling, watersports). The latest STEAM data² (up to 2022) shows the area is close to recovering to pre-pandemic levels, as illustrated in the diagrams below:



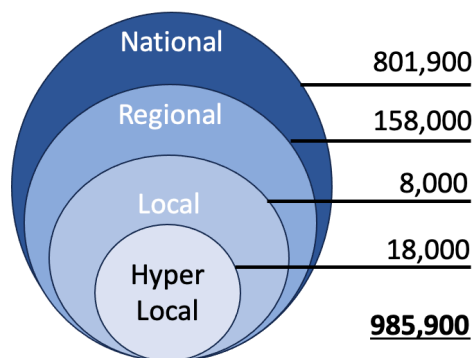
² STEAM Report for 2011-2022, Cairngorm National Park Authority – Badenoch and Strathspey Area, Global Tourism Solutions (UK) Ltd, 2023

2.6 Although it is difficult to convert these to precise numbers for Glenmore, the above figures translated into 1.18m visitors providing 2.97m visitor days in Badenoch and Strathspey, as the diagrams below³, illustrate:



2.7 It is helpful to note that the vast majority of visitor days (86%) are from staying visitors, suggesting there is more than one opportunity to attract them to Glenmore as part of their visit. It is reasonable to estimate that 27%⁴ of visitor days will at some point be in the proximity of the GVC, i.e. 801,900.

2.8 This suggests a total market of c.986,000:



2.9 To convert this to a target of 50,000 visits to GVC p.a. would require a conversion rate of 5% of visitors to the Glenmore area, which does not appear unachievable.

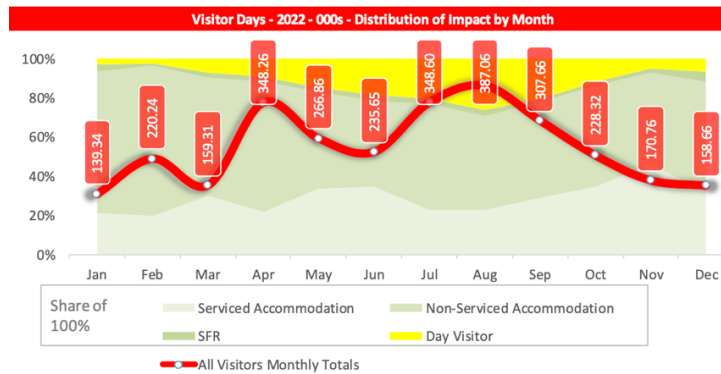
Seasonality

2.10 It is also helpful to note the seasonal ebbs and flow of visitor numbers, as illustrated in the diagram below⁵, and reflected in the financial projections in this Business Plan.

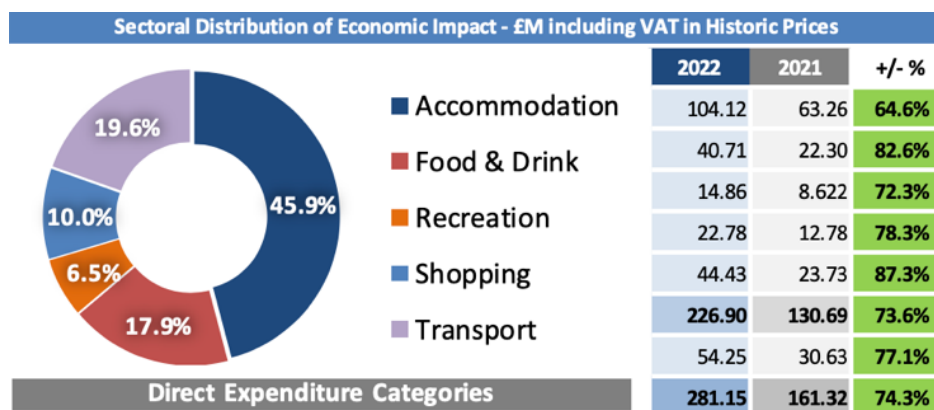
³ Ibid

⁴ Loch Morlich is the most visited destination in the Cairngorm National Park area attracting 27% of all visitors (CNPA Visitor Survey, 2021)

⁵ STEAM Report for 2011-2022



2.10 From the above diagram, it can be seen that the majority of visitors (70-80%) are in non-serviced accommodation or are day visitors and, therefore, may be more likely to look for food and drink. The average number of visitor nights in the Cairngorm National Park Authority area is 4.2⁶, again suggesting that at some point these visitors will expect to make a food and drink purchase. This is further reflected in the breakdown of the areas of visitor spend, of which c. 18% is on food and drink, as illustrated in the diagram below⁷.



2.11 The average visitor spend in the area is £141.41 p.c.⁸, which means around £25.31 p.c. is spent on Food and Drink. This suggests that estimating a potential p.c. spend in GVC of between £8-12 is not unreasonable.

2.12 In summary, we believe there is a range of existing markets from the categories above that already visit the site across the year and that, because of this diversity, these levels are likely to remain consistent i.e. if one category underperforms in any given year then another is likely to over-perform. This suggests a stable level of footfall to act as a reliable foundation for the business. AGCT is, therefore, not seeking to increase the numbers visiting the site but to convert more of the current level of visitors to Glenmore Forest Park into GVC customers, as explored in the next section.

⁶ Cairngorm National Park Authority Visitor Survey 2019-20

⁷ STEAM Report for 2011-2022

⁸ Total visitor spend of £196m from 1.386m visitors, Badenoch and Strathspey Area Profile, Highland Council, 2021

3 Demand

3.1 We will take advantage of the existing demand at the Centre, and the customer goodwill already in place. The Glenmore Visitor Centre has an extant footfall to the site with annual visitor numbers estimated at 500,000 - the door counter at the visitor centre indicating circa 120k visiting the building annually, a conversion rate of 24%, or c. 1 in 4 visitors to the site.

3.2 Based on the same number of visitors, we aim to increase that conversion rate to 30%, i.e. 150k p.a. and, of that number, to convert around 33% (50,000) into paying café visits. This will be achieved through a combination of:

- Introduction of a new menu
- Provision of a new take-away offer
- Flexible opening hours
- New look/refurbished premises
- Introduction of an affordable retail offer
- More effective digital marketing
- Focus on local provenance
- Introduction of an events programme
- New interpretive exhibition focussed on local stories, culture, the environment, and encouraging responsible tourism
- The 'story' of community ownership/control

3.3 One of the benefits of community ownership and governance is the opportunity to pick up customer feedback very quickly (nothing is faster than a local grapevine) and the ability to respond quickly to market circumstances and modify the offer, whether in terms of menu, opening hours, or events programme.

3.4 In the CAT Request, we have noted that we will not displace existing commercial activity in the area but seek to complement it and increase the footfall to the area more generally from which other businesses may also benefit. We believe there is an unmet demand in several areas that we will look to develop, specifically:

Take-Away Offer

3.5 Given the proximity of the Hyper-Local market (see Section 2), there is potential to develop a 'grab-and-go' take away offer that ranges from bacon rolls at breakfast time, to savoury filled rolls at lunch, and teas and coffees throughout the day.

Flexible Opening Hours

3.6 To reflect seasonality, we will look to shorten or extend the operating day to accommodate the range of demand. In summer this may include an evening offer until, say, 8pm – potentially including an outdoor barbecue grill and/or pizza oven; and in winter it may restrict opening to daylight hours with a basic hot drinks and cake offer.

Retail

3.7 Given the level of footfall we believe there is a potential market for a limited range of retail goods at the affordable end of the souvenir spectrum as well as books, maps,

and the like with relevant local interest. The Visitor Centre reception and exhibition area presents an ideal selling space for this. Our marketing online and onsite will focus on the provenance of our goods and on the story of the community ownership, encouraging visitors to lend their support to the overall principle of such an approach through their purchase of food and retail. We believe the visitor demographics will be well disposed to support this type of initiative.

Events Programme and Exhibition

- 3.8 The recent Badenoch Storylands project coordinated by Hamish Napier has demonstrated the tremendous richness of local culture – words, music, story, visuals, and the environment all combining - and the resulting interest in it, if presented in engaging story-led ways. We will focus on this type of authentic approach to the content of both our events programme and the new interpretive content in the GVC. There are a range of local artists from all disciplines, from Dannsa to Su-a Lee, with national reputations and networks that we will draw on to help with this.
- 3.9 We share the objectives of both FLS and VisitScotland to encourage responsible tourism, addressing some of the challenges that visitors who are less familiar with potential environmental impact have been making – an issue that has been exacerbated across the Highlands post-pandemic. A refurbished and renewed static exhibition in the reception space creates an excellent opportunity to align the messaging of FLS, CNPA, ACGT, VisitScotland and others in this regard and create a rearticulated emphasis on the importance of common care and custodianship. In pragmatic terms, we wish to encourage all four market areas to continue to visit and minimising any perceived negative environmental impact from non-local visitors may reassure local markets of the site’s continued attractiveness.
- 3.10 The key to successful businesses is location, and the GVC is one that is already known and well-visited. We are fortunate to be able to build on an existing foundation of visitor numbers at the GVC and, through the above and other initiatives, we will develop new areas of demand and consequent footfall.

4 Marketing

4.1 As indicated above, we have allowed a generous monthly amount to allow us to manage a range of online digital marketing content. On occasion this will be supplemented by in-house posters and, at the outset, we will undertake a series of radio advertising with Moray Firth Radio and Speysound Radio. The marketing strategy for GLC will focus on six main areas, outlined below:

4.2 *Local Provenance:*

- Brand Storytelling: Emphasising the local roots of the GVC. Sharing stories of the community, the sourcing of local ingredients, and the positive impact on the region.
- Menu Highlights: Clearly communicating the use of locally sourced produce in the food and drinks. Highlighting specific local suppliers to build trust and showcase the quality of the offer.
- Collaborations: Partnering with local farmers, artisans, and producers. Featuring their products in the menu and retail offer, creating a network of support within the community.

4.3 *Events:*

- Community Events: Hosting regular events that bring the community together. This could include cultural celebrations, themed workshops e.g. art in nature, green health and wellbeing; creating a sense of belonging and encouraging repeat visits.
- Workshops and Classes: Offering workshops or classes relating to local crafts, cuisine, and cultural practice. This not only attracts visitors but also engages the local community.

4.5 *Broader Range of Food and Drink Offers:*

- Local Tasting Menus: Introducing tasting menu events that highlight the variety of local flavours and producers. This allows patrons to experience a diverse range of dishes and encourages them to explore the local culinary scene.
- Seasonal Specials: Updating the menu seasonally to incorporate fresh, local ingredients. This keeps the offer exciting and aligns with the natural rhythms of the region.

4.6 *Online Presence:*

- Social Media Campaigns: Using platforms like Instagram, Facebook, and Twitter/X to showcase the food offer, events, and retail products. Engaging with the community through posts, stories, and live updates.
- Online Ordering: By years 2 or 3 we will explore an online ordering system for both food and retail items. This caters to the needs of locals and allows visitors to take a piece of Glenmore home with them.

4.7 *Collaborative Marketing:*

- Tourism Partnerships: Collaborating with local tourist attractions, accommodation providers, and tour operators. Cross-promoting each other to maximise visibility among visitors.

- Community Involvement: Actively participating in local events, festivals, and community initiatives. This reinforces our commitment to the community and strengthens the brand presence.

4.8 By integrating these elements into your marketing strategy, you can create a vibrant and community-centric image for the GVC, attracting both locals and visitors while supporting the local economy.

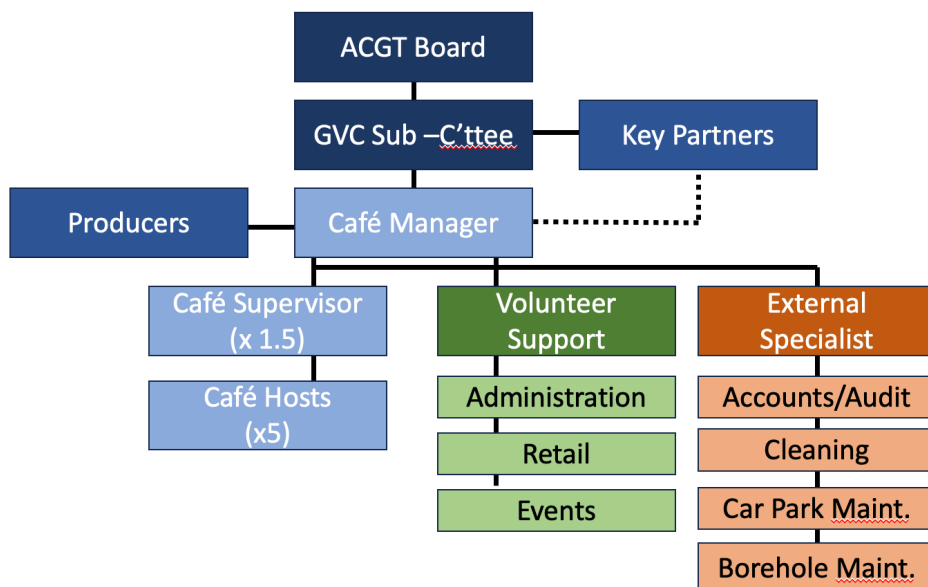
4.9 A future phase of the GVC development will explore areas such as:

New Offers in Retail:

- Local Artisans Corner: Creating a dedicated space for local artisans to showcase and sell their products. This adds a unique retail element to GVC and supports the local creative community.
- Limited Edition Merchandise: Designing and selling limited-edition merchandise that represents the essence of the area. This could include branded items, local artwork, or collaborative pieces with local artists.

6 Operational Plan

- 6.1 It is intended that the GVC will be a very busy venue and it will require a high degree of management, promotion, and coordination of activities and bookings. There will be 9 paid posts (6FTEs) for overall facility management and delivery of catering services, with a cohort of volunteer support to provide overarching governance and administrative requirements, and other specialist needs as required.
- 6.2 A simple management structure will be implemented, as illustrated below. This demonstrates the importance of the position of Café Manager who will coordinate all aspects of the day-to-day operation and be the liaison with the AGCT Board. Volunteers will provide support in some key areas – administration, advice on retail (range and acquisition) and the events/exhibition programme - although these areas will tend to have fewer intense bursts of activity rather than sustained daily input.



- 6.3 The day-to day operation will:
- Manage the GVC buildings, car park, and external spaces for a range of activities - principally as a café, but also cultural exhibition and performance, office/meeting spaces, and retail.
 - Recruit a qualified and passionate team comprising catering specialists, facility and event managers, and administrative support. These positions will comprise both volunteers and contracted specialists i.e. tutors for classes.
 - Develop partnerships with local businesses, producers, accommodation providers, artists and performers, to facilitate programming and services.
 - Establish clear and affordable pricing structures and opening times that maximise the potential of the identified markets.
 - Market the site and its activities, and food and drink offer.

- 6.4 Governance will be through the AGCT, ultimately the responsibility of the Board but, on a day-to-day basis, by a dedicated sub-committee. This latter body will be responsible for the design and delivery phase, overseeing the capital project, recruitment, and initial operation of the building. Membership of the sub-committee shall include co-opted specialists and representative of local funding bodies. We would anticipate (and welcome) a representative of FLS on this sub-committee.
- 6.5 AGCT anticipate taking operational ownership from November 1st 2024 allowing a planning period of around 11 months – this will allow for recruitment of key personnel, design of menus, establishing contact with producers and supply chains, and early marketing.
- 6.6 We will undergo general decorative and other refurbishment during November 2024 (traditionally a quiet month), including initial branding and marketing, reopening in early December to take advantage of the festive and winter season.

7 Financial Projections

7.1 Summary

The projections summarised below indicate an anticipated average year trading, showing a surplus of income over expenditure of around £43,000.

Visitor footfall is anticipated at c.28,000 p.a. for sit-in catering, and c.20,000 for take-aways. The new operation will increase its focus on 'grab-and-go' options and expect a large take-up in takeaway coffees and snacks/rolls.

We anticipate turnover of c. £615,000 p.a. and will sustain a complement of nine staff (6 FTEs).

The Sensitivity Analysis demonstrates the projections can withstand a 10% reduction in visitor footfall and associated spend and remain at breakeven.

7.2 Assumptions

The income and expenditure projections are based on the following assumptions:

VAT

All income and expenditure figures are net of VAT.

Operation

A seven-day operation is planned with a small number of closed days around Christmas and New Year for annual maintenance. An 8.30am to 6pm normal working day with seasonal variations to allow later opening in the summer and earlier closing in the winter.

Licensing

The operation will not be licensed.

Food Sales

There are two types: sit-in and take-away, the former will generate a higher per capita (p.c.) spend than the latter. The level of spend will vary slightly at different times of year ranging from an average spend of £9.50-12.50 for sit-in and £6.50-9.00 for take-away.

Footfall

This will vary depending on the time of year. Summer is the high season, however, there is also a steady flow during the winter months because of the winter sports. November and March are traditionally the poorest performing months.

Event Hire

In the initial years of operation, we anticipate a modest annual income through hire of the space for small local events – around 10 p.a. at an average of £200 per hire.

FLS Office rental

This is based on current rental.

Car Park

Based on an average of £1.10 per visitor. Charges will be in line with Highland Council levels also operated at the nearby forestry car park. Maintenance of the car park, particularly snow-clearing in winter, is allowed for at 50% of car park income.

Retail

A limited range of low-price retail will be introduced, located in the visitor centre space. Largely souvenirs but also some books and maps. An amount of £0.70 p.c. has been allowed for.

Visitor Donations

Based on an average of £0.30 per visitor.

Cost of Sales

Allowed for at 30% for food and 35% for retail.

Marketing

It is anticipated most of this will be online with the primary cost being the maintenance of several digital outlets and the curation of content. Costs are estimated at £800 per month.

Staff Salaries

The Café Manager is at the upper end of the scale (£34,764) as someone with experience is sought. The Café Supervisor salary is £28,320 (1.5 FTEs have been allowed for) and the Hosts at £20,424. It is assumed that PT hosts will be largely seasonal. Fair Living Wage levels will be adopted. Staffing figures include employer costs.

Loans

Sought from SIS (c.£215,000) and HOIL (£50,000) with annual loan repayments of £22,800 and £5,400 respectively over a 15-year period, based on 6.5% interest p.a..

Grants

Grant Assistance of £50,000 from Highlands and Islands Enterprise has been assumed towards capital/fit-out costs. Additional small grants totalling £25,000 are estimated.

Electricity

Estimated at an average of £3,000 per month.

Rates

These are included at the current rate, however, this may be reduced due to AGCT's charitable status.

Cleaning

This will be done by the staff on a daily basis. A quarterly deep clean by external contractors has been allowed for at £400 per clean.

Waste collection

Estimated at £500 per month.

Contingency

Allowed for at 5% of total costs.

7.3 *Income and Expenditure Projections*

Income is projected from several sources, primarily earned income through sales, although there is some potential to develop event hire and to consider a more robust visitor engagement scheme to improve donations. A small retail offer can be introduced in the reception/exhibition area. We have not anticipated any income from grants or public subsidy for the day-to-day operation.

<u>INCOME</u>	£	£
Café income: Sit-in	330,175	
Café Income: Take-Away	170,073	
FLS office rental	7,860	
Event Hire	2,000	
Car park	53,185	
Retail	36,263	
Visitor Donations	14,505	
TOTAL		614,060

The main areas of Expenditure are detailed below, with staff costs and cost of sales the principal items:

<u>EXPENDITURE</u>	£	£
Cost of Sales - food	150,074	
Cost of Sales - retail	12,692	
		162,766
Café Operations		
EPOS and Merchant Services	4,500	
Telecoms - Phone/Wi-fi	1,200	
Branding, Marketing and Advertising	9,600	
		15,300
Staffing		
Café Manager	42,048	
Café Supervisor x 2	57,413	
Cafe Host	31,991	
Café Host x 5 PTE	81,419	
Staff Training	2,975	
		215,846
Loan Repayments		
SIS	22,800	
HOIL	5,400	
		28,200
Building		
Buildings insurance	8,400	
LPG - Gas	12,000	
Water (borehole maintenance)	11,400	
Electricity	36,000	
Alarms	600	
Cleaning	1,600	
Rates	13,800	
Waste collection	6,000	
Car park maintenance	26,593	
Professional fees	5,500	
		121,893
SUB TOTAL		544,005
Contingency		27,200
TOTAL		571,205
<i>Income above expenditure</i>		42,855
<i>(below)</i>		

The projections show an annual surplus of c. £43,000 – around 7% of total turnover. This is before an application for rates reduction, so this figure could rise to c. £53-56,000. Surpluses will be used to develop reserves that can be redeployed in the fabric and operation of the building.

7.4 Footfall

Visitor footfall is the key driver of the business, and the tables below show the estimated seasonal flux for both the sit-in and take-away markets, as well as the associated spend per head. From current experience, the p.c. spend will flex slightly at different times of year, reflecting general seasonal patterns:

FOOTFALL

	<i>Days</i>	<i>Per day</i>	<i>Sit-in</i>	<i>Per day</i>	<i>Carry out</i>	<i>Total</i>
January	30	50	1,500	35	1,050	2,585
February	28	60	1,680	40	1,120	2,800
March	31	40	1,240	25	775	2,015
April	30	70	2,100	50	1,500	3,600
May	31	70	2,170	50	1,550	3,720
June	30	85	2,550	60	1,800	4,350
July	31	130	4,030	100	3,100	7,130
August	31	150	4,650	110	3,410	8,060
September	31	110	3,410	70	2,170	5,580
October	31	80	2,480	50	1,550	4,030
November	30	35	1,050	35	1,050	2,100
December	28	50	1,400	35	980	2,380
TOTAL			28,260		20,055	48,350

INCOME

	<i>£ p.c.</i>	<i>Sit-in</i>	<i>£ p.c.</i>	<i>Carry out</i>	<i>Total £</i>
January	11.00	16,500	8.00	8,400	24,900
February	11.00	18,480	8.00	8,960	27,440
March	9.50	11,780	6.50	5,038	16,818
April	12.00	25,200	8.50	12,750	37,950
May	11.50	24,955	8.50	13,175	38,130
June	12.00	30,600	8.50	15,300	45,900
July	12.50	50,375	9.00	27,900	78,275
August	12.50	58,125	9.00	30,690	88,815
September	11.50	39,215	8.50	18,445	57,660
October	11.50	28,520	8.50	13,175	41,695
November	10.50	11,025	8.00	8,400	19,425
December	11.00	15,400	8.00	7,840	23,240
TOTAL		330,175		170,073	500,248

7.5 Capital

The initial capital estimates are relatively straightforward. Purchase is the significant outlay, with a modest initial expenditure on cosmetic changes to the decoration and to the crockery, glassware and napery, to indicate that it is a new operation. It is assumed the existing equipment is in good working order, however, we have allowed for the purchase of two items of equipment that will assist the take-away market in particular:

CAPITAL COSTS		£
<i>Expenditure</i>		
Site Purchase		265,000
Equipment (see note)		35,000
Decoration		65,000
Total		365,000
<i>Income</i>		
SIS Loan		215,000
HOIL Loan		50,000
HIE Grant		50,000
Grants - misc.		25,000
Fundraising		25,000
Total		365,000
<i>Equipment</i>		
Coffee machine		20,000
Hotplate/Presentation		5,000
Alarm System		5,000
Crockery/Cutlery		5,000
Total		35,000

Positive discussions have taken place with SIS and HOIL who are comfortable with the loan levels being sought. Similarly, HIE has indicated that support for the capital elements of the project is likely to be considered favourably. There has been further positive indications from a regular supporter of AGCT of their likely continued commitment through support of the capital costs.

Costs of the renewed interpretation/exhibition panels in the reception area will be met separately through grant assistance and private sponsorship.

7.6 Sensitivity

We have undertaken a sensitivity analysis modelled around both a 5% and 10% reduction in footfall and associated spend, and a 5% and 10% increase. This shows a financial breakeven point at a point around 10% below current projections, i.e. £550,000 turnover, or 43,500 visits. To increase robustness, we have not made a commensurate reduction in expenditure for the poorer performing years (other than cost of sales) i.e. maintaining the same staffing level. In reality, operational adjustments would be made in such periods that did reduce the expenditure. The table below summarises the relative changes in footfall and the consequent knock-on to sales:

SENSITIVITY SUMMARY

	<i>less 10%</i>	<i>less 5%</i>	<i>budget</i>	<i>5% more</i>	<i>10% more</i>
Café	297,158	313,666	330,175	346,684	363,193
Sit In	153,065	161,569	170,073	178,576	187,080
Total	450,223	475,235	500,248	525,260	550,272
Footfall	43,515	45,933	48,350	50,768	53,185

These figures have the following impact on the two reduced scenarios:

LESS 10%				LESS 5%			
INCOME	£	£		INCOME	£	£	
Café income: Sit-in	297,158			Café income: Sit-in	313,666		
Café Income: Take-Away	153,065			Café Income: Take-Away	161,569		
FLS office rental	7,860			FLS office rental	7,860		
Event Hire	2,000			Event Hire	2,000		
Car park	47,867			Car park	50,526		
Retail	30,461			Retail	32,153		
Visitor Donations	13,055			Visitor Donations	13,780		
TOTAL		551,464		TOTAL		581,553	
EXPENDITURE	£	£		EXPENDITURE	£	£	
Cost of Sales - food	135,067			Cost of Sales - food	142,571		
Cost of Sales - retail	10,661			Cost of Sales - retail	11,253		
		145,728				153,824	
Café Operations				Café Operations			
EPOS and Merchant Services	4,500			EPOS and Merchant Services	4,500		
Telecoms - Phone/Wi-fi	1,200			Telecoms - Phone/Wi-fi	1,200		
Branding, Marketing and Advertising	9,600			Branding, Marketing and Advertising	9,600		
		15,300				15,300	
Staffing				Staffing			
Café Manager	42,048			Café Manager	42,048		
Café Supervisor x 2	57,413			Café Supervisor x 2	57,413		
Cafe Host	31,991			Cafe Host	31,991		
Café Host x 5 PTE	81,419			Café Host x 5 PTE	81,419		
Staff Training	2,975			Staff Training	2,975		
		215,846				215,846	
Loan Repayments				Loan Repayments			
SIS	22,800			SIS	22,800		
HOIL	5,400			HOIL	5,400		
		28,200				28,200	
Building				Building			
Buildings insurance	8,400			Buildings insurance	8,400		
LPG - Gas	12,000			LPG - Gas	12,000		
Water (borehole maintenance)	11,400			Water (borehole maintenance)	11,400		
Electricity	36,000			Electricity	36,000		
Alarms	600			Alarms	600		
Cleaning	1,600			Cleaning	1,600		
Rates	13,800			Rates	13,800		
Waste collection	6,000			Waste collection	6,000		
Car park maintenance	23,933			Car park maintenance	25,263		
Professional fees	5,500			Professional fees	5,500		
		119,233				120,563	
SUB TOTAL		524,307		SUB TOTAL		533,733	
Contingency		26,215		Contingency		26,687	
TOTAL		550,523		TOTAL		560,420	
Income above (below) expenditure		942		Income above (below) expenditure		21,134	

The figures have the following impact on the increased scenarios:

5% MORE				10% MORE		
INCOME	£	£		INCOME	£	£
Café income: Sit-in	346,684			Café income: Sit-in	363,193	
Café Income: Take-Away	178,576			Café Income: Take-Away	187,080	
FLS office rental	7,860			FLS office rental	7,860	
Event Hire	2,000			Event Hire	2,000	
Car park	55,844			Car park	58,504	
Retail	35,537			Retail	37,230	
Visitor Donations	15,230			Visitor Donations	15,956	
TOTAL		641,732		TOTAL		671,821
EXPENDITURE	£	£		EXPENDITURE	£	£
Cost of Sales - food	157,578			Cost of Sales - food	165,082	
Cost of Sales - retail	12,438			Cost of Sales - retail	13,030	
		170,016				178,112
Café Operations				Café Operations		
EPOS and Merchant Services	4,500			EPOS and Merchant Services	4,500	
Telecoms - Phone/Wi-fi	1,200			Telecoms - Phone/Wi-fi	1,200	
Branding, Marketing and Advertising	9,600			Branding, Marketing and Advertising	9,600	
		15,300				15,300
Staffing				Staffing		
Café Manager	42,048			Café Manager	42,048	
Café Supervisor x 2	57,413			Café Supervisor x 2	57,413	
Cafe Host	31,991			Cafe Host	31,991	
Café Host x 5 PTE	81,419			Café Host x 5 PTE	81,419	
Staff Training	2,975			Staff Training	2,975	
		215,846				215,846
Loan Repayments				Loan Repayments		
SIS	22,800			SIS	22,800	
HOIL	5,400			HOIL	5,400	
		28,200				28,200
Building				Building		
Buildings insurance	8,400			Buildings insurance	8,400	
LPG - Gas	12,000			LPG - Gas	12,000	
Water (borehole maintenance)	11,400			Water (borehole maintenance)	11,400	
Electricity	36,000			Electricity	36,000	
Alarms	600			Alarms	600	
Cleaning	1,600			Cleaning	1,600	
Rates	13,800			Rates	13,800	
Waste collection	6,000			Waste collection	6,000	
Car park maintenance	27,922			Car park maintenance	29,252	
Professional fees	5,500			Professional fees	5,500	
		123,222				124,552
SUB TOTAL		552,584		SUB TOTAL		562,010
Contingency		27,629		Contingency		28,100
TOTAL		580,213		TOTAL		590,110
<i>Income above (below) expenditure</i>		<i>61,518</i>		<i>Income above (below) expenditure</i>		<i>81,711</i>

Both the reduced and increased scenarios show business viability, up to a level of -10% of expected turnover: this includes a reasonable level of contingency (from c.£26-28,000) and excludes possible rates reduction of up to c.£14,000 p.a.

8 Conclusion

- 8.1 The proposed CAT of Glenmore Visitor Centre provides an opportunity to boost an existing facility that performs reasonably well, to one that establishes itself as a destination in its own right – for community events, a more varied food and drink offer, and for an authentic introduction to the community and interpretation of the local environment and culture.
- 8.2 The financial projections indicate a sustainable business model, with a focus on long-term viability and the opportunity for future development and expansion of the site’s services. The establishment of community ownership will contribute both to improved local amenity and to the economy. The capital requirement is relatively modest, and the relationship with the current owner (and future neighbour/partner), FLS, is very good.
- 8.3 The location is excellent, a base level of demand already exists, and the potential to further exploit specific markets is clear and achievable. The commitment and energy from the Community Trust is already well proven locally. As such, from a sustainable business perspective, the project (although not without its challenges) presents an exciting and realistic opportunity for success in meeting the objectives of both AGCT and FLS.