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Business Plan for Indoor Golf Academy

BUSINESS SUMMARY

Our chosen site at [location] shows viability due to the number of golf courses in the area and the lack of golf ranges. As most ranges are located some distance from golf courses, and courses themselves cannot be played during poor weather, the initiative is to capitalise on this market by providing both golf driving range facilities and golf practice in an indoor environment that can operate 12 months of the year.

There is currently not an indoor golf facility in [location], but opportunities for revenue are vast with [number of golf courses] nearby golf courses attracting [number of members] to fulfil the market in the off-season months, and when courses are not playable. The facility will also attract beginner golfers, golfers aiming to improve their game and non-golf course members that wish to use the facility for recreational purposes.

COMPETITION

We do not expect any direct competition, although indirect competition will arise from golf courses, and golf ranges in addition to indoor sporting facilities such as bowling alleys and snooker halls.

ADDRESSING COMPETITION

The business will gain interest from golfers that are unable to play on their regular course during the off-season months. Driving range customers will be attracted as the simulators can provide a more detailed analysis from a player's shot and will prove to be competitively priced on a per shot basis. The relaxing environment will offer choice to those interested in sporting activities and competitive pricing similar to other sporting activities will attract their custom.

CONSIDERATIONS

Our research and experience has shown that by investing more than £30,000 into a golf simulator, it becomes increasingly difficult to secure a return on the investment, since the usage charge to recoup this investment becomes so great that golfers are unwilling to pay on a regular basis.

In general, hourly rates should not exceed £30.00 per hour, as this rate compares favourably with similar sporting activities available.

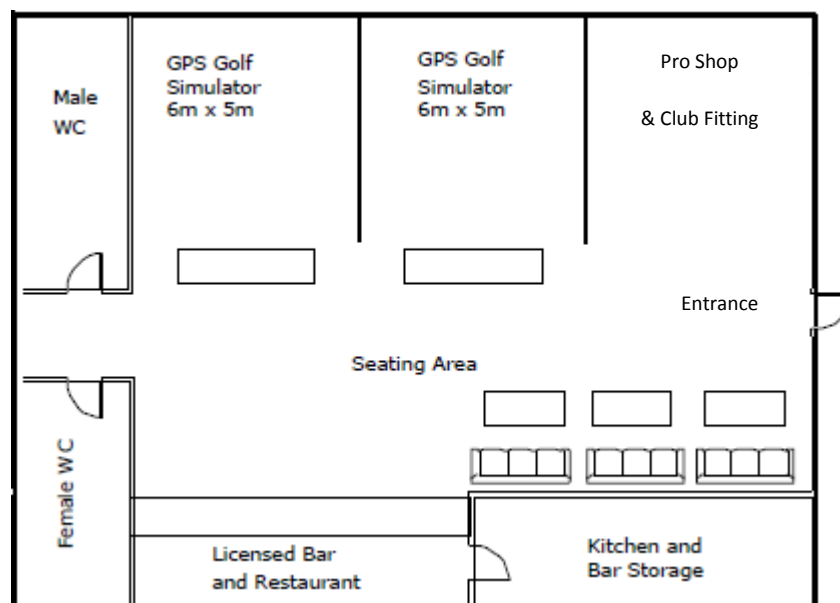
Usage is likely to be reduced during warmer months. This consideration should be reflected on turnover forecasts.

FACILITIES

The proposal is to install two golf simulators, which can be hired on a time or training basis between 9 am and 10pm daily, Monday to Saturday. The full facilities will comprise:

1. Combined GPS Golf Simulator / Virtual Range Simulator for golfers of all ages
2. Combined GPS Golf Simulator / Virtual Range for golfers and teaching
3. Refreshments and Seating Area
4. Club Fitting facility
5. Golf Shop

LAYOUT



REVENUES

Revenues will be created through hourly rental of the golf simulator that can operate as a training facility, a virtual driving range or a virtual golf course. Additional revenue streams will include club fitting, merchandising and refreshment facilities.

1. Virtual Range	
• Simulator Range Rates (30 Minutes)	£15.00
2. Golf Simulator Courses	
• Simulator Rates (30 Minutes)	£15.00
• Simulator Rates (45 Minutes)	£20.00
• Simulator Rates (60 Minutes)	£30.00
3. Training Facility	
• Ultimate Golf Lesson (30 Minutes)	£35.00
• Ultimate Golf Lesson (45 Minutes)	£50.00
• Ultimate Golf Lesson (60 Minutes)	£60.00
• Ultimate Golf Lessons (3 x 30 min course)	£75.00
• Ultimate Golf Lessons (6 x 30 min course)	£129.00
• Ultimate Golf Lessons (3 x 60 min course)	£149.00
• Ultimate Golf Lessons (6 x 60 min course)	£299.00
4. Membership packages	
• 6 month (off peak hours) 50% reduction	£299.00
• 12 month (off peak hours) 50% reduction	£549.00
5. Refreshments	
• Variable – daily estimate	£100.00
6. Club Fitting	
• Profit from Custom Fitting Sessions – daily estimate	£200.00

CONSERVATIVE FORECASTS

Figures based on 50% capacity, 6 day week, 50 week year.

Income

Facility	Fee (£)	Unit Period	Daily Units	Weekly Units	Annual Revenue (£)
Simulator1	30.00	Hour	4	24	36,000
Simulator2	30.00	Hour	4	24	36,000
Range1	15.00	Half Hour	4	24	18,000
Range2	15.00	Half Hour	4	24	18,000
Custom Fit	200.00	Day	1	6	60,000
Lessons	35.00	Half Hour	4	24	42,000
Refreshments	100.00	Day	1	6	30,000
Total					240,000

Expenditure

Expense	Weekly (£)	Annual Revenue (£)
Simulator Lease	515.00	26,780
Staff (2 @ £500)	1000.00	50,000
Rent	235.00	12,220
Electricity / Sundry	120.00	6,240
Refreshment Stock	210.00	10,500
Total		105,740

Gross Profit

	Weekly (£)	Annual Revenue (£)
Year 1	2685.20	134,260

The above forecast does not include additional revenues that could be generated from a Pro Shop.

Figures shown include seasonal variations with expected usage averaged over a full year.