

Running a pub

A guide to costs for tied tenants and lessees 2022



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Introduction

Business plans, and the negotiations over leases and tenancies in the UK pub trade should be as well-informed as possible. This guide provides the latest data for tenants and lessees on typical operating costs in the UK pub industry.

This report represents the best available 2021 data from BBPA member companies on the costs of running a tied pub in the tenanted and leased sector. It is a vital reference tool for anyone running a tied pub or thinking of doing so.

The guide shows both the average and the range of costs in running a pub over a variety of pub models based on turnover and business types, including food and wet-led models.

The report takes account of the significant variations that exist in the cost base - even within those pubs that are broadly in the same category. Such costs are based on the size and location of the pub, the age and state of repair, the operating style and the experience of those in charge. Costs will also vary dependent on tenure type (for example repair and insurance obligations).

As well as providing average costs, the guide also includes the minimum and maximum typical costs providing a range of scenarios across different types of business.

However, we would point out that as input data and sources change each year, the information should not be used to determine trends from year to year. The data should also be used in conjunction with sources such as the UKHospitality benchmarking report¹ and other pub trade data.

¹ See UK Hospitality's 2018 benchmarking report: [UKHospitality - Benchmarking Report 2018 - Page 1 \(publitas.com\)](https://publitas.com)

Background and explanatory notes

The BBPA guide has been compiled from data supplied by BBPA members in relation to short term tenancies (usually 3-5 years) and longer-term leases (the latter tend to be fully repairing and insuring).

The tables represent a composite of accounts presented to tenants by companies based on their experience across their entire estate, or a representative sample of their estate, and individual pub accounts that have been made available to their pub companies.

The information is supplied in summary form across nine different pub models. While not inclusive of all business models, they are representative of the vast majority of pubs run as either tenancies or leases.

Weekly costs are shown on the basis that the pub business is directly operated by the tenant or leaseholder and that their income is derived from the profit remaining after operating expenses and rent payable is deducted.

The examples and figures supplied in the survey give an indication of the weekly costs that are likely to be incurred in the types of pub businesses described in this guide.

Where these figures are to be used in preparing business plans or for other purposes it should be borne in mind that **all pubs are unique and that the actual costs incurred will be dependent on the different aims and styles of the business according to the location, the market and the skills of the tenant/lessee.**

Costs do vary across the country and the size of the business, as well as its focus, will have a significant impact on costs. For further information on taking on a pub, please refer to the links section at the end of this guidance.

Utilities and inflation: As the costs in this report relate primarily to 2021, they will not reflect the full extent of the 2022 energy crisis where pubs are frequently seeing price increases of over 100% on their energy bills. Such large increases, on what is usually the second biggest cost line, will have a significant impact on a pub's overall cost and operating margins. High inflation generally in 2022 will also impact other elements of the model and, therefore, **particular caution is required when reviewing the data this year.**

Pub models

Nine pub models are illustrated in the report:

Small community local (c100% drink) turnover c£4,000/week

Community wet-led (c90:10, drink:food) turnover c£5,000/week

Community wet-led (c90:10, drink:food) turnover c£8,000/week

Community wet-led (c90:10, drink:food) turnover c£15,000/week

Rural character (c50:50, drink:food) turnover c£5,000/week

Rural character (c50:50, drink:food) turnover c£8,000/week

Town centre pub/bar (c70:30, drink:food) turnover c£10,000/week

Town/country food-led (c30:70, drink:food) turnover c£10,000/week

Town/country food-led (c30:70, drink:food) turnover c£15,000/week

Please note the turnover and split for each model are general guidelines to give an indication of the focus of each business, and may not exactly relate to each data set presented.

Annex A shows an example of how a licensee may wish to set out an accommodation-focused pub profit and loss account.

Excluded costs

Some costs (and income streams) have not been included in the guide:

MANAGERS' SALARIES: Individual tenanted and leased pubs (the focus of this survey) do not employ full-time managers and therefore such costs are not included. All other staff costs are included in the survey. Staff costs for food-led pubs are greater, given the need for specialist expertise and the greater labour input required in running a food-led operation.

AMUSEMENT MACHINES: Neither the income nor the costs from amusement machines (Category C/fruit machine, Skill with Prize, pool tables etc.) have been included in the main operating cost analysis but are shown below the divisible balance. Please note the average will reflect that different operating models have varying amounts of machines.

Operating costs per pub model

The main body of the report has been arranged by the average reported operating costs for each pub category. As previously highlighted, costs exclude managers' salaries.

Summary tables

At the end of the report, summary tables have been arranged by the **minimum and maximum reported total operating cost for each pub model**, as well as the weighted average. This specific pub model is then divided into individual cost lines based on the averages for that particular pub company. For some cost lines these of course may be zero in some instances (e.g. Pay-TV, Live Music). As previously highlighted, costs exclude managers' salaries in all models.

Value Added Tax

It is important to note that all figures are quoted exclusive of VAT and any profit related tax such as Corporation Tax.

Divisible balance

Divisible balance is the profit made before rent is deducted. It provides an indication of what rent might be asked for by the pub operating company. RICS guidance states that rents can be in the range of 35%-65% of divisible balance. However, many pub rent settlements are more typically in the range of 45%-55% of the divisible balance. All rents can be subject to negotiation by both parties.

The divisible balance is also dependent on the margins achieved on the selling price of drinks and food passing through the business. This can be higher or lower, depending on the arrangements offered by the pub operating company, the location and style of the business and the expertise of the tenant/licensee in obtaining the best return.

Interest on Capital

This is the interest payable on the tenant's invested capital and not the capital itself. This may include, for example, interest on consumables, purchase of the inventory, stock and working capital.

Small community local

c. £4k turnover per week (100% wet)

All figures are weighted averages exclusive of VAT

	£
Total drinks sales	3,883
Total food sales	102
Total sales	3,985

Cost of drinks	1,851
Cost of food	42
Total cost	1,893

Gross profit	2,093
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52.5%

Gross profit margin

% cost to turnover

Wages & salaries	617	15.5%
Rates	59	1.5%
Utilities (see note on page 4)	219	5.5%
Repairs & renewals	80	2.0%
Insurance	49	1.2%
Marketing/Promotion/Telephone	60	1.5%
Consumables	18	0.5%
Waste Disposal/Cleaning/Hygiene	39	1.0%
Professional fees	63	1.6%
Bank charges	28	0.7%
Equipment hire etc	9	0.2%
Interest on capital	21	0.5%
Pay TV (Sky, BT Sport etc.)	85	2.1%
Live music	98	2.5%
Other costs	70	1.8%

Total operating costs	1,513	38.0%
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Divisible balance	580	14.6%
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Gaming machine income	38
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See page 6 for details on excluded costs

Community wet-led

c£5,000 turnover per week (90:10 drink/food)

All figures are weighted averages exclusive of VAT

£

Total drinks sales	4,331
Total food sales	620
Total sales	4,951

Cost of drinks	2,061
Cost of food	236
Total cost	2,297

Gross profit	2,655
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53.6% Gross profit margin

% cost to turnover

Wages & salaries	855	17.3%
Rates	108	2.2%
Utilities (see note on page 4)	252	5.1%
Repairs & renewals	106	2.1%
Insurance	53	1.1%
Marketing/Promotion/Telephone	85	1.7%
Consumables	26	0.5%
Waste Disposal/Cleaning/Hygiene	53	1.1%
Professional fees	70	1.4%
Bank charges	36	0.7%
Equipment hire etc	9	0.2%
Interest on capital	26	0.5%
Pay TV (Sky, BT Sport etc.)	93	1.9%
Live music	80	1.6%
Other costs	72	1.5%

Total operating costs	1,926	38.9%
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Divisible balance	729	14.7%
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Gaming machine income	43
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See page 6 for details on excluded costs

Community wet-led

c£8,000 turnover per week (90:10 drink/food)

All figures are weighted averages exclusive of VAT

£

Total drinks sales	6,964
Total food sales	935
Total sales	7,899

Cost of drinks	3,235
Cost of food	351
Total cost	3,587

Gross profit	4,312
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54.6% Gross profit margin

% cost to turnover

Wages & salaries	1,515	19.2%
Rates	249	3.2%
Utilities (see note on page 4)	339	4.3%
Repairs & renewals	142	1.8%
Insurance	57	0.7%
Marketing/Promotion/Telephone	122	1.5%
Consumables	43	0.5%
Waste Disposal/Cleaning/Hygiene	73	0.9%
Professional fees	79	1.0%
Bank charges	55	0.7%
Equipment hire etc	13	0.2%
Interest on capital	39	0.5%
Pay TV (Sky, BT Sport etc.)	163	2.1%
Live music	76	1.0%
Other costs	95	1.2%

Total operating costs	3,060	38.7%
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Divisible balance	1,252	15.8%
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Gaming machine income	66
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See page 6 for details on excluded costs

Community wet-led

c£15,000 turnover per week (90:10 drink/food)

All figures are weighted averages exclusive of VAT

	£
Total drinks sales	12,047
Total food sales	2,978
Total sales	15,025

Cost of drinks	5,278
Cost of food	1,162
Total cost	6,439

Gross profit	8,585	57.1%	Gross profit margin
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		% cost to turnover
Wages & salaries	3,494	23.3%
Rates	422	2.8%
Utilities (see note on page 4)	535	3.6%
Repairs & renewals	196	1.3%
Insurance	59	0.4%
Marketing/Promotion/Telephone	176	1.2%
Consumables	88	0.6%
Waste Disposal/Cleaning/Hygiene	120	0.8%
Professional fees	93	0.6%
Bank charges	104	0.7%
Equipment hire etc	34	0.2%
Interest on capital	84	0.6%
Pay TV (Sky, BT Sport etc.)	196	1.3%
Live music	146	1.0%
Other costs	206	1.4%

Total operating costs	5,953	39.6%
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Divisible balance	2,632	17.5%
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Gaming machine income	57
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See page 6 for details on excluded costs

Rural character

c£5,000 turnover per week (50:50 drink/food)

All figures are weighted averages exclusive of VAT

	£
Total drinks sales	3,195
Total food sales	2,452
Total sales	5,647

Cost of drinks	1,581
Cost of food	946
Total cost	2,527

Gross profit	3,120
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55.3% Gross profit margin

		% cost to turnover
Wages & salaries	1,236	21.9%
Rates	163	2.9%
Utilities (see note on page 4)	287	5.1%
Repairs & renewals	115	2.0%
Insurance	54	1.0%
Marketing/Promotion/Telephone	82	1.4%
Consumables	44	0.8%
Waste Disposal/Cleaning/Hygiene	70	1.2%
Professional fees	62	1.1%
Bank charges	42	0.8%
Equipment hire etc	16	0.3%
Interest on capital	26	0.5%
Pay TV (Sky, BT Sport etc.)	7	0.1%
Live music	3	0.0%
Other costs	71	1.3%

Total operating costs	2,277	40.3%
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Divisible balance	843	14.9%
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Gaming machine income	6
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See page 6 for details on excluded costs

Rural character

c£8,000 turnover per week (50:50 drink/food)

All figures are weighted averages exclusive of VAT

	£
Total drinks sales	4,984
Total food sales	4,344
Total sales	9,328

Cost of drinks	2,252
Cost of food	1,596
Total cost	3,847

Gross profit	5,480
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58.8% Gross profit margin

	% cost to turnover	
Wages & salaries	2,464	26.4%
Rates	289	3.1%
Utilities (see note on page 4)	418	4.5%
Repairs & renewals	166	1.8%
Insurance	60	0.6%
Marketing/Promotion/Telephone	109	1.2%
Consumables	60	0.6%
Waste Disposal/Cleaning/Hygiene	98	1.1%
Professional fees	83	0.9%
Bank charges	71	0.8%
Equipment hire etc	23	0.2%
Interest on capital	56	0.6%
Pay TV (Sky, BT Sport etc.)	23	0.3%
Live music	13	0.1%
Other costs	114	1.2%

Total operating costs	4,047	43.4%
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Divisible balance	1,433	15.4%
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Gaming machine income	11
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See page 6 for details on excluded costs

Town centre pub/bar

c£10,000 turnover per week (70:30 drink/food)

All figures are weighted averages exclusive of VAT

	£
Total drinks sales	6,559
Total food sales	2,912
Total sales	9,471

Cost of drinks	2,941
Cost of food	1,096
Total cost	4,036

Gross profit	5,435	57.4%	Gross profit margin
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	% cost to turnover	
Wages & salaries	2,241	23.7%
Rates	336	3.5%
Utilities (see note on page 4)	392	4.1%
Repairs & renewals	158	1.7%
Insurance	65	0.7%
Marketing/Promotion/Telephone	121	1.3%
Consumables	52	0.5%
Waste Disposal/Cleaning/Hygiene	89	0.9%
Professional fees	91	1.0%
Bank charges	66	0.7%
Equipment hire etc	23	0.2%
Interest on capital	43	0.5%
Pay TV (Sky, BT Sport etc.)	76	0.8%
Live music	43	0.4%
Other costs	113	1.2%

Total operating costs	3,907	41.3%
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Divisible balance	1,528	16.1%
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Gaming machine income	28
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See page 6 for details on excluded costs

Town/country food-led

c£10,000 turnover per week (30:70 drink/food)

All figures are weighted averages exclusive of VAT

	£
Total drinks sales	4,063
Total food sales	5,784
Total sales	9,847

Cost of drinks	1,770
Cost of food	2,037
Total cost	3,807

Gross profit	6,040
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61.3% Gross profit margin

		% cost to turnover
Wages & salaries	2,657	27.0%
Rates	319	3.2%
Utilities (see note on page 4)	497	5.0%
Repairs & renewals	204	2.1%
Insurance	54	0.5%
Marketing/Promotion/Telephone	107	1.1%
Consumables	73	0.7%
Waste Disposal/Cleaning/Hygiene	100	1.0%
Professional fees	78	0.8%
Bank charges	75	0.8%
Equipment hire etc	33	0.3%
Interest on capital	55	0.6%
Pay TV (Sky, BT Sport etc.)	12	0.1%
Live music	11	0.1%
Other costs	111	1.1%

Total operating costs	4,387	44.6%
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Divisible balance	1,653	16.8%
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Gaming machine income	4
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See page 6 for details on excluded costs

Town/country food-led

c£15,000 turnover per week (30:70 drink/food)

All figures are weighted averages exclusive of VAT

£

Total drinks sales	5,117
Total food sales	9,281
Total sales	14,398

Cost of drinks	2,208
Cost of food	3,258
Total cost	5,466

Gross profit	8,931
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62.0% Gross profit margin

% cost to turnover

Wages & salaries	4,062	28.2%
Rates	542	3.8%
Utilities (see note on page 4)	596	4.1%
Repairs & renewals	205	1.4%
Insurance	67	0.5%
Marketing/Promotion/Telephone	126	0.9%
Consumables	110	0.8%
Waste Disposal/Cleaning/Hygiene	141	1.0%
Professional fees	94	0.7%
Bank charges	99	0.7%
Equipment hire etc	50	0.3%
Interest on capital	71	0.5%
Pay TV (Sky, BT Sport etc.)	17	0.1%
Live music	14	0.1%
Other costs	166	1.2%

Total operating costs	6,360	44.2%
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Divisible balance	2,571	17.9%
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Gaming machine income	2
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See page 6 for details on excluded costs

Summary table² (£ costs)

All figures relate to the sales and costs for the pub model with the minimum and maximum reported total operating cost, exclusive of VAT

	COMMUNITY WET-LED (c100% drink) c£4,000/week		COMMUNITY WET-LED (c90:10, drink:food) c£5,000/week		COMMUNITY WET-LED (c90:10, drink:food) c£8,000/week	
	Min OC	Max OC	Min OC	Max OC	Min OC	Max OC
All figures below ex. VAT						
Total Drinks Sales	4,000	4,587	3,781	5,126	7,192	7,325
Total Food Sales	-	-	140	1,110	400	1,670
Total Sales	4,000	4,587	3,921	6,236	7,592	8,994
	-	-	-	-	-	-
Cost of drinks	2,080	2,243	1,949	2,453	4,003	3,383
Cost of food	40	-	65	443	150	666
Total Cost	2,120	2,243	2,014	2,896	4,153	4,049
	-	-	-	-	-	-
Gross Profit	1,880	2,344	1,907	3,340	3,439	4,945
	-	-	-	-	-	-
Wages & Salaries	380	789	575	916	1,100	2,001
Rates	200	120	100	204	302	293
Utilities (see note on page 4)	180	261	174	310	426	351
Repairs & Renewals	150	39	30	137	109	95
Insurance	80	36	28	37	17	28
Marketing/Promotion/Telephone	75	47	38	89	21	143
Consumables	75	37	13	43	46	64
Waste Disposal/Cleaning/Hygiene	25	59	37	53	51	110
Professional fees	50	63	45	63	67	91
Bank charges	20	30	22	48	38	76
Equipment Hire etc	25	37	20	53	-	18
Interest on capital	10	29	29	46	19	105
Pay TV (Sky, BT Sport etc.)	-	65	51	154	303	48
Live Music	-	227	180	54	15	-
Other Costs	20	71	43	115	62	118
Total Operating Costs	1,290	1,910	1,385	2,321	2,577	3,542
	-	-	-	-	-	-
Divisible Balance	590	434	522	1,019	862	1,403
Gaming machine income	-	-	-	-	47	44

² The figures in the tables shown above and below are a snapshot of actual individual pub running costs, **not** a minimum/maximum of the lowest/highest individual cost elements from across all pubs surveyed.

	COMMUNITY WET-LED LOCAL (c90:10, drink:food) c£15,000/week		RURAL CHARACTER (c50:50, drink:food) c£5,000/week		RURAL CHARACTER (c50:50, drink:food) c£8,000/week	
	Min OC	Max OC	Min OC	Max OC	Min OC	Max OC
All figures below ex. VAT						
Total Drinks Sales	13,700	11,255	1,881	2,953	4,000	6,142
Total Food Sales	1,550	8,029	1,443	3,525	4,000	5,827
Total Sales	15,250	19,284	3,324	6,478	8,000	11,969
	-	-	-	-	-	-
Cost of drinks	6,850	4,854	885	1,995	2,000	2,477
Cost of food	620	3,176	540	1,586	1,600	2,153
Total Cost	7,470	8,030	1,425	3,581	3,600	4,629
	-	-	-	-	-	-
Gross Profit	7,780	11,253	1,898	2,897	4,400	7,340
	-	-	-	-	-	-
Wages & Salaries	2,750	5,630	750	1,550	1,500	3,497
Rates	245	416	17	325	450	403
Utilities (see note on page 4)	650	662	184	444	200	455
Repairs & Renewals	160	146	91	56	150	173
Insurance	71	37	46	49	80	73
Marketing/Promotion/Telephone	155	211	45	60	75	119
Consumables	87	133	25	29	75	29
Waste Disposal/Cleaning/Hygiene	80	186	32	63	120	97
Professional fees	80	100	64	40	60	124
Bank charges	70	188	37	55	35	94
Equipment Hire etc	89	20	2	10	30	38
Interest on capital	-	230	-	-	30	87
Pay TV (Sky, BT Sport etc.)	255	91	-	-	-	59
Live Music	125	-	-	-	-	45
Other Costs	140	235	-	64	75	180
Total Operating Costs	4,957	8,285	1,292	2,745	2,880	5,474
	-	-	-	-	-	-
Divisible Balance	2,823	2,969	606	153	1,520	1,866
Gaming machine income	25	78	-	-	-	23

	TOWN CENTRE PUB/BAR (c70:30, drink:food) c£10,000/week		TOWN/COUNTRY FOOD LED PUB (c30:70, drink:food) c£10,000/week		TOWN/COUNTRY FOOD LED PUB (c30:70, drink:food) c£15,000/week	
	Min OC	Max OC	Min OC	Max OC	Min OC	Max OC
All figures below ex. VAT						
Total Drinks Sales	4,763	6,951	3,212	6,025	4,905	5,678
Total Food Sales	1,442	2,843	5,519	6,810	6,828	10,075
Total Sales	6,205	9,794	8,731	12,836	11,733	15,753
	-	-	-	-	-	-
Cost of drinks	2,141	3,106	1,800	2,023	1,914	2,411
Cost of food	545	991	1,935	2,351	2,438	3,526
Total Cost	2,686	4,097	3,735	4,374	4,352	5,938
	-	-	-	-	-	-
Gross Profit	3,519	5,697	4,996	8,462	7,381	9,815
	-	-	-	-	-	-
Wages & Salaries	1,255	2,413	2,200	3,788	2,931	5,388
Rates	104	349	327	455	571	218
Utilities (see note on page 4)	281	411	665	615	606	740
Repairs & Renewals	128	223	163	192	192	106
Insurance	56	77	17	67	48	63
Marketing/Promotion/Telephone	81	172	29	115	154	41
Consumables	41	57	48	96	58	159
Waste Disposal/Cleaning/Hygiene	64	102	120	154	87	165
Professional fees	77	73	79	96	87	77
Bank charges	57	67	102	96	87	106
Equipment Hire etc	5	-	-	-	92	-
Interest on capital	-	45	46	88	96	29
Pay TV (Sky, BT Sport etc.)	-	91	-	-	-	42
Live Music	-	-	-	-	-	145
Other Costs	-	69	96	178	231	77
Total Operating Costs	2,150	4,148	3,893	5,941	5,238	7,356
	-	-	-	-	-	-
Divisible Balance	1,369	1,549	1,103	2,521	2,142	2,460
Gaming machine income	-	35	-	-	-	-

Summary table³ (% costs)

All figures relate to costs as a percentage of sales for the pub model with the minimum and maximum reported total operating cost, exclusive of VAT

	COMMUNITY WET-LED (100% wet) c£4,000/week		COMMUNITY WET-LED (c90:10, drink:food) c£5,000/week		COMMUNITY WET-LED (c90:10, drink:food) c£8,000/week	
	Min OC	Max OC	Min OC	Max OC	Min OC	Max OC
Wages & Salaries	9.5%	17.2%	14.7%	14.7%	14.5%	22.2%
Rates	5.0%	2.6%	2.5%	3.3%	4.0%	3.3%
Utilities (see note on page 4)	4.5%	5.7%	4.4%	5.0%	5.6%	3.9%
Repairs & Renewals	3.8%	0.9%	0.8%	2.2%	1.4%	1.1%
Insurance	2.0%	0.8%	0.7%	0.6%	0.2%	0.3%
Marketing/Promotion/Telephone	1.9%	1.0%	1.0%	1.4%	0.3%	1.6%
Consumables	1.9%	0.8%	0.3%	0.7%	0.6%	0.7%
Waste Disposal/Cleaning/Hygiene	0.6%	1.3%	1.0%	0.8%	0.7%	1.2%
Professional fees	1.3%	1.4%	1.2%	1.0%	0.9%	1.0%
Bank charges	0.5%	0.7%	0.6%	0.8%	0.5%	0.8%
Equipment Hire etc	0.6%	0.8%	0.5%	0.8%	0.0%	0.2%
Interest on capital	0.3%	0.6%	0.7%	0.7%	0.3%	1.2%
Pay TV (Sky, BT Sport etc.)	0.0%	1.4%	1.3%	2.5%	4.0%	0.5%
Live Music	0.0%	4.9%	4.6%	0.9%	0.2%	0.0%
Other Costs	0.5%	1.5%	1.1%	1.9%	0.8%	1.3%
Total Operating Costs	32.3%	41.7%	35.3%	37.2%	33.9%	39.4%

³ Ibid.

	COMMUNITY WET-LED LOCAL (c90:10, drink:food) c£15,000/week		RURAL CHARACTER (c50:50, drink:food) c£5,000/week		RURAL CHARACTER (c50:50, drink:food) c£8,000/week	
	Min OC	Max OC	Min OC	Max OC	Min OC	Max OC
Wages & Salaries	18.0%	29.2%	22.6%	23.9%	18.8%	29.2%
Rates	1.6%	2.2%	0.5%	5.0%	5.6%	3.4%
Utilities (see note on page 4)	4.3%	3.4%	5.5%	6.9%	2.5%	3.8%
Repairs & Renewals	1.0%	0.8%	2.7%	0.9%	1.9%	1.4%
Insurance	0.5%	0.2%	1.4%	0.8%	1.0%	0.6%
Marketing/Promotion/Telephone	1.0%	1.1%	1.3%	0.9%	0.9%	1.0%
Consumables	0.6%	0.7%	0.8%	0.4%	0.9%	0.2%
Waste Disposal/Cleaning/Hygiene	0.5%	1.0%	1.0%	1.0%	1.5%	0.8%
Professional fees	0.5%	0.5%	1.9%	0.6%	0.8%	1.0%
Equipment Hire etc	0.5%	1.0%	1.1%	0.8%	0.4%	0.8%
Interest on capital	0.6%	0.1%	0.1%	0.2%	0.4%	0.3%
Pay TV (Sky, BT Sport etc.)	0.0%	1.2%	0.0%	0.0%	0.4%	0.7%
Live Music	1.7%	0.5%	0.0%	0.0%	0.0%	0.5%
Other Costs	0.8%	0.0%	0.0%	0.0%	0.0%	0.4%
	0.9%	1.2%	0.0%	1.0%	0.9%	1.5%
Total Operating Costs	32.5%	43.0%	38.9%	42.4%	36.0%	45.7%

	TOWN CENTRE PUB/BAR (c70:30, drink:food) c£10,000/week		TOWN/COUNTRY FOOD LED PUB (c30:70, drink:food) c£10,000/week		TOWN/COUNTRY FOOD LED PUB (c30:70, drink:food) c£15,000/week	
	Min OC	Max OC	Min OC	Max OC	Min OC	Max OC
Wages & Salaries	20.2%	24.6%	25.2%	29.5%	25.0%	34.2%
Rates	1.7%	3.6%	3.7%	3.5%	4.9%	1.4%
Utilities	4.5%	4.2%	7.6%	4.8%	5.2%	4.7%
Repairs & Renewals	2.1%	2.3%	1.9%	1.5%	1.6%	0.7%
Insurance	0.9%	0.8%	0.2%	0.5%	0.4%	0.4%
Marketing/Promotion/Telephone	1.3%	1.8%	0.3%	0.9%	1.3%	0.3%
Consumables	0.7%	0.6%	0.6%	0.7%	0.5%	1.0%
Waste Disposal/Cleaning/Hygiene	1.0%	1.0%	1.4%	1.2%	0.7%	1.0%
Professional fees	1.2%	0.7%	0.9%	0.7%	0.7%	0.5%
Equipment Hire etc	0.9%	0.7%	1.2%	0.7%	0.7%	0.7%
Interest on capital	0.1%	0.0%	0.0%	0.0%	0.8%	0.0%
Pay TV (Sky, BT Sport etc.)	0.0%	0.5%	0.5%	0.7%	0.8%	0.2%
Live Music	0.0%	0.9%	0.0%	0.0%	0.0%	0.3%
Other Costs	0.0%	0.0%	0.0%	0.0%	0.0%	0.9%
	0.0%	0.7%	1.1%	1.4%	2.0%	0.5%
Total Operating Costs	34.6%	42.4%	44.6%	46.3%	44.6%	46.7%

Annex A

Pub with accommodation Template P&L account

	£	
Total Drinks Sales		
Total Food Sales		
Total Accommodation/Other Income		
Total Sales		
Cost of drinks		
Cost of food		
Cost of Accommodation/Other Income		
Total Cost		
Gross Profit		
		gross profit margin
	% cost to turnover	
Wages & Salaries		
Rates		
Utilities		
Repairs & Renewals		
Insurance		
Marketing/Promotion/Telephone		
Consumables		
Waste Disposal/Cleaning/Hygiene		
Professional fees		
Bank charges		
Equipment Hire etc		
Interest on capital		
Pay TV (Sky, BT Sport etc.)		
Live Music		
Other Costs		
Total Operating Costs		
Divisible Balance		

Annex B

Useful links

[British Beer & Pub Association \(BBPA\)](#)

[Pub Governing Body - Codes of practice tenanted/leased/Scotland \(voluntary\)](#)

[British Institute of Innkeeping](#)

[UK Hospitality](#)

[Pubs Code Adjudicator](#)

For queries relating to this report, please contact:

Nick Fish

British Beer & Pub Association

Ground Floor

61 Queen Street

London EC4R 1EB

020 7627 9133

nfish@beerandpub.com