01 / The brief and the decision

The operator's question: 'We are busy at weekends, but the bank balance does not feel like it is improving. Where should we act first?' This example shows the substance and structure of a scoped Venue Yield Review, from the source information to the decisions it supports.

The Copper Yard

A fictional neighbourhood bar and kitchen | Four comparable trading weeks · illustrative data

The venue produces a positive operating result in this example, but stock control and quiet-session deployment need attention. The first move is to protect the existing margin and improve deployment before spending more to attract guests. A small midweek event can then be tested against its own contribution target.

Venue context

One 70-cover bar and kitchen trading six days a week. Food and drink, a small events offer and a website with a booking link. The review covers four comparable weeks; unusual events are identified separately. Every venue detail, observation and figure in this report is invented for demonstration.

Recommendation

Start with a weekly stock reconciliation and sales-by-hour rota review. Test a midweek event only when its staffing and promotion costs have been agreed. Fix guest-facing digital friction alongside those tasks, but do not treat a better website as proof of additional revenue.

What the paying venue receives

An agreed commercial baseline; evidence-led findings and data gaps; worked opportunity scenarios; an ordered improvement plan with owners, measures and review dates; and a clear distinction between actions the team can own and separately scoped support. The exact coverage and any discussion or follow-up are agreed in writing before work begins.

Commercial terms

Venue Yield Reviews start from £1,495. VAT treatment, total price, timing, remote or on-site delivery, travel and included follow-up are confirmed in the written scope. Implementation and ongoing support are separate. Focused support can also be scoped around your individual needs.

02 / Evidence and confidence

A useful review explains where its numbers came from. In a real engagement, these records would be supplied by the venue and reconciled before recommendations are made. This fictional pack assumes the following evidence.

Source	What it supports	Example limitation
28 days of EPOS exports	Net sales, product mix and hourly demand	Refund and discount coding needs review
Opening / closing stock and purchases	Actual cost of sales	Two transfer entries unresolved
Payroll and paid rota hours	Labour cost and deployment	Management time split is estimated
Invoices and overhead schedule	Other operating costs	No cash-flow or balance-sheet review
Bookings, website and social links	Guest journey observations	No reliable conversion attribution

Confidence labels

Higher confidence: the sales and payroll totals reconcile to the illustrative source records. Moderate confidence: stock variance requires transfer checks and comparable counts. Lower confidence: event demand and digital uplift have not been demonstrated. Confidence concerns the evidence, not the certainty of future improvement.

Comparison rules

Use consistent net-of-VAT figures where VAT is recoverable. Include employer on-costs in labour. Match stock periods and account for transfers, wastage, discounts and refunds. Compare similar days and identify closures, special events and seasonality. Do not compare four weeks with a calendar month as if they are identical.

Boundaries

This is an operating illustration, not a valuation, financial audit or tax assessment. Financing, tax, depreciation, capital expenditure and working-capital movements are outside the illustrated operating result. A Venue Yield Score is withheld here because customer, capital and utilisation evidence is incomplete.

03 / The commercial baseline

Four-week operating snapshot. The venue has room to improve, but sales alone do not explain the return. All figures are fictional and use a consistent net-of-VAT basis.

Measure	Four-week baseline	Calculation / basis
Net sales	£72,000	EPOS after discounts and refunds
Cost of sales	£23,040	Opening stock + purchases - closing stock
Gross profit	£48,960 / 68.0%	£72,000 - £23,040
Paid labour	1,440 hours / £23,760	Includes employer costs; £16.50 per hour
Labour / sales	33.0%	£23,760 ÷ £72,000
Sales per paid labour hour	£50.00	£72,000 ÷ 1,440
Other variable operating costs	£6,480	9.0% of sales in this example
Contribution before fixed costs	£18,720	£48,960 - £23,760 - £6,480
Shared fixed operating costs	£13,500	Rent, rates and allocated overheads
Illustrated operating result	£5,220 / 7.25%	Before financing, tax and depreciation

What this tells us

The venue is generating contribution above its allocated fixed operating costs. The immediate question is how to protect that return reliably. A good weekend can hide weaker sessions, and a favourable gross-profit percentage can still conceal stock errors.

What it does not tell us

£5,220 is not cash generated or distributable profit. Supplier payment timing, debt repayments, tax, equipment spending and working capital can change the bank balance without changing this operating snapshot.

04 / Findings worth acting on

Priorities combine the quality of evidence, potential contribution, effort and operational risk. Each finding has a validation step before the venue commits to a wider change.

Priority 1 · Reconcile stock before changing prices

Example evidence: actual gross profit is 68%; a recipe-and-mix model suggests 70%, but two transfers are unresolved. The two-point difference is a diagnostic gap, not a proven loss. Reconcile transfers, recipe costs, waste and count units. Owner: general manager and bar lead. Measure: weekly actual GP, variance by product and unresolved stock entries. First review: day 14. Foundry support: stock, recipe and margin analysis if needed.

Priority 2 · Align quiet-session staffing with demand

Example evidence: a Tuesday session generates £900 sales, £315 cost of sales, £450 labour across 30 paid hours and £45 other incremental costs. Contribution before fixed costs is £90. If two hours are genuinely avoidable at this session's £15 hourly cost, contribution becomes £120, with all else unchanged. Review demand by hour, preparation, breaks and safe coverage before reducing time. Owner: venue manager. Measure: paid hours, sales, service issues and session contribution. First review: after four comparable Tuesdays. Foundry support: rota and session economics.

Priority 3 · Test a midweek reason to visit

Example evidence: the room has spare midweek capacity, but demand for a new event is unproven. Run two small, separately tracked sessions with a booking target, fixed promotion budget and a stop rule. Owner: marketing lead and duty manager. Measure: incremental net sales, direct costs and contribution, including displaced normal trade. First review: after each event. Foundry support: offer development, social campaign and event artwork.

Priority 4 · Remove friction before buying more traffic

Example observation: the menu is an old image download and the website and Instagram bio use different booking destinations. Confirm the current menu, repair the links and test on mobile. Owner: website or marketing lead. Measure: successful test bookings, menu access and properly configured booking conversion reporting. Review: day 14. Foundry support: website fixes, SEO, consistent social presentation and artwork. No revenue uplift is claimed without measurement.

05 / Worked opportunity scenarios

These are conditional calculations, not forecasts or guaranteed savings. Validate the cause first. Use the same four-week period throughout and avoid counting the same improvement twice.

Scenario	Arithmetic	Four-week contribution effect
Recover 1 GP percentage point	£72,000 × 1%	£720 if sales and other costs hold
Avoid 6 paid hours per week	6 × 4 × £16.50	£396 if genuinely avoidable
Two incremental events	2 × (£400 - £128 - £99 - £60)	£226 before shared fixed costs
Combined illustration	£720 + £396 + £226	£1,342 before implementation costs

Stock: prove the cause

The example models recovery of one point, not the full two-point recipe gap. If the difference is a counting or transfer error, there may be no cash benefit to recover. Do not apply the improved baseline GP assumption to event sales again; event cost of sales is separately modelled at 32%.

Labour: distinguish capacity from savings

The wider six-hour weekly scenario must be supported by the hourly rota analysis. It is separate from the single-Tuesday two-hour illustration, so do not add that illustration again. If hours move elsewhere but remain paid, the cash saving is zero. Retain service quality, required breaks, preparation and safe staffing.

Events: establish the break-even point

Each event assumes £400 genuinely incremental net sales, 32% cost of sales, six extra paid hours at £16.50 and £60 promotion. Contribution is £113. Break-even sales are (£99 + £60) ÷ 68% = £233.82. Include card fees or other incremental costs if not already allowed for; deduct displaced normal trade.

Stress test

At half the assumed GP recovery and three avoidable hours weekly, the baseline opportunity is £360 + £198 = £558. At £250 sales per event, two events add only £22 before any omitted costs. The combined cautious illustration is £580; if nothing changes, the benefit is £0.

06 / Investment and decision rules

An opportunity is only useful if the benefit justifies the work, cost and risk. Separate the review fee from the cost of making changes.

Illustrative decision input	Amount	Qualification
Review starting price	£1,495	Actual agreed fee and VAT may differ
Assumed one-off implementation	£600	Planning assumption, not a Foundry quote
Assumed ongoing cost per four weeks	£120	Planning assumption, not a package price
Central net contribution scenario	£1,222	£1,342 less £120 ongoing cost
Cautious net contribution scenario	£460	£580 less £120 ongoing cost
Illustrated initial investment	£2,095	£1,495 + £600; before any applicable VAT

A conditional payback illustration

If all central assumptions hold and benefits start immediately, £2,095 ÷ £1,222 is about 1.7 four-week periods. On the cautious scenario it is about 4.6 periods. This is arithmetic, not a promised payback period. Delays, tax, VAT, omitted costs and adverse effects would change it. Zero benefit means no payback.

Go / pause / stop

Proceed with stock reconciliation because it improves the evidence. Trial staffing changes only after coverage is checked; reverse them if service or safety deteriorates. Run an event only with a measured break-even plan. Pause further advertising if the booking journey fails. Do not approve a website rebuild solely because a free scan flags a missing tag.

Who does the work?

The venue can own stock counts, rota checks and content updates. The Foundry can scope commercial analysis, SEO, social management, artwork or website implementation where useful. Each option needs an agreed deliverable, fee and measure of success; none is automatically included in the review.

07 / The OperatorOS improvement plan

The sequence is Baseline / Diagnose / Quantify / Prioritise / Optimise / Measure. Start with dependable evidence, then small tests, then repeat what the figures support.

When	Action and accountable owner	Completion / decision measure
Days 1-7	GM: reconcile sales, purchases and stock	Transfers resolved; consistent weekly baseline
Days 8-14	Venue manager: review rota by sales hour	Trial agreed with safe service coverage
Days 8-14	Marketing lead: fix menu and booking links	Current menu; successful mobile test booking
Days 15-30	Duty manager: trial two midweek events	Each event's incremental contribution recorded
Days 31-60	GM: compare four like-for-like weeks	Actual GP, hours and service vs baseline
Days 61-90	Operator: decide what to continue or stop	Evidence-led budget and next priorities

Weekly review agenda

Check sales and GP first, then paid hours and session contribution. Note service issues, stock anomalies and unusual trading. Review the event contribution separately. Update the action owner and next decision date. Keep the meeting focused on exceptions and decisions rather than collecting more reports.

Escalation

Missing records are a task, not a zero. Assign an owner and a date to fill each gap. If results cannot be compared fairly, extend the observation period and document why. Do not present the original scenario as an achieved saving.

08 / The follow-through dashboard

This is the reporting sheet the fictional venue would use next. The 'after' column is intentionally blank: there are no invented results.

Measure	Baseline (four weeks)	After / review rule
Net sales	£72,000	Record actual; explain trading changes
Gross profit	68.0%	Reconcile counts and product mix
Paid labour hours	1,440	Check cash cost and service together
Sales per paid labour hour	£50.00	Interpret alongside service and product mix
Operating result, stated basis	£5,220	Include implementation and ongoing costs
Event contribution	Not established	Separate event P&L and displaced trade
Digital booking conversion	Not measured	Configure and validate before reporting uplift

Acceptance criteria for the review

The operator can explain the baseline, trace each recommendation to evidence, see the calculation and assumptions behind an opportunity, and identify who owns each next step. Unanswered questions are visible. No composite Venue Yield Score is supplied until sufficient evidence and an agreed scoring basis support it.

What happens next

Bring the report to the team and agree the first actions. Continue internally, commission a focused implementation project, or discuss ongoing support if needed. There is no requirement to buy a retainer. This sample shows the approach; your venue's review is scoped around its own records and decisions.

Start with the right level of help

Free Digital Yield Review: an automated public website and link check. Focused advice and implementation: quoted around your needs. Venue Yield Review: from £1,495 for the agreed commercial baseline, diagnosis and plan. Visit thefoundryhospitality.com/contact to discuss the right starting point.