GREGORY ANALYTICS · CHARTERED ACCOUNTANT (ICAEW)

SAMPLE BUSINESS PLAN

Lumière Skin Clinic Ltd

Start-up plan and three-year forecast supporting a £25,000 Start Up Loan application

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Illustrative example only. Lumière Skin Clinic is a fictional business and all figures are made up, to show the format and depth of a typical plan.

1. Executive summary

Lumière Skin Clinic Ltd will offer non-surgical skin treatments (facials, chemical peels, microneedling and laser hair removal) from a rented treatment room inside an established high-street salon. The founder is a qualified aesthetic practitioner with six years' experience at a larger clinic and an existing base of around 40 regular clients.

The company is seeking a **£25,000 Start Up Loan**, alongside **£5,000 of the founder's own savings**, to buy equipment, fit out the room and fund the first months of trading.

£72.0k	£136.5k	£24.4k	14 / week
Year 1 revenue	Year 3 revenue	Year 2 profit before tax	Clients needed to cover all cash costs

WHY IT SHOULD WORK

- The founder brings regular clients from her current role, so bookings start from week one rather than from zero.
- Renting a room inside an established salon keeps fixed costs low and puts the clinic in front of the salon's own customers.
- Treatments are sold as courses, so revenue repeats and builds month by month.
- A gross margin of around 67% leaves room to absorb slower months.

WHAT THE FORECAST SHOWS

- A small loss of (£1,250) in year 1 while the client base grows from 5 to 21 clients a week, then profits of £24,387 and £28,029 before tax in years 2 and 3.
- The bank balance never goes overdrawn in the base case, but falls to £1,063 in month 5. The plan therefore includes a £5,000 overdraft as a safety net (section 10).
- The loan is repaid in full over five years at the scheme's fixed rate of 7.5%, with monthly repayments of £501 covered from trading income from month 6.

2. Funding request and loan repayment

Uses of funds	
Laser & skin devices	£12,000
Treatment room fit-out	£5,000
Opening stock	£2,500
Website & launch marketing	£2,000
Working capital	£8,500
Total	**£30,000**

Sources of funds	
Start Up Loan (5 years, 7.5% fixed)	£25,000
Founder's savings (share capital)	£5,000
Total	**£30,000**

The founder is investing £5,000 of her own money, one sixth of the total, and will draw a modest salary of £1,200 a month in the first year so that more cash stays in the business.

LOAN REPAYMENT SCHEDULE

	Repayments	Interest	Capital	Balance at year end
Year 1	£6,011	£1,374	£4,638	£20,362
Year 2	£6,011	£1,088	£4,924	£15,439
Year 3	£6,011	£784	£5,227	£10,212
Year 4	£6,011	£462	£5,550	£4,662
Year 5	£6,011	£119	£5,892	–

Monthly repayment £500.95. Total interest over the five years is £5,057.

AFFORDABILITY

- From month 6 the clinic's trading income covers all costs, including the loan repayment.
- In year 2, cash from trading is £29,184 against loan repayments of £6,011, covering them 4.9 times.
- The founder's existing clients reduce the risk of a slow start, and the overdraft covers the downside cases in section 10.

3. The business and its services

THE FOUNDER

The founder is a Level 7 qualified aesthetic practitioner who has spent six years at a busy clinic, where she built a loyal following of around 40 regular clients. She will run all treatments herself, supported by an online booking system and a part-time bookkeeper.

LEGAL STRUCTURE

Lumière Skin Clinic Ltd, a private limited company owned 100% by the founder. Insurance covers treatment risk, public liability and equipment.

PREMISES

A dedicated treatment room inside an established hair and beauty salon on the high street, rented at £1,100 a month including use of reception and waiting areas. The agreement runs for 12 months with three months' notice either side.

OPENING HOURS

Tuesday to Saturday, including two late evenings a week, to suit working clients.

SERVICES AND PRICES

Treatment	Price	Time	Typical course
Signature facial	£70	60 min	Monthly
Chemical peel	£95	45 min	Course of 3–6 (course of 3: £255)
Microneedling	£160	60 min	Course of 3 (£430)
Laser hair removal (small area, e.g. upper lip)	£60	20 min	Course of 6 (£300)
Laser hair removal (large area, e.g. full legs)	£170	45 min	Course of 6 (£900)
Blended average per visit used in forecast	**£90**		

The forecast uses a blended average of £90 per visit, plus skincare product sales equal to 8% of treatment income.

LOCAL PRICE SURVEY

Clinic (real, prices published October 2026)	Town	Treatment	Price
Epsom Skin Clinics	Epsom	Laser upper lip / full legs, single; full legs course of 6	£80 / £399; £1,436
Tama Aesthetics	Epsom	Laser upper lip / underarms / full legs, single	£30 / £29 / £160
SKN Clinics (chain)	Epsom area	Laser upper lip single / course of 8; full legs single / course of 6	£70 / £280; £300 / £659.70
SKN Clinics (chain)	Epsom area	Glycolic peel single / course of 6; microneedling single / course of 6	£110 / £540; £200 / £900
Reigate Aesthetics	Reigate	Microneedling facial / glycolic peel / chemical peel / Hydrafacial	£89 / £69 / £100 / £150
BALM Clinic	Guildford	Microneedling facial; laser per area	£85; £12–£113
Kingswood Aesthetics	Tadworth	Chemical peel	£80

Published prices fall into three tiers: salons and chains (upper lip about £30, full legs £160–£180 a session), mid-market clinics (£70 / £300) and medical-grade clinics (£80 / £399). Course prices are far lower per session than single visits, so the forecast is built on course prices. The clinic prices between the mid-market and medical tiers.

4. Market and competition

The UK non-surgical aesthetics market is estimated at around £3.2 billion and growing at 8–9% a year (Aesthetic Source, 2026); other estimates range from about £1 billion for medical aesthetics alone to £3.6 billion, so the plan relies on local demand rather than the national headline. There were 34,158 provider locations in the UK in April 2026, of which only about 36% are registered with a healthcare regulator (Rare Consulting, April 2026): qualifications, insurance and a clinical setting are therefore a genuine point of difference for a small clinic.

The clinic will serve a fictional market town of around 40,000 people and its surrounding villages. Treatments have become routine for clients in their 20s to 50s as prices have fallen. The clinic's target clients are working women aged 25–55 within a 5-mile radius who want clinical results at a mid-range price.

REGULATION

On 7 August 2025 the government confirmed a licensing scheme for non-surgical cosmetic procedures in England under the Health and Care Act 2022: a red, amber and green classification, local-authority licences for practitioners and premises, and an 18-and-over rule. As at October 2026 the regulations have not yet been made and no scheme is in force. Facials, microneedling and non-ablative laser hair removal are expected to fall in the green tier; the clinic budgets for practitioner and premises licence fees once they are set and will not offer injectables without a prescriber. Since 1 June 2025, remote prescribing of cosmetic injectables has been prohibited.

Client retention is assumed at 60%, in line with Phorest's salon benchmark of 58% overall retention and 30% for new clients. Prices are set against the local price survey in section 3.

COMPETITORS

Competitor (fictional)	Type	Price level	Our edge
Clinic A	Medical aesthetics clinic, 4 miles	High	Lower prices, evening appointments
Salon B	Beauty salon with basic facials	Low	Clinical-grade peels and laser
Clinic C	Laser-only chain branch	Medium	Wider treatment menu, same practitioner every visit

SWOT ANALYSIS

Strengths

- Experienced founder with existing clients
- Low fixed costs (rented room)
- High gross margin (~67%)

Weaknesses

- Single practitioner
- Small marketing budget
- New brand with no reviews yet

Opportunities

- Host salon's existing customers
- Repeat courses build steady income
- Add a second practitioner in year 3

Threats

- Local competition on price
- Discretionary spend falls in a downturn
- Changes to aesthetics licensing rules

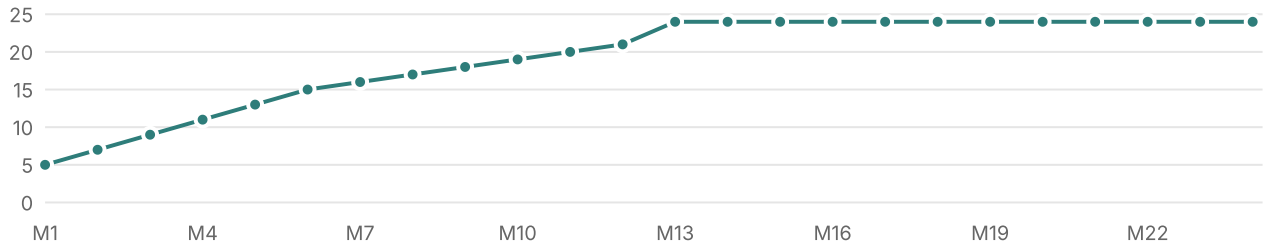
5. Marketing and operations

MARKETING PLAN

Channel	Monthly budget	Purpose
Instagram & Facebook ads	£300	New clients within 5 miles
Google Business profile & reviews	£0	Local search and trust
Salon cross-promotion	£100	Offer to the host salon's clients
Referral reward (£10 credit)	£150	Turn clients into referrers
Printed leaflets & events	£50	Local awareness
Total	**£600**	

Launch: a £2,000 opening campaign (website, photography and an introductory offer to the founder's existing clients and the salon's customer list) in the month before opening.

CLIENT GROWTH



Clients per week, months 1–24.

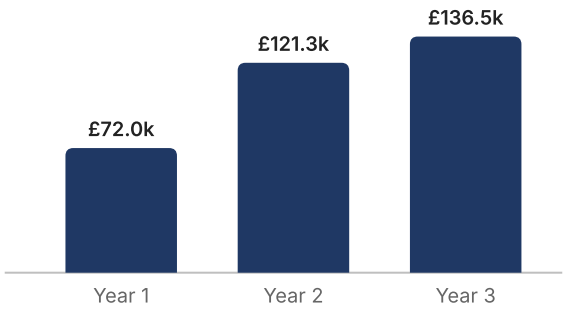
KEY MILESTONES

When	Milestone
Month −2	Start Up Loan approved; equipment ordered
Month −1	Room fitted out; insurance and booking system live; launch offer to existing clients
Month 1	Open; target 5 clients a week
Month 6	Cash break-even at around 15 clients a week
Month 12	21 clients a week; first Google review target of 50 reviews
Year 2	VAT registration when rolling 12-month sales pass £90,000; review prices
Year 3	Consider second practitioner or second room

6. Profit and loss forecast

	Year 1	Year 2	Year 3
Revenue	£72,025	£121,306	£136,469
Cost of sales	(£23,935)	(£40,312)	(£45,351)
Gross profit	**£48,090**	**£80,994**	**£91,118**
Gross margin	67%	67%	67%
Overheads	(£26,400)	(£27,720)	(£29,040)
Director's salary	(£14,400)	(£21,600)	(£26,400)
Employer's National Insurance (15% above £5,000)	(£1,410)	(£2,490)	(£3,210)
Launch marketing & website	(£2,000)	–	–
EBITDA	**£3,880**	**£29,184**	**£32,468**
Depreciation	(£3,400)	(£3,400)	(£3,400)
Loan interest	(£1,730)	(£1,397)	(£1,039)
Profit / (loss) before tax	**(£1,250)**	**£24,387**	**£28,029**
Corporation tax (19%)	–	(£4,396)	(£5,326)
Profit / (loss) after tax	**(£1,250)**	**£19,991**	**£22,703**

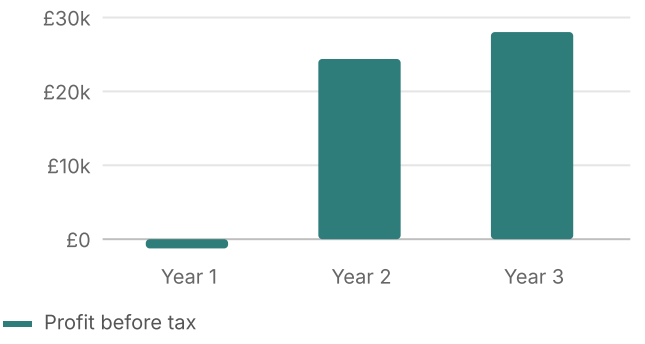
REVENUE BY YEAR



READING THE NUMBERS

- Year 1 includes £2,000 of one-off launch costs and the ramp-up from 5 to 21 clients a week.
- Year 2 is the first full year at around 24 clients a week.
- The year 1 tax loss is carried forward against year 2 profits.
- The company is expected to register for VAT during year 2; figures are shown excluding VAT.

PROFIT BEFORE TAX BY YEAR



7. Balance sheet and cash flow

FORECAST BALANCE SHEET

At year end	Year 1	Year 2	Year 3
Equipment and fit-out (net)	£13,600	£10,200	£6,800
Stock	£2,500	£2,500	£2,500
Cash at bank	£8,369	£31,541	£53,602
Total assets	**£24,469**	**£44,241**	**£62,902**
Start Up Loan outstanding	(£20,718)	(£16,104)	(£11,132)
Corporation tax due	–	(£4,396)	(£5,326)
Net assets	**£3,750**	**£23,741**	**£46,444**
Share capital	£5,000	£5,000	£5,000
Retained profits / (losses)	(£1,250)	£18,741	£41,444
Shareholder's funds	**£3,750**	**£23,741**	**£46,444**

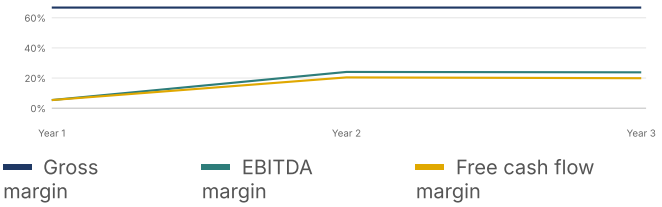
ANNUAL CASH FLOW

Year to	Year 1	Year 2	Year 3
Opening cash	£8,500	£8,369	£31,541
Cash from trading (before launch costs)	£5,880	£29,184	£32,468
Loan interest paid	(£1,730)	(£1,397)	(£1,039)
Corporation tax paid	–	–	(£4,396)
Loan capital repaid	(£4,282)	(£4,614)	(£4,972)
Closing cash	**£8,369**	**£31,541**	**£53,602**

Year 1 opening cash of £8,500 is the £30,000 raised less £21,500 spent on equipment, fit-out, opening stock and launch. Equipment and fit-out are written off over five years.

MARGINS, FREE CASH FLOW AND RETURN ON CAPITAL

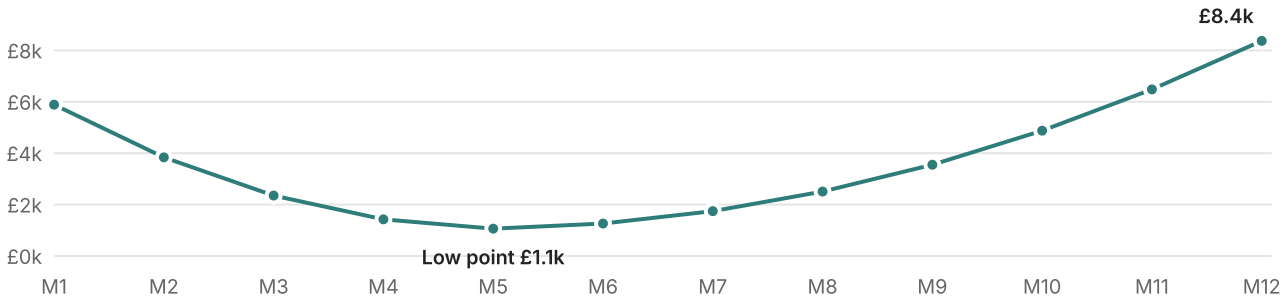
	Year 1	Year 2	Year 3
Revenue	£72,025	£121,306	£136,469
Gross margin	67%	67%	67%
EBITDA margin	5%	24%	24%
Net profit (after tax) margin	-2%	16%	17%
Free cash flow (EBITDA less the tax charge for the year; no further capital spending)	£3,880	£24,788	£27,143
Free cash flow margin	5%	20%	20%
Capital invested at start of year: shareholders' funds	£5,000	£3,750	£23,741
plus Start Up Loan outstanding	£25,000	£20,718	£16,104
less cash at bank	(£8,500)	(£8,369)	(£31,541)
Total capital invested (equity plus debt less cash)	£21,500	£16,100	£8,304
Operating profit after tax (NOPAT: profit before interest, less tax)	£480	£21,388	£23,743
Return on invested capital (NOPAT ÷ capital invested)	**2%**	**133%**	**286%**



A treatment business carries little capital, so once the client base is built the return on the £30,000 invested is high and almost all of the profit turns into cash. Free cash flow equals EBITDA in year 1 only because the year-1 loss means no tax is charged; from year 2 the gap is the tax charge. Free cash flow sits above the net profit because depreciation is a non-cash cost and no further capital spending is planned. Tax is actually paid nine months after each year end, so cash at bank lags free cash flow by a year.

8. Monthly cash-flow forecast

BANK BALANCE AT EACH MONTH END, YEAR 1



Month	Clients / wk	Income	Cost of sales	Overheads & salary	Loan (int + cap)	Net cash flow	Closing cash
M1	5	£2,106	(£700)	(£3,400)	(£501)	(£2,495)	**£5,888**
M2	7	£2,948	(£980)	(£3,400)	(£501)	(£1,932)	**£3,838**
M3	9	£3,791	(£1,260)	(£3,400)	(£501)	(£1,370)	**£2,350**
M4	11	£4,633	(£1,540)	(£3,400)	(£501)	(£807)	**£1,426**
M5	13	£5,476	(£1,820)	(£3,400)	(£501)	(£245)	**£1,063**
M6	15	£6,318	(£2,100)	(£3,400)	(£501)	£317	**£1,263**
M7	16	£6,739	(£2,240)	(£3,400)	(£501)	£599	**£1,744**
M8	17	£7,160	(£2,380)	(£3,400)	(£501)	£880	**£2,507**
M9	18	£7,582	(£2,519)	(£3,400)	(£501)	£1,161	**£3,550**
M10	19	£8,003	(£2,659)	(£3,400)	(£501)	£1,442	**£4,875**
M11	20	£8,424	(£2,799)	(£3,400)	(£501)	£1,724	**£6,481**
M12	21	£8,845	(£2,939)	(£3,400)	(£501)	£2,005	**£8,369**

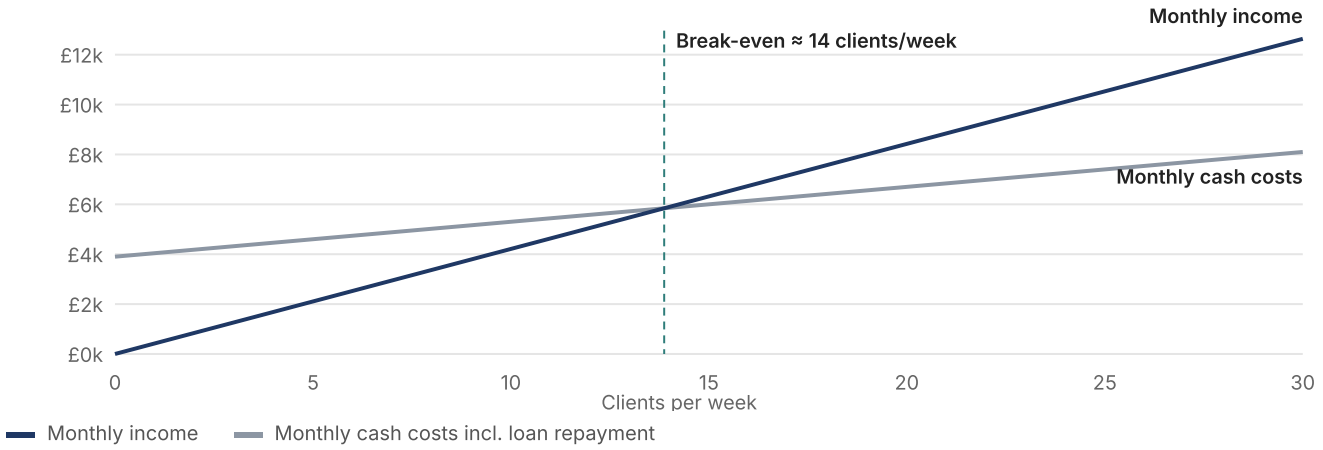
YEARS 2 AND 3 BY QUARTER

Quarter	Income	Costs & loan	Net cash flow*	Closing cash
Y2 Q1	£30,326	(£23,911)	£5,793	**£14,162**
Y2 Q2	£30,326	(£23,911)	£5,793	**£19,955**
Y2 Q3	£30,326	(£23,911)	£5,793	**£25,748**
Y2 Q4	£30,326	(£23,911)	£5,793	**£31,541**
Y3 Q1	£34,117	(£26,700)	£6,614	**£38,156**
Y3 Q2	£34,117	(£26,700)	£6,614	**£44,770**
Y3 Q3	£34,117	(£26,700)	£2,218	**£46,988**
Y3 Q4	£34,117	(£26,700)	£6,614	**£53,602**

*Net cash flow includes corporation tax paid in the third quarter of each year.

9. Break-even

BREAK-EVEN POINT



The clinic covers all its cash costs, including the loan repayment, at about **14 clients a week**, which it is forecast to reach in month 6. It covers its accounting costs (including depreciation) at about 14 clients a week.

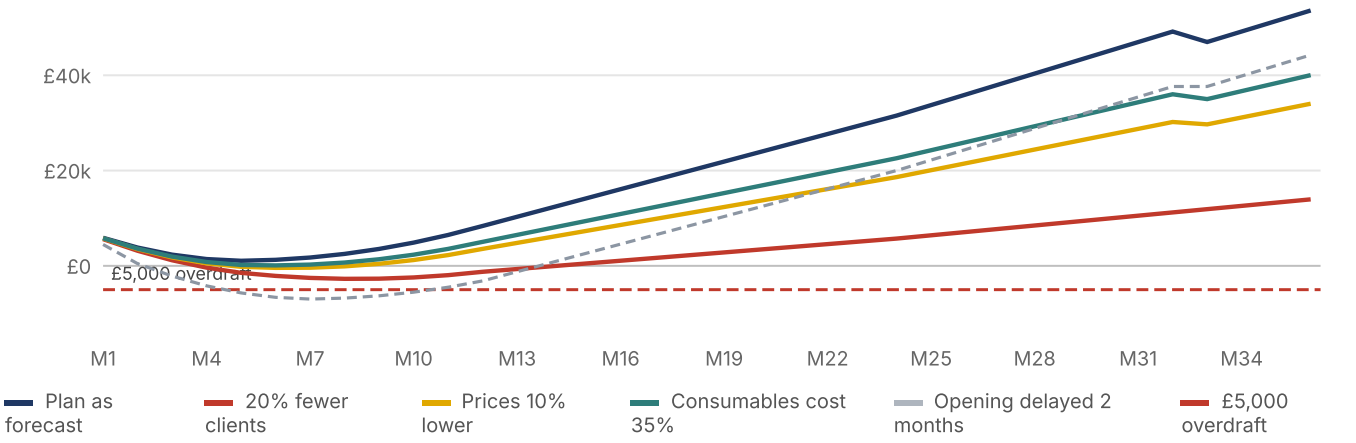
WHAT THE BREAK-EVEN MEANS IN PRACTICE

- At 14 clients a week the founder is working about 15 treatment hours a week, roughly half of the 35-client capacity, so there is room to grow without extra staff.
- Each client above break-even adds about £65 a week of cash, so 5 extra clients a week are worth about £1,406 a month.
- Fixed costs are deliberately low: the room rent is the only large commitment, on a 12-month agreement with three months' notice.

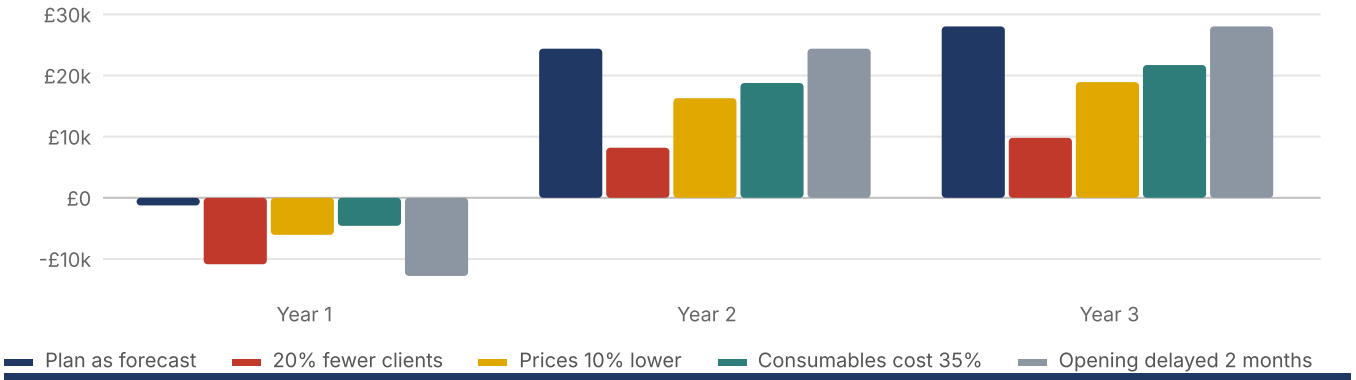
10. What if things go differently?

Each scenario changes one assumption from the forecast and leaves everything else the same. The charts show the bank balance month by month over three years and the profit before tax in each year.

BANK BALANCE AT EACH MONTH END, BY SCENARIO



PROFIT BEFORE TAX BY YEAR



Scenario	Lowest cash (yr 1)	Profit yr 1	Profit yr 2	Cash end yr 3
Plan as forecast	£1,063	(£1,250)	£24,387	£53,602
20% fewer clients	(£2,724)	(£10,868)	£8,188	£13,958
Prices 10% lower	(£424)	(£6,059)	£16,287	£34,035
Consumables cost 35%	£93	(£4,584)	£18,771	£40,034
Opening delayed 2 months	(£6,974)	(£12,780)	£24,387	£44,263

Recommendation from the forecast: in the base case the bank balance is thin in months 3 to 6, and it would go overdrawn in every downside case. Arranging a £5,000 overdraft before opening would cover a 20% shortfall in clients and most of a two-month delay without missing a loan repayment. Even in the weakest case the clinic is profitable again by year 2.

11. Risks and mitigations

Risk	Impact	How the plan handles it
Clients build more slowly	Cash dips below zero by month 5	£5,000 overdraft facility; marketing spend flexed to bookings
Host salon ends the room agreement	Disruption to trading	Three-month notice clause; equipment is portable
Founder unable to work	No income	Income-protection cover; savings buffer
Consumable prices rise	Lower margin	Prices reviewed every six months; supplier alternatives identified
New competitor opens nearby	Price pressure	Focus on repeat courses and loyalty pricing

12. Key assumptions

Assumption	Value	Basis
Average price per visit	£90	Blend of the price list in section 3, set against the local price survey in section 4
Client retention	60% of first-visit clients return; courses of 3–8 sessions	Phorest salon benchmarks: 58% overall, 30% new-client retention
Product sales	8% of treatment income	Founder's experience at current clinic
Clients per week	5 rising to 21 in year 1; 24 in year 2; 27 in year 3	Existing clients plus marketing; capacity is around 35 a week
Consumables	30% of treatment income	Supplier price lists
Card fees	1.75% of income	Card provider's published rate
Overheads	£2,200 a month, rising 5% a year	Quotes for rent, insurance and software
Director's salary	£1,200 / £1,800 / £2,200 a month	Kept low in year 1 to protect cash
Start Up Loan	£25,000 over 5 years at 7.5% fixed; no fees	Start Up Loans scheme terms from 6 April 2026 (previously 6%)
Employer's NI	15% of salary above £5,000; no Employment Allowance for a sole-director company	HMRC rates and thresholds 2026/27
VAT	Registration when rolling 12-month sales exceed £90,000 (expected in year 2)	HMRC VAT registration threshold 2026/27
Depreciation	Straight line over 5 years	Expected life of equipment
Corporation tax	19%, paid nine months after year end	Small profits rate

How this plan was prepared

This sample shows the structure and depth of a Gregory Analytics business plan. A real plan is built from the client's own information, completed brief and supporting documents, and every assumption is agreed with the client before the final version.

WHAT EVERY PLAN INCLUDES

- A written plan covering the business, market, competition, marketing and operations
- A three-year profit and loss forecast, balance sheet and cash-flow statement
- A twelve-month cash-flow forecast, plus quarterly forecasts for years 2 and 3
- Funding table and loan repayment schedule
- Break-even analysis and downside scenarios
- Risks, mitigations and a full list of assumptions
- The underlying Excel forecast, so figures can be updated
- For a Start Up Loan application, the lender's own 12-month cash-flow template and personal survival budget, completed from the same figures

SOURCES

Start Up Loans (British Business Bank), What is a Start Up Loan and Changes to interest rate and eligibility: £500–£25,000 per person, 7.5% fixed from 6 April 2026, 1–5 years, no fees (accessed 29 October 2026). · Aesthetic Source, Key trends shaping UK clinics in 2026 (market about £3.2bn, growth 8–9%). · Rare Consulting, Sizing the UK aesthetics market: provider statistics, April 2026. · Aesthetics Journal and Department of Health and Social Care, government response on licensing non-surgical cosmetic procedures (7 August 2025); Aesthetics Unlocked, regulation tracker (June 2026): no statutory instrument yet made. · HMRC, Rates and thresholds for employers 2026 to 2027; VAT registration threshold £90,000; Corporation Tax rates 2026/27. · Bank of England, Bank Rate 3.75% (17 September 2026). · Local price survey, October 2026: Epsom Skin Clinics (via getmarbl.com), Tama Aesthetics (tamavibes.co.uk), SKN Clinics (sknclinics.co.uk/pricing), Reigate Aesthetics (reigateaesthetics.com), BALM Clinic and Kingswood Aesthetics (treatwell.co.uk). · Phorest, salon client retention benchmarks (phorest.com).

ABOUT GREGORY ANALYTICS

Gregory Analytics is run by Simon Gregory, a chartered accountant (ACA) with an ICAEW practising certificate and professional indemnity insurance. After six years in practice and audit, he spent six years as a senior equity analyst and co-fund manager, assessing business plans from the investor's side.

> Lumière Skin Clinic Ltd is a fictional business. All names, figures and competitors in this sample are made up for illustration.