SWELLSPOT UK · SITE 1 · INVESTMENT PROPOSAL

A surf lagoon built at infrastructure cost.

Two back-to-back bays on one plot. One shared energy centre.
A capital plan that retires each unproven component before the build money draws.

£2.36m	£2.42m	£250k
both bays, ex-VAT	capital to open, downside-sized	first cheque (SEIS)

Model v4.0 · 11 September 2026 · Prepared for Expression Capital Partners LLP and process-led co-investors · Confidential

AI concept visualisation · not a design · wave size and crowding illustrative

The proposal on one page

1

Demand is proven. Capital intensity is the risk.

UK surf parks sell sessions. The Wave logged 650,000 in five years, then entered administration in June 2025 over roughly £15m of build loans. We design against that failure.

2

Two bays for £2.36m, built in two steps.

Dig both basins once. Open Bay A. Fit out Bay B from asset finance and Bay A cash only after Bay A clears a trading gate.

3

Returns are modest per site, and stated as such.

Base case: 17.4% project IRR (7.9% with no exit value) and 14.0% to Tranche B investors after EIS relief. The downside survives without new money.

4

Capital follows evidence.

£250k of SEIS money funds the team, site, fixed-price quotes and demand proof. The £1.92m build round draws only after four gates are passed.

THE ASK

£250k

SEIS Tranche A, now. Team, site, quotes, demand proof.

£1.92m

EIS and institutional Tranche B, at Gate 3. Opens Bay A.

£0.25m

Energy asset finance at commissioning.

Illustrative split: founders 25% · SEIS 18% · Tranche B 57% (see page 13)

HOW TO READ A NUMBER

- EVIDENCE — published third-party fact
- VENDOR — SwellSpot specification
- DERIVED — arithmetic on the above
- ASSUMPTION — our call; moves the case
- GATE — met before capital draws

Model v4.0 base case, ex-VAT. The Wave: SoGlos (26 Jun 2025); Travel And Tour World and Yahoo News / Bristol Post (1–2 Jul 2025). IRRs are 10-year, post-tax.

Britain proved the demand. The balance sheets broke.

The Wave, Bristol

EVIDENCE

£26m build, opened 2019. About 650,000 surf sessions and 250,000 surfers in five years. Entered administration in June 2025 over roughly £15m of loans and reopened days later under new owners. Its former CEO said the operating business had traded profitably.

Coleshill, Birmingham

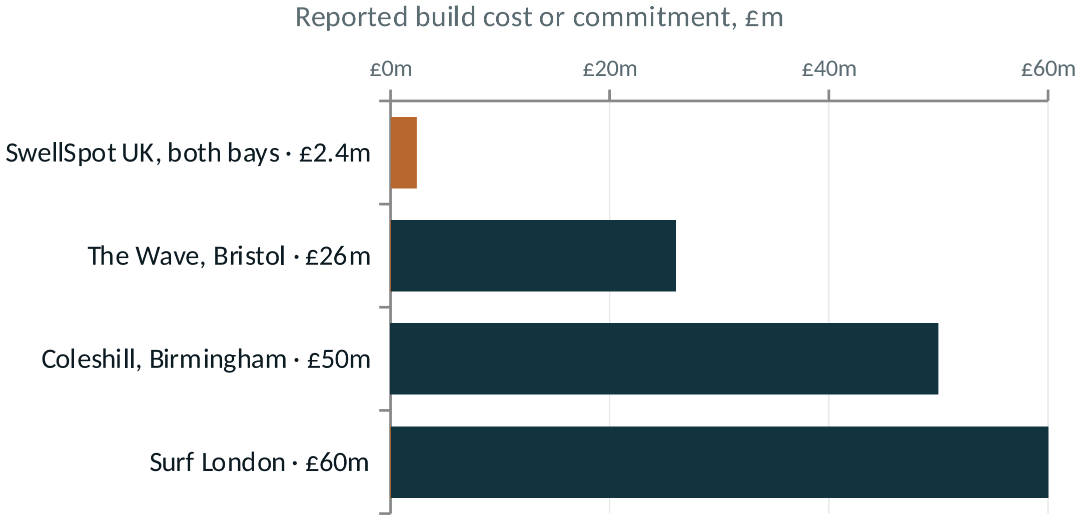
EVIDENCE

Backed by planners in 2020 as a £25m park, with an early-2022 opening planned. Restarted in 2024 as a £50m Stoneweg commitment targeting Q4 2025 and up to 200,000 visitors a year. Opening status to be verified at Gate 1.

Surf London, Lee Valley

EVIDENCE

A £60m, 56-acre Endless Surf park. Approved by Enfield in September 2025, subject to the Mayor. Construction targeted for 2026 and opening for 2027.



5,000

sessions a year per £1m of build

The Wave: ~130,000 sessions on £26m

14,100

rider-hours a year per £1m of build

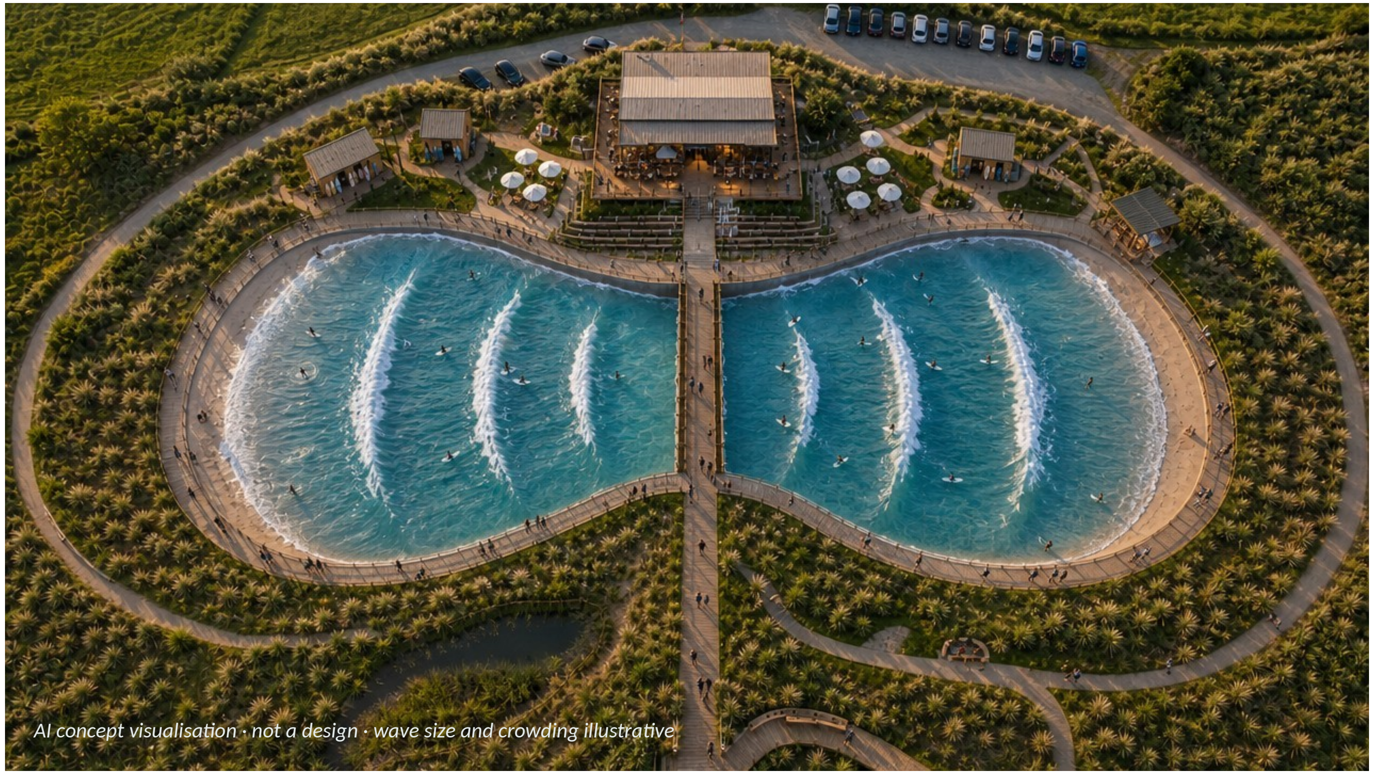
SwellSpot UK stabilised: 33,130 on £2.36m

DERIVED

The risk in this sector has been capital intensity and leverage, not tickets. Every design choice that follows is aimed at that risk.

SoGlos 26 Jun & 23 Jul 2025; The Inertia 2 Jul 2025; Yahoo News / Bristol Post 1 Jul 2025; WavePoolMag 1 Jul 2025; Insider Media & IPE Real Assets 7 Feb 2024; Boardsport Source 27 Jul 2020; Lee Valley Regional Park Authority; Surfer 24 Sep 2025.
Session run-rate = 650,000 ÷ 5.

Two bays, back to back, sharing one plant



BAY A · LEARN

Lessons, families, schools, first green waves. Opens in year 1.

BAY B · PROGRESS

Sessions, members, evening club. Fitted out after the Bay A gate (year 4 in base).

SHARED

Centre pier and plant room, water treatment, energy centre, clubhouse, sauna, café.

VENDOR

A swell every 8.5 seconds

VENDOR

Two plungers per bay, 56 kW each

VENDOR

About 4 ft wave (2 ft learn setting), ~50-yard ride

VENDOR

12,739 sq ft of water per bay; installed in 5–6 months

ASSUMPTION

14 surfers per bay per hour, proven at commissioning

ASSUMPTION

290 trading days, 8.5 surf hours a day

ASSUMPTION

2–3 acre plot including about 80 parking spaces

GATE

Back-to-back geometry confirmed by SwellSpot at Gate 2

VENDOR = SwellSpot technical specification supplied to Surf X; to be contractually guaranteed at Gate 2 and tested over 90 days at Gate 4. Render shows a larger, busier lagoon than the case assumes.

04 · POSITIONING

Built for a weekly habit, not an annual day trip

	Cove-class destination	SwellSpot UK club
Build cost	£26m–£60m	**£2.36m**
Land	15–56 acres	**2–3 acres**
Customer journey	Regional day trip	**Lesson, then session, then membership**
Catchment focus	60–120 minutes	**20–45 minutes**
Energy	Large grid connection	**CHP and battery; smaller connection**
Role in the market	Creates new surfers	**Keeps them surfing every week**

WHAT PEOPLE PAY FOR

- Lessons (Bay A)
- Sessions (Bay B)
- Membership
- Sauna and hot tubs
- Café and retail
- Schools and events

Cabins are an optional, separate property company and are not in the case.

Dig once. Fit out twice.

1 DEVELOP
Months 0–10

£250k

SEIS Tranche A

Finance director, site option, pre-application, fixed-price quotes, demand proof.

At risk: up to £250k

2 BUILD AND OPEN BAY A
Months 10–17

£1.69m

Tranche B + £250k asset finance

Both basins dug, central plant wall, energy centre, clubhouse, Bay A wave plant.

Reserve of £530k held

3 PROVE
Years 1–3

Gate 5

No new capital

Trailing 12 months: Bay A utilisation 45%+, EBITDA run-rate £180k+, wave uptime 97%+.

Miss it: Bay B waits

4 FIT OUT BAY B
Build year 3, open year 4

£670k

£450k asset finance + Bay A cash

Plungers, liner, reef, filtration and kit into the basin already dug.

No new equity

Bay A alone

7.9% project IRR

One bay cannot carry the site, staff and plant. It is a step, not the plan.

Both bays on day one

+£670k equity at risk

More capital committed before a single trading month of evidence.

Phased back-to-back (v4.0)

17.4% project IRR

Bay B is built on evidence, and the downside needs no new money.

Model v4.0. Project IRR: 10-year, post-tax, unlevered, 5.5× year-10 EBITDA exit. Digging the Bay B basin and central wall in Phase 1 (£120k) avoids heavy civils next to an operating bay.

Demand, built from the ground up

WHAT THE TWO BAYS CAN SELL

69,020

rider-hours a year

14 surfers × 2 bays × 8.5 hours × 290 days

VENDOR ASSUMPTION

The case never prints above this cap. Staff and parking bind before the plungers do.

WHAT THE CASE NEEDS

40 a day

Bay A break-even (34% utilisation)

107 a day

Year 5, both bays (45%)

114 a day

Stabilised, both bays (48%)

DERIVED

WHO HAS TO BUY IT

~13,000

paying surfers a year, plus 310 members

That is 0.8% of 8–54-year-olds within 60 minutes of a reference site (2.85m residents). At 1.3 visits a year instead of 2.0, the need rises to ~20,000 (1.2%).

ASSUMPTION

CROSS-CHECKS

EVIDENCE

The Wave: about 130,000 sessions a year, and roughly 2.6 sessions per surfer over its first five years.

DERIVED

Stabilised case = 25% of The Wave's annual sessions, on 9% of its build cost.

GATE

Gate 3 replaces every ring with the optioned postcode's drive-time isochrone, plus 1,500 waitlist names and £200k of escrowed deposits.

Reference rings 0–30 / 30–45 / 45–60 min = 750k / 900k / 1.2m residents, illustrative for the M1/M40 corridor until a plot is optioned; 60% aged 8–54. Non-member sessions = 80% of rider-hours. The Wave: SoGlos, 26 Jun 2025.

Kill criteria come before capital

Criterion	Pass threshold	Evidence at Gate 1
Core catchment	500k+ residents within 30 min	ONS mid-year estimates on a drive-time isochrone
Cove-class competitor	None within 45 min drive	Isochrones to Bristol, Coleshill, Lee Valley
Complementary footfall	Host leisure anchor with 250k+ visits a year	Host trading data or counts
Planning	Leisure use or brownfield; Flood Zone 1; Green Belt only with a clear case	Pre-application response
Utilities	Gas main and 250 kVA import within 500 m	Network budget offers
Tenure and rent	25-year lease; rent at or below 5% of turnover (host) or £30k fixed	Heads of terms
Access	10 min from a motorway or A-road junction; 80 spaces	Transport note

Decision for investors: v3.2 excluded any plot within 90 minutes of a Cove. Once Coleshill and Surf London trade, that rule removes most of the Milton Keynes, Bedfordshire, Northamptonshire and Oxfordshire corridor. v4.0 tests 45 minutes plus local-club positioning, and the Gate 1 isochrone measures the overlap.

HOST-SITE BOLT-ON · PREFERRED

£1.52m	£638k	18.6%
Phase 1 build	Year 5 EBITDA	project IRR

Works only on a turnover rent of 5% or less plus 15% of the host's extra food and drink takings. Shared car park, toilets and café cut the build.

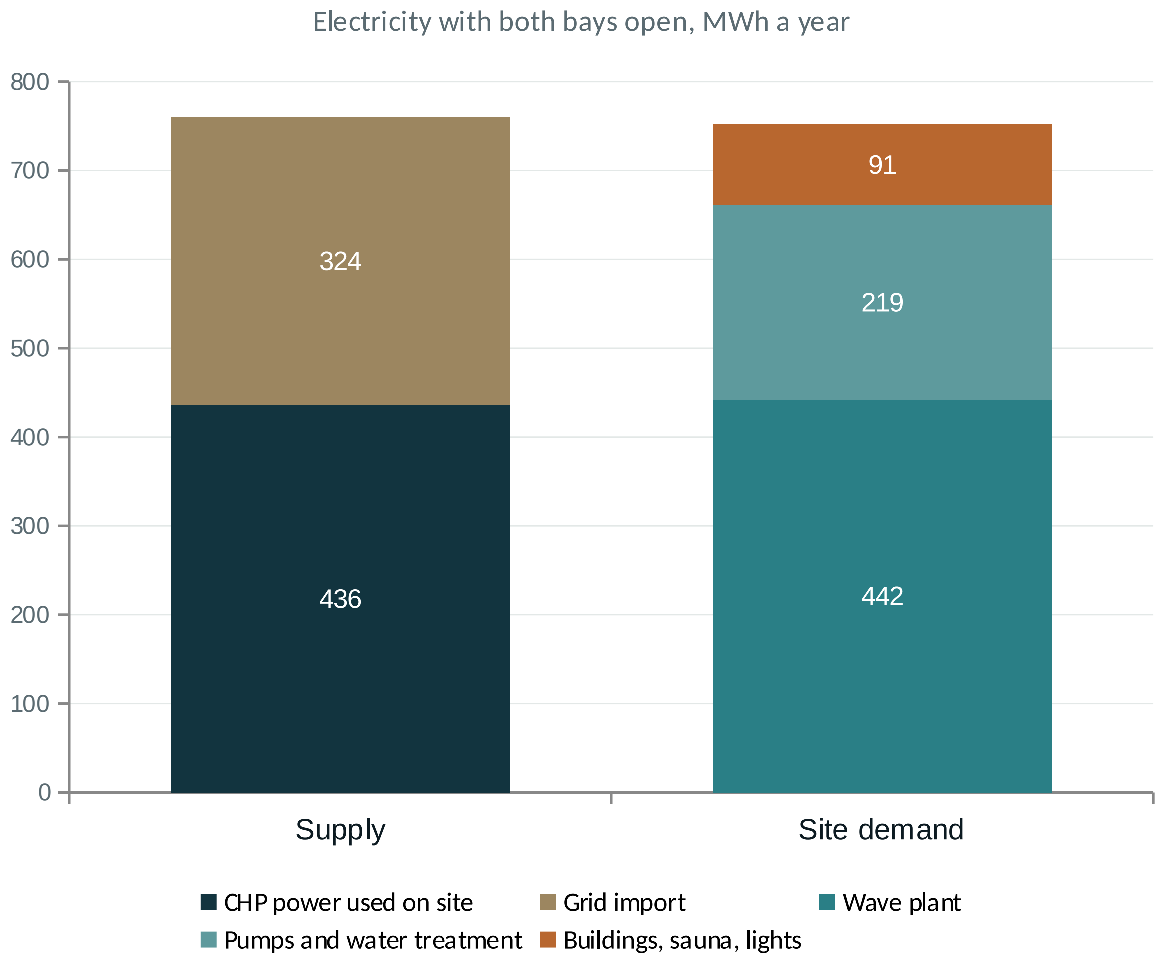
STANDALONE PLOT · BASE CASE

£1.69m	£660k	17.4%
Phase 1 build	Year 5 EBITDA	project IRR

Fixed rent of £30k a year. Includes the Phase 1 clubhouse, café and parking.

Model v4.0, both bays, 10-year post-tax project IRR with 5.5× exit. Host case also assumes 40% → 58% Bay A utilisation from the host's existing footfall; to be evidenced with host data.

Resilience and heat. Not off-grid, and not tropical water.



DERIVED

752 MWh a year of site load. The CHP covers 57%, the grid the rest; 138 MWh of surplus is exported.

DERIVED

860 MWh of recovered heat runs showers, sauna and clubhouse, and adds a few degrees to the bays in spring and autumn.

DERIVED

On a January night one bay loses 600–1,050 kW of heat. The CHP recovers about 135 kW. Winter surfing means wetsuits.

ASSUMPTION

Energy cost £194k a year with both bays, at 6.0p gas, 25p import and 6p export per kWh.

DERIVED

The payoff is a smaller grid connection, backup power and useful heat. Gas ±30% moves project IRR by about one point.

GATE

Skyline DC Energy, where the founder works, may bid for the energy contract. It must beat two independent tenders, with the founder recused.

Hourly (8,760 h) dispatch model: 100 kWe CHP, 250 kW / 500 kWh battery, 97% availability, 100 kW export limit, wave plant at 80% run fraction. Heat loss per the Smith–Löf–Jones outdoor-pool method at 27 °C water, 5 °C air, 1–3 m/s wind.

What it costs, and what it takes to open

Build cost, ex-VAT	£000
PHASE 1 · OPEN BAY A	
Bay A wave plant: two plungers, controls	335
Bay A basin, liner, reef, beach	285
Bay B shell: earthworks, central wall, ducts	120
Water treatment, sized for both bays	85
Energy centre: CHP, battery, heat loop	245
Clubhouse, changing, café (modular)	150
Sauna and hot tubs	28
Site works, parking, drainage, lighting	132
Boards, wetsuits, safety kit, tills	45
Design, planning, CDM, legal	110
Contingency (10%)	150
Phase 1 total	**1,685**
PHASE 2 · FIT OUT BAY B (YEAR 3)	
Bay B plungers and controls	335
Liner, reef, beach	150
Filtration and pumps	45
Kit and changing	40
Fees	40
Contingency	60
Phase 2 total	**670**
Programme total	**2,355**

Uses	£000
Phase 1 build	1,685
Pre-opening, incl. development-stage FD	115
Transaction costs	50
Working capital	40
Downside reserve	530
Capital to open	**2,420**

Sources	£000
SEIS Tranche A (at Gate 0)	250
EIS and institutional Tranche B (at Gate 3)	1,920
Energy asset finance (at commissioning)	250
Total	**2,420**

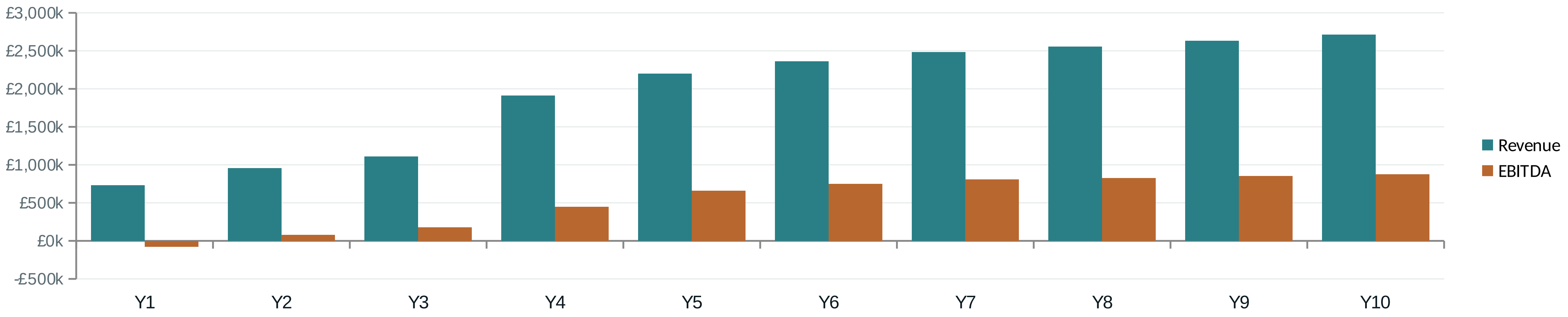
DERIVED The reserve is solved, not chosen: it is the smallest sum that keeps cash above £50k through the downside with no new money.

ASSUMPTION VAT on build invoices (about £100k at peak) is recovered through monthly returns before opening. All revenue is shown net of 20% VAT.

DERIVED Both lagoons' hardware (plant, basins, water treatment) totals £1.36m. Bay B needs no new equity.

All costs are estimates, not quotes. Gate 2 converts each package to a fixed-price contract. Downside: Bay A only, 44% utilisation, prices −5%, gas +20%, £75k overrun beyond contingency.

Base case: Bay B lifts margin from 16% to 30%



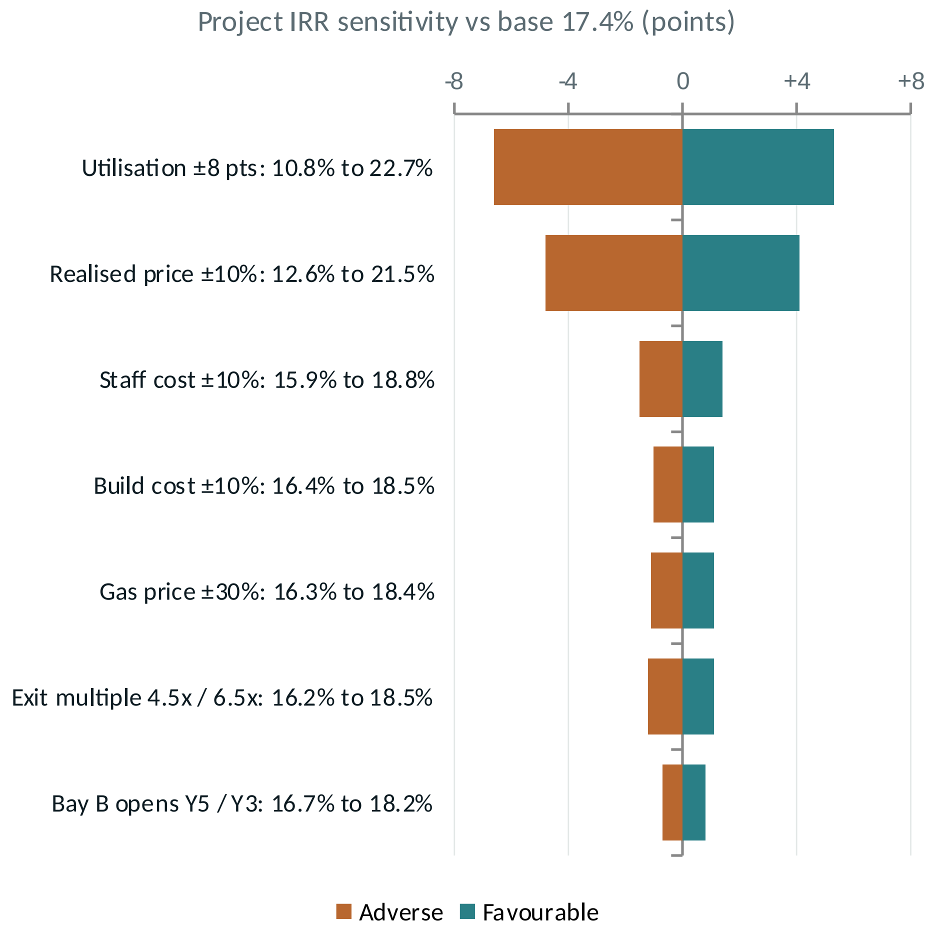
£000	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Revenue	**734**	**957**	**1,112**	**1,913**	**2,202**	**2,363**	**2,483**	**2,557**	**2,634**	**2,713**
Cost of sales	(75)	(98)	(114)	(197)	(225)	(240)	(252)	(260)	(267)	(275)
Staff	(288)	(309)	(327)	(514)	(546)	(572)	(595)	(615)	(637)	(659)
Energy	(121)	(124)	(127)	(209)	(214)	(220)	(225)	(231)	(237)	(243)
Site and operating costs	(205)	(222)	(237)	(315)	(327)	(338)	(349)	(360)	(371)	(382)
Marketing, card fees, licence	(91)	(95)	(99)	(199)	(196)	(210)	(221)	(228)	(234)	(241)
EBITDAR	**(46)**	**110**	**210**	**479**	**693**	**783**	**841**	**864**	**888**	**913**
Rent	(30)	(31)	(32)	(32)	(33)	(34)	(35)	(36)	(37)	(37)
EBITDA	**(76)**	**79**	**178**	**447**	**660**	**749**	**806**	**828**	**852**	**875**
EBITDA margin	**-10%**	**8%**	**16%**	**23%**	**30%**	**32%**	**32%**	**32%**	**32%**	**32%**
Capex (incl. Bay B in Y3)	(8)	(15)	(698)	(48)	(55)	(59)	(92)	(64)	(66)	(68)
Surfers per day	40	50	56	95	107	112	114	114	114	114

Model v4.0, ex-VAT, prices +3%/yr, wages +3.5%/yr. Bay B opens Y4 (shaded columns). Licence fee = 2% of revenue to Surf X Group Ltd (related party). Figures rounded.

Modest per site, stated plainly, stress-tested

	Downside	Base	Upside
Stabilised utilisation	Bay A 44%, no Bay B	**A 52% · B 44%**	A 60% · B 52%
Year 5 EBITDA	£109k	**£660k**	£887k
Project IRR, 5.5× exit	-5.7%	**17.4%**	22.8%
Project IRR, no exit value	-16.2%	**7.9%**	14.0%
Payback (years)	Not within 10	**7.2**	5.9
Tranche B IRR, before relief	-9.7%	**10.0%**	14.0%
Tranche B IRR, after 30% EIS relief	-6.5%	**14.0%**	18.2%
Tranche B multiple	0.34×	**2.50×**	3.43×
SEIS IRR, after 50% relief	4.4%	**26.8%**	31.5%
Lowest cash balance	£58k	**£150k**	£150k

Bay A alone returns 7.9% project IRR, which is why Bay B is the plan rather than the upside. In the downside, an additional-rate EIS investor loses about 20p per £1 after income tax and loss relief.



Model v4.0. 10-year, post-tax. Tranche B = £1.92m for 57%; SEIS = £250k for 18%; founders 25%. Utilisation drives the case; build cost, gas and the exit multiple are second-order. That is why Gate 3 is about demand.

Priced to the cash flows, structured for EIS

Surf X Group Ltd
25% · holds UK/EU licence · 2% licence fee

SEIS investors
18% · Tranche A · £250k

SwellSpot Wave Company (UK) Ltd
Operating company · EIS / SEIS issuer · Site 1

Tranche B investors
57% · EIS individuals + institution under 50%

Energy asset financier
£250k secured on CHP and battery

Optional PropCo for cabins sits outside the EIS company: accommodation is an excluded activity.

Founder stake	30%	25%	20%	15%
Tranche B share for £1.92m	52%	**57%**	62%	67%
Tranche B IRR after EIS relief	12.9%	**14.0%**	15.0%	15.9%
Post-money valuation	£3.69m	**£3.37m**	£3.10m	£2.87m

WHAT £1 COSTS AN ADDITIONAL-RATE TAXPAYER

	SEIS	EIS
Income tax relief up front	**50p**	**30p**
Net cost of £1	**50p**	**70p**
If the whole £1 is lost, after loss relief	**27.5p**	**38.5p**

EIS CONDITIONS BUILT IN

- ✓ HMRC advance assurance before Tranche A closes
- ✓ No company controls the issuer: Surf X Group 25%, institution under 50%
- ✓ Ordinary shares only; no preferences, redemption or guaranteed exits
- ✓ Electricity export and any accommodation stay incidental to the surf trade
- ✓ Funds used for the qualifying trade within the statutory windows

Option for an institutional lead

Commit the £530k reserve as callable, drawn only on defined downside triggers. In the base case it is never called, and Tranche B IRR after EIS relief rises from 14.0% to 16.5%.

Illustrative terms, subject to advice. Relief figures per £1 at 45% income tax, before CGT reinvestment relief. The founder's wider upside sits in the Surf X licence and future sites, not only in this company.

Four unproven components. Capital follows the sequence.

TRANCHE B DRAWS

G0	G1	G2	G3	G4	G5
Team	**Site**	**Cost and technology**	**Demand and consent**	**Commissioning**	**Bay B**
Fractional finance director appointed. Model and data room owned. HMRC advance assurance filed.	Option on a plot that passes the screen. Demand model re-run on that postcode's isochrone.	Two fixed-price quotes per package. SwellSpot contract guarantees swell interval, height and 97% uptime, with milestone payments.	Planning consent. 1,500 waitlist names. £200k refundable deposits in escrow. Five school or club letters of intent.	90-day test against the contract specification before any public sale.	Trailing 12 months: utilisation 45%+, EBITDA run-rate £180k+, uptime 97%+.
AT RISK	AT RISK	AT RISK	AT RISK	AT RISK	AT RISK
£0	≤ £60k	≤ £150k	≤ £250k	Tranche B	£450k finance

If a gate fails: stop, return unspent cash, and SEIS loss relief applies to what was spent. No plant is ordered before Gate 3. No public ticket is sold before Gate 4.

Cumulative capital at risk shown for G0–G3 is the maximum SEIS spend before Tranche B. G5 funds Bay B with asset finance plus Bay A cash.

What changed after process-led diligence feedback

Feedback received	What v4.0 does	Check it on
Projections swung on feedback, not evidence.	One model. Every input tagged Evidence, Vendor, Derived or Assumption. Changes from v3.2 bridged line by line. Claims that failed testing removed.	Pages 16, 20
Raise not sized to the downside; VAT missing.	Reserve solved against the downside cash trough: £530k. Capital to open £2.42m including fees. Revenue net of 20% VAT; build ex-VAT with a timing float.	Pages 10, 12
Demand was top-down.	Capacity, then surfers a day, then paying uniques, then catchment share, cross-checked to The Wave. Postcode isochrone, waitlist and escrowed deposits are Gate 3 conditions.	Pages 7, 8, 14
Four unproven components at once.	Sequenced: team, site, cost and technology, demand. Build money draws after Gate 3; Bay B only after trading proof.	Pages 6, 14
No one owning the financials.	Fractional finance director appointed at Gate 0, paid from Tranche A and then £30k a year in the operating budget. No SEIS draw until engaged.	Pages 14, 17

None of this is a judgement on the concept. It is the method an investor needs to see before any number is believed.

Feedback summarised from a process-led investor who reviewed v3.1 in 2026. Their name is withheld.

Claims we tested and removed

REMOVED

60 surfers at once, 198,000 slots a year

The Wave runs roughly 14–18 advanced surfers per side of a ~180 m lake. The case keeps 14 per bay until commissioning proves more.

REMOVED

65–69% EBITDA margins, 48.6% IRR, 1.8-year payback

A bottom-up cost build (lifeguards per bay, coaches at 1:7, Living Wage, energy, rates, licence) gives 30–32% at stabilisation.

REMOVED

An off-grid microgrid

Two bays draw about 224 kW of wave power and the site imports ~324 MWh a year. The energy centre shrinks the grid connection; it does not replace it.

REMOVED

26–28 °C water keeps January trading

A bay loses 600–1,050 kW on a January night against ~135 kW of recovered heat. The Wave trades all year with wetsuits, boots, gloves and hoods included.

REMOVED

A 6–7 ft advancing bay

SwellSpot's specification is 4 ft. Wave energy rises roughly with height squared: about 2.6× the plunger power at 6.5 ft. Out until the vendor proves it.

REMOVED

"Audited" capex

Nothing is quoted or audited yet. Every figure is an estimate until Gate 2 turns it into a fixed-price contract.

REMOVED

Refundable pre-sales and a founder facility as build funding

These were 55% of v3.2 sources. Build is now funded by committed equity and asset finance; deposits are demand evidence held in escrow.

REMOVED

Founders keep 78% for £1.2m

At that price Tranche B earned about 5% a year in v3.2's own base case. v4.0 prices the round to the cash flows (page 13).

Capacity: Yonder Surf review of The Wave (Oct 2020); The Free Surfer (Mar 2024). Year-round trading and included kit: thewave.com. Heat loss and wave-energy scaling: model v4.0 workings. v3.2 figures: Swellspot UK IM v3.2 (10 Sep 2026).

The people, the gaps, and the conflicts on the table

SG

Scott Graham

Founder, Surf X Group Ltd (exclusive UK/EU SwellSpot licence). Head of New Business at Skyline DC Energy, where he built the energy division. Co-founder of CrestIQ energy monitoring.

WB

Walter Bennett

Inventor and CEO of SwellSpot. Technology partner to Surf X for about a decade.

FD

Fractional Finance Director · Gate 0

Owns the model, VAT, gate file, actual-versus-funnel reporting and the data room. Funded from Tranche A.

GM

General Manager · pre-opening

UK attractions or watersports operator with lifeguarding and safety-management experience.

ID

Investor director · Tranche B

Board seat for the Tranche B lead, with an independent chair as the board grows.

RELATED PARTIES, DISCLOSED

Party	Relationship	Control
Surf X Group Ltd	Licence holder; 2% of revenue fee; founder-controlled	Fee fixed in licence; reviewed by non-founder directors
Skyline DC Energy	Founder employed; may bid for energy EPC or ESCo	Must beat two independent tenders; founder recused
CrestIQ	Founder co-owned; energy monitoring	Market rate or not used; board approval

BOARD RHYTHM

- Monthly: management accounts, cash and gate file
- Quarterly: actual versus demand funnel, by source
- Conflicts register reviewed at every board
- Annual: model re-based to actuals and re-issued

Appointments marked in copper are funded in the plan but not yet made.

Risk register

Risk	What would happen	Mitigation	Residual
Demand below plan	Downside: Y5 EBITDA £109k and Bay B not built	Gate 3 proof on the postcode; host-site footfall; £530k reserve means no new money is needed	Medium
Wave technology at commercial duty	Downtime or weaker rides	Guaranteed performance specification; milestone payments; 90-day commissioning test; warranties	Medium–high
Construction cost and time	Overrun eats the reserve	Fixed-price packages; 10% contingency; +10% build cost = −1.0 point project IRR	Medium
Planning: noise, lighting, Green Belt	Delay or refusal	Pre-application before exercising the option; favour leisure-consented host sites	Medium
Staff cost and lifeguard supply	Margin pressure	+10% staff cost = −1.5 points project IRR; coaching ratios; seasonal rota	Medium
Cove-class competition	Lost share of first-timers	Local club positioning; 45-minute screen; membership model	Medium
Energy prices and grid	Higher cost or connection delay	Gas ±30% = ±1 point project IRR; network offer at Gate 2	Low–medium
Water quality and safety	Closure or liability	UV and automated dosing to pool-water standards; qualified lifeguards; safety management system	Low–medium
EIS status or related-party leakage	Lost relief or value	Advance assurance; excluded activities kept incidental; independent tenders and recusal	Low

Sensitivities from model v4.0 base case. Residual rating is the founder's view after mitigation.

18 · THE ASK

Back the process. Then the build.

£250k now

SEIS Tranche A. Funds the finance director, site option, pre-application, fixed-price quotes and demand proof. Stops if a gate fails.

£1.92m at Gate 3

EIS and institutional Tranche B for 57% (illustrative), plus £250k energy asset finance. Builds both basins and opens Bay A.

£0 more for Bay B

Bay B is funded from asset finance and Bay A cash once trading proves demand.

For Expression Capital: lead or anchor Tranche B, test the reserve as a callable commitment, and open IAAPA operator introductions.

Scott Graham · Founder, Surf X Group Ltd · surfx.co.uk
Walter Bennett · Inventor and CEO, SwellSpot · walterbennett25@gmail.com

AI concept visualisation · not a design · wave size and crowding illustrative

Assumptions register

Input	Base value	Class	Source, and what moves it
Surfers per bay per hour	14	ASSUMPTION	Owner-stated; proven or revised at the Gate 4 commissioning test
Trading days, surf hours	290 days, 8.5 hours	ASSUMPTION	Seasonal calendar in the model; replaced by the operating plan
Bay A utilisation, Y1 → Y5	34% → 52%	ASSUMPTION	Gate 3 postcode demand model; host footfall data
Bay B utilisation, Y4 → Y7	30% → 44%	ASSUMPTION	Gate 5 trading evidence from Bay A
Prices, inc. VAT	Lesson £55 · session £52 · member session £20	ASSUMPTION	Benchmarked to UK surf-park price lists at Gate 1
Membership	£35 a month; 310 members at stabilisation	ASSUMPTION	Founder-membership pre-sales at Gate 3
Discounts and no-shows	8% of ticket value	ASSUMPTION	Booking-system data after opening
VAT	20% on tickets, food and drink, retail	EVIDENCE	Standard rate; for-profit company, no sporting exemption
Food, drink and retail	£7 and £3 net per head; 1.8 visitors per surfer	ASSUMPTION	Host-site data or operator benchmarks
Hourly pay (2028)	Lifeguard £15.50 · coach £17.50 · front of house £14.00	DERIVED	Above National Living Wage, +3.5% a year, 22% on-costs
Salaried team	GM £50k + 2 × £32k; +£32k with Bay B	ASSUMPTION	Recruitment benchmarks at pre-opening
Energy prices	Gas 6.0p · import 25p · export 6p per kWh	ASSUMPTION	Supply offers at Gate 2; ±30% gas tested
Wave plant power	56 kW per plunger, 80% run fraction	VENDOR	Metered at commissioning
Licence fee	2% of revenue to Surf X Group Ltd	ASSUMPTION	Related-party licence; non-founder director review
Rent	£30k fixed, +2.5% a year (standalone)	ASSUMPTION	Heads of terms at Gate 1
Maintenance capex	2.5% of revenue from Y3; £25k CHP overhaul Y7	ASSUMPTION	Vendor maintenance schedules
Corporation tax	19% / marginal relief / 25%; full expensing on plant	EVIDENCE	HMRC rates; capital allowances per advisers
Asset finance; exit	9% over 5 years; 5.5× year-10 EBITDA	ASSUMPTION	Lender terms at Gate 2; exit tested at 4.5–6.5×

Every input sits in the model with its class and source. Evidence moves only if the source moves; assumptions move when a plot is optioned or trading data arrives.

Sources and important notice

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