Sports centre business case email

From: Barbra Johansson

To: Blake Simpson

Date: 5 December 2023

Subject: Business case for the proposed sports centre

Blake,

The proposed community sports centre can only go ahead if the merger steering group approve it. They have asked to see the business case for the proposed community sports centre at their meeting next week, so would you please prepare one?

The business case needs to have the following components:

- A thorough financial evaluation of the proposal, considering the payback period and accounting rate of return on investment over 10 years. I would like to know the net present value over 10 years, too, at an appropriate discount rate;
- Identification of risks during the construction and operating phases and how each of them would be dealt with (you could use the 4Ts model for this);
- Identification and evaluation of non-financial factors that need to be taken into consideration by the steering group; and
- Conclusions and recommendations.

I think you already have information about the estimated cost of building and operating the centre but nothing on the income side. I've attached the notes I made when I read the report from Mortimer & Co, our specialist sports consultants.

Thanks,

Barbra