

Kiddie Kingdom Day Nursery

Kiddie Kingdom Child-minders

Creating a safe, happy and stimulating environment where children play, learn and grow

Business Plan

2015

**21 Dockenfield Close
Bedhampton
Po9 3st**

Table of Contents

1. Business Summary	1
1.1 Business Overview	1
1.2 Service Features.....	1
1.3 Market Analysis	1
1.4 Market Strategy	2
1.5 Key Financial Objectives.....	2
2. Detailed Plan.....	4
2.1 Business Structure.....	4
2.2 Management & Ownership	4
2.3 Key Objectives.....	5
2.4 Market Analysis	5
2.5 The Competitor.....	7
2.6 Product/Service	7
2.7 Service Production.....	7
2.8 SWOT Analysis	7
3. Financial plan	8
3.1 Key Objectives and Financial Review	8
3.2 Establishment Costs	9
3.3 Profit and Loss.....	9
3.4 Cash Flow	9
3.5 Balance sheet	9
3.6 Break even analysis	9
4. Supporting Documentation	9
5. Action Plan.....	9

1. Business Summary

1.1 Business Overview

Kiddie Kingdom Day Nursery is a new business and extended from the success of the current business Kiddie Kingdom Child-minders a privately operated day nursery specialising in care for children of varying ages, still currently open and active.

Due to the popularity and success of Kiddie Kingdom Child-minders the Principal operator Mrs Emma King is seeking to expand the business operations and rename the business Kiddie Kingdom Day Nursery, to reflect the new direction and expansion she feels necessary to achieve continued business success.

Kiddie Kingdom Day Nursery will be targeting the Bedhampton and surrounding areas of Leigh Park, Waterloo, Emsworth and West Leigh to expand the business as there are opportunities for the special age group that will be targeted. These opportunities have presented following market research and the fact the current business is now full with a waiting list.

An aim set for 2015 is to expand the business operations, rename the current business and increase and expand the numbers of children and broaden the age groups from the existing standard.

Mrs King has developed an enviable reputation as her current centre has offered outstanding care to many children and she now feels it is time to expand the business to cater to the market needs for child care.

It is time to expand, grow and develop a business that market analysis confirms offers the very best opportunity for success.

All staff, including Mrs King, are highly trained and skilled to accommodate the proposed expansion.

1.2 Service Features

Kiddie Kingdom Day Nursery will offer child minding services specialising in these categories:

Babies and toddlers, Pre-school and After school care and have 40 spaces available.

1.3 Market Analysis

While Kiddie Kingdom Day Nursery will continue to offer child care services the business wishes to expand and develop a centre in Bedhampton and create 40 spaces for children 0 – 8 years. To achieve this goal a new facility will be sought to accommodate this aim.

Marketing strategies to develop this business would be to set up the facility in an area that is close to schools and who would have the demographics required to service the facility.

Our market research confirms the proposed area of Bedhampton has all the requirements to fill the centre. A direct marketing approach to families in the area and notifications in the schools would form the foundation of marketing.

This approach is cost efficient and assists the bottom line to fill the centre and being aware of budgets.

According to our surveys we have developed a reputation that will confirm to parents Kiddie Kingdom Day Nursery can provide outstanding care for their children at affordable price with evidence drawn from Kiddie Kingdom Child minders.

1.4 Market Strategy

Kiddie Kingdom Day Nursery will employ a marketing strategy that seeks to optimise its prime advantages of location, as well as offering the unique selling proposition of supporting parents by being open at convenient times and offering a range of child care spaces that are not readily available in the area.

The centre is headed by a highly qualified and experienced carer whose reputation is well known and respected.

Research has shown both location, ongoing expert care and a focus on a safe, happy and stimulating environment resonates with parents seeking day care for their children. This will be emphasised in the marketing plan and written into all materials and promotions.

The promotional materials will be presented in an easy to follow format listing all the features of the centre designed to answer all the questions parents naturally have when it comes to having their children cared for.

Our outstanding client support provides excellent word-of-mouth promotion at the present time and will be drawn upon to develop the next phase of the business operation.

Customer research has been carried out by surveying our current parents. This market research was conducted as an 'in-house project' and the business is confident that the existing parents will be a strong advocate to assist us in building the numbers to fill a new facility that is being proposed.

1.5 Key Financial Objectives

The key financial objectives have been developed using data linking session times, hours and fees, drawn from the vast experience of the CEO.

Pre-school, Ages 2years 9months-4years (24 spaces)
Babies and Toddlers, Ages 1-2years 9months (16 spaces).

Example of Sessions and Fees

<u>Session Time</u>	<u>Under 3</u>	<u>Over 3</u>
8am-1pm	£22.00	£21.00
1pm-6pm	£22.00	£21.00
Full day 8am-6pm	£42.00	£40.00
Full week	£190.00	£180.00
Extra Hours	£4.50ph	£4.25ph

Fees are payable monthly in ADVANCE.
A deposit of £100 is payable to secure a child's space.

One major point is that the business does not carry any debt.

The key financial objectives are:

- To use existing funds to develop the new facility and not take out a loan
- To seek to have a facility that can accommodate 40 places as indicated
- To seek to rent a facility that will allow for profit margins
- To fill all 40 places.

2. Detailed Plan

2.1 Business Structure

Kiddie Kingdom Child minders, to become Kiddie Kingdom Day Nursery is a privately owned and operated business as a limited company.

- any business income will be taxed separately from personal income
- selling the business will be easier if and when considered to do so as it is developed from the ground up and if exit from the business is considered in the future the chosen structure assists with the process.
- this structure enables me to be classed as employees

The business Kiddie Kingdom Day Nursery will develop a website and the name will be registered as a websites in order to fully protect intellectual property.

Kiddie Kingdom Day Nursery has set up a sealed document system for each and every operations manual for each section of the business. This is to protect intellectual property and focus on standards and ensure analysis of systems is conducted in accordance with best business practice.

2.2 Management & Ownership

CEO – Emma King

Emma has extensive experience in child care. Perusal of her experience confirms her skills.

Emma has 13 years' experience working with children in many different child-care sectors.

She holds a full and relevant NVQ 2 and 3 in childcare and education including training in paediatric first aid, managing children's behaviour, child protection and promoting children's learning and development.

Throughout her 13 years in childcare she has worked as a Nursery nurse in a large day nursery, during this role she was an apprentice studying for her qualifications. She was promoted to Room Leader of a classroom managing 17 children simultaneously, including 3 staff members.

During times when the nursery manager was not present Emma would take on the responsibility to ensure the nursery was running efficiently. Emma was also charged with the responsibility to deal with parents, payments and their vast range of enquiries.

After 5 years as a Nursery nurse Emma made the decision to gather a broader range of experience and she became a private nanny. She worked with three sets of parents during this time, providing care for children aged 0-10years. During this time Emma developed excellent relationships with the children and parents and she still keeps in contact with these families to the present day.

Gathering all the above experience and awareness of the special needs required by parents and their children alike enables Emma to open and operate her own business. Kiddie Kingdom Childminders is the result.

This business has been in operation for two and a half years and has grown from a brand new business to a strong, vibrant and successful business.

The current business cares for seven children and employs two valued staff who have developed outstanding relationships with both the children and their parents; a strategy Emma knows works.

Staff

There is currently two staff and this number will need to expand when the business moves to larger premises. Each staff member must be fully qualified and offer outstanding care, which is the benchmark for the current business.

2.3 Key Objectives

The objectives/goals Kiddie Kingdom Day Nursery for 2015 are to:

- maintain and expand our reputation for high quality child care
- maintain a financially healthy business by exceeding break-even targets by at least 10% from the previous year's trading
- aim to move to larger premises that are suitably approved by Ofsted
- aim to increase the number of children under care to 40
- aim to meet the childcare needs of local parents
- marketing expansion and developing a brand with the new name through a website, social media activity and links to community
- develop operations manuals to ensure quality business management
- employ more staff once a facility is available

2.4 Market Analysis

Kiddie Kingdom can confirm a strong customer base as over two and a half years the current space is booked out holding waiting lists.

What makes the business unique is the experience provided by the CEO, the caring and focus of the staff who act as a team to ensure every child under care feel safe and supported while the parents can leave their child/children in the care of this facility confident the needs of their children will be met and they will be safe at all times.

The child care market covers several subjects. These are

Who will use the service?

What are the target groups?

Demographics of the target area

The following information addresses these points.

Who will use this service?

- Parents who work close by in the local school and businesses.
- Parents with older children attend local schools and who are looking for childcare for younger siblings.

Targets

Government Funded children whose parents are unable to find suitable child care to access their free entitlement. This income is positive as the fee paid is often higher than the standard nursery fee.

Some parents will be willing to be flexible on the times offered if they are not working and for parents who are working they will often require extra hours on top of their free entitlement making positive income for the business.

Parents returning to work- Many parents who are returning from maternity leave following the birth of their child may be in need of childcare. These people provides the nursery a young baby and as our research demonstrates offers the business an opportunity to have a child stay in care for several years to come.

In keeping with market analysis the following table offers positive data

Population numbers for the Havant area.

<u>Children's ages</u>	<u>Total amount of children</u>
0 years	1141
1 years	1242
2 years	1372
3 years	1293
4 years	1287
	Total amount: 6335.00

Drawing on these demographics confirms the business expansion should be positive.

2.5 The Competitor

The strength of the business proposal under consideration is there are no known competitors who offers a similar service.

2.6 Product/Service

The business will provide:

- a day nursery, making it a unique business in the area as no other business offers this specialty at this time
- quality childcare where children can learn, grow and most of all have fun
- suitable CRB checked and qualified staff
- lunch and teas for children (Food regulations permitted)
- child friendly resources and equipment suitable for all ages and development
- open and transparent environment where parents can be confident they have made the *right* choice in the day nursery facility to care and nurture their child while they are absent

2.7 Service Production

The business has come into existence to meet a market need. Costing for the child care has been assessed by evaluating the market standard where there is a fee for service. With Government funded places this pricing is pre-set.

By combining the analysis of places, the production of the service and the financial arrangements, can be assessed once the facility is located.

Drawing on the experience of the last two and a half years in business provides enough knowledge to successfully evaluate production costs using our standard financial template.

2.8 SWOT Analysis

Strengths	Weaknesses
Very experienced CEO holding qualifications in NVQ 2 and 3 in early years and education, first aid and thirteen years' experience in dealing with children and their parents; of all ages	Expansion of the business will mean more staff, budgeting and fiscal management to be tighter.
Caring and trained staff who are very good and valued workers.	May not be able to source a facility large enough to provide the expansion
Offering a product that will meet the needs of many	Staff who are already trained may resign
Have an existing business with a clientele who are positive about the business	Day care is different from the focus of the current business

Have Government support to fund places Current facility has been graded as 'good' by Ofsted inspection Knowledge and understanding of EYFS Compliance to meet the welfare requirements for children Compliance to meet day care standards Business standards to meet <i>best practice</i> in child care establishments	
Opportunities	Threats
To enter a market where a need is identified an already outstanding reputation afforded to the business Engage with families who are eligible for fee assistance Market need shows a desperate need for such a business Chance to grow and develop as a business entrepreneur and create 6 new jobs	Government may change their fiscal policy in relation to payment for child care places Once successful competitors may encroach in the area

Financial plan

2.9 Key Objectives and Financial Review

Sales & Marketing:

- to achieve an increase in income in the business by 200%
- to achieve sales in the business by increasing places from seven to forty
- to focus on a tight budget as the CEO will be fully funding the expansion

Finance:

- to continue to focus on low debt
- to seek reduction in credit card percentage
- to be vigilant on getting the very best deals on all expenditure
- to keep person monies separate from business

2.10 Establishment Costs

These costs can only be determined once a facility is located.

2.11 Profit and Loss

Profit and loss will be evaluated on a monthly basis once the new facility is located see Appendices A

3.4 Cash Flow

3.5 Balance sheet

See appendices A

3.6 Break even analysis

See template appendices A

3. Supporting Documentation

Attachment Number	Document Name
Attachment 1:	Template to meet fiscal management

4. Action Plan

Key Objectives	Task	By Whom	By When
To seek a facility that will meet the needs of the new business objectives	Visit locations and assess size, structure and budgets	Emma	
Assess equipment and facility requirements	Room sizes Equipment costs	Emma	

Approval of facility			
Marketing strategy			
Notification to current clients			