

BUSINESS PLAN

for

submitted by

Address_____

Phone_____

Date_____

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I. Name of the Business

Sample: The business will be known as "ABC Child Care".

II. Ownership of the Business

Sample: The business will be formed as a Texas corporation with two stockholders: Mary Smith and Jane Wood. Each stockholder will own 50% of the issued stocks and equal to their individual paid-in capital. The formal charter and agreement will be in accordance with the laws of the State of Texas and will be drawn up by an attorney (name).

III. Information on the Business

a. Type of Business and Products or Service

Sample: The purpose of the business is a child care center that will provide services to the Anytown residential, commercial, and industrial community located within a three-mile radius of the proposed center location.

Mission Statement:

- To provide quality child care services to the ever expanding residential area surrounding Main Street, Anytown. ABC Child Care focuses on providing full services with an emphasis on convenient hours, as well as, educational and social skills development.

Mission Statement:

- _____

- _____

- _____

b. History of the Business

Sample: As a start-up business, there is no history as such. Both owners have experience dealing with children of all ages. Mrs. Smith has more than 25 years of teaching experience in public and private schools. Mrs. Wood has several years of experience in the child supervision and events organization gained from Girl Scout activities, teaching Sunday School classes, as well as raising four children. Additionally, Mrs. Wood, who will manage the administrative duties of the center, has over 10 years of administrative experience.

c. Location and Hours of Operation

Sample: The proposed business location will be at 1100 Main Street, Anytown, which is currently owned by Mrs. Smith. The undeveloped land includes two lots zoned as B-4 "General Business District".

The business hours will be from 6:00 p.m. Monday through Friday. The center will be closed New Year's Day, July 4th, Thanksgiving, and Christmas.

d. Revenues and Accounting

Sample: Revenues will be generated by providing reliable and quality child care services to the Anytown area. Full accounting records will be maintained by ABC Child Care. An accountant (name) will be used for the preparation of business financial statements and taxes.

e. Inventory and Supplies

Sample: Inventory will be limited to consumable office, cleaning and kitchen supplies. Office and cleaning supplies will be replenished on as-needed basis. Kitchen supplies, consisting of food items for meals and snacks, will be purchased weekly.

f. Legal

Sample: The business will be in compliance regarding the rules and regulations of the Texas Department of Protective and Regulatory Services, Structural Pest Control Board and the Texas Department of Health. The owners will obtain the required operating licenses issued by the Texas Department of Protective and Regulatory Services

(Day Care/Child Care Licensing and the Child Care Administrators License). Contractual agreements and other legal services will be provided by the law offices of (name).

g. Current Proposal

Sample: As the need for child care services in the Anytown area grows, so will the operation of ABC Child Care. Mrs. Smith and Mrs. Wood have a total of \$90,000 to invest in this project (land appraised at \$50,000 and \$40,000 in cash or cash equivalents). Mrs. Smith and Mrs. Wood need additional financing for two business loans, totaling \$150,000.

Projected Business Start-up Costs	
Description	Amount
Construction of Facility (15 year loan)	\$100,000
Equipment (7 year loan)	\$ 30,000
Furnishings (7 year loan)	\$ 20,000
Total	\$150,000

* Please refer to Appendix 2 for details.

Projected Business Start-up Costs	
Description	Amount
Equipment	
Inventory	
Supplies	
Utility Deposits	
Working Capital	
Cash Reserves	
Total	\$

Notes:

IV. Market Analysis

Sample: The Anytown area is rapidly expanding through residential and commercial development. ABC Child Care specifically targets the working population with children ages six weeks to twelve years who live or work within a three-mile radius of the proposed center location. Potential exists for services to parents working evening shifts or weekends at commercial and industrial firms in the Anytown area.

(Include results from any research you have conducted in your respective marketplace.)

At the present time, there is one child care center that offers direct competition. Some regional schools offer before and after school care, but Anytown school districts do not offer such care, nor is it anticipated.

Comparative Competitor Analysis							
	Product/ Service	Quality	Price	Service	Location	Marketing Program	Other
ABC Child Care	5	5	4	5	5	5	
DEF Day Care	3	4	3	4	4	4	

Note: Range 1-5 (5 being highest/best possible score.)

Comparative Competitor Analysis							
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V. Marketing Strategy

Sample: ABC Child Care will be promoted in various local media. Clients have already begun promotion by word of mouth. Response has been favorable. Formal advertising is planned to begin three months before the center is scheduled to open.

Advertising

Promotion

Sales Strategy

VI. Management Plan

Sample: Mrs. Smith will be responsible for the overall operation of ABC Child Care, while Mrs. Wood will be responsible for the accounting/recordkeeping and administration of the center. The selection and retention of employees, as well as the expenditure of funds will be jointly shared.

Employees (State positions and responsibilities)

VII. Financial Analysis

Sample:

- a. The financial projections are based on monthly revenues of \$14,030 during the first month of operation and are expected to increase to \$17, 183 by the end of the first year of operation. These projected revenues would give the corporation a gross profit of \$155,000 a before tax net income of \$9,308, and positive cash flow of \$17,029 during the first year.
- b. Initial enrollment is expected to be 34, increasing to 44 by the end of the first year.
- c. Detailed financial information is depicted in Appendices I through 8A.

VIII. Other
