

**Index**

Executive Summary                                                                                                                  [PAGE NUMBER]

Company Overview                                                                                                                  [PAGE NUMBER]

Products and Services                                                                                                              [PAGE NUMBER]

Execution                                                                                                                                    [PAGE NUMBER]

Operational Plan                                                                                                                       [PAGE NUMBER]

Financial Plan                                                                                                                             [PAGE NUMBER]

**EXECUTIVE SUMMARY**

[Dreamer Kindergarten School] is a private school operated by licensed teachers [Davide Henry and Tonia Fowler]. The school offers full-day kindergarten programs based on the curriculum set by the education board of the city of [Baldwin Park]. The school will house 60 kindergarten students, divided into two classes, and will offer curriculums that introduce the basic appreciations for [science, mathematics, geography, history and other social sciences].

[Dreamer Kindergarten School] will focus on 3 marketing strategies: [local media coverage, print advertising, and community awareness initiatives].

**COMPANY OVERVIEW**

**Mission Statement: [**Dreamer Kindergarten School] provides a safe and nurturing environment for kids where learning is fun and engaging.

**Philosophy: [**Dreamer Kindergarten School] has a comprehensive approach to educating and enriching the children. The school is focused on building skills that set children up for success in kindergarten and beyond.

**Vision: [**Dreamer Kindergarten School] envisions to be recognized as a leader in the community for building a strong foundation that kids can use for future academic success.

**Outlook:** Statistics in the [US] show that in [2015], [four million] children were enrolled in kindergarten. Many parents in [California] who work long hours or struggle between two jobs prefer full-day kindergarten programs. There is a growing number of parents opting to enroll their children in full-day kindergarten programs, which will also increase the need for teachers.

**Type of Industry: [**Education Industry]

**Business Structure:** Partnership

**Ownership:** Partnership, [David Henry and Tonia Fowler]

**Start-Up Summary**: The start-up cost worth [500K USD] is to be provided by the owner and to be used mainly for the [rent, insurance, supplies, and payroll].

|  |
| --- |
| **Start-Up Funding** |
| Start-Up Expenses | $300,000 |
| Start-Up Assets | $200,000 |
| **Total Funding Required** | **$500,000** |
|  |
| **Assets** |  |
| Non-Cash Assets from Start-Up | $50,000 |
| Cash Requirements from Start-up | $75,000 |
| Additional Cash Raised | $30,000 |
| Cash Balance on Starting Date | $45,000 |
| **Total Assets** | **$200,000** |
|  |
| **Capital** |  |
| Planned Investment |  |
| Owner | $500,000 |
| Other | $0 |
| Additional Investment Requirement | $0 |
| **Total Planned Investment** | **$500,000** |
| Loss at Start-Up (Start-Up Expenses) | -$300,000 |
| **Total Capital** | **$200,000** |
| Liabilities | **$0** |
| **Total Capital and Liabilities** | $200,000 |
|  |
| **Start-Up** |
| Requirements |  |
| Start-Up Expenses | $50,000 |
| Rent - 1 year | $120,000 |
| Advertising | $10,000 |
| Legal Fees | $20,000 |
| Staff Training | $20,000 |
| Insurance | $50,000 |
| Other | $30,000 |
| **Total Start-Up Expenses** | **$300,000** |
|  |
| Start-Up Assets |  |
| Cash Required | $75,000 |
| Start-Up Inventory | $50,000 |
| Other Current Assets | $30,000 |
| Long-Term Assets | $45,000 |
| **Total Assets** | **$200,000** |
| **Total Requirements (Total Start-Up Expenses + Total Assets)** | **$500,000** |

**MANAGEMENT TEAM:**

|  |  |  |
| --- | --- | --- |
| **Management Team** | **Role/Function** | **Skills** |
| David Henry | Admin Officer | Problem-solving, management, communication, leadership |
| Tonia Fowler | Head of Faculty | Leadership, interpersonal, analytical, creative, management |

**SHORT- AND LONG-TERM GOALS AND MILESTONES:**

|  |  |
| --- | --- |
| **Short-Term Goals** | **Milestones** |
| Hire two teachers and other school staff | The headteacher already interviewed five applicants and the admin official has scheduled the applicants for a final interview. |
| Start the registration for full-day kindergarten  | The school has already posted advertisements in the local community and updated the website to include information about the registration. |
| **Long-Term Goals** | **Milestones** |
| Expand the school to include 3 more kindergarten classes. | The partners already prepared a financial plan and 50% of the retained earnings for the academic year 2019, 2020, and 2021 will be restricted for the expansion. |

**PRODUCTS AND SERVICES**

**Product/Service Description:**

[Dreamer Kindergarten School] offers a variety of educational services and materials, including the following:

* Basic literacy and numeracy programs
* Educational books and materials
* Basic introductions to science, mathematics, geography, history and other social sciences
* Extracurricular activities

**Value Proposition:** Excellent leaders are made, not born. Dreamer Kindergarten School provides educational services that help children excel as leaders in the future.

**Pricing Strategy: [**Dreamer Kindergarten School] utilizes competitive pricing. The average tuition fee of private schools in [California] is at [$13,773] per year. The kindergarten school’s tuition fee is [$13,000] per student.

**EXECUTION**

**Marketing Plan: [**Dreamer Kindergarten School] aims to expand the school to accommodate at least [150] kindergarten students in the next [2 years]. It wants to leverage on local media coverage, print advertising, and community awareness initiatives.

**Market Research:** The current trend in the private school industry implies that more parents are enrolling their children in private schools to properly monitor their progress.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **SWOT Analysis** | **Strengths** | **Weaknesses** | **Opportunities** | **Threats** |
| Dreamer Kindergarten School | The school has a team that has the passion and drive for taking care of children | As a new private kindergarten school, it would take some time to break into the market and gain acceptance in the private school industry | Active community involvement in the school’s extracurricular activities | Unfavorable government policies that might affect private schools |
| Starter Kindergarten School | The school has employed high-skilled teachers with a vast teaching experience | Some teachers are not available to meet parents often enough | Increasing school transfer rate from public to private | The arrival of a competitor near the school |
| Confidence Kindergarten School | The school has a strong ethos of openness, sharing, and commitment to their job | The curriculum is too stretched for any additional activity | Business networking with other child care institutions | Non commitment of the government to help fund the school’s extracurricular activities |

**MARKETING STRATEGY:**

[Dreamer Kindergarten School] will be using the following marketing strategies: local media coverage, print advertising, and community awareness initiatives.

The team has kicked-off various activities to move the marketing strategies forward. Here are some of the updates:

|  |  |  |  |
| --- | --- | --- | --- |
| **Marketing Strategy** | **Activities** | **Timeline** | **Success Criteria** |
| Local media coverage | Make a draft for the newspaper advertising | July 15, 2019 | The school advertisement is printed in the local newspaper on August 1, 2019 |
| Print advertising | Make a draft for the brochure of the school | June 30, 2019 | The brochure is printed by July 15, 2019 |

**ORGANIZATIONAL STRUCTURE:**

****

**OPERATIONAL PLAN**

**Location and Facilities**

[Dreamer Kindergarten School] is located at [1029 Middleville Road], [Baldwin Park, California]. The school has two classrooms, each housing 30 students. It also has a principal office, faculty room, and [3 restrooms]. The school also has an open space outside the rooms for any outdoor activities.

**Tools and Equipment Checklist**

|  |  |
| --- | --- |
| **Software** | **Quantity** |
| iSAMS | 1 |
| feKara | 1 |
| **Hardware** | **Quantity** |
| Table  | 50 |
| Chair | 80 |

**IT Infrastructure**

The following table reflects the [Dreamer Kindergarten School’s] IT infrastructure.

|  |  |  |
| --- | --- | --- |
| **Infrastructure** | **Existing (Y/N)** | **Description** |
| Website | Y | The school’s website is updated. |
| Internet | Y | The school’s computers and educational gadgets are connected to a strong and reliable internet connection. |
| Educational Software | Y | The school has different educational software ready for use by the teachers. |

**FINANCIAL PLAN**

**Assumptions**

The financial forecast is based mainly on the current trends in the education industry. Most of the school’s expenses will be on the [payroll, maintenance and supplies, business insurance, and rent].

**Monthly Expense**

The chart shows the projected monthly expenses for [2019].



**Monthly Revenue**

The chart depicts the projected monthly revenues for [2019].



**BUSINESS FINANCING**

The funding for the business mainly comes from a business loan worth [$500,0000.00]. The major expenses will go to business [insurance, rent, salaries, supplies, and maintenance].

**STATEMENTS**

|  |
| --- |
| **Profit and Loss Projection** |
|  | **FY 2019** | **FY 2020** | **FY 2021** |
| Sales | $780,000.00 | $910,000.00 | $1,080,000.00 |
| Direct Cost of Sale | $75,000.00 | $80,000.00 | $100,000.00 |
| Other Cost of Sale | $5,000.00 | $5,000.00 | $7,000.00 |
| **Total Cost of Goods Sold or COGS (Sales - Direct Cost of Sale - Other Cost of Sale)** | $80,000.00 | $85,000.00 | $107,000.00 |
| **Gross Profit (Sales-Total Cost of Goods Sold)** | $700,000.00 | $825,000.00 | $973,000.00 |
| **Gross Margin % (Gross Profit/Sales)** | **89.74%** | **90.66%** | **90.09%** |
|  |  |  |  |
| **Operating Expenses** |  |  |  |
| Rent | $120,000.00 | $120,000.00 | $120,000.00 |
| Insurance | $50,000.00 | $50,000.00 | $50,000.00 |
| Utilities | $50,000.00 | $45,000.00 | $48,000.00 |
| Salary (Including Tax) | $150,000.00 | $170,000.00 | $180,000.00 |
| Maintenance & Supplies | $50,000.00 | $60,000.00 | $75,000.00 |
| **Total Operating Expenses** | **$420,000.00** | **$445,000.00** | **$473,000.00** |
|  |  |  |  |
| EBITDA (Total Cost of Sale-Total Operating Expenses) | $280,000.00 | $380,000.00 | $500,000.00 |
| Depreciation | $3,000.00 | $3,000.00 | $3,000.00 |
| Interest Expense | $4,000.00 | $4,000.00 | $4,000.00 |
| Taxes Paid | $28,000.00 | $38,000.00 | $50,000.00 |
| **Net Profit (Gross Profit - Operating Expenses - Taxes - Interest)** | **$248,000.00** | **$338,000.00** | **$446,000.00** |

|  |
| --- |
| **Balance Sheet Projection** |
|  | **FY 2019** | **FY 2020** | **FY 2021** |
| Cash | $296,600.00 | $338,300.00 | $418,800.00 |
| Accounts Receivable | $39,000.00 | $45,500.00 | $54,000.00 |
| Inventory | $1,000.00 | $2,000.00 | $3,000.00 |
| Other Current Assets | $3,000.00 | $5,000.00 | $8,000.00 |
| Total Current Assets | **$339,600.00** | **$390,800.00** | **$483,800.00** |
|  |  |  |  |
| Long-Term Assets | $400,000.00 | $400,000.00 | $400,000.00 |
| Accumulated Depreciation | $5,000.00 | $10,000.00 | $15,000.00 |
| **Total Long-Term Assets (Long-Term Assets-Accumulated Depreciation)** | $395,000.00 | $390,000.00 | $385,000.00 |
| **Total Assets (Total Current Assets + Total Long-Term Assets)** | **$734,600.00** | **$780,800.00** | **$868,800.00** |
|  |  |  |  |
| Accounts Payable | $70,000.00 | $100,600.00 | $150,800.00 |
| Notes Payable | $25,600.00 | $30,200.00 | $37,500.00 |
| Other | $5,000.00 | $6,000.00 | $15,000.00 |
| Total Liabilities | **$100,600.00** | **$136,800.00** | **$203,300.00** |
|  |  |  |  |
| Paid-in Capital | $50,000.00 | $59,000.00 | $80,500.00 |
| Retained Earnings | $585,000.00 | $585,000.00 | $585,000.00 |
| **Total Owner's Equity (Total Assets - Total Liabilities)** | **$634,000.00** | **$644,000.00** | **$665,500.00** |
| **Total Liabilities & Equity (Total Liabilities/Total Owner's Equity)** | **15.87%** | **21.24%** | **30.55%** |

|  |
| --- |
| **Cash Flow Projection** |
|  | **FY 2019** | **FY 2020** | **FY 2021** |
| Operating Cash Beginning | $150,000.00 | $150,000.00 | $150,000.00 |
|  |  |  |  |
| **Sources of Cash** |  |  |  |
| Receivables | $39,000.00 | $45,500.00 | $54,000.00 |
| Sales | $780,000.00 | $910,000.00 | $1,080,000.00 |
| Others | $7,800.00 | $9,100.00 | $10,800.00 |
| **Total Cash** | $976,800.00 | $1,114,600.00 | $1,294,800.00 |
|  |  |  |  |
| **Expenditures** |  |  |  |
| Rent | $120,000.00 | $120,000.00 | $120,000.00 |
| Insurance | $50,000.00 | $50,000.00 | $50,000.00 |
| Utilities | $50,000.00 | $45,000.00 | $48,000.00 |
| Salary (Including Tax) | $150,000.00 | $170,000.00 | $180,000.00 |
| Maintenance & Supplies | $50,000.00 | $60,000.00 | $75,000.00 |
| **Total Expenditures** | $420,000.00 | $445,000.00 | $473,000.00 |
| **Net Income/Loss (Total Cash - Total Expenditures)** | **$556,800.00** | **$669,600.00** | **$821,800.00** |