

**FREE VERSION OF GROWTHINK'S
ULTIMATE DAYCARE BUSINESS PLAN
TEMPLATE**

[Company Logo]

(if applicable)

[Company Name]

BUSINESS PLAN

[Current Month], [Year]

[Name]

[Title]

[Company Name]

[Address 1]

[Address 2]

[City, State

Zip] Tel: []

Fax: []

Email: []

Website: [

]

CONFIDENTIAL

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PLEASE READ THIS FIRST:

This Daycare business plan template shows you each of the key sections that you must include in your business plan. It also includes the questions you must answer in each section and samples that were created by our business plan generator.

NOTE: If you need to complete your own Daycare business plan, you can do so in just minutes using our [business plan generator](#). In addition to easily completing your business, perhaps most importantly, our business plan generator includes complete financial projections. You simply enter some numbers (for example the # of products/services you expect to sell and the price), and we automatically build your 5-year Income Statement, Balance Sheet and Cash Flow Statement.

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I. Executive Summary

Key Questions to Answer:

- *What does your business do?*
- *What market need does your business solve?*
- *What are 4-7 reasons why your business will be successful?*
- *How much capital, if any, are you seeking for your business?*

Sample from Growthink's Ultimate Daycare Business Plan Template:

[Company Name], located at [insert location here] is a new, upscale daycare focusing on offering a safe, play-based, nurturing environment to promote the physical, social, emotional, cognitive and creative development of children and infants through five years of age. The goal is not simply to look after our client's children while they attempt to prioritize their various other time commitments, but to truly facilitate the advancement of young minds and bodies during critical years of development.

Services

[Company Name] will be staffed with qualified supervisors and attendants who will act as facilitators and teachers. The education curriculum will be based upon the principle that preschoolers learn and develop best through carefully supervised play with educational materials. The Childcare Center environment will provide stimulating, challenging materials, experiences and equipment for children. Each child will have the opportunity to grow emotionally, socially, intellectually, creatively, and physically.

II. Company Overview

Company Profile

- *Where are you located?*
- *When were you formed?*
- *What is your legal entity form?*

Company Vision/Mission Statement

- *What goals is your company trying to achieve?*

Past Accomplishments

- *What successes has your company already achieved?*

Sample from Growthink's Ultimate Daycare Business Plan Template:

[Company Name], located at [insert location here] is a new, upscale daycare that seeks to attract customers that value their children's growth and hopes to be viewed as a facility that facilitates the lifelong journey of discovery – one that is informative, enlivened, and enriched by academic achievement, entertainment and personal growth. The aim of [Company Name] is to provide a nurturing environment where every child learns better and is surrounded by affectionate and caring people.

The center is a licensed day care facility and will operate on week days from 7:00am to 6:15pm. The center has a capacity of 80 children and is staffed with qualified, skilled supervisors and attendants who will look after the children in a motherly way trying to teach healthy eating habits, team spirit, a caring attitude and hobby development in every child who comes to the center. The staff will be responsible for the daily care and teachings of the children, meals, first aid and cleanliness.

III. Industry Analysis

Market/Industry Overview

- *In what market(s) do you compete?*

Market/Industry Trends

- *What are the key market trend(s) and how does that effect you?*

Relevant Market Size

- *How large is your relevant market (the # of customers who can realistically buy from you)?*

Sample from Growthink's Ultimate Daycare Business Plan Template:

The following industry statistics bode well for [Company Name].

According to the United States Department of Labor, "Obtaining affordable, quality child day care, especially for children under age 5, is a major concern for many parents, particularly in recent years with the rise in families with two working parents. As the need for child day care has increased in the last decade, the child day care services industry began to fill the need of non-relative child care."

Often employment statistics are a good indicator of where an industry will likely move in the near future; after all, demands for human resources generally reflect a strong demand for products or services within an industry. The United States Department of Labor further indicates that, "wage and salary jobs in the child day care services industry are projected to grow about 34 percent over the 2006-16 period, compared with the 11 percent employment growth projected for all industries combined. The rising demand for child day care services driving industry growth reflects in part demographic trends. Over the same period, the number of children under age 5 is expected to increase at a faster rate than in previous years and many of them will continue to be raised in households with two working parents or a single working parent. Furthermore, growing numbers of parents will hold jobs that require work during weekends, evenings, and late nights. As a result, demand will grow significantly for child care programs that can provide care during not only traditional weekday hours, but nontraditional hours as well. In addition, school-aged children, who generally require child care only before and after school, increasingly are being cared for in centers."

IV. Customer Analysis

Customer Needs

- *What are the key needs of your target customers?*

Target Customer Profile

- *Who are your target customers? Give a detailed demographic profile.*

Sample from Growthink's Ultimate Daycare Business Plan Template:

Company Name] will serve the residents of [company location] and the immediately surrounding areas as well as those who work in [company location].

The area we serve is affluent and many are employed in professional services, which means many residents must find competent and reliable day care services for their toddlers and children (especially during regular work hours).

The precise demographics of the town in which our retail location resides is as follows...

V. Competitive Analysis

Direct Competitors

- *Who are your direct competitors? What are their strengths and weaknesses?*

Indirect Competitors

- *Who are your indirect competitors? What are their strengths and weaknesses?*

Competitive Advantage

- *What are your competitive advantages? Are these sustainable (can competitors emulate them)?*

Sample from Growthink's Ultimate Daycare Business Plan Template:

Daycare centers begin care for babies six to eight weeks old and serve children until they begin kindergarten. Some of our specific competitors include:

- **YMCA:** The YMCA runs after-school as well as all-day day care services to the general public and has toys as well as jungle-gym facilities for its attendees. Though their services are well-known and their public image recognized, the YMCA requires each of its members to be toilet trained, have a comprehensive immunization record, and some services are limited to customers that income quality. Furthermore, their services are more or less limited to daycare services which teach their students very little (mostly just looking after kids as they play).
- **Jane Street Day Care:** Jane Street has been open for 10 years and operates at its capacity of 100 children at a time. Internet reviews and reports from speaking with prior customers of Jane Street show that this daycare has high turnover of children and parents who find the staff and service they receive at Jane Street very uneven. Jane Street has the advantage of a central location but suffers from its poor brand image.

VI. Marketing Plan

Branding

- *What is your desired brand positioning?*

Promotions Plan

- *How do you plan to promote your company's products and/or services?*

Sample from Growthink's Ultimate Daycare Business Plan Template:

The Marketing Plan describes the type of brand [Company Name] seeks to create and the Company's planned promotions and pricing strategies.

The [Company Name] Brand

The [Company Name] brand will focus on the Company's unique value proposition:

- Offering a comprehensive learning environment that not only teaches children the value play, but using those principles to further their emotional, intellectual, and physical development.
- Offering a convenient location that is close to its customer base.
- Providing excellent customer service

Promotions Strategy

[Company Name] expects its target market to be parents working and/or living within a 5-mile radius of its facility. The Company's promotions strategy to reach these individuals includes:

Direct Mail

[Company Name] will blanket neighborhoods surrounding its locations with direct mail fliers. These pieces will provide general information on [Company Name], offer discounts and/or provide other inducements for people to use the center.

Public Relations

We will contact all local and area newspapers and television stations to tell them about the opening and unique value proposition of [Company Name].

VII. Operations Plan

Key Operational Processes

- *What are the key operational processes that your organization needs to accomplish on a daily basis to achieve success?*

Business Milestones

- *What milestones will you need to accomplish over the next 1-3 years in order to achieve success?*

Sample from Growthink's Ultimate Daycare Business Plan Template:

In order to execute on [Company Name]'s business model, the Company needs to perform many functions including the following:

Administrative Functions

- General & administrative functions including legal, marketing, bookkeeping, etc.
- Hiring and training

staff Kitchen Functions

- Food preparation for all day

learners Center/Retail Functions

- Teachers for each class
- Customer service
- Janitor/maintenance personnel to keep the facility clean

VIII. Management Team

The Management Team section of the business plan must prove why the key company personnel are “eminently qualified” to execute on the business model.

Management Team Members

- *Who are the key members of your management team?*

Management Team Gaps

- *Who do you still need to hire?*

Sample from Growthink’s Ultimate Daycare Business Plan Template:

[Company Name] is led by [Founder’s Name] who has been in the daycare business for 20 years.

While [Founder] has never run a daycare center himself, he has taught elementary school classes at a local elementary school for 20 years. [Founder] also has considerable experience working in the daycare industry as he has worked for ten years at an existing daycare facility. There, he learned how to interact with young children and was able to splice the principles of learning (which he clearly employed during his work at XYZ elementary school) with the elements of productive play (which he picked up during his years at ABC daycare center). In addition, [Founder] also holds a 90-hour certificate in Early Childhood Education from Prince George’s Community College.

IX. Financial Plan

Revenue Model

- *In what ways do you generate revenues?*

Financial Highlights

- *What are your topline 5-year financial projections?*

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Funding Requirements/Use of Funds

- *How much money do you need to start and/or run your business?
What are the primary uses of these funds?*

Sample from Growthink's Ultimate Daycare Business Plan Template:

[Company Name]'s revenues will come from its daycare services.

The major costs for the company will be staffing, location maintenance, and food preparation. In the initial years, the company's marketing spend will be high, as it establishes itself in the market.

Capital Requirements and Use of Funds

[Company Name] is seeking a total funding of \$325,000 to launch its business. The capital will be used for funding capital expenditures and location build-out, hiring initial employees, marketing expenses and working capital.

Specifically, these funds will be used as follows:

- **Facility design/build:** \$175,000
- **Working capital:** \$150,000 to pay for marketing, salaries, and lease costs until [Company Name] is cash-flow positive

Key Assumptions & Forecasts

	FY 1	FY 2	FY 3	FY 4	FY 5
Revenues					
Hotel	\$1,980,125	\$2,832,031	\$3,409,160	\$3,783,447	\$4,100,713
Total Revenues	\$1,980,125	\$2,832,031	\$3,409,160	\$3,783,447	\$4,100,713
Expenses & Costs					
Cost of goods sold	\$455,429	\$623,047	\$681,832	\$718,855	\$738,128
Lease	\$0	\$0	\$0	\$0	\$0
Marketing	\$149,006	\$141,602	\$170,458	\$189,172	\$205,036
Salaries	\$721,095	\$797,115	\$1,014,687	\$1,119,408	\$1,164,185
Initial expenditure	\$50,000	\$0	\$0	\$0	\$0
Total Expenses & Costs	\$1,375,530	\$1,561,763	\$1,866,977	\$2,027,436	\$2,107,349
EBITDA	\$604,595	\$1,270,268	\$1,542,183	\$1,756,011	\$1,993,364
Depreciation	\$372,760	\$372,760	\$372,760	\$372,760	\$372,760
EBIT	\$231,835	\$897,508	\$1,169,423	\$1,383,251	\$1,620,604
Interest	\$164,782	\$144,184	\$123,586	\$102,988	\$82,391
PRETAX INCOME	\$67,054	\$753,324	\$1,045,837	\$1,280,263	\$1,538,213
Net Operating Loss	\$0	\$0	\$0	\$0	\$0
Use of Net Operating Loss	\$0	\$0	\$0	\$0	\$0
Taxable Income	\$67,054	\$753,324	\$1,045,837	\$1,280,263	\$1,538,213
Income Tax Expense	\$23,469	\$263,663	\$366,043	\$448,092	\$538,375
NET INCOME	\$43,585	\$489,661	\$679,794	\$832,171	\$999,839
Net Profit Margin (%)	2.2%	17.3%	19.9%	22.0%	24.4%

X. Appendix

Sample from Growthink's Ultimate Daycare Business Plan Template:

The following pages present detailed financial projections for [Company Name] over the next five years. The specific tables to follow include:

- Startup Costs
- 5 Year Annual Income Statement
- 5 Year Annual Balance Sheet
- 5 Year Annual Cash Flow Statement
- Quarterly Income Statement for First 3 Years
- Quarterly Balance Sheet for First 3 Years
- Quarterly Cash Flow Statement for First 3 Years

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