

AMAZING MINDS GROUP OF SCHOOLS



BUSINESS PLAN FOR SCHOOL START-UP IN EYEAN COMMUNITY OF BENIN CITY, EDO STATE.

SCHOOL SET-UP FEASIBILITY REPORT

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This is a feasibility report is for the set up and running of a school in Eyeon community, Benin City.

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Vision Statement

We are Amazing Minds Group of Schools. We are out to provide the best affordable education money can buy. Our basic value is in the area of excellence, we always strive for excellence in all round service& product delivery.

Mission Statement

Amazing Minds Group of Schools is into education in the kindergarten, Primary and Secondary school levels. Our customers cut across all income categories because we are bent on bringing education closer to the door steps of everyone. In

the meantime, we are located in the Eyean community of Edo State, Nigeria and with an eye on expanding our reach across the nation.

2. EXECUTIVE SUMMARY

- Our services and its advantages: Our school includes a nursery, primary and junior secondary school. The senior secondary arm will follow suit after the first year. The Montessori Method of learning will be our focus.

A major advantage of running a school includes our nations need to educate its rising population and a need for quality education by parents for their wards. We also will be employers of the teeming human resources of Nigeria.

- Our opportunity in the education sector stems from the fact that Nigeria has a rising population of Children that need to be educated. Nigeria boasts of a 3.0% rise in population annually.
- Our management team includes a School Principal/ Proprietor, an investor, two Head Teachers, and a School Secretary/ Accountant.
- Our track record to date: One of the partners has been a School Principal for 5-6 years, his contribution to the human resources aspect will not be in doubt. While the other partner is a good investor and has spent 5-6 years Managing Safety in the Construction and Food& Beverage Manufacturing Company.
- Financial projections: We intend making enough money to expand the school, with branches in some major cities of Nigeria.
- Funding requirements and expected returns: We seek to be funded to the tune of two million and five hundred naira only (#2,500,000). We hope to make between #10,247,500 and #11,247,500 within the first one year of establishing the school, profit before tax.

Business Income = Revenue – Expense

Assuming, #10, 247, 000 – #2, 500, 000 = #7,747, 000 (First year's profit)

- NOTE: Please do note the slight difference in our calculated profits as we go further, as they are based on assumptions.
- Our sales and marketing strategy: Marketing of our school will be done by these means; school fliers, bulk sms advertising, branded school stationeries, advert banners, dedicated school website, facebook, twitter and other popular internet social sites. We shall be offering free and intensive computer/ internet coaching classes once a year to attract more students, and the duration of these classes will be for one month before resumption of a new school calendar year.

As part of our marketing strategy, we intend having a well furnished laboratory, audio/ visual instructional materials and an internet library to aid learning added with a very conducive learning environment.

- Assessment of the likely risks: There are six likely risk types the school may encounter. They are;

Fire - This shall be well prepared for by providing fire fighting equipments which will be located in strategic places, fire alarm system (to warn occupants of the presence of smoke) and constantly train the staffs on how to fight fire.

Community unrest- There also could be a case of community unrest which may put the school in a tight security situation. For this reason, the school management who will be mostly indigenes of Benin will liaise with the community chief and community.

Natural disaster – This could arise at any given time and destroy the schools property that is why the school shall from inception take out an insurance policy to protect against such aforementioned damages.

Poorly managed finance - So that the schools finance doesn't get squandered unnecessarily, there will be a regular financial audit of all the schools records.

This audit shall be run by the Principal and his partner or an external auditor. There will be a contingency account opened in the name of the school to handle contingencies.

Poorly managed school curriculum - Quality of school curriculum will also be audited to make sure the school stays abreast with information.

Theft and burglary – A dedicated and well paid security personnel will be employed to man the schools security. He will be a permanent resident in the school, with all the basics of livelihood provided for him as an added incentive.

Secondly, like was earlier mentioned, the schools insurance policy will cover against burglary& theft.

3. PERSONAL DETAILS

Name: Okunamiri Chinedu Stanley (Mr.)

Address: 1 Subuola Street, Off Eniola Davies Street, New Oko-Oba, Fagba – Lagos.

Nationality: Nigerian

Date of Birth: 20th Sept., 1980

Email: Chinedu.okunamiri@gmail.com

Educational Qualification: University of Nigeria, Nsukka.

B.Eng./ Electrical Engineering

Work Experience: Project Health and Safety Manager

Guinness Nigeria Plc.

Professional Qualifications: Certified Project Manager from the IPMP

OSHA certified

IOSH certified

Member-Institute of Safety Professionals of Nigeria

4. BUSINESS DETAILS

a. PLANNING

Planning for this business commenced on the 1st Feb. 2013 and we intend bringing it to actual fruition on the 1st Aug., 2014 (A month before the start of a fresh term). Within this period, logistics have been collected, inquiries made as to the requirements for starting up a school.

The school will be owned by the two partners, while the human resource and academic aspects will be run by the Principal/ Proprietor/ Partner 1. Partner 2 will run the sales and marketing and business/ investment arm for the school.

Our short-term business goal is to be a good and affordable service provider in the education sector, make enough funds to reinvest in our school and develop it to the next level. This also reflects in our long term business goal, and makes enough funds to veer into basic adult education.

Our business forecast for the first five years goes thus,

| | | | |
|--|-----------------------|----------------|------------|
| | Student population | Staff Strength | Branch(es) |
|--|-----------------------|----------------|------------|

| | | | |
|----------------------|-----------|----|---|
| 1 st Year | 500 | 17 | 1 |
| 3 rd Year | 1000 | 35 | 2 |
| 5 th Year | 1500-2000 | 52 | 3 |

b. PRICING

The fees that will be charged will be such,

Pre K.G.: #4,500

K.G.1 - 3: #5,000 – #5,500

Primary 1 - 5: #7,000 - #9,000

Junior Secondary: #10,000 - #12,000

Senior Secondary: #13,000 -#15,000

School cardigan: #1,000 - #1,500

School sports wear: #1,000 - #1,500

School Stationeries/ Exercise books etc: #20 -#200

Paid School Computer/ Internet lessons: #500 - #1,000

End of year party: #200 - #500

Cultural day: #200 - #500

Excursion: #500 - #1,000

Transportation (when available and not compulsory): #1,000

Note: All these payments will be remitted per term

a. MARKETS AND COMPETITORS

Nigeria as a nation has a high and ever increasing population rate of 3.0% and on this ground we intend to base our market. The importance of quality education cannot also be over-emphasized.

According to the national population figure for Edo state alone, the number of customers that will be available to our school business will be approximately

2,000,000 (Two million). As at 2006 census, Edo state had a population of 3.22 million.

Our customer profile would be both sexes and from ages 1 – 2 for Pre K.G. While from 3 – 10 for KG and primary school. Then from 11 – 16 years of age for Secondary school.

A typical family in this community and its environs earns an average of 30,000 to 100,000 per month. While they (the parents have) a craving for quality education for their wards and a conducive learning environment, our school intends to deliver on quality in both fields.

In the area of marketing, our competitors mainly make use of “Canvasser’s” who go out to private and government schools during the months of May/ June and distribute fliers. While very few competitors offer free computer lecture.

We on the other hand, intend to include core subjects to the free computer/ internet lectures we will be offering to prospective customers amongst many other brilliant marketing concepts below mentioned.

b. SALES AND MARKETING

We will market our school by use of school fliers, bulk sms advertising, branded school stationeries, advert banners, dedicated school website, facebook, twitter and other internet social sites.

- a) We intend offering free and intensive computer/ internet coaching classes once a year. The duration of these classes will be for one month.
- b) We also intend having a well furnished laboratory, audio/ visual instructional materials and an internet library to aid learning added with a very conducive learning environment.
- c) We plan on offering basic adult education classes, but after a number of years running the business.

We intend to make our payment structure very robust and flexible by accepting on-school registration, internet banking, payment through bank

draft or teller. The school will also have a dedicated website from where they can get our bank account information to facilitate payment of fees.

c. MANAGEMENT

a. School Principal/ Proprietor

Name: Shaibu Friday

Academic qualification: PGD in view, B.Eng

Working experience: School Principal

Phone number: 08074401584

Address: 3, Obaro Street, Off Federal Survey Road, Aduwawa, Benin City

In-charge of Academics/Administration, oversees student registration and also the day to day running of the school(s).

b. Partner Proprietor

Name: Okunamiri Chinedu

Academic qualification: B. Eng (Electrical Engr.)

Working experience: Project Health& Safety Manager, GNPLC

Phone number: 08098010426

Address: 1, Subuola Street, Off Eniola Davies Street, New oko-oba, Fagba - Lagos

In-charge of School facilities, School building expansion, sales and marketing.

c. School secretary/ Accountant

Name: Kpachie Mary Chukwueyeogor

Academic qualification: National Diploma in Accountancy

Working experience: Bursery dept., Gloryfield international secondary school

Phone number: 07032804803

Address: 35, Pius street, off Ramat park, Benin City, Edo State.

In-charge of sales and marketing, schools account and student registration. (he/ she **must** be knowledgeable in computer appreciation skills)

| Designation | Role |
|-------------------|---|
| a. Head teacher 1 | Assists in Academics and Administration |
| b. Head teacher 2 | Assists in Academics and Administration |

Each member of the management team is fully committed to the setting up and proper running of the school. To further buttress this point, the Principal/ Proprietor who is until now a Principal in one of the private schools in Benin, would leave his former position to **fully concentrate** on the running of this school.

We are keen on providing quality educational services to our countrymen and being an employer of Nigeria's teeming labour.

5. OPERATIONS

Employees that will be needed to fill in positions include,

Teachers (x15)

School Accountant/ Secretary

Gateman

Cleaner

The proposed location of the school, Eyea community, is a very fast developing part of Benin city. There is access to good road, electricity (the Federal Government is constructing a gas powered electricity generating plant there). The location is an open area which links Auch, a major town in Edo state.

The schools suppliers were chosen on the basis of their competencies as well-known suppliers.

6. FINANCIAL FORECAST

The financial forecast is as follows,

Pre K.G. classes: Minimum of 25 pupils x #4500 = #112,500 per term

KG classes: Minimum of 25 pupils x #5000 school fees x 3classes

= #375,000 per term x 3 terms

= #1,125,000 per year

Primary classes: Minimum of 30 pupils/class x #8,500 av. School fees x 5 classes

= #1,275,000 per term x 3 terms

= #3,825,000 per year

Junior secondary school: Minimum of 40 students/ class x #11,000 av. School fees x 3 classes = #1,320,000 per term x 3 terms

= #3,960,000

Total = #112,500 + #375,000 + #1,275,000 + #1,320,000 = #3,082,500 profit before tax/ term. Which equals #3,082,500 x 3 = #9,247,500 profit before tax/ year.

Plus monies realized from sales of School stationeries (Students will not be allowed to buy stationeries outside), monies from internet marketing. Which we appropriate to the tune of between #1,000,000 to #2,000,000 a year. Bringing the total profit before tax to between #10,247,500 and #11,247,500 per year.

7. FINANCIAL REQUIREMENTS

Money will be spent on materials as listed below, and such will amount to,

- Accommodation: #300,000
- Marker board: #3,000 x 12 classes = #36,000
- Temporary markers, Class stationeries, Play things (Swings, merry-go-round), 2 Long poles for flags, Water tanks: #250,000
- Office stationeries/ Equipments (Printer, Ceiling fan x 14, Dustbins x 14): #50,000
- Computers: 10 pcs x #16,000 = #160,000
- Computer desks: #15,000 x 10 = #150,000
- Internet Router (For computer lab): #38,000
- Networking job& Labour (For the computer lab): #125,000
- Generator: #50,000
- School advert; #70,000
- Carpentry work& Labour, Massonry work& Labour : #100,000
- Logistics: #200,000

Total = #1,529,000

Pre K.G.& K.G. Classes: 12 (2 seaters) x 2 Pupils = 24 pupils

12 (2 seaters) x #2,000 = #24,000 (for 2 seaters)/ class

#24,000 x 4 Classes = #96,000

4 Teachers x 8,000 salary = #32,000 – not included in sum

24 Pupils x 4 Classes = 96 Pupils

(Cost of benches) #96,000 + (3 Office Chairs) #4,500 x 3 = #13,500 + #15,000 x 4 (office tables) = #60,000 = #169,500.

Primary Classes: 10 (3 seaters) x 3 students = 30 students

10 (3 seaters) x #5,500 = #55,000 x 5 classes = #275,000

5 teachers x #10,000 salary = #50,000 – not included in sum

30 students x 5 classes = 150 students

#275,000 (for benches) + #15,000 x 5 office tables = #75,000 + #4,500 x 5 office chairs = #22,500

#275,000 + #75,000 + #22,500 = #372,500

Junior Secondary Students: 20 (2 seaters) x 2 students = 40 students

40 students x #3,000 = #120,000

6 teachers x #12,000 salary = #72,000 – not included in sum

40 students x 3 classes = 120 students

#15,000 x 6 office tables = #90,000 + #4,500 x 6 office chairs = #27,000

= #120,000 + #90,000 + #27,000 = #237,000

Amount needed so far

Pre KG& KG (#169,500) + Primary (#372,500) + Junior sec. (#237,000) +
(School items) #1,529,000 + School registration (#37,500 + #56,250 +75,000) =
#2,308,000 + #168,750 = #2,476,750

8. RISK ASSESSMENT

As an expert in the area of Risk and Safety Management, I know that fire is the greatest risk every business faces. This shall be well prepared for by providing fire fighting equipments which will be located in strategic places, fire alarm system and constantly train the staffs on how to fight fire.

There also could be a case of community unrest which may put the school in a tight security situation. For this reason, the school management which will be mostly indigenes of Benin will liaise with the community chief and community.

Natural disaster could arise at any given time and destroy the schools property for this reason, the school shall from inception take out an insurance policy to protect against such aforementioned damages.

So that the schools finance doesn't get squandered unnecessarily, there will be a regular financial audit of all the schools records. This audit shall be run by the Principal and his partner or an external auditor. There will be a contingency account opened in the name of the school to handle contingencies.

Quality of school curriculum will also be audited to make sure the school stays abreast with new and recent trends in education.

Lastly in the case of burglary/ theft, a dedicated and well paid security personnel will be employed to man the schools security. He will be a permanent resident in the school, with all the basics of livelihood provided for him as an added incentive.

Secondly, like was earlier mentioned, the schools insurance policy will cover against burglary& theft.

9. APPENDICES

For Pre KG& KG classes: Minimum of 25 pupils x #5000 school fees x 4classes
= #500,000 per term.

Expense = #169,500 + #37,500 (School reg.) = #207,000

Profit = #500,000 - #207,000 = #293,000

Primary classes: Minimum of 30 pupils/class x #8,500 av. School fees x 5 classes
= #1,275,000 per term

Expense = #372,500 + #56,250 (School reg.) = #428,750

Profit = #1,275,000 - #428,750 = #846,250

Junior sec: Minimum of 30 students/ class x #11,000 av. School fees x 3 classes =
#990,000 per term

Expenses = #237,000 + School reg. (75,000)

Profit = #990,000 - #312,000 = #678,000

Monies realised from sale of other school items approximately 200,000/ month

Profit after tax = #293,000 + #846,250 + #678,000 + #200,000 = #2,017,250
per term.

10. NEXT STEPS IN INFRASTRUCTURAL DEVELOPMENT

- i) Inclusion of Senior Secondary school
- ii) Fully stocking of both the laboratories and library
- iii) Further stock the K.G. classes with more children's play things
- iv) Further stock the computer lab. with more computers
- v) Advertise for and hire competent security man and cleaner for Amazing Minds Group of Schools.
- vi) Determine other staffing needs for Amazing Minds Group of Schools.
- vii) Advertise and hire competent teaching staffs with minimum of NCE qualifications for Amazing Minds Group of Schools.
- viii) In the interim, arranging with a nearby clinic for the school and later building and furnishing a school clinic.
- ix) Purchase of school bus.

- x) Advertise and hire a competent school nurse for Amazing Minds Group of Schools.
- xi) Purchase of land and citing of our schools permanent site.

a. RESEARCH SOURCES

- <http://halladeyeducationgroup.com/school>
- <http://indalytics.com>
- Interview with Principal of Glorious Future Education Centre, Mr. Friday Shaibu
- Feasibility report for the Greenville City School System
- Information from School Fees Analysis Sheet for Glorious Future Education Centre