

NEW VENTURES / EXTENDED PROVISION POLICY

Issued: June 2016

INTRODUCTION:

Bradford Diocesan Academies Trust (BDAT) supports new venture opportunities and extended services for students and the wider community, linked to individual academy’s curriculum, areas of specialism and BDAT’s overall aims. For any new venture being considered for an academy a plan should be prepared by the Principal, considering the aims and objectives of the venture, in line with the individual academy’s and BDAT’s vision and ethos.

New ventures must carefully consider the financial viability and sustainability and any plans will need to be presented for review, consideration and approval. Subject to approval, the venture will then be included in the overall budget setting process for the academy.

The act of planning helps to think things through thoroughly, study and research if you are not sure of the facts, and look at ideas critically. It takes time, but avoids costly mistakes later. In order for BDAT to approve new ventures a full business plan must be presented.

The template below and subsequent Financial Plan template should be completed and issued to the Finance Director, for review and consideration at the Finance and Audit Committee.

PLANNING TEMPLATE:

1. ACADEMY:
2. NEW VENTURE DESCRIPTION:
Name:
General Description and Activity - what business activities will the academy be in? What will the academy do?
Mission Statement - explain the reason for set up and the guiding principles, including how this will fit into the ethos of the academy and BDAT

Aims & Objectives - where the academy aims the venture to be and markers along the way to achieve the aims.

Philosophy– what is important to the activity, who to and where will services be targeted and marketed

Industry – the academy should outline the industry that the venture is in, local factors and changes in industry factors. Outline how the academy will be poised to take advantage of them.

Strengths and Core Competencies - describe these for the academy. What factors will make the venture succeed? What are the major competitive strengths? What background experience, skills, and strengths does the academy bring to this new venture?

Legal, Set Up and Tax Implications – this needs to be considered and how this fits in with BDAT's wider structure.



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3. MARKETING STRATEGY:

Detailed Description – list and describe in depth your products or services. For each product or service, describe the most important features. What is special about it? Describe the benefits. That is, what will the product do for the customer?

Economics – Current demand in target market. Trends in target market—growth trends, trends in consumer preferences, and trends in product development. Growth potential and opportunity. What barriers to entry exist in your new venture; e.g. costs, equipment, training and skills? How will the academy overcome these?

Customers - Identify your targeted customers, their characteristics, and their geographic locations.

Competition - What products and companies will compete with you? List your major competitors. Will they compete with you across the board, or just for certain products, certain customers, or in certain locations?

Promotion - How will you get the word out to customers? Advertising: What media, why, and how often? Will you use methods other than paid advertising, such as trade shows, catalogues, word of mouth, network of friends or professionals? What image do you want to project? How do you want customers to see you? In addition to advertising, what plans do you have for graphic image support like logo design, cards and letterhead, brochures, signage, and interior design (if customers come to your place of business).

Pricing - Explain your method of setting prices. Usually you will do better to have average prices and compete on quality and service. Does your pricing strategy fit with what was revealed in your competitive analysis? Compare your prices with those of the competition. Are they higher, lower, the same? Why? How important is price as a competitive factor? Do your intended customers really make their purchase decisions mostly on price?

Proposed Location - Is it convenient? Is it consistent with your image? Is it what customers want and expect? Where is the competition located?



Sales Forecast – please provide a three year sales forecast, by product or service, by number of units sold by the price for each quarter (Transfer to Financial Plan template)

4. OPERATIONAL PLAN

Production – how and where are your products and services produced? Production techniques and costs, quality control, customer service, stock and inventory control, product development?

Location – Amount of space, type of building? Power and other utilities? Disabled access, supplier delivery access, parking?

Cost - Estimate occupation expenses, including rent, but also including maintenance, utilities, insurance for each quarter over a three year period, and initial remodelling costs to make the space suit your needs (Transfer to Financial Plan template)

Business Hours

Legal Environment – Licensing, Permits, Health, workplace, or environmental regulations, Special regulations covering your industry or profession, building code requirements, Insurance coverage, Trademarks, copyrights, or patents (pending, existing, or purchased)



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Personnel - Number of employees, Type of labour (skilled, unskilled, and professional), Where and how will you find the right employees? Quality of existing staff, Pay structure, Training methods and requirements? Job descriptions for employees?

Stock & Inventory - What kind of inventory will you keep: raw materials, supplies, finished goods
Value in stock (i.e., what is your inventory investment)? Lead-time for ordering?

Suppliers – Identify key suppliers

5. MANAGEMENT & ORGANISATION

Professional and Advisory Support required – Management arrangements, Consultants, Mentors, Advisors, Legal, Financial, Banking, Insurance.



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6. START UP COSTS

Please outline start up costs - Building and Premises costs, Capital equipment costs, Opening Stock and inventory costs, Advertising & Promotional costs, Other costs.

Please outline expected source of funding for Start Up Costs –

7. FINANCIAL PLAN

Please provide a 3 year financial plan (see excel template)

Proposal Signed by Principal:

Print Name:

Proposal Approved by Finance, Audit & Remuneration Committee:

Print Name:

Proposal Declined by Finance, Audit & Remuneration Committee (Reasons to be provided):

Print Name: