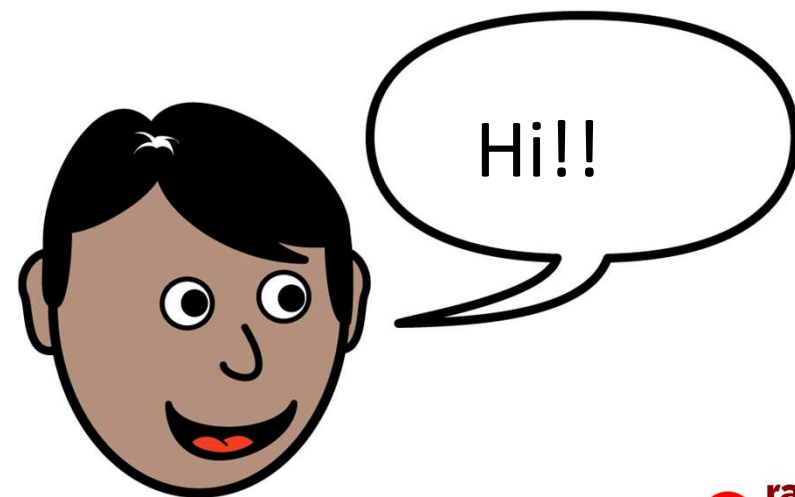


Welcome To The XYZ Co-operative Workshop





A 'Teaser Document' For Prospective Co-op Members

- Name & Brand
- What Problems Are We Addressing
- How Will We Solve The Problems
- Who Owns The Co-operative – Who Can Be A Member
- Who Controls The Co-operative
- **Business Plan & Year 1 Financials**
- Member Benefits



Financial Break-even



Cost Chaos



The Building Blocks Of Business

Business Inputs:

- 1) Raw Materials
- 2) Existing Products
- 3) Components
- 4) Information

+

Conversion Process

Requires Resources:

- 1) Brawn
- 2) Technical Skills
- 3) Managerial Skills
- 4) Cash
- 5) Land, Equipment, Buildings, etc.

<

Product Outputs:

to particular markets:

- Who?
- What?
- When?
- Where?
- How?
- How Often?
- How Many?
- Who For?
- What Price?

ETC!

Cost

+

Cost

<

Value

Defining the sales unit

What will people buy from you?

Try to think about what a typical sales unit might look like for the business.

- An hours gardening?
- A piece of jewellery?
- A sandwich and a drink?
- A box of eggs?
- A half day training session?



Direct and indirect costs

Direct Costs

Costs that are directly related to the product or service being provided; they only exist once a product is generated or a service is provided

Eg: ingredients or materials, packaging, trainers contracted for specific projects

Indirect Costs

All operating costs that will exist once the enterprise is established, but which are relatively independent of the level of sales being generated

Eg: wages, rent, utilities, telephone

Defining the sales unit

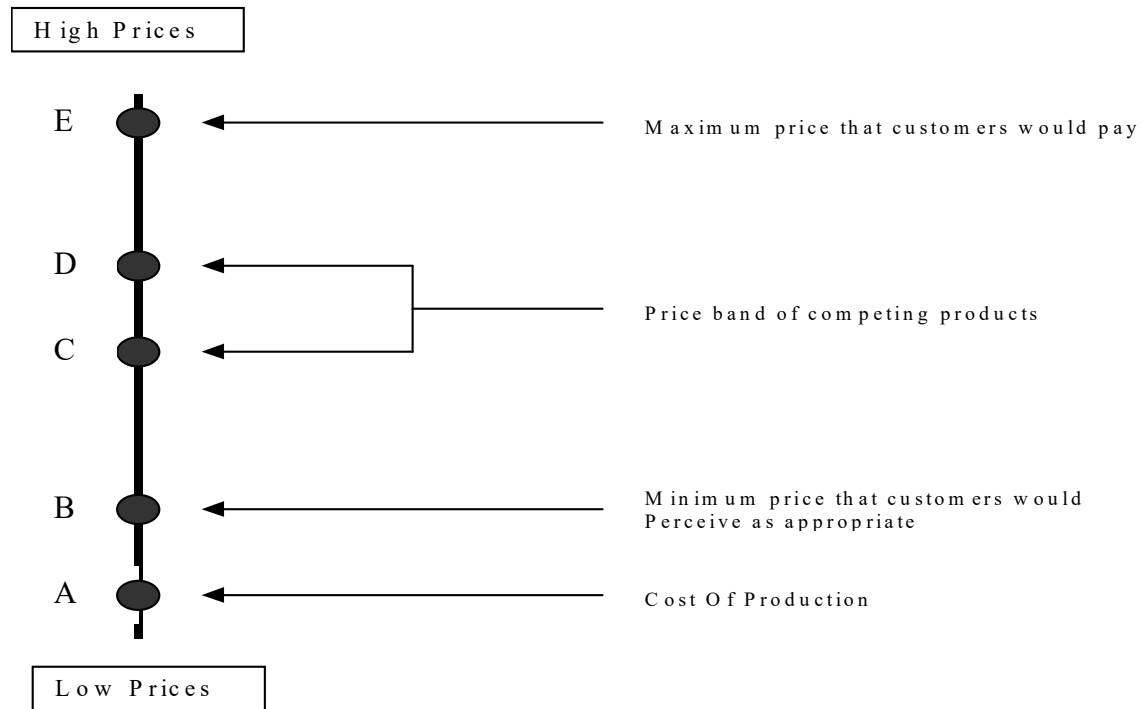
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Price



Break even

Unit of Sale	
Sale price	
Direct 'Up & Down' Cost	
Contribution (sale price – 'Up & Down Cost')	
Annual 'Stay The Same' Costs	
Break even (Annual fixed cost ÷ contribution)	
Average monthly sales (breakeven ÷ 12)	

Business Plan & Financial Model

Income Streams



Sales Unit	Item No.
Level 1: Support Connection	07_001_0106_8_3
Level 2: Coordination Of Supports	07_002_0106_8_3
Level 3: Specialist Support Coordination	07_004_0132_8_3
CB and Training in Plan and Financial Management by a Support Coordinator	07_003_0117_8_3
CB and Training in Plan and Financial Management by a Plan Manager	14_031_0127_8_3
Self-Management Capacity Building	01_134_0117_8_1
Life Transition Planning Incl. Mentoring Peer-Support And Indiv Skill Develop	09_006_0106_6_3
Access Community Social And Rec Activities- Level 3 - Weekday Daytime	04_500_0104_1_1

Financial Model Market Assumptions

Category of Type	Lower Bound Value	Upper Bound Value	Target Market Share
Assistance with Community Activities	\$11,141,100	\$16,110,800	0
Assistance with Planning and Coordination	\$3,033,000	\$4,443,600	??
Capital	\$4,658,300	\$6,446,800	0
Daily Living Support in Shared Accomodation	\$40,079,500	\$66,081,500	0
Early Childhood Supports	\$2,913,500	\$3,903,500	0
Employment Support	\$2,709,500	\$3,794,900	0
Group Centre Activities	\$2,887,100	\$4,188,200	??
High Needs Personal Care	\$7,088,000	\$9,685,700	0
Other Support Coordination and Management	\$6,389,300	\$8,190,700	??
Other Supports	\$20,549,300	\$26,215,200	??
Personal Care	\$15,317,600	\$19,567,200	0
Therapy	\$10,166,900	\$12,668,400	0

Financial Model Assumptions

- No. new members per month
- Member Retention
- Average Support Co-ordination Packages
- Ease of market entry
- Hourly Rates – Gross Margin Achievable (Circa 40%)
- Support Co-Ordinator salary
- NDIS Plan Manager Function
- Plan (re)assessment timelines