

Appendix 7 | Cassiltoun Stables Nursery Business Plan

1. Introduction

In 2012 Cassiltoun created a new Subsidiary company 'Cassiltoun Stables Nursery' to run and manage the pre 5 children's Nursery at Castlemilk Stables.

Over the past 6 years the Nursery has grown and now employs 22 people and provides childcare on a full and part time basis to 68 children (registered for 55 Full Time Placements)

Stables Nursery is a charitable Social Enterprise and its aims are to provide a high quality childcare service in both an indoor and outdoor setting, to provide local jobs and training opportunities and to reinvest profits back into the local community.

2. Legal Agreements

The nursery has the following legal arrangements in place with Cassiltoun Housing Association to ensure that the Management and Governance arrangements are clear from both organisations:

- Independence Agreement
- Loan Agreement
- Members Agreement
- Subsidiary Group Services Agreement

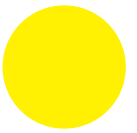
3. Board Membership

The Board of the Subsidiary consists of: three Cassiltoun Housing Association Board members, one children nursery practitioner and a parent. The Board is currently chaired by George Kelly.

4. External Funding

In its early years, the Nursery was supported through small regeneration grants and a Business Loan from Cassiltoun Housing Association. The Nursery is now generating enough surplus to allow for repayments to be made to the loan capital.

Since its inception the Nursery has received external funding to assist with special projects including: Business Planning, Marketing, revamping of its outdoor space and Business Growth. The latest funding has been a 20 month grant from Aspiring Communities Fund to expand the 3-5 provision and provide an increased outdoor provision.



5. Partnership

In 2017 the Nursery was granted Partnership status by Glasgow City Council. This not only provides funding for childcare for eligible parents it also allows the Nursery to access training and provides the Nursery with another source of external review.

6. Income

For the financial year 17/18 we are forecasting that the Nursery will have an annual sales income of £330,000 and as newly registered/vacant childcare spaces are utilised this should increase in 18/19.

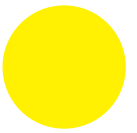
7. Care Inspection

In late 2017 the Nursery received an inspection visit from the Care Inspectorate. This confirmed that they were satisfied with the childcare service that we provide and noted that we had recently started new services and recruited new staff. They agreed that they would return in 18 months to re-assess the service.

8. Future

As well as continuing to provide an excellent childcare service we will be working with the Scottish Government and Glasgow City Council towards their vision to increase the provision of free childcare across Scotland by 2020. As part of this we will continue to trial the outdoor aspect of the Nursery provision.

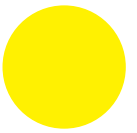
In the next 12 months we will be continuing to provide the Nursery staff and Board with ongoing training to ensure that they are up to date with childcare practises. We will also be working with the Nursery staff and Board to create a new vision, mission statement and organisational values and launching a new website.



Cassiltoun Stables Nursery Business Plan

Cashflows

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
|------------------------------------|----------------|----------------|----------------|-----------------|----------------|----------------|----------------|
| Income | £ | £ | £ | £ | £ | £ | £ |
| Parents Fees | 335,000 | 371,704 | 398,095 | 406,057 | 414,178 | 422,462 | 430,911 |
| Loan Income / working capital | 29,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Income | 4,000 | 111,000 | 4,000 | 4,080 | 4,162 | 4,245 | 4,330 |
| Total Income | 368,000 | 482,704 | 402,095 | 410,137 | 418,340 | 426,707 | 435,241 |
| Expenditure | | | | | | | |
| Outings & Balancing Amounts | 600 | | 0 | 0 | 0 | 0 | 0 |
| Food Supplies | 9,000 | 11,000 | 11,330 | 11,670 | 12,020 | 12,381 | 12,752 |
| Nursery Staff | 255,000 | 329,560 | 256,419 | 264,112 | 272,035 | 280,196 | 288,602 |
| Sessional Staff | 1,000 | 1,030 | 1,061 | 1,093 | 1,126 | 1,159 | 1,194 |
| Travel & Subsistence | 400 | 412 | 424 | 437 | 450 | 464 | 478 |
| Staff Training | 2,500 | 2,000 | 2,060 | 2,122 | 2,185 | 2,251 | 2,319 |
| Minor Fixtures & Play Equipment | | 3,000 | 3,090 | 3,183 | 3,278 | 3,377 | 3,478 |
| Office Repairs & Maintenance | 17,000 | 1,000 | 1,030 | 1,061 | 1,093 | 1,126 | 1,159 |
| Cleaning, Refuse & Laundry | 7,500 | 7,725 | 7,957 | 8,195 | 8,441 | 8,695 | 8,955 |
| Office Rent | 52,000 | 53,560 | 55,167 | 56,822 | 58,526 | 60,282 | 62,091 |
| Rates | | | | | | | |
| Insurances | 2,600 | 2,678 | 2,758 | 2,841 | 2,926 | 3,014 | 3,105 |
| Stationery and Printing | 1,400 | 1,442 | 1,485 | 1,530 | 1,576 | 1,623 | 1,672 |
| Software and Website | 500 | 515 | 530 | 546 | 563 | 580 | 597 |
| Postage | 100 | 103 | 106 | 109 | 113 | 116 | 119 |
| Telephones | 400 | 412 | 424 | 437 | 450 | 464 | 478 |
| Bank Charges | 1,200 | 1,236 | 1,273 | 1,311 | 1,351 | 1,391 | 1,433 |
| Health & Safety & Uniforms | 2,700 | 2,781 | 2,864 | 2,950 | 3,039 | 3,130 | 3,224 |
| Advertising, Promotion & Fliers | 900 | 927 | 955 | 983 | 1,013 | 1,043 | 1,075 |
| Corporate Subscriptions | 1,200 | 1,236 | 1,273 | 1,311 | 1,351 | 1,391 | 1,433 |
| Legal Fees | 500 | 515 | 530 | 546 | 563 | 580 | 597 |
| Audit & Financial Consultancy Fees | 4,000 | 4,120 | 4,244 | 4,371 | 4,502 | 4,637 | 4,776 |
| Management Fee | 13,800 | 14,214 | 14,640 | 15,080 | 15,532 | 15,998 | 16,478 |
| Loan Repayments | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Loan Interest | 4,100 | 3,700 | 3,300 | 2,900 | 2,500 | 2,100 | 1,700 |
| Bad Debts | 1,000 | 3,717 | 3,981 | 4,061 | 4,142 | 4,225 | 4,309 |
| Total Expenditure | 389,400 | 456,883 | 386,903 | 3,97,672 | 408,774 | 420,221 | 432,023 |
| Cash Surplus / (Deficit) | -21,400 | 25,821 | 15,192 | 12,465 | 9,566 | 6,486 | 3,218 |
| Opening Bank Balance | 47,778 | 26,378 | 52,199 | 67,391 | 79,856 | 89,422 | 95,908 |
| Closing Bank Balance | 26,378 | 52,199 | 67,391 | 79,856 | 89,422 | 95,908 | 99,126 |



Cassiltoun Stables Nursery Business Plan

Cashflows

| | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Income | £ | £ | £ | £ | £ | £ | £ | £ |
| Parents Fees | 439,529 | 448,320 | 457,286 | 466,432 | 475,761 | 485,276 | 494,982 | 504,881 |
| Loan Income / working capital | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Income | 4,416 | 4,505 | 4,595 | 4,687 | 4,780 | 4,876 | 4,973 | 5,073 |
| Total Income | 443,946 | 452,825 | 461,881 | 471,119 | 480,541 | 490,152 | 499,955 | 509,954 |
| Expenditure | | | | | | | | |
| Outings & Balancing Amounts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Food Supplies | 13,135 | 13,529 | 13,934 | 14,353 | 14,783 | 15,227 | 15,683 | 16,154 |
| Nursery Staff | 297,260 | 306,178 | 315,363 | 324,824 | 334,569 | 344,606 | 354,944 | 365,593 |
| Sessional Staff | 1,230 | 1,267 | 1,305 | 1,344 | 1,384 | 1,426 | 1,469 | 1,513 |
| Travel & Subsistence | 492 | 507 | 522 | 538 | 554 | 570 | 587 | 605 |
| Staff Training | 2,388 | 2,460 | 2,534 | 2,610 | 2,688 | 2,768 | 2,852 | 2,937 |
| Minor Fixtures & Play Equipment | 3,582 | 3,690 | 3,800 | 3,914 | 4,032 | 4,153 | 4,277 | 4,406 |
| Office Repairs & Maintenance | 1,194 | 1,230 | 1,267 | 1,305 | 1,344 | 1,384 | 1,426 | 1,469 |
| Cleaning, Refuse & Laundry | 9,224 | 9,501 | 9,786 | 10,079 | 10,382 | 10,693 | 11,014 | 11,344 |
| Office Rent | 63,953 | 65,872 | 67,848 | 69,884 | 71,980 | 74,140 | 76,364 | 78,655 |
| Rates | | | | | | | | |
| Insurances | 3,198 | 3,294 | 3,392 | 3,494 | 3,599 | 3,707 | 3,818 | 3,933 |
| Stationery and Printing | 1,722 | 1,773 | 1,827 | 1,881 | 1,938 | 1,996 | 2,056 | 2,118 |
| Software and Website | 615 | 633 | 652 | 672 | 692 | 713 | 734 | 756 |
| Postage | 123 | 127 | 130 | 134 | 138 | 143 | 147 | 151 |
| Telephones | 492 | 507 | 522 | 538 | 554 | 570 | 587 | 605 |
| Bank Charges | 1,476 | 1,520 | 1,566 | 1,613 | 1,661 | 1,711 | 1,762 | 1,815 |
| Health & Safety & Uniforms | 3,321 | 3,420 | 3,523 | 3,629 | 3,737 | 3,850 | 3,965 | 4,084 |
| Advertising, Promotion & Fliers | 1,107 | 1,140 | 1,174 | 1,210 | 1,246 | 1,283 | 1,322 | 1,361 |
| Corporate Subscriptions | 1,476 | 1,520 | 1,566 | 1,613 | 1,661 | 1,711 | 1,762 | 1,815 |
| Legal Fees | 615 | 633 | 652 | 672 | 692 | 713 | 734 | 756 |
| Audit & Financial Consultancy Fees | 4,919 | 5,067 | 5,219 | 5,376 | 5,537 | 5,703 | 5,874 | 6,050 |
| Management Fee | 16,972 | 17,481 | 18,006 | 18,546 | 19,102 | 19,676 | 20,266 | 20,874 |
| Loan Repayments | 10,000 | 10,000 | 10,000 | 0 | 0 | 0 | 0 | 0 |
| Loan Interest | 1,300 | 900 | 500 | 0 | 0 | 0 | 0 | 0 |
| Bad Debts | 4,395 | 4,483 | 4,573 | 4,664 | 4,758 | 4,853 | 4,950 | 5,049 |
| Total Expenditure | 444,189 | 456,732 | 469,662 | 472,891 | 487,031 | 501,595 | 516,594 | 532,042 |
| Cash Surplus / (Deficit) | -243 | -3,907 | -7,781 | -1,772 | -6,490 | -11,443 | -16,639 | -22,088 |
| Opening Bank Balance | 99,126 | 98,883 | 94,975 | 87,195 | 85,422 | 78,932 | 67,490 | 50,851 |
| Closing Bank Balance | 98,883 | 94,975 | 87,195 | 85,422 | 78,932 | 67,490 | 50,851 | 28,763 |