



BUSINESS PLANNING

Excellence Institute of Language Training

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ABSTRACT

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The objective of this Bachelor thesis is to provide a feasible, detail and result-oriented business plan for setting up a new language academy in Ho Chi Minh City, Vietnam. This topic was chosen because the author has a strong passion for the education industry, specifically for language service businesses. The author has more than 3 years experience in the industry and is expected to open the language training institution in April 2015.

The necessity of writing this business plan is to help the author to clarify ideas and thoughts, define what the business is, elucidate the direction of the business in order to keep the business on track; and to ensure that the author doesn't skip any important steps in his pursuit of achieving the early setting goals.

The theoretical framework of this bachelor thesis in business is focused on entrepreneurship, strategic analysis, marketing and project management. The thesis comprises of seven main sections, including the introduction, the company overview and analysis, the industry analysis and future scenarios, the marketing plan, the operational plan and finally, the financial projection of the school.

The newly established language academy is named Excellence; the school will provide language training for all ages from 6.5 years old to business professionals. Excellence provides optimal, indispensable education for Vietnamese, preparing them not just with improved language skills, but also with social knowledge, soft skills, self-confidence and the independence necessary to be successful in the global economy.

Key words: business plan, strategic analysis, marketing plan

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1 INTRODUCTION

1.1 Background of the thesis

The author is about to open a new language training centre in South Saigon, Ho Chi Minh City, Vietnam. He needs to write this business plan bachelor thesis to complete his studies at Tampere University of Applied Sciences.

After years of studying in Finland, a country that is well-known for having one of the best educational systems in the world, as well as more than 1 year of Math and test preparation tutoring for International students from many different countries, the author feels that he is ready to embark on his new career as the owner of a language training centre. Tuan Nguyen found that young Vietnamese, compared to students from many other countries, have a very low proficiency in English as well as an inadequate level of independence and confidence. These factors all become major obstacles for Vietnamese citizens to be successful in the global economy. The Vietnamese educational system has failed to provide proper training for its people. Hence, Tuan has always dreamed of having his own school for educating Vietnamese so that he can freely develop his own teaching curriculum without any intervention from the government or authorities.

In 2012, he partnered with the IT Project Manager of Accenture to develop an online educational platform which connects new learners with experts. The platform enables learners to benefit from training with experts, who have real-working knowledge and world experience, and it enables experts to share their knowledge and gain a different flow of income. He left the company in July 2014 when he and his founder no longer shared the same vision. In August 2014, he founded a team to offer market expansion and growth services for small and medium size enterprises. He learned a lot from this undertaking and gained more experience in the marketing field. At the same time, he initiated a Spanish school, named Barcelona Escuela de Español and implemented a new business model which can dramatically lower the cost of operations and hence reduce the tuition fee, providing more an affordable language course for everyone. After 6 months in operation, his Spanish school is the most well known in Ho Chi Minh City and the success of this school has validated that the same business model can succeed in

the English training market where the competition is fierce and where there are no playgrounds for amateurs.

By doing various research, experiments and observations, plus with his skills and experience, the author believes that he can succeed in this competitive market and hence that is why he wrote this business plan. It will also serve to clarify his thoughts on the business venture and to complete the thesis requirement for his bachelor degree at Tampere University of Applied Sciences.

1.2 The research question

In the highly competitive and attractive industry, it's very difficult for a new entry with lack of financial resource to gain the competitive advantage and win the market share. It has been the situation for the ESL (English Service Language) business in Vietnam. Therefore, the primary concern of this thesis is to provide a guideline of how to plan a successful language school in Ho Chi Minh City.

The research is also going to provide explicit instructions to evaluate the profitability and the attractiveness of any particular industry as well as to use the SWOT model to identify the competitive advantage of an organization. Furthermore, the thesis provides a list of essential components of creating a business plan.

1.3 Methodology

The first step of writing graduation thesis to is able to choose the good topic. The author has chosen the topic that is interesting to him as writing the thesis is very challenge and requires a lot of time and effort. A good and interesting topic will motivate and engage the author.

The topic is selected; the next step is to develop the research topic. It's essential to know the background of the thesis by reading and involving in the area of the research. Since the author is dedicated to education, he has decided to spend more than 2 years to

work in the education sector to gain a deep understanding before completing his writing.

When the author has done some background research, he has developed a research question of how to plan to successful language training business in the Vietnam. He has started doing some exploratory, experiment and in-depth research. It helps to author to justify, modify and refine to topic based on what he found. He has used course readings, Wikipedia, Google and instructors as the resources to developed his topic.

1.4 Structure of the thesis

The first part of thesis is to provide the background introduction of business plan thesis, and to justify the reason of writing the research topic. The second part is the theoretical framework of the thesis. The purpose of the theoretical framework is to help the author to provide the background that will support his justification for the business plan, provide the rational and reduce the biases for his interpretation, and establish a sense of structure that guides his conducting. The third part of the thesis is the business plan.

2 THEORETICAL FRAMEWORK FOR THE THESIS

The theoretical framework of this thesis is based on the main concepts of entrepreneurship, strategic management and analysis, and business planning.

2.1 Entrepreneur

The word *entrepreneur* originates from the French word, *entreprendre*, which means "to undertake." In a business context, it means to start a business. The Merriam-Webster Dictionary presents the definition of an entrepreneur as one who organizes, manages, and assumes the risks of a business or enterprise.

"Entrepreneurship is the journey of opportunity exploration and risk management to create value for profit and/or social good," said Ajay Bam, a lecturer at the Lester Centre for Entrepreneurship at the University of California, Berkeley's Haas School of Business.

In general, an entrepreneur creates a new business to solve the obstacles of society for the benefit of that society's citizens. Entrepreneurs are different from small business owners in terms of the speed of wealth creation -entrepreneurs generate money faster, and entrepreneurship is also exposed to higher risks and involves a substantial magnitude of innovation.

2.2 Strategic Analysis

2.2.1 SWOT Analysis

SWOT Analysis is going to be used to identify the strengths, weaknesses, opportunities and threats that our business is going to encounter. SWOT analysis will be utilized in helping the author to find the competitive advantage over his competitors.

SWOT analysis was created in the 1960s by business gurus Edmund P. Learned, C. Roland Christensen, Kenneth Andrews and William D. Book in their book "Business Policy, Text and Cases" (R.D. Irwin, 1969).

The first two factors are Strengths and Weaknesses which refer to internal factors that are resources and experience that are available to an organization, for example: financial and human resources, trademarks and copyrights, locations, etc...

Threats and opportunities are external factors which influence and effect the organization and shall be put into consideration before making any strategic moves. External factors are usually things that are not in the control of an organization, for instance, the demographics, the growth rate of economy, the political and environmental factors, and market and technology trends.

To carry out the analysis, one should answer the following questions:

Strengths

What advantages does your organization have?

What does your organization do better than any competitors?

What unique or lowest-cost resources can your organization draw upon that others can't?

What do people in your market see as your strengths?

What factors determine when you "get the sale"?

What is your organization's Unique Selling Proposition (USP)?

Weaknesses

What could your organization improve?

What should your organization avoid?

What are people in your market likely to see as weaknesses?

What factors contribute to a loss in your sales?

Opportunities

What good opportunities can you spot?

What interesting trends are you aware of?

Useful opportunities can come from such things as:

Changes in technology and markets on both a broad and narrow scale.

Changes in government policy related to your field.

Changes in social patterns, population profiles, lifestyle changes, and so on.

Local events.

Threats

What obstacles do you face?

What are your competitors doing?

Are quality standards or specifications for your job, products or services changing?

Is changing technology threatening your position?

Do you have bad debt or cash-flow problems?

Could any of your weaknesses seriously threaten your business?

2.2.2 Porter's Five Forces Model

The Five Forces Model is the framework which was created and developed by Michael Porter, the Marketing professor of Harvard Business School. The framework is utilized to analyze five forces which shape every industry, and to identify the weaknesses and strengths of the industry where the business is operating. This model is used to search for the profitability and attractiveness of a business.

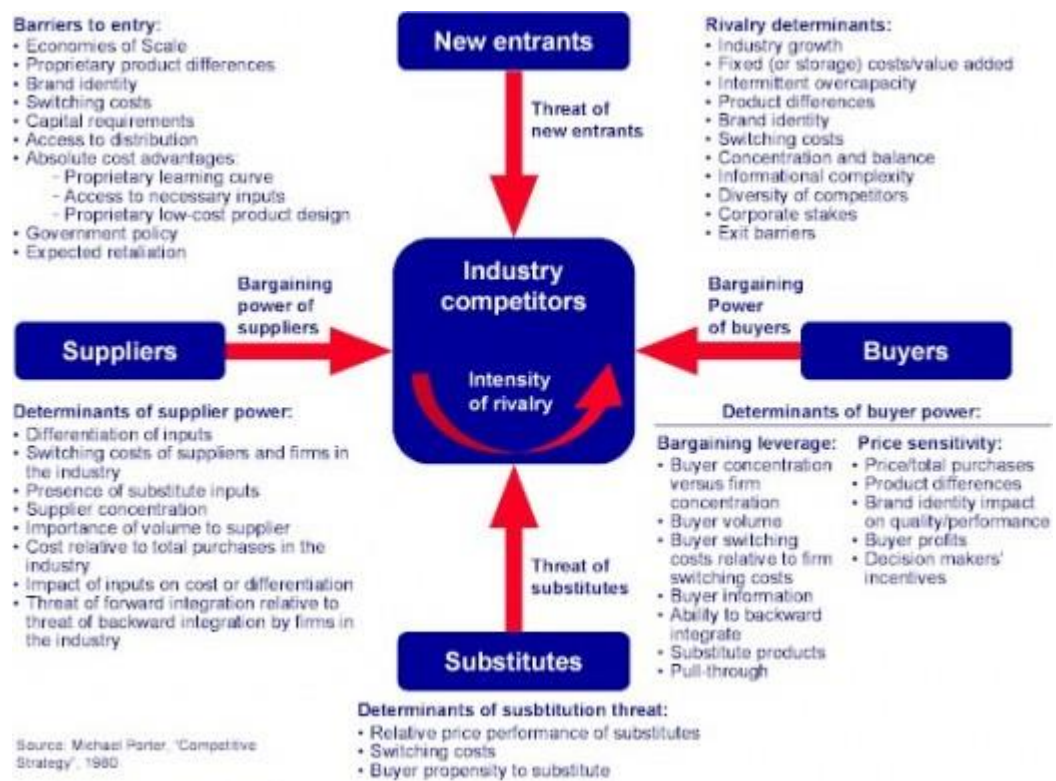


Figure 1 Michael Porter's Five Forces Model Reprinted from Michael Porter's 5 forces model by Arpan. Kar, 2011. Retrieved from <http://business-fundas.com/2011/michael-porters-5-forces-model/>

Supplier power

Supplier power exists in order to supply industry with the input to create products or service. In the service industry, suppliers are usually referred to as the labourers. The supplier has the power if they possess special skills which are rare in the market and a certain buyer has to compete with other buyers and pay a high price in order to obtain them.

Buyer power

Customers have bargaining power in the producing industry. Customers tend to enjoy strong bargaining power when:

There are a limited number of them

The customer purchases a significant proportion of the output for an industry

They possess a credible backward integration threat – that is they threaten to buy the producing firm or its rivals

They can choose from a wide range of supply firms

They find it easy and inexpensive to switch to alternative suppliers

Threat of substitution

Substitute products are often regarded as products that serve the same demand. They can be produced in different industries and satisfy the same customer's needs. It typically affects the primary industry through price rivalry, by limiting the price that can be charged and reducing the profitability of the primary industry.

Threat of new entry

Profitable markets usually go along with the threats of new entries. If the barriers to entry into the market are low, the competition will be intensified and hence decrease the profitability of the existing players.

The following factors are needed to evaluate the threat of the new entry

- Government policy
- Investment cost
- Differentiation
- Customer loyalty
- Industry profitability
- Economics of scale of existing firms
- Access to suppliers and distribution channels

Table 1: Distinguish between high barrier and low barrier industry

HIGH BARRIER	LOW BARRIER
<ul style="list-style-type: none"> - High capital requirement and investment cost - Strong brands with customer loyalty - Know-how, patents and latest technology - Restricted distribution channels - High capacity and output to achieve economic of scale advantage 	<ul style="list-style-type: none"> - Low investment cost - Lack of customer loyalty and strong brands - Low technology intensified - Easy to access distribution channel - No need to have high capacity and input

Competitive Rivalry

There are several factors which directly affect the degree of competition in a certain industry

Number of competitors: the more competitors, the fiercer the competition is since an organization has to compete against other players in the market for the same number of customers and resources, and therefore they must share the customers and hence share the profits

Market size and growth perspective: Competition is most intensive in the stagnating market. The slow market growth causes firms to fight for market share. In the high growing market, firms basically increase their revenue by expanding the market

Product differentiation and brand loyalty: in an industry, the competition is less intensive if the customer loyalty is high. And it's less likely to lead to a price war if there is a high degree of product differentiation.

The power of the buyers and the availability of substitute products

Cost structure of the industry: an industry where fixed costs account for a high fraction of revenue, the profit is likely to depend on the volume of products, as a result, there will be intense competition over the market share.

Capacity utilization: The existence of spare capacity will increase the intensity of competition

Exit barriers: If it is difficult or expensive to exit an industry, firms will remain thus adding to the intensity of competition.

2.3 Business Planning

According to Forbes, the following are critical elements for a good business plan

2.3.1 Executive summary

It is a crucial part of a business plan that provides the readers with an overview of the entire business. This part of the business plan shall contain a description of products and services, a mission statement, company information, management team, the market strategy, and financial information. The most important purpose of executive summary is to convince the reader to invest money or time into the business. The author can choose to write an executive summary after he has written everything else.

2.3.2 Company Analysis

It provides basic information of the company, its mission and vision, a description of products or services and its differentiation in the market. This section includes the analysis of company strengths and weaknesses, opportunities and threats, and competitive advantages.

2.3.3 Industry Analysis

It evaluates the attractiveness and profitability of the market, the future scenario of the industry, and how it will likely to evolve in the near future.

2.3.4 Competitive Analysis

It provides the basic information of the competitors, their products and services, their strengths and weaknesses; it also identifies the areas where the company can gain the competitive advantage.

2.3.5 Customer Analysis

It defines the target customers, their needs and preferences. It provides a full picture of the demographics and psychographic profiles of customers tailor marketing and business strategy.

2.3.6 Marketing Plan

It illustrates tactics and strategy to reach target customers, clarifies intended customer approaching marketing channel, the product and pricing strategy and the brand positioning that the business desires.

2.3.7 Management Team

It is a very important part of a business plan to show if the current team members have skills and experience to execute the business. This part of business shall comprise of the experiences and skills of the management team and the key hires of the business.

2.3.8 Operations Plan

It illustrates the milestones and necessary actions needed to achieve the business goals. What will the business accomplish in the next 3 years, 5 years or 10 years?

2.3.9 Financial Plan

It draws a picture of the financial situation of the company, states the amount of funding required for new start up businesses, and the projection of revenue and profit and cash flow statement over 1 to next 5 years.

3 BUSINESS PLAN

3.1 Executive Summary

3.1.1 Problem

English centres are in high demand. In Vietnam, English is frequently considered as the key to success for young people. There are nearly 1 million people who are taking language lessons at private institutions. However, it's not always easy to find a good training program which is both affordable and of good quality since 929 out of 1100 Vietnamese English teachers who are currently teaching English in Ho Chi Minh, have failed the English qualification test conducted by the Ministry of Education. This refers to Vietnamese English teachers who are teaching at all educational levels.

Compared to European countries, Vietnam is a low English proficiency country. In order to find a good English course with qualified and good language teachers, the majority of people must pay 150-200 USD to be able to study at a private language centre where the foreign teachers with CELTA certificates are teaching. This amount of tuition is very expensive; it is more than the average monthly income of most Vietnamese.

3.1.2 Solution

Our solution is to offer high quality EL (English Language) training with a more affordable tuition fee. The expensive tuition fees of other language centres in Vietnam are derived from high operating costs and property space renting. By moving our classroom into a less expensive location and introducing the pop up class in order to optimize the utilization of the classroom, we not only alleviate the operating cost, but also reduce the upfront investment cost. Therefore, it enables us to provide a highly accessible, affordable service while still keeping the quality unchanged.

3.1.3 Market

Initially, we will focus our marketing efforts to EL programs for kids and teenagers in the suburban areas of Ho Chi Minh City which are teeming with young middle income families and well-educated parents. The first language centre we will open is located in District 7 which is in South Saigon, a new suburban residential area. Our strategy is to surround the suburban areas, before moving to the city centering order to leverage our brand.

The demand for English language courses in Ho Chi Minh is estimated at \$ 500 million and expected to increase by 10% to 20% each year for the next five years.

3.1.4 Competition

Competition in the EL industry is fierce since English language training is profitable and attractive with a low barrier of entry for new players. We consider the following as our main competitors for our language school in District 7:

ILA: Premier language training provider, 100% foreign language teachers, very expensive and with many language centres all over Ho Chi Minh City. These players are equipped with great facilities, a generous marketing budget, and strong financial capacity in the most expensive locations. The schools have good reputations and they are strong-branded as language schools for children.

VUS: A quite well-established language provider where most of the language teachers are Vietnamese of above average quality. This institution has good facilities in very expensive locations. The tuition fee is quite affordable to middle income groups.

Super Youth: This company has more than 20 language centres in Ho Chi Minh City. All courses are taught by Vietnamese English teachers but the tuition is rather expensive. The company has a very aggressive sales and marketing approach.

There are also many private language centres in District 7. Although they are pretty small schools some have better locations. However, they lack our vision and excellent

marketing strategies. The tuition fees at those schools are affordable to most low and middle income families in the area.

3.1.5 Our advantages

Compared to our competitors, our business model and strategies have several advantages.

Firstly, our business model enables us to have a low upfront investment and plenty of flexibility in opening the new language centres. We can easily scale up and customers can easily access our schools.

Secondly, we can provide the most affordable and best value of service for our customers; compared to other competitors who are in the same quality range, our tuition is 50% cheaper.

Thirdly, our curriculum will be culturally relevant to our students and perfectly suitable for Asian students, we do not merely teach language but integrate natural sciences and social studies to improve knowledge and boost the confidence of our students.

3.1.6 Team

Excellence is LLC and well-established in Ho Chi Minh City, Vietnam. The management team has two people in charge of the entire operation of the school.

Lluís Fandos graduated from University of Barcelona with a Master's Degree in Film and Photography. He got his CELTA teaching training in Barcelona. He is working in Vietnam with 3-years of teaching experience. Lluís will be in charge of developing the curriculum and take care of all academic matters for Excellence.

Tuan Nguyen studied at Tampere University of Applied Sciences, Finland with a Bachelor Degree in International Business. He has 1 year working experience as a marketing consultant for a few small and medium enterprises and more than 3 years

experience in language service business. His competency in Marketing and Business Strategy is expected to contribute to the success of Excellence as he will be our Managing Director.

Along with our Management Team, we have a board of advisors which includes Gary McCloud. Gary is a British Council IELTS Examiner; he has a Master's Degree in TESOL and is currently one of the best English teachers in town. He will advise Lluís and other curriculum developers in fostering our curriculum.

Another advisor is Kai Lemmetry. Kai is the CEO of Tutors Tiger; his company provides customized English pronunciation classes for corporate and individual learners and is operating at South East Asia market. Kai Lemmetry is Finnish and capable of providing some useful insight and information from Finland's EL methodology to contribute to our curriculum.

3.1.7 Financial Summary

An average rent plus utility cost to fully operate a language classroom at a good language institution (category 1) is 1000-1500 USD per month which explains the high operating cost of many language centres in Ho Chi Minh City. The cost of rent at those schools accounts for 20-30% of revenue. The classrooms are not fully used; the average time spent in the classrooms is only slightly higher than 50%.

At Excellence Institute of Language Training, we optimize the use and capacity of our classrooms by having pop-up classes when it's necessary, instead of renting a big space and using it less than 50%, we now can optimize our space more than 80%. Renting the space in less expensive areas is also aiding us in saving money. The estimated monthly rent and utilities for a classroom at Excellence is now only 500 USD, 2 or 3 times less expensive than other schools in categories 1. By using this business model, the cost of rent now accounts for less than 5% of our revenue.

To most language institutions in category 1, their expenses mostly come from the high cost of rent (20-30%), and marketing and operation expenses. Teaching salaries and the

cost of sales represent less than 20% of the tuition. At Excellence, the highest proportion of costs goes towards teaching salaries which account for between 35-40% of our expenses.

We will make more than 70.000 EUR net incomes in the first year of operation. This business model was proven to be successful by several market tests which were implemented from 2013 to 2015 for the English program and Spanish program.

3.1.8 Milestones

Our plan is to have the first EL course starting in summer 2015. Our brand identity has already been created and is ready to launch at anytime. The classroom and office is now equipped with all the necessary facilities to start the operation. The financial figures in the business plan only apply for one language centre in District 7. However, we are planning to start the second campus sometime in 2016 when our cash balance is about 50.000 USD. We plan for massive and aggressive openings for the new language centres in all suburban areas of Ho Chi Minh. Our milestones are as follows. In the first 2 years of operation, we will open three teaching locations in District 7 with a total of ten classrooms. From 2017 to 2020, we will have a total of twenty-five teaching locations in Ho Chi Minh with one-hundred classrooms.

3.2 Company Analysis

3.2.1 Company Description

Excellence Institute of Language Training is a new business venture that provides high quality English training to Vietnamese. Our teaching approach is derived from the Finnish educational methodology- one of the best education systems in the world, to help students focus more on critical reading and embrace and develop children's language abilities to be able to succeed. Our focus is to provide a good and friendly, equal learning environment for our students, as well as provide opportunities where all students will be taken care of.

3.2.2 Mission

Excellence is education for the Vietnamese, preparing them not just for English language, but also for social knowledge, soft skills, self-confidence and independence in order to be successful in global education.

Being a social enterprise, we will promote equal learning opportunities for underprivileged children in the rural areas of Vietnam by providing free high quality English training programs.

3.2.3 Goals and Objectives

Our main goals are to develop a fully comprehensive curriculum which is relevant to the Vietnamese, and to effectively plan lessons to offer high quality language training.

Our second objective is to increase our brand awareness to prospective customers in District 7 and to successfully build a close relationship with most of the primary and secondary schools in District 7, implementing at least 1 marketing or sponsorship activity per school in the first 2 years of operation.

Our third objective is to expand our business from 1 classroom to 10 classrooms with optimization from April 2015 to the yearend of 2016 in 3 different locations.

From 2017 onwards, we aim to seek investors to expand our business in other suburban areas and to successfully franchise our business in other locations. By 2020, we hope to be listed in the top 5 of language service providers in Ho Chi Minh.

3.2.4 Management Team

Our company is LLC and located in Ho Chi Minh City, Vietnam.

The first management team member is Tuan Nguyen. He has a background in International Business with nearly 3 years experience in Marketing and Business

Development, especially in the Education Industry. He worked for an education company for 2 years and successfully organized several IELTS workshops as well as English Literacy for Adults. His competence in Marketing, Education and Business will contribute to the success of the school as the CEO and Marketing Manager.

The second member of our Management team is Lluís Fando, who comes from Barcelona Spain. Lluís has more than 2 years teaching experience. He will take charge of academic matters, and support Tuan Nguyen in hiring staff and teachers.

The company also has 3 advisors who are always willing to help Excellence in academic matters.

The first advisor is Kai Lemmetry, he is CEO and co-founder of Tutor Tigers. Tutor Tigers is also an education company which specializes in helping people with English pronunciation. Kai is Finnish and has 16 years of education experience in Finland as well as several years of experience working in an English training company.

The company also has two other advisors. One is Tom Jordan who has many years of experience in teaching English at University of Washington, USA. He has a master's degree in teaching English to university students and has taught in many language schools in the world. The second is Gary McCloud who is currently an IELTS Examiner for the British Council in Vietnam. He has a Master's Degree in Teaching English and several years teaching experience in Vietnam and Asia.

3.2.5 Company History

Every good business has some good stories. Vietnam has just become a member of the World Trade Organization and English has become a very important language to Vietnam in the globalization era. However, the language skills of Vietnam's youth are really bad; most of them can barely say anything in English. To most parents, English is the key to success for their children as it opens the world and provides good career prospects. That is why Vietnamese parents invest a lot of money towards helping their children learn English. However, it's way too expensive for them to afford good schools

for their children. The current GDP per capita of Vietnam is less than 1500 USD. Parents have to pay more than that amount to send their kids to a good school.

Most locally established language centres have Vietnamese teachers and recent research indicates that more than 90% of the teachers are not qualified to teach English as their English proficiency is below B2. Seeing that the tuition fee should not be overpriced and be a worry to parents and by doing our research, we find out that the tuition fee at foreign-owned schools with 100% native teachers are expensive due to the high operation cost, the high renting expenses in the most expensive areas and the fact that these companies spend too much money on marketing which make the tuition so high.

To help solve the problem, we came up with a solution, by moving the school centres to less expensive areas (suburban), and simplifying the operation system by running a school with low investment cost for the facilities, we can provide courses with high quality but with more affordable tuition.

We also believe all Vietnamese children should have equality in education; children in the countryside should also have as good a chance of education as the children living in the metropolitan cities. To ensure that this will happen, we will deliver a good English course to the people in need for free whenever there is a course which is sold at our school.

3.2.6 Company Locations and Facilities

Excellence Institute of Language Training will be established in a dedicated office located in District 7, a new and well-developed residential area with nearly 20 primary and secondary schools within a 7km radius. Our address is at 42C Hoang Quoc Viet, Phu Thuan Ward, District 7, Ho Chi Minh City.

3.2.7 SWOT Analysis

Strengths

The greatest strength is our curriculum. It does not only teach English but also educates children on how to behave and be good people, have good attitudes and perception of life, be socially responsible, and boosts their confidence. We also integrate knowledge of social and natural sciences to help kids become more well-informed. Many topics will be given which are relevant to them, to gain their interest and to teach cool things so they will prefer to come to school. We will educate and nurture reading habits which will benefit them in the future and the parents will love that, because it will help their children to become smart, independent, confident and caring people.

Best value (affordable): compared to the competitors who are offering similar products, we offer good quality service for half the tuition fee, this is due to the fact we keep the operating management system simple, and the majority of cost goes towards paying the teachers.

Limited start up risk, and easy to scale: thanks to our innovative business model, we just need a limited investment to start a school, the minimum cost to open a language centre in other places is at least \$ 25.000 USD, while we need less than \$5000 to start a new language centre. Instead of having at least 7 classrooms per school, we keeps our operating costs simple, by having less than 3 classrooms per place. This will increase our mobility and flexibility to bring our school to all suburban areas and remote places, so the students can come to the school faster.

We differ from the other schools, which pay 1500 USD for the facilities and monthly cost for the classroom, this accounts for 20-30% of their operating cost, plus the management cost, which all contributes to the high expense. We simplify everything; try to minimize the cost of rent, and the management cost. The majority of our money goes towards marketing and the cost of paying for our teachers which we believe will contribute directly to the success of the program.

Innovative and strong management: we have a highly experienced business owner, with more than 3 years experience in the industry and good observational skills; he can understand the market quite well. The business model enables us to experiment with new and innovative teaching methods in order to bring the best out of our students.

Our marketing strategies are different from the competitors: instead of focusing on traditional marketing and spending a lot of money on media and advertising inexpensive TV channels, we focus on sponsorship with local primary and secondary schools; we plan to build a good relationship with local schools and students and engage the parents in our activities.

Limited start up risk: we don't need to invest a lot to start the school as we require less than 5000 USD to obtain the necessary things to start the company's operations. We have done several different experiments to test different business models.

Good corporate identity and a highly visible website: We have a good company website, it's cheerful and easy to use, and not as complicated as our competitor's while still being very informative. The website has 2 languages, English and Vietnamese, this will be a good signal to our clients that we are an international school and an international brand, and this will cause the customers to prefer our products over the local schools'.

Weaknesses

Brand awareness: Excellence is a new brand hence when compared to other competitor's brands; many customers do not recognize it. The company needs to spend a lot of effort on spontaneous activities to enhance its visibility.

Lack of financial resources: some competitors in the same situation have better financial resources. Excellence does not have good financial advantages and it's our biggest vulnerability.

Lack of human resources & small number of personnel: The lack of financial resources has created a shortage of good staff.

We can't provide the work permit to teachers. This could lead to high staff turnovers: this could potentially threaten our school if it leads to a high turnover of English teachers, because without being able to provide permanent contracts, we basically can't attract the best teachers.

R&D teams are weak: Lluís is not capable of writing a good curriculum, he is an incompetent English teacher, the team must now rely on the staff that used to work for Yola and she is the only person who is actually doing the job. Tuan has the vision but he has yet to provide the goods.

Threats

Competitors can easily copy our business model. It's a good business model and due to the low barrier of entry, everyone can copy it, so the company shall rely on other things as well to stand out such as developing a good curriculum instead of relying 100% on our cheap price of tuition.

We may encounter legal problems because of the business model: The law is strict on the opening of new language schools, and requires that each school must have at least 7 classrooms per location and the owner must have at least 3 years of teaching experience. This is a problem for us as Lluís is foreign and foreign investment can be complicated and we might need a lot of money if we want to get licensed. Tuan doesn't have enough experience as an English teacher, so we can't open the school under his name, so the solution to this situation is that the school will register as a tutoring service company. Luckily, Vietnam is a very corrupt country and as long as the school give money to the authorities, he won't have any problems. In the next 2 years, Tuan will obtain the legal status for the school.

Intense competition: the low barrier to entry and the profitable industry has attracted many players, and recently, our international company will join the industry. It has fierce competition and no playground for amateurs.

Change in the government regulations may impact the business badly, and the fact that the government keeps changing the policy on the price of the tourist visa may lead to us facing a shortage of foreign English teachers but unfortunately the current situation is not expected to change soon.

Opportunities

Growing market: The current market share is \$500 million and is projected to increase by 10-15% per year. Although the competition is fierce, instead of directly competing against each others, all the players can expand their market into less competitive areas like the remote areas and other provinces and cities, instead of only doing business in Ho Chi Minh.

Income increase: Middle income class in Vietnam is growing and as this trend happens strongly in Ho Chi Minh City, it means that customers have more disposable income to pay for high quality courses. According to Boston Consulting Group, the middle and affluent class (MAC) in Viet Nam will double in size between 2014 and 2020, from 12 million to 33 million.

The public education system doesn't meet the high demand of customers: The public education system is still unable to provide good training for the students and the majority of students must take extra English classes at private language centres. This trend will be projected to continue happening, unless the government and the ministry of education implement some policies for improvement. But the corruption of the government and the ineffectiveness of ministry of education, means this isn't going to happen any time soon.

Students are becoming more competent in English, it's not language proficiency we need the most, but the need of education and knowledge and skills training. In the past, a high school student may graduate with beginner or lower intermediate English proficiency, but now there are many finishing high school with intermediate level of English proficiency and so there are a group of students who will go abroad to study and need to take preparation courses to prepare for international educations. The

language course at ILA or VUS basically isn't good. There is a good market for this, now they only prepare for the language skills but not the knowledge and soft skills that are also needed to be successful in the international studying environment.

3.3 Industry Analysis

Growing: This is projected to continue and is driven by the escalating use of English worldwide for business, education and leisure purposes. “More people than ever want to learn English.” So English language learning is becoming a global norm, a basic skill, with the young learner segment of the market rising as English is the main foreign language taught at primary and secondary schools in Ho Chi Minh and Vietnam.

Changing: the number of non-native teachers of English is now thought to outnumber native speakers and teachers; especially those who come from Europe.

Privately owned language centres are the main players and they're now growing in number and in size in Ho Chi Minh City and other regions of Vietnam. However the state sector is also becoming ever more active – and indeed, partnerships between private and public organizations for the provision of English are now becoming more common.

Volatile: the English Language sector is volatile, impacted by external factors such as the unemployment rate in Europe and English speaking countries, government legislation over the work permit visa and immigration. These factors may affect the labour force of English teachers. Or government policies can influence the sector positively, as they seek to improve the English capacity of their workforce in order to enhance their international economic and social standing.

Challenging: evolving supply and demand factors such as greater competition, price cutting, and new technologies are challenging providers and changing expectations from students – for example students may seek out shorter, more outcome-focused courses.

EL market value: There is no dispute that the provision of EL has become a valuable industry. Our recent research shows that only in Ho Chi Minh City, there are nearly 1 million people who are taking English Language courses at private and state-funded language centres. On average, each person spends approximately 50 USD per month as tuition. It's estimated that the economic value of the EL market in Ho Chi Minh is at \$ 500 million in 2014.

It is enhanced by the present position of English as the dominant global language which is now widely taught in schools – both at the primary and secondary levels. With the increasing inclusion of English within school curricula worldwide, English has apparently now become a fundamental competence, just like, for example, the ability to use computers; “English now tends to be a requirement, so in state tertiary education the role of English has changed from being a main foreign language to being a basic skill, something like IT.”

Students at university must obtain the International Language Certificate as a requirement of graduation. At primary and secondary school, there are some partnerships with language centres to provide foreign English teachers to teach there. Most of the local Vietnamese teachers do not meet the requirement for teaching English as their English skills are not good enough. Recent research shows that 90% of Vietnamese English teachers do not qualify for teaching English. That's why customers and buyers prefer to learn English with foreigners and native English teachers.

Children are attaining a higher level of English at school, and so they're entering post-secondary English classes at a higher level – “A child of 14 can have a general level of intermediate English where in the past they were at a beginner, lower or intermediate level”.

3.3.1 Competition

There is a fierce competition in Vietnam. Everyone can set up a language centre. The barrier to entry is extremely low in this industry. There are a lot of people running language schools. In Ho Chi Minh City, everyone can set up their own English

classroom without registration. Even a foreigner with no work permit can live easily in Saigon and have his own class at home.

In recent years, there are few big players who play at the global market just entering into Vietnam. Wall Street English has 450 language centres in 28 different countries and spends a million dollars on marketing to acquire learners. Their marketing approach is quite aggressive. Wall Street English is a member of Pearson Education Corporation and is listed in the New York Stock Exchange

There is an increase of discount by the providers, especially the locally owned schools.

3.3.2 The Impact of technology

In discussing the impact of technology on the EL course market, most participants believed that while online learning options could be an effective supplement or complementary partner to classroom based instruction, at least some component of face-to-face teaching would continue to be demanded as an essential ingredient of the English language learning process. They agreed that, while some people would try online programs, most were cautious about completely online methods and preferred – and needed - some personal interaction with an English language teacher. One participant felt online testing was growing in acceptability.

“People don’t learn languages through technology; they use technology to complement face-face classroom-based learning. The idea that people will learn English 100% online hasn’t worked - the dropout rates for people doing language learning 100% online are enormous - there’s little sense within the profession that 100% online learning for language skills is a goer...

“Cultural immersion is very important. Online will coexist and supplement face-to-face training. There are many ways to deliver speaking – such as via broadband width and video conferencing. There will always be a segment without access to the web. And many who prefer face-to-face instruction.”

“Students are not sufficiently motivated to learn (totally online); they need a teacher to direct them and so prefer face-to-face education. There’s a bit of a social element, too”.
 “Online delivery has been talked about for years but there is still high demand for in-person education. For some segments, online education is a relevant alternative delivery mechanism. It’s not something we’re worrying about. It’s very important to have English training face to face, to be immersed in the culture versus hearing a computer. Even if people don’t think they need it, eventually they will see it’s necessary. That demand will always be there.”

“Blended learning will be a much more significant factor - people will be doing some of their learning online, and some face-to-face.” Providers will “have to find ways of evolving the industry to allow that. Broadband will be worldwide in the next 15 to 20 years, it will be possible to do real time interactive distance teaching supported by DVD’s etc.”

3.3.3 Future Scenario - In demand

“The demand for EL will keep increasing in Ho Chi Minh City and other provinces of Vietnam in the next 10 years. However, the number of adult students may decline. The focus will be more on teaching children English socially and in schools, starting at early ages.”

An increasing numbers of students particularly wishing to pursue English for Academic purposes look towards universities as preferred providers versus the independent, private schools.

“Levels of competency will change over time so that by the age of 16 (when they leave school) in many countries people will have an Intermediate level of competence in English, and that will have an impact on requirements for adult students later on.”

“The drive from customers to get clear value from a course, to get some form of certification or award out of it and to make sure they achieve a level to go onto their next stage of their education career plan whether that’s professional or vocational or a

degree course or whatever, there's a more utilitarian but purposeful approach to EL learning.”

3.3.4 Future Scenario - In supply

There will be an increasing commoditization of the market and as the sector becomes increasingly competitive and increasingly like a typical consumer market, so too will it exhibit similar traits and become more segmented in two general directions: the low-cost, no frills, price-driven and heavily-commoditized providers; and the customer-focused, highly tailored and differentiated providers who will be able to charge a premium for their product(s). As the following comment further illustrates:

“Learning English now for most people in the world is like learning to drive and for most people learning to drive, they couldn't give a monkey's butt what car they're learning in.”

There may be more providers entering the market – both major international players and also local organizations that will offer EL as an add-on. One participant felt that “In some ways (the sector and the peak bodies) have been short sighted in considering those providers for whom EL is not their core business as not worth focusing on - they are. We need to consider how to engage with these newer providers;”

The industry will be increasingly challenging for all providers – they will need to find their niche – know what it is that they offer, what makes them different and promote it – in effect, identify, build and manage their brands.

3.3.5 Porter's Five Forces Model

Threat of New Entrants

The easier it is for new companies to enter the industry, the more cutthroat competition there will be. Factors that can limit the threat of new entrants are known as barriers to entry. The EL market is very easy to enter, anyone can set up a language centre with less than \$ 30,000 investment. Since the market is growing and profitable, there are

many potentially new entrants who will enter into the market. Apart from the local players, the international company will also join the game since the foreign direct investment is getting more favourable in Vietnam as the government offers very attractive packages for FDI companies.

Power of Suppliers

As mentioned earlier, the suppliers in the EL industry are labourers, in other words, they are teachers. Local Vietnamese English teachers have shown a lack of English proficiency to teach English. They are not in favour of learners. The most qualified local candidates are people who have lived and worked overseas. Since there is a bad reputation of Vietnamese English teachers in the general perception of learners, the average pay for them is not considered to be appropriate, compared to other foreign English teachers. A disqualified foreign English teacher normally receives twice as much money as their Vietnamese peers. Because the salary is low, there are not many of them that want to get the teaching jobs. They have no power to bargain in this industry. The remaining labourers are mostly disqualified or have their own setting for English classrooms.

In Vietnam, there is a preference for Caucasians people, many foreign English teachers are even disqualified but still getting high pay, compared to Vietnamese English teachers. The history of the country has made Vietnamese people think that Caucasians are superior and some Vietnamese-owned language centres pay 20 USD per hour to get “white” people speaking English to their students and they use them as their branding factors since the strategy works. The odd thing is that there are many foreign language teachers in the market and there is no shortage of foreign English teachers who are able to give general or communicative English lessons, however, language centres are paying too much for the teachers and this situation is projected to keep going.

However, there is a shortage of qualified English teachers who are able to teach test preparation classes, like IELTS, TOEFL...and all the good language centres compete against each other to get those teachers working for them.

Power of Customers

There are a million learners in Ho Chi Minh. Since there are many language service providers, customers can easily switch to buy the course from other service providers with almost no extra cost. However, it's very difficult to bargain on the pricing with the school. All the schools have pricing policies and the customers must accept that. But the current situation in Vietnam is that a lot of locally owned schools discount their tuition. But it's only about the marketing trick which they are using right now to fool the customers.

Availability of Substitution

There are also substitute products that learners can choose from, either to learn online or register for a language course in English speaking countries like New Zealand, Australia, Canada, and UK, US.... But that's only an option for a few wealthy people.

Apart from English courses, English Learning centres must compete against other languages which are now gaining more popularity in Vietnam, for example Mandarin, Japanese, Korean, French... However English still holds an irreplaceable and undefeatable position. All the primary and secondary schools teacher English as the main subject from 1st Grade to 12th Grade.

Competitive Rivalry

The EL industry is highly competitive. There was a time when there were always new language centres opening everywhere. However, many have been shut down due to their inability to provide good language training and the tuition is expensive regardless of the low quality. Customers are getting smarter and their marketing strategies of offering long duration to customers in exchange 40-70% discounts become less effective. However, still, many small EL providers often offer promotions to attract price sensitive customers. Large schools would prefer to spend more money on doing marketing and building customer relationships. There are many big players and thousands of small players in the market, however the market is growing, though the competition is fierce there are opportunities for all players.

The locally-owned language schools have shown a lack of competitiveness and can't compete directly with foreign-owned schools due to the lack of strategies, know-how, long term vision, and human and financial resources. The majority of them are moving to the second segment where the customers are middle-income class households. But the market share of second segment is rather small since the income group people have tendency to spend more money to invest in education, which has made the first segment become more attractive and profitable. To be able to compete in the first customer segment, it requires a good financial capacity and good strategy. This segment is now being hold by the top 5, including ILA, Apollo, ACET, Yola and Wall Street English.

3.3.6 Competitive Analysis

Competitors: There are many players, internationally and locally in the English training sectors.

ILA Vietnam is a foreign-owned education and training company, one of the most prestigious language centres in Vietnam, and the company is well-established and has many language centres all over Vietnam. The school had 35.000 students in 2013 and it's one of the only education centres in the world to receive the "Platinum Centre" status from the University of Cambridge.

The school positions the brand as high quality with 100% native teachers who have CELTA qualifications. The tuition fee is rather expensive, approximately 200.000 VND per hour (~9.5 USD per hour).

In HCMC, ILA has 12 teaching centres; the English centre in District 7 is located at Phu My Hung, the residential area where the upper class is living. Their target is on the middle and upper class and they offer English courses for adults and children.

Strengths:

- Excellent facilities
- Favourably branded as a good language education centre for children

- Huge marketing budgets
- Good working condition for teachers, provide excellent training for teacher trainees
- Good location and easily accessed from city centre and new residential areas.

Weakness:

- Highly complicated operating systems
- Less flexible and low utilization of classroom capacity
- High fixed cost and investment

VUS Vietnam is one of the oldest private language centres in Vietnam; the school is well-established with great facilities. Unlike ILA Vietnam, VUS not only has their language centre in the city centre but also in other suburban area. The school now has 14 language centres, offering many different language courses for adults and children. VUS has less strict requirements for teachers than ILA. The foreign teachers at VUS are not necessarily native English teachers. As long as they are Caucasian with TEFL, TESOL or CELTA, then they will accept it. Their main and most popular product is 2:1 courses which mean 1/3 of teaching time the students will be taught by foreign teachers, 2/3 by Vietnamese teachers. The tuition is more affordable than ILA and varies from 3.5-4.5 USD per hour, less than half of ILA's tuition.

However, recently, VUS Board of Directors has launched a new product with courses which are taught by 100% foreign teachers and more expensive tuition in the hopes of winning the students from ILA. They are not fast enough to recognize the fact that the average income of Vietnamese is increasing rapidly and customers are demanding high quality courses and are willing to pay more for the tuition. Five years ago, VUS was the market leader but currently the title has been taken by ILA.

Strengths:

- Oldest and most well-established language institution
- Strong brands for middle income households

- Good facilities and huge marketing budget
- Good network and connection to authorities
- Good location and easily accessible to students from many different areas

Weaknesses:

- Old-fashioned brand, less favoured by young parents
- Less favourable among foreign language English teachers
- Complicated and inflexible operating system

Super Youth and Outer Space are owned by the same Vietnamese owner, Dr Lee. Dr Lee has a PhD in Linguistics, and he has successfully developed a new teaching methodology for Vietnamese. All the language teachers there are Vietnamese English teachers who have gone through intensive training before taking charge of the classroom. The tuition fee is rather expensive and as much as ILA. They have more than 40 language centres in Ho Chi Minh and the school has a very aggressive sales team.

Strengths:

- More than 40 language centres and easily accessible to students from many different locations
- Well-established and favoured by students who used to live in other provinces.
- Proven-curriculum for their target customers

Weaknesses:

- Not favourable among well-educated young parents
- Poor brand images and no investment brand identity, design and physical facilities
- Complicated and inflexible operating systems
- Robotic and boring curriculum

Other locally owned schools provide English training for adults and children, the teachers are mostly Vietnamese teachers who are not qualified to teach English. The

tuition is low which is from 2-3 USD per hour, however, the customers are required to register for 6-12 month courses to get that tuition, otherwise, they will add 50% for a 3 month course. The management lack marketing and branding vision for the schools.

We believe there are huge market opportunities for the English Language Training sector in Ho Chi Minh City to provide a language course with high quality at a revolutionary price. Most prestigious language schools are located in the most expensive areas of Ho Chi Minh City and their facilities are not optimally utilized.

3.4 Customer Analysis

English is the primary language which is currently being taught at primary and secondary schools in Vietnam and Ho Chi Minh City. English is considered to be the key to future career opportunities. Demand for English is now greatest at the young learner level where parents put their children in English courses because they see English as a key to future career opportunities for their children. “The market for adults, particularly in Vietnam, is still growing and keeps expanding.”

Technology has changed the way people want to learn – in modern society, people are increasingly poor at time management, and have to be more flexible in terms of their work – and “technology has duped people into thinking that IT will allow them to learn faster rather than just facilitate flexible learning, so people’s expectations have changed and they want to be able to learn quicker.”

Self image and socio-cultural issues – “somebody might have a particular view of a school so they want to be part of that brand, like Mercedes or Benetton or Microsoft - they might go to a particular provider for that reason. And they may perceive themselves as being particularly IT capable so they might want to learn online, but that doesn’t necessarily mean the learning experience is better.”

Higher expectations – “people want to be much more assured that they are going to get the outcome that they want - they know more definitely what it is and where it fits into

their plan professionally or individually.” This was described as “a more purposeful approach to EL learning”.

3.4.1 The Drivers of demand

The need for English for business and professional reasons – for example, in the US non-native speaking nurses need English to obtain a visa;

A desire to participate in the international marketplace/commercial arena, where English is the dominant language;

Economic necessity, for businesses..... “It’s all about globalization, attracting investment – for example Intel moved their [R&D] arm from Europe to Vietnam because they can get the graduates they need there, with adequate English language skills. So it’s about economy, it’s not about people having more leisure time or necessarily wanting to go to travel; it’s about education, it’s about economic means and business developing national infrastructures and businesses, so it’s all about money...education and money...”

The above-mentioned desire of parents to give their children the best opportunities, key skills from an early age so that, as was seen earlier, “English has now become one of these basic skills ... people are no longer interested in English as a hobby but more are interested in it for concrete purposes;”

The perception of English as being “the important world language. Countries realize they need a certain percentage of the population who are good at English. (They) have to offer it to everyone, that’s what education is generally about, and so the provision has to be a massive provision.”

A cultural interest in other markets, where people are learning English for tourism, travel, self-improvement;

3.4.2 Customer Segmentation and Targeting

Customers are more motivated by the quality than price. Women are more sophisticated shoppers, they make price comparisons before making purchase decisions, they are

more focused on quality but are still seeking high value. Most customers perceive the higher product price and the higher quality and are willing to pay more for higher quality.

30% woman research education products online before making purchasing decisions, they trust recommendations from people that they know. More than half of people visit the brand website to gather information before buying. 70% visit websites for woman as the source of information. Peer recommendation is a crucial factor that influences non-users and their trust towards a brand.

They are curious and looking for the information themselves. The trust in advertising and traditional media has declined in the past 5 years. Urban adults don't just believe in what they are being told anymore.

Our target customers are middle income families that have an income of more than 15.000.000 VND per month, the family with parents and children, parents who are from 25-35 and 35 to 45 years old, with children 7-17 years old, studying at primary and secondary schools in District 7 and Nha Be.

More specifically, our target is parents who are professional office workers or parents who are self-employed, who are well-educated with at least a bachelor degree, sophisticated buyers, with skills of using the Internet and laptops, who are more open-minded to new things in the first period of product launching.

This urban family is spending 9% of their monthly income for children's education. These groups of our customer are educated on using the internet for email, reading newspapers and magazines, social networking and web browsing. They are characterized by a new urban lifestyle, living in apartment buildings.

3.5 Marketing Plan

3.5.1 Unique Selling Proposition (USP)

Having a strong unique selling proposition (USP) is of critical importance as it distinguishes your company from competitors. Here is our unique selling proposition

We do not merely offer the language course, but prepare our students to be well-rounded, and confident individuals with a passion for learning and reading.

3.5.2 Pricing & Positioning Strategy

Our language school is perceived as a brand for the middle and affluent class (MAC), a school of well-behaved, smart and confident children by emphasizing the following positioning value

- 100% native English speaker teachers
- Finland's education methodology
- National Geographic
- Reading clubs
- Crane for Love program

Pricing Strategy

Our pricing won't be set too high since we can't compete directly against ILA, but the tuition fee shouldn't be too low either. The tuition fee will be slightly higher than VUS, above the average, 100.000 VND per hour.

Our Offering

We offer language courses for kids and teenagers. Each course will be last for 48 hours, 2 times per week, each lesson is 2 hours.

Our teachers are 100% native English speakers with CELTA certifications who have at least 2 years of teaching experience. We guarantee a high quality of English training. If the students do not pass the final test, they can re-study the course for free providing that they attend at least 95% of the studying time at our school and listen to instruction from our teachers.

Each class will have 1 teacher and 1 teacher's assistant. The teacher's assistant will be guaranteed to have eyes on the students in the classroom. She will help them when it's necessary and play the role as the class observer, when necessary giving feedback to our teachers. The teacher's assistant also plays the role of a quality controller. She will readily support any students who require special additional help.

A full course package:

- Learning English with 100% Native English teachers
- A culturally relevant and actively engaging curriculum, teaching English and engaging students via reading activities
- Free original textbook.
- Quality assurance.
- Reading club

3.5.3 Marketing Materials

Your marketing materials are the collateral that Excellence uses to promote your business to current and prospective customers. We have the following as our marketing materials:

- Brochure
- Website (excellence.com.vn)
- Flyers
- Company Logo
- Banners

These marketing materials that we have completed, in the future, we may also create some souvenir gifts for our school, for example, pens, t-shirts, backpacks, and etc... with the company logo on them.

3.5.4 Promotions Strategy

Our promotion goals are to grab attention and create awareness to our customers, create an image of a professional and international language centre, a school with students who not only speak decent English, but are also smart, curious, active, and caring. It's a place where all parents want to send their children to.

Public Relations Strategy

Our goals and objectives:

- Increase awareness of our brand to customers
- Present favourable image to customers, among teenagers and children, an enterprise which is socially conscious and cares about children and develops their well-rounded talents, not only in academic matters, but also in arts, and sport and social skills

Target audience: Children, teenagers and their parents

Our tactics:

- Involve our brand into school campuses via activities and sponsorship of sports and arts clubs. Be their fan and supporter
- Develop the language teaching program for underprivileged children in the countryside of Vietnam.
- Engage our students into extracurricular activities, visiting orphanages and shelters in Ho Chi Minh City.
- Write a press release

Advertising Strategy

Goals and objectives:

- Increase brand awareness to customers

- Provide information, attract customers' interest, create desire for the service and encourage them to buy

Target audience: Parents (25-50 years old)

Advertising channel:

- Website
- Google Adwords and Facebook Ads
- Leaflet and brochure (school events)
- Direct Mail Marketing
- Outdoor or street banners

Sales Promotion Strategy

Goals and objectives:

- Encourage customers to purchase and take action
- Increase and make sales for low season

For some low seasonal and special occasions, the maximum offer for this target customer is a 15% discount for the first purchase. A course will normally be 48 hours long. Tuition per hours is expected to be from 100.000 VND (4.5 USD per hour). An full course package is 4.800.000 VND. A discount of 20% will be available for new customers at the opening to encourage people to buy our product; the remaining fee will be 4.896.000 VND

Physical Evidence

To enhance the brand, the main colour of our design is orange and it will be consistent in all the marketing materials as well as the physical location. Our school is painted and decorated with pictures and images which communicate our brand to customers.

In the school, there are spaces that are facilitated with book trees and thousands of books, a place to organize a reading club every week. We also have a wall decorated by origami cranes that are created by our students. Each crane represents a message of love

to underprivileged people. Each crane is valued at 100.000 VND and will be donated to people in need when the course is completed.

3.5.5 Conversion & Referral Strategy

To convert potential customers into a purchaser, we will implement the following tactics:

- Testimonials to show the satisfaction of past clients
- Teacher profiles to show the experience of our teachers
- Quality Assurance to Encourage people to make purchases; provide the guarantee of learning success.
- Visualize everything: a video of talking about the teaching principle, the students experience in learning with us, the satisfaction of parents, and the message from the dean...
- Show our expertise in teaching English training on our BLOG

We also have referral program for the current clients when they bring a new client for Excellence. Current clients will receive complimentary services with a thank-you letter; the new clients will also receive some special gifts from our school

3.5.6 Retention Strategy

Our philosophy is to keep customer engaged, happy and spending.

- Loyalty Program: Discount 5% for repeat purchase
- Monthly Newsletter
- Thank you letter after first purchase
- Thank you letter by the end of the course
- Personal Touches
- Share the same value to customers who want the best things for their kids
- Hotline to take any complaints and improve customer services

3.6 Operations Plan

We are opening a new school in District 7 and a total new brand so the main objective of our marketing goal is to gain awareness from customers by doing several advertising campaigns. Another main goal is trying to win the customers from the other school by providing promotion programs to motivate customers using our products.

Here are some marketing activities for the first few months:

Promotion and Advertising Activities at primary and secondary schools in District 7 (May 2015): The main goals of this promotion activities is to increase the awareness of the customers to our brand, get involve both end-users (students) and customers (parents), promote that our curriculum is prestigious and the teachers are well qualified and 100% of teachers are native English speakers, coming from Australia, USA, UK and Canada.

Each kid will be given a balloon with the company logo. Kids love balloons and hence bring it on the way coming home. The main transportation is motorbike so the balloon will help us to increase our brand awareness not only people at the venue of promotion but also people living in District 7 as kids will need to bring balloons from school back to home.

Gifts: A free notebook will be given as a gift to kids. People love free things. Kids will be very happy when they receive a gift from our promoter, from native speakers and tell their parents about it. By stamping our logo at front page and cover, we have increased our brand awareness to parents who will make the purchase decision and by attaching a discount card (10-15%) we encourage the parents to make a purchase.

This is our promotion activities in the first year of operation, we will try to present at each school twice within 7 km from our school. Here are some specific school and the agenda:

- Tran Quoc Toan
- Phu My

- Nguyen Van Huong
- Nam Sai Gon (Primary and Secondary Schools)
- Le Anh Xuan
- Phan Huy Thuc
- Luong The Vinh
- Kim Dong
- Tran Quoc Tuan
- Huynh Tan Phat
- Nguyen Huu Tho
- Nguyen Thi Thap
- Nguyen Hien

Promotion and Advertising Activities on Apartment building in District 7 (December 2015)

Xmas Marketing Activities: Xmas is an important celebration of Vietnamese. However, the day of celebrating is a bit different, it is not the time for family union, but the day where is a lot of flashing light and decoration is everywhere. People is going out to enjoy the atmosphere and sightseeing and taking photos. Santa Clause is originated from Finland and it's good time of year to promote our school that approach Finnish education, the best education system in the world to the public. In addition, Vietnamese people want to take picture and now we are living in the era of technology and digital, they no longer print out the photo and keep it as the memory.

So we come up with an idea that we will take the picture of children or the family for free by a professional photographer. The location would be in an apartment building where the middle income group and young family living. We will ask their address and contact information if they want to take and then sending the picture as a gift and other promotion materials to them.

Here are agenda and location:

- Ngoc Lan (December 15th)
- Belleza (December 16, 17th)
- Era Town (December 18th)
- Hoang Anh Gia Lai (December 19, 20, 21th)

3.6.1 Promotion Plan

- Social Media Marketing:
- Facebook Fan page
- Website
- Direct Mail Marketing
- Sponsorship – School Event
- Street Banner Advertising
- Event Marketing (Contest, Activities...)

3.6.2 Marketing Action Plan for 2015

Table 2: Marketing Activities Implementation for 2015

Month	This activity must be started	Deadline	Responsible
January	<ul style="list-style-type: none"> • Website content for Excellence 	15/1/2015	Outsource (Tuan)
February	<ul style="list-style-type: none"> • Brochure for Excellence 	15/2/2015	Outsource (Tuan)
March	<ul style="list-style-type: none"> • First stage of Website • Developing the outline of Syllabus 	15/03/2015	Thuy Truc
April	<ul style="list-style-type: none"> • Final stage of developing Website • Developing the detail lesson plan for the school (Starter, Elementary, Pre-Intermediate level for English for Young Learners Program) 	30/4/2015 30/4/2015	Thuy Truc
May	<ul style="list-style-type: none"> • Launch the street banner campaign • Developing the detail lesson plan for English for Teenagers Program • Recruiting Teachers + Teacher Assistant 	9/5/2015 15/5/2015 30/5/2015	Tuan Thuy Lluis
June	<ul style="list-style-type: none"> • Marketing Activities for Summer 	1/6/2015	Tuan

	program <ul style="list-style-type: none"> • Reading club for summer 		
July			
August	<ul style="list-style-type: none"> • Back to school Promotion 		Tuan + Thuy
September	<ul style="list-style-type: none"> • Introducing a social conscious program (1000 origami cranes of love) 	1/9/2015	Thuy
December	<ul style="list-style-type: none"> • Xmas promotion activities 	15/12/2015	Tuan + Thuy

3.7 Financial Plan

The financial plan illustrates the investment need for starting the business, the monthly sales forecasting for the first 3 years of operating, the income and cash flow statement from 2015 to 2017.

3.7.1 Start-Up Expense

The required start-up for the operation in the first 3 months is approximately 150,000,000 VND (approximately 7,000 EUR). The main cost of the operation is used to pay for the rent and to equip the facility for the school as well as to pay for the curriculum developer and administrative staff (1 EUR is equivalent to 22,000 VND). The detail of investment cost has been show in excel sheet in the appendix number 1

3.7.2 Sales Forecasting

The company is offering 3 different courses for different type of customers. The appendix 2, 3 and 4 will show the sales forecast of Excellence monthly from 2015 to 2017. English for Kids (Young Learners) generates the majority of revenue; the second important income source will come from course for teenagers.

3.7.3 Income Statement

The income statement shows a 3 years' projection of income. The detail of income statement, the school is estimated to reach to break event point at the third month of operation. The accumulated income is estimated at 88,000 EUR after 12 months. The total earning in the second year is 230,000 EUR and 275,000 EUR in the third year.

The detail of income statement (Profit & Loss Statement) of 2015, 2016 and 2017 has been shown in the Appendix number 5, 6 and 7.

3.7.4 Cash Flow Statement

The cash flow statement is used to show the generated cash or used cash by Excellence monthly in 3 years from 2015 to 2017. Excellence need to guarantee that this number is always positive otherwise the company will run out of cash and need funding to keep the company in operation. The monthly cash flow statements have been attached in the appendix 8, 9 and 10.

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APPENDICES

Appendix 1: Start-up Expense

Excellence Institute of Language Training		
Required Start-Up Funds		
Required Start-Up Funds	Amount	Totals
Fixed Assets		
Leasehold Improvements	10,000,000	
Equipment	8,000,000	
Furniture and Fixtures	19,700,000	
Total Fixed Assets		37,700,000
Operating Capital		
Pre-Opening Salaries and Wages	7,500,000	
Legal and Accounting Fees	2,000,000	
Rent Deposits	18,600,000	
Supplies	2,000,000	
Advertising and Promotions	5,000,000	
Other Initial Start-Up Costs	24,800,000	
Working Capital (Cash On Hand)	52,400,000	
Total Operating Capital		112,300,000
Total Required Funds		150,000,000
Sources of Funding		
	Amount	Totals
Owner 1's Cash Injection	60.00%	90,000,000
Owner 2's Cash Injection	40.00%	60,000,000
Additional Loans or Debt		
Commercial Loan	0.00%	-
Commercial Mortgage	0.00%	-
Total Sources of Funding	100.00%	0

Appendix 2: Monthly Sales Forecasting 2015

Sales Forecast (12 MONTHS - 2015)

Excellence Language Training Institute

Fiscal Year Begins Jan-05

12-month Sales Forecast													
	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Annual Totals
English for Kids (New customers)	0	0	20	24	29	40	40	40	50	50	30	30	353
Tuition (3 month course)	0.00	0.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	
REVENUE	0	0	115,200,000	138,240,000	167,040,000	230,400,000	230,400,000	230,400,000	288,000,000	288,000,000	172,800,000	172,800,000	2,033,280,000
							3	3	3	3	2	2	
English for Kids (Second Purchase 75%) - (Third purchase (50%))	0	0	0	0	0	15	18	22	37	39	41	44	216
Tuition (3 month course)	0.00	0.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	
REVENUE	0	0	0	0	0	77,760,000	93,312,000	114,048,000	191,808,000	202,176,000	212,544,000	228,096,000	1,119,744,000
COURSE OPENING (Average 12 students)			2	2	2	5	5	5	7	7	6	6	
English for Teens (New customers)	0	0	15	18	22	30	30	30	37	37	22	22	263
Tuition (3 month course)	0.00	0.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	
REVENUE	0	0	86,400,000	103,680,000	126,720,000	172,800,000	172,800,000	172,800,000	213,120,000	213,120,000	126,720,000	126,720,000	1,514,880,000
English for Teens (Second Purchase 60% - Third purchase 40%)	0	0	0	0	0	9	11	13	22	22	27	30	134
Tuition (3 month course)	0.00	0.00				5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	
REVENUE	0	0	0	0	0	46,656,000	57,024,000	67,392,000	114,048,000	114,048,000	139,968,000	155,520,000	694,656,000
COURSE OPENING			2	2	2	3	3	4	5	5	4	4	
English for Adults (New customers)								30	30	30	20	10	120
Tuition (3 month course)								4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	
REVENUE	0	0	0	0	0	0	0	144,000,000	144,000,000	144,000,000	96,000,000	48,000,000	576,000,000
COURSE OPENING													
English for Adults (Second purchase 40% - Third purchase 25%)											12	12	24
Tuition (3 month course)											4,800,000.00	4,800,000.00	
REVENUE	0	0	0	0	0	0	0	0	0	0	57,600,000	57,600,000	115,200,000
COURSE OPENING								3	3	3	3	2	
TOTAL COURSE	0	0	4	4	4	8	8	12	15	15	13	12	
Monthly totals: All	0	0	201,600,000	241,920,000	293,760,000	527,616,000	553,536,000	728,640,000	950,976,000	961,344,000	805,632,000	788,736,000	6,053,760,000

Appendix 3: Month Sales Forecasting 2016

Sales Forecast (12 MONTHS - 2016)													
Excellence Language Training Institute													
Fiscal Year Begins	Jan-16												
	12-month Sales Forecast												
	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Annual Totals
English for Kids (New customers)	30	50	60	60	80	80	60	60	60	60	50	30	680
Tuition (3 month course)	5,760,000	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	
REVENUE	172,800,000	288,000,000	345,600,000	345,600,000	460,800,000	460,800,000	345,600,000	345,600,000	345,600,000	345,600,000	288,000,000	172,800,000	3,916,800,000
English for Kids (Second Purchase 75%) - (Third purchase (50%))	57	43	45	51	59	67	71	90	94	80	90	92	837
Tuition (3 month course)	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	
REVENUE	295,488,000	222,912,000	230,688,000	264,384,000	305,856,000	348,624,000	365,472,000	463,968,000	485,352,000	416,016,000	465,264,000	475,956,000	4,339,980,000
COURSE OPENING	7	8	9	9	12	12	11	12	13	12	12	10	
English for Teens (New customers)	20	25	45	45	60	60	45	45	45	45	37	22	494
Tuition (3 month course)	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	
REVENUE	115,200,000	144,000,000	259,200,000	259,200,000	345,600,000	345,600,000	259,200,000	259,200,000	259,200,000	259,200,000	213,120,000	126,720,000	2,845,440,000
English for Teens (Second Purchase 60% - Third purchase 40%)	37	24	26	27	25	37	38	46	51	42	45	47	445
Tuition (3 month course)	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	
REVENUE	191,808,000	124,416,000	134,784,000	138,931,200	127,526,400	193,881,600	195,540,480	237,634,560	264,176,640	218,184,192	235,021,824	245,638,656	2,307,543,552
COURSE OPENING	5	4	6	6	7	8	7	8	8	7	7	6	
English for Adults (New customers)	10	20	40	40	40	30	30	50	50	50	30	20	410
Tuition (3 month course)	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	
REVENUE	48,000,000	96,000,000	192,000,000	192,000,000	192,000,000	144,000,000	144,000,000	240,000,000	240,000,000	240,000,000	144,000,000	96,000,000	1,968,000,000
English for Adults (Second purchase 40% - Third purchase 25%)	12	11	7	7	11	18	18	19	16	16	25	24	184
Tuition (3 month course)	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	
REVENUE	57,600,000	52,800,000	33,600,000	33,600,000	51,600,000	85,200,000	85,200,000	89,700,000	78,900,000	78,900,000	118,425,000	115,725,000	881,250,000
COURSE OPENING	2	3	4	4	4	4	4	6	6	6	5	4	
TOTAL COURSE OPENING	14	15	19	20	23	25	22	26	27	25	24	20	
Monthly totals: All Categories	880,896,000	928,128,000	1,195,872,000	1,233,715,200	1,483,382,400	1,578,105,600	1,395,012,480	1,636,102,560	1,673,228,640	1,557,900,192	1,463,830,824	1,232,839,656	16,259,013,552

Appendix 4: Monthly Sales Forecasting 2017

Sales Forecast (12 MONTHS - 2017)													
Excellence Language Training Institute													
Fiscal Year Begins	Jan-17												
	12-month Sales Forecast												
	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Annual Totals
English for Kids (New customers)	33	55	66	66	88	88	66	66	66	66	55	33	748
Tuition (3 month course)	5,760,000	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	
REVENUE	190,080,000	316,800,000	380,160,000	380,160,000	506,880,000	506,880,000	380,160,000	380,160,000	380,160,000	380,160,000	316,800,000	190,080,000	4,308,480,000
English for Kids (Second Purchase 75% - (Third purchase (50%))	86	83	69	68	83	84	84	108	108	92	104	104	1073
Tuition (3 month course)	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	
REVENUE	445,824,000	430,272,000	357,696,000	352,512,000	430,272,000	435,456,000	435,456,000	559,872,000	559,872,000	476,928,000	539,136,000	539,136,000	5,562,432,000
COURSE OPENING	10	12	11	11	14	14	13	15	15	13	13	11	
English for Teens (New customers)	22	27	50	50	66	66	50	50	50	50	40	24	545
Tuition (3 month course)	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	5,760,000.00	
REVENUE	126,720,000	155,520,000	288,000,000	288,000,000	380,160,000	380,160,000	288,000,000	288,000,000	288,000,000	288,000,000	230,400,000	138,240,000	3,139,200,000
English for Teens (Second Purchase 60% - Third purchase 40%)	44	41	33	31	33	44	43	53	58	48	52	54	534
Tuition (3 month course)	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	5,184,000.00	
REVENUE	228,096,000	212,544,000	171,072,000	160,704,000	171,072,000	228,096,000	222,912,000	274,752,000	300,672,000	248,832,000	269,568,000	279,936,000	2,768,256,000
COURSE OPENING	6	6	7	7	8	9	8	9	9	8	8	7	
English for Adults (New customers)	11	22	44	44	44	33	33	55	55	55	33	22	451
Tuition (3 month course)	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	
REVENUE	52,800,000	105,600,000	211,200,000	211,200,000	211,200,000	158,400,000	158,400,000	264,000,000	264,000,000	264,000,000	158,400,000	105,600,000	2,164,800,000
English for Adults (Second purchase 40% - Third purchase 25%)	25	19	15	11	14	22	21	22	19	19	28	27	242
Tuition (3 month course)	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	
REVENUE	120,000,000	91,200,000	72,000,000	52,800,000	67,200,000	105,600,000	100,800,000	105,600,000	91,200,000	91,200,000	134,400,000	129,600,000	1,161,600,000
COURSE OPENING	3	3	5	5	5	5	5	6	6	6	5	4	
TOTAL COURSE	19	21	24	23	28	29	25	30	30	28	26	22	
Monthly totals: All	1,163,520,000	1,311,936,000	1,480,128,000	1,445,376,000	1,766,784,000	1,814,592,000	1,585,728,000	1,872,384,000	1,883,904,000	1,749,120,000	1,648,704,000	1,382,592,000	19,104,768,000

Appendix 5: Income Statement 2015

Excellence Institute of Language Training Projected Income Statement - Year 2015													
	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Totals
Income													
English for Kids	-	-	115,200,000	138,240,000	167,040,000	308,160,000	323,712,000	344,448,000	479,808,000	490,176,000	385,344,000	400,896,000	3,153,024,000
English for Teens	-	-	86,400,000	103,680,000	126,720,000	219,456,000	229,824,000	240,192,000	327,168,000	327,168,000	266,688,000	282,240,000	2,209,536,000
English for Adults	-	-	-	-	-	-	-	144,000,000	144,000,000	144,000,000	153,600,000	105,600,000	691,200,000
Total Income	-	-	201,600,000	241,920,000	293,760,000	527,616,000	553,536,000	728,640,000	950,976,000	961,344,000	805,632,000	788,736,000	6,053,760,000
Cost of Sales													
English for Kids	-	-	47,200,000	48,000,000	49,000,000	119,000,000	119,600,000	120,400,000	168,600,000	169,000,000	143,800,000	144,400,000	1,129,000,000
English for Teens	-	-	46,200,000	46,800,000	47,600,000	79,080,000	81,640,000	86,360,000	117,640,000	117,640,000	98,360,000	103,280,000	824,600,000
English for Adults	-	-	-	-	-	-	-	63,600,000	63,600,000	63,600,000	61,600,000	40,400,000	292,800,000
Total Cost of Sales	-	-	93,400,000	94,800,000	96,600,000	198,080,000	201,240,000	270,360,000	349,840,000	350,240,000	303,760,000	288,080,000	2,246,400,000
Gross Margin	-	-	108,200,000	147,120,000	197,160,000	329,536,000	352,296,000	458,280,000	601,136,000	611,104,000	501,872,000	500,656,000	3,807,360,000
			54%	61%	67%	62%	64%	63%	63%	64%	62%	63%	63%
Salaries and Wages													
Owner's Compensation	-	-	-	-	-	-	-	-	30,056,800	30,056,800	30,056,800	30,056,800	120,227,200
Securities Employee	-	-	-	-	-	-	-	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	20,000,000
Customer Service Employees	-	-	4,000,000	4,000,000	4,000,000	10,000,000	10,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	107,000,000
Marketing Employees	-	-	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	85,000,000
24% Payroll Taxes and Benefits	-	-	2,160,000	2,160,000	2,160,000	3,600,000	3,600,000	7,440,000	14,653,632	14,653,632	14,653,632	14,653,632	79,734,528
Total Salary and Wages	-	-	11,160,000	11,160,000	11,160,000	18,600,000	18,600,000	38,440,000	75,710,432	75,710,432	75,710,432	75,710,432	411,961,728
Fixed Business Expenses													
10% Advertising	15,000,000	15,000,000	20,160,000	24,192,000	29,376,000	52,761,600	55,353,600	72,864,000	95,097,600	96,134,400	80,563,200	78,873,600	635,376,000
8% R&D	-	-	16,128,000	19,353,600	23,500,800	42,209,280	44,282,880	58,291,200	76,078,080	76,907,520	64,450,560	63,098,880	484,300,800
Contract Labor	-	-	-	-	-	-	-	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	15,000,000
Internet	165,000	165,000	165,000	165,000	275,000	275,000	275,000	275,000	400,000	400,000	400,000	400,000	3,360,000
Accounting & Legal Professional Fees	-	-	900,000	900,000	900,000	900,000	900,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	13,500,000
Rent of Premise	6,200,000	6,200,000	6,200,000	6,200,000	11,500,000	11,500,000	11,500,000	11,500,000	17,000,000	17,000,000	17,000,000	17,000,000	138,800,000
Maintenance	-	-	500,000	500,000	500,000	500,000	500,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	7,500,000
Supplies	-	-	500,000	500,000	700,000	700,000	700,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	8,100,000
Telephones and Communication	-	250,000	250,000	500,000	500,000	500,000	500,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	7,500,000
Utilities	-	-	4,000,000	4,000,000	4,000,000	8,000,000	8,000,000	12,000,000	15,000,000	15,000,000	13,000,000	12,000,000	95,000,000
Total Fixed Business Expenses	21,365,000	21,615,000	48,803,000	56,310,600	71,251,800	117,345,880	122,011,480	162,730,200	211,375,680	213,241,920	183,213,760	179,172,480	1,408,436,800
Other Expenses													
Depreciation	3,141,667	3,141,667	3,141,667	3,141,667	3,141,667	3,141,667	3,141,667	5,141,667	5,141,667	5,141,667	5,141,667	5,141,667	47,700,000
Total Other Expenses	3,141,667	3,141,667	3,141,667	3,141,667	3,141,667	3,141,667	3,141,667	5,141,667	5,141,667	5,141,667	5,141,667	5,141,667	47,700,000
Net Income	(24,506,667)	(24,756,667)	45,095,333	76,507,733	111,606,533	190,448,453	208,542,853	251,968,133	308,908,221	317,009,981	237,806,141	240,631,421	1,939,261,472

Appendix 6: Income Statement 2016

Excellence Institute of Language Training													
Projected Income Statement - Year 2016													
	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Totals
Income													
English for Kids	468,288,000	510,912,000	576,288,000	609,984,000	766,656,000	809,424,000	711,072,000	809,568,000	830,952,000	761,616,000	753,264,000	648,756,000	8,256,780,000
English for Teens	307,008,000	268,416,000	393,984,000	398,131,200	473,126,400	539,481,600	454,740,480	496,834,560	523,376,640	477,384,192	448,141,824	372,358,656	5,152,983,552
English for Adults	105,600,000	148,800,000	225,600,000	225,600,000	243,600,000	229,200,000	229,200,000	329,700,000	318,900,000	318,900,000	262,425,000	211,725,000	2,849,250,000
Total Income	880,896,000	928,128,000	1,195,872,000	1,233,715,200	1,483,382,400	1,578,105,600	1,395,012,480	1,636,102,560	1,673,228,640	1,557,900,192	1,463,830,824	1,232,839,656	16,259,013,552
Cost of Sales													
English for Kids	174,000,000	186,000,000	209,000,000	222,000,000	278,000,000	294,500,000	261,000,000	299,000,000	307,250,000	280,500,000	279,500,000	243,625,000	3,034,375,000
English for Teens	114,000,000	98,000,000	142,000,000	143,600,000	169,200,000	194,800,000	165,440,000	181,680,000	191,920,000	174,176,000	164,672,000	138,768,000	1,878,256,000
English for Adults	37,200,000	53,600,000	83,200,000	83,200,000	89,200,000	82,400,000	82,400,000	119,900,000	116,300,000	116,300,000	93,475,000	74,575,000	1,031,750,000
Total Cost of Sales	325,200,000	337,600,000	434,200,000	448,800,000	536,400,000	571,700,000	508,840,000	600,580,000	615,470,000	570,976,000	537,647,000	456,968,000	5,944,381,000
Gross Margin	555,696,000	590,528,000	761,672,000	784,915,200	946,982,400	1,006,405,600	886,172,480	1,035,522,560	1,057,758,640	986,924,192	926,183,824	775,871,656	10,314,632,552
	63%	64%	64%	64%	64%	64%	64%	63%	63%	63%	63%	63%	63%
Salaries and Wages													
Owner's Compensation	27,784,800	29,526,400	38,083,600	39,245,760	47,349,120	50,320,280	44,308,624	51,776,128	52,887,932	49,346,210	46,309,191	38,793,583	515,731,628
Securities Employee	4,000,000	4,000,000	4,000,000	4,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	80,000,000
Customer Service Employees	15,000,000	15,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	280,000,000
Marketing Employees	12,000,000	12,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	224,000,000
24% Payroll Taxes and Benefits	14,108,352	14,526,336	19,700,064	19,978,982	22,883,789	23,596,867	22,154,070	26,346,271	26,613,104	25,763,090	25,034,206	23,230,460	263,935,591
Total Salary and Wages	72,893,152	75,052,736	101,783,664	103,224,742	118,232,909	121,917,147	114,462,694	136,122,399	137,501,036	133,109,300	129,343,397	120,024,043	1,363,667,218
Fixed Business Expenses													
10% Advertising	88,089,600	92,812,800	119,587,200	123,371,520	148,338,240	157,810,560	139,501,248	163,610,256	167,322,864	155,790,019	146,383,082	123,283,966	1,625,901,355
8% R&D	70,471,680	74,250,240	95,669,760	98,697,216	118,670,592	126,248,448	111,600,998	130,888,205	133,858,291	124,632,015	117,106,466	98,627,172	1,300,721,084
Contract Labor	3,000,000	3,000,000	5,000,000	5,000,000	5,000,000	5,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	74,000,000
Internet	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	4,800,000
Accounting & Legal Professional Fees	1,800,000	1,800,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	41,100,000
Rent of Premise	17,000,000	17,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	384,000,000
Maintenance	1,000,000	1,000,000	1,000,001	1,000,001	1,000,002	1,000,002	1,000,003	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	14,500,009
Supplies	1,000,000	1,000,000	1,000,000	1,000,000	1,500,000	1,500,000	1,500,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	18,500,000
Telephones and Communication	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	12,000,000
Utilities	14,000,000	14,000,000	19,000,000	19,000,000	23,000,000	23,000,000	22,000,000	22,000,000	27,000,000	27,000,000	24,000,000	24,000,000	258,000,000
Total Fixed Business Expenses	197,761,280	206,263,040	280,156,961	286,968,737	336,408,834	353,459,010	322,502,249	369,398,461	381,081,155	360,322,035	340,389,548	298,811,138	3,733,522,448
Other Expenses													
Depreciation	2,000,000	2,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	54,000,000
Total Other Expenses	2,000,000	2,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	54,000,000
Net Income	283,041,568	307,212,224	373,731,375	388,721,721	486,340,657	525,029,443	443,207,537	526,001,700	535,176,449	489,492,858	452,450,879	353,036,475	5,163,442,885

Appendix 7: Income Statement 2017

Excellence Institute of Language Training Projected Income Statement - Year 2017													
	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Totals
Income													
English for Kids	635,904,000	747,072,000	737,856,000	732,672,000	937,152,000	942,336,000	815,616,000	940,032,000	940,032,000	857,088,000	855,936,000	729,216,000	9,870,912,000
English for Teens	354,816,000	368,064,000	459,072,000	448,704,000	551,232,000	608,256,000	510,912,000	562,752,000	588,672,000	536,832,000	499,968,000	418,176,000	5,907,456,000
English for Adults	172,800,000	196,800,000	283,200,000	264,000,000	278,400,000	264,000,000	259,200,000	369,600,000	355,200,000	355,200,000	292,800,000	235,200,000	3,326,400,000
Total Income	1,163,520,000	1,311,936,000	1,480,128,000	1,445,376,000	1,766,784,000	1,814,592,000	1,585,728,000	1,872,384,000	1,883,904,000	1,749,120,000	1,648,704,000	#####	19,104,768,000
Cost of Sales													
English for Kids	238,000,000	276,000,000	270,000,000	268,000,000	342,000,000	344,000,000	300,000,000	348,000,000	348,000,000	316,000,000	318,000,000	274,000,000	3,642,000,000
English for Teens	132,000,000	136,000,000	166,000,000	162,000,000	198,000,000	220,000,000	186,000,000	206,000,000	216,000,000	196,000,000	184,000,000	156,000,000	2,158,000,000
English for Adults	59,800,000	70,000,000	103,200,000	96,800,000	101,600,000	94,600,000	93,000,000	134,200,000	129,400,000	129,400,000	104,200,000	82,800,000	1,199,000,000
Total Cost of Sales	429,800,000	482,000,000	539,200,000	526,800,000	641,600,000	658,600,000	579,000,000	688,200,000	693,400,000	641,400,000	606,200,000	512,800,000	6,999,000,000
Gross Margin	733,720,000	829,936,000	940,928,000	918,576,000	1,125,184,000	1,155,992,000	1,006,728,000	1,184,184,000	1,190,504,000	1,107,720,000	1,042,504,000	869,792,000	12,105,768,000
	63%	63%	64%	64%	64%	64%	63%	63%	63%	63%	63%	63%	63%
Salaries and Wages													
Owner's Compensation	36,686,000	41,496,800	47,046,400	45,928,800	56,259,200	57,799,600	50,336,400	59,209,200	59,525,200	55,386,000	52,125,200	43,489,600	605,288,400
Securities Employee	4,000,000	4,000,000	4,400,000	4,400,000	8,800,000	8,800,000	8,800,000	8,800,000	8,800,000	8,800,000	8,800,000	8,800,000	87,200,000
Customer Service Employees	30,000,000	30,000,000	31,500,000	31,500,000	31,500,000	31,500,000	31,500,000	31,500,000	31,500,000	31,500,000	31,500,000	31,500,000	375,000,000
Marketing Employees	20,000,000	20,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	260,000,000
24% Payroll Taxes and Benefits	21,764,640	22,919,232	25,187,136	24,918,912	28,454,208	28,823,904	27,032,736	29,162,208	29,238,048	28,244,640	27,462,048	25,389,504	318,597,216
Total Salary and Wages	112,450,640	118,416,032	130,133,536	128,747,712	147,013,408	148,923,504	139,669,136	150,671,408	151,063,248	145,930,640	141,887,248	131,179,104	1,646,085,616
Fixed Business Expenses													
10% Advertising	116,352,000	131,193,600	148,012,800	144,537,600	176,678,400	181,459,200	158,572,800	187,238,400	188,390,400	174,912,000	164,870,400	138,259,200	1,910,476,800
8% R&D	93,081,600	104,954,880	118,410,240	115,630,080	141,342,720	145,167,360	126,858,240	149,790,720	150,712,320	139,929,600	131,896,320	110,607,360	1,528,381,440
Contract Labor	8,000,000	8,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	116,000,000
Internet	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	4,800,000
Accounting & Legal Professional Fees	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	60,000,000
Rent of Premise	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	420,000,000
Maintenance	1,000,000	1,000,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	17,000,000
Supplies	1,500,000	1,500,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	23,000,000
Telephones and Communication	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	12,000,000
Utilities	19,000,000	21,000,000	24,000,000	23,000,000	28,000,000	29,000,000	25,000,000	30,000,000	30,000,000	28,000,000	26,000,000	22,000,000	305,000,000
Total Fixed Business Expenses	280,333,600	309,048,480	345,323,040	338,067,680	400,921,120	410,526,560	365,331,040	421,929,120	424,002,720	397,741,600	377,666,720	325,766,560	4,396,658,240
Other Expenses													
Depreciation	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	48,000,000
Total Other Expenses	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	48,000,000
Net Income	336,935,760	398,471,488	461,471,424	447,760,608	573,249,472	592,541,936	497,727,824	607,583,472	611,438,032	560,047,760	518,950,032	408,846,336	6,015,024,144

Appendix 8: Cash flow Statement 2015

Excellence Institute of Language Training													
Projected Cash Flow Statement - Year 2015													
	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Totals
Beginning Cash Balance	52,400,000	30,035,000	8,420,000	56,657,000	137,223,360	251,971,560	445,561,680	573,962,402	807,072,202	1,121,122,090	1,274,001,512	1,516,949,320	
Cash Inflows													
Income from Sales	-	-	201,600,000	241,920,000	293,760,000	527,616,000	553,536,000	728,640,000	950,976,000	961,344,000	805,632,000	788,736,000	6,053,760,000
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash inflows	-	-	201,600,000	241,920,000	293,760,000	527,616,000	553,536,000	728,640,000	950,976,000	961,344,000	805,632,000	788,736,000	6,053,760,000
Cash Outflows													
Investing Activities													
New Capital Purchases	-	-	-	-	-	-	-	24,000,000	-	-	-	-	24,000,000
Inventory Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost of Sales	-	-	93,400,000	94,800,000	96,600,000	198,080,000	201,240,000	270,360,000	349,840,000	350,240,000	303,760,000	288,080,000	2,246,400,000
Operating Activities													
Salaries and Wages	-	-	11,160,000	11,160,000	11,160,000	18,600,000	18,600,000	38,440,000	75,710,432	75,710,432	75,710,432	75,710,432	411,961,728
Fixed Business Expenses	21,365,000	21,615,000	48,803,000	56,310,600	71,251,800	117,345,880	122,011,480	162,730,200	211,375,680	213,241,920	183,213,760	179,172,480	1,408,436,800
Taxes	1,000,000	-	-	(916,960)	-	-	83,283,798	-	-	169,272,226	-	-	252,639,064
Financing Activities													
Loan Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Line of Credit Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Line of Credit Repayments	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Outflows	22,365,000	21,615,000	153,363,000	161,353,640	179,011,800	334,025,880	425,135,278	495,530,200	636,926,112	808,464,578	562,684,192	542,962,912	4,343,437,592
Cash Flow	(22,365,000)	(21,615,000)	48,237,000	80,566,360	114,748,200	193,590,120	128,400,722	233,109,800	314,049,888	152,879,422	242,947,808	245,773,088	1,710,322,408
Operating Cash Balance	30,035,000	8,420,000	56,657,000	137,223,360	251,971,560	445,561,680	573,962,402	807,072,202	1,121,122,090	1,274,001,512	1,516,949,320	1,762,722,408	
Line of Credit Drawdowns	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Cash Balance	30,035,000	8,420,000	56,657,000	137,223,360	251,971,560	445,561,680	573,962,402	807,072,202	1,121,122,090	1,274,001,512	1,516,949,320	1,762,722,408	

Appendix 9: Cash flow Statement 2016

Excellence Institute of Language Training													
Projected Cash Flow Statement - Year 2016													
	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Totals
Beginning Cash Balance	1,762,722,408	1,871,765,516	2,180,977,740	2,512,709,115	2,695,354,099	3,187,694,756	3,718,724,199	3,859,911,535	4,389,913,236	4,929,089,685	5,091,617,691	5,548,068,570	
Cash Inflows													
Income from Sales	880,896,000	928,128,000	1,195,872,000	1,233,715,200	1,483,382,400	1,578,105,600	1,395,012,480	1,636,102,560	1,673,228,640	1,557,900,192	1,463,830,824	1,232,839,656	16,259,013,552
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Inflows	880,896,000	928,128,000	1,195,872,000	1,233,715,200	1,483,382,400	1,578,105,600	1,395,012,480	1,636,102,560	1,673,228,640	1,557,900,192	1,463,830,824	1,232,839,656	16,259,013,552
Cash Outflows													
Investing Activities													
New Capital Purchases	-	-	48,000,000	-	-	-	-	-	-	-	-	-	48,000,000
Inventory Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost of Sales	325,200,000	337,600,000	434,200,000	448,800,000	536,400,000	571,700,000	508,840,000	600,580,000	615,470,000	570,976,000	537,647,000	456,968,000	5,944,381,000
Operating Activities													
Salaries and Wages	72,893,152	75,052,736	101,783,664	103,224,742	118,232,909	121,917,147	114,462,694	136,122,399	137,501,036	133,109,300	129,343,397	120,024,043	411,961,728
Fixed Business Expenses	197,761,280	206,263,040	280,156,961	286,968,737	336,408,834	353,459,010	322,502,249	369,398,461	381,081,155	360,322,035	340,389,548	298,811,138	3,733,522,448
Taxes	175,998,460	-	-	212,076,737	-	-	308,020,201	-	-	330,964,851	-	-	1,027,060,248
Financing Activities													
Loan Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Line of Credit Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Line of Credit Repayments	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Outflows	771,852,892	618,915,776	864,140,625	1,051,070,216	991,041,743	1,047,076,157	1,253,825,144	1,106,100,860	1,134,052,191	1,395,372,185	1,007,379,945	875,803,181	11,164,925,424
Cash Flow	109,043,108	309,212,224	331,731,375	182,644,984	492,340,657	531,029,443	141,187,336	530,001,700	539,176,449	162,528,007	456,450,879	357,036,475	5,094,088,128
Operating Cash Balance	1,871,765,516	2,180,977,740	2,512,709,115	2,695,354,099	3,187,694,756	3,718,724,199	3,859,911,535	4,389,913,236	4,929,089,685	5,091,617,691	5,548,068,570	5,905,105,045	
Line of Credit Drawdowns	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Cash Balance	1,871,765,516	2,180,977,740	2,512,709,115	2,695,354,099	3,187,694,756	3,718,724,199	3,859,911,535	4,389,913,236	4,929,089,685	5,091,617,691	5,548,068,570	5,905,105,045	

Appendix 10: Cash flow Statement 2017

Excellence Institute of Language Training Projected Cash Flow Statement - Year 2017													
	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Totals
Beginning Cash Balance	5,905,105,045	5,960,145,159	6,362,616,647	6,780,088,071	6,968,535,371	7,545,784,843	8,142,326,779	8,289,073,159	8,900,656,631	9,516,094,663	9,702,457,571	10,225,407,603	
Cash Inflows													
Income from Sales	1,163,520,000	1,311,936,000	1,480,128,000	1,445,376,000	1,766,784,000	1,814,592,000	1,585,728,000	1,872,384,000	1,883,904,000	1,749,120,000	1,648,704,000	1,382,592,000	19,104,768,000
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Inflows	1,163,520,000	1,311,936,000	1,480,128,000	1,445,376,000	1,766,784,000	1,814,592,000	1,585,728,000	1,872,384,000	1,883,904,000	1,749,120,000	1,648,704,000	1,382,592,000	19,104,768,000
Cash Outflows													
Investing Activities													
New Capital Purchases	-	-	48,000,000	-	-	-	-	-	-	-	-	-	48,000,000
Inventory Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost of Sales	429,800,000	482,000,000	539,200,000	526,800,000	641,600,000	658,600,000	579,000,000	688,200,000	693,400,000	641,400,000	606,200,000	512,800,000	6,999,000,000
Operating Activities													
Salaries and Wages	112,450,640	118,416,032	130,133,536	128,747,712	147,013,408	148,923,504	139,669,136	150,671,408	151,063,248	145,930,640	141,887,248	131,179,104	411,961,728
Fixed Business Expenses	280,333,600	309,048,480	345,323,040	338,067,680	400,921,120	410,526,560	365,331,040	421,929,120	424,002,720	397,741,600	377,666,720	325,766,560	4,396,658,240
Taxes	285,895,647	-	-	263,313,308	-	-	354,981,444	-	-	377,684,852	-	-	1,281,875,250
Financing Activities													
Loan Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Line of Credit Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Line of Credit Repayments	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Outflows	1,108,479,887	909,464,512	1,062,656,576	1,256,928,700	1,189,534,528	1,218,050,064	1,438,981,620	1,260,800,528	1,268,465,968	1,562,757,092	1,125,753,968	969,745,664	13,137,495,218
Cash Flow	55,040,113	402,471,488	417,471,424	188,447,300	577,249,472	596,541,936	146,746,380	611,583,472	615,438,032	186,362,908	522,950,032	412,846,336	5,967,272,782
Operating Cash Balance	5,960,145,159	6,362,616,647	6,780,088,071	6,968,535,371	7,545,784,843	8,142,326,779	8,289,073,159	8,900,656,631	9,516,094,663	9,702,457,571	10,225,407,603	10,638,253,939	
Line of Credit Drawdowns	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Cash Balance	5,960,145,159	6,362,616,647	6,780,088,071	6,968,535,371	7,545,784,843	8,142,326,779	8,289,073,159	8,900,656,631	9,516,094,663	9,702,457,571	10,225,407,603	10,638,253,939	