



## Financial Prospectus for a 247 Professional Health Franchise

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## Franchise Prospectus - 247 Professional Health

This franchise operates in the healthcare sector of the UK. The business is accredited by:

- The Care Quality Commission.
- The Recruitment and Employment Confederation Professionals
- United Kingdom Homecare Association
- Investors In People

These pages on this site are the franchise prospectus our business. Our day-to-day business web page is to be found at <http://247professionalhealth.com>.

### The Franchise

Do not underestimate what you are looking at. Healthcare does not suffer from recessions at all because it is not a discretionary purchase. There is no downturn at all in the health care sector.

**Already it is estimated that half of women and a third of men over 65 will need long-term care at some point. And the number of people aged 85 and over is predicted to double over the next 20 years.**

247 Professional Health supplies staff to residential homes; care homes; rest homes; nursing homes; EMI care homes (dementia); hospitals; learning disability centre's; mental health centres and into the private Domiciliary Care Sector.



The demand for staff is up. This is a very good business to start and operate because of low overheads; very good profits and above all stability.

The core business is operated by people who understand business; work in the business every day; are registered carers; understand business downturns and most of all, have operated in the industry for some considerable time, in other words: safe hands.

## Background

Operationally 247 Professional Health currently offers a quality care service supplying Nurses, Care Assistants, Support Workers, Domiciliary Care Assistants, Companions and Domestics. These members of staff assist the elderly and people of all ages who may have a learning disability or mental health issue. This care may be provided within a Care Home, a Learning Disability Partnership or a Mental Health Establishment. Also many individual clients requiring special needs assistance prefers to remain as secure as possible in the comfort of their own homes.



### Report on the healthcare sector 2008:

"With the growth in UK population and our increasing life spans, the UK has an ever increasing number of older people"

"The market today is enormous, estimated to be worth £12-£17 billion per annum! There are now around 4,500 independent operators in the UK with Social Services currently purchasing 70 per cent of their community based care from these new independent sector operators"

"The benefits of franchising this type of business are numerous, but for clients, a franchised care operator such as 247 Professional Health can ensure a far greater standard of care delivery than a large corporate provider. The owner of a good solid professional care franchise can build a hugely profitable business, but equally, will reap far greater rewards from knowing that often vulnerable clients are receiving the very best care in their own homes as a result of his/her business"

**To summarise the background:**

247 Professional Health supplies staff of all descriptions to care homes; rest homes; nursing homes; EMI care homes (dementia); hospitals; re-enablement teams; learning disability centres; mental health centres and privately to the client at home.

It is already it is estimated that half of women and a third of men over 65 will need long-term care at some point. And the number of people aged 85 and over is predicted to double over the next 20 years and there are more people of pensionable age than teenagers. **We are looking for people who see what we see to become franchisees helping the people in this picture..**



## The Opportunity in detail

### Development of the Market

With the growth in UK population and our increasing life spans, the UK has an ever increasing number of older people. The report reflects on the sweeping changes that the care services industry has undergone over the last 20



#### 1980:

Up to the early 1980s, the availability of care tended to be mainly residential based, either in residential or nursing homes, albeit with some additional provision of state funded home-helps. In fact, 98 per cent of all institutional care was provided by the state.

#### 1984:

**However, in 1984 compulsory registration of independently owned residential homes was introduced and during the next nine years, there was an enormous upsurge in the numbers of independent operators providing residential care for mainly older people. These were boom times for operators of private rest homes and the vast majority of these homes provided a safe, secure and caring environment for older people who had been struggling to cope for themselves in their own homes. All this changed with the passing of the NHS and Community Care Act in 1990.**

#### 1993:

This Act represented the most drastic changes to the way care had ever been provided before. Delayed for two years, in April 1993 the Community Care Act was finally implemented in England

and Wales, having initially been introduced to Scotland. The main consequences of this act were that the budgets held by the DSS to fund residential care were to be diverted to local authorities' Social Services departments and anyone who felt that they required care and funding for that care would now need to apply for assessment by their local Social Services.

The other major development in 1993 was the move by Social Services departments to purchase more and more community-based care from the independent sector whose costs were significantly lower, rather than to be providers of care services themselves. Hence, a new market started to develop in 1993 - the domiciliary care market.



### 2003:

In 2003 the Care Standards Act was introduced, requiring compulsory registration for all care providers and thereafter regular inspections from an independent organisation, the Commission for Social Care Inspection. This was a move welcomed by professional operators and has resulted in less committed operators withdrawing from the market. Domiciliary Care now has the professional status it has sought, and indeed yearned for.

This system has now been in place for 13 years and the result of the majority of these assessments is that individuals can remain living in their own homes with care workers visiting them and providing appropriate in-home care and support. Of course, this has enormous cost saving benefits to the economy but more importantly, it allows people to retain a great deal more independence living in the familiar surroundings of their own homes.

### 2008:

The market today is enormous, estimated to be worth £12-£17 billion per annum! There are now around 4,500 independent operators in the UK with Social Services currently purchasing 70 per cent of their community based care from these new independent sector operators.

The benefits of franchising this type of business are numerous, but for clients, a franchised care operator such as 247 Professional Health can ensure a far greater standard of care delivery than either a large corporate provider or a small independent operator. The owner of a good solid professional care franchise can build a hugely profitable business, but equally, will reap far greater rewards from knowing that often vulnerable clients are receiving the very best care in their own homes as a result of his/her business.

### **£18 Billion**

This market nationally has a turnover (at the time of writing) in excess of £18 billion a year and it is growing. Government legislation increases the size of the sector continuously.

We are now inviting individuals who care about people to join us with a superb opportunity to have their own business in this market sector under the 247 Professional Health banner.

## Support

With the training support and guidance from our team throughout the development of your franchise you will have all you need to be a success.

### You will learn:

The structure of an agency: candidates and clients

- The rules and conditions that an agency in the healthcare industry has to abide by:
  - CRB - Criminal Records Bureau
  - CQC- Care Quality Commission
  - POVA - Protection Of Vulnerable Adults
- How to get agency workers and what rules they have to follow
- How to get clients such as:
  - Residential Homes; Care Homes and Rest Homes
  - EMI Care Homes
  - Nursing Homes
  - Learning Disability Centres
  - Mental Health Centres
  - Hospitals
  - Private Domiciliary Care

The support doesn't stop there though; it continues with direct phone 24 hour 7 day week phone line. With our name; we need you to succeed and you will.

## The Business Package

- A territory
- A trade name.
- A training programme on the systems and procedures adopted by 247 Professional Health.
- Low overheads
- Full IT support and training
- Marketing and promotional support
- Assistance with office site solutions
- Full ongoing support throughout your franchise period which includes 24 hours, seven days a week telephone support by 247 Professional Health head office staff.



## Financial Information

Simply to start a business you need two amounts of money: (1) set up costs and (2) working capital.

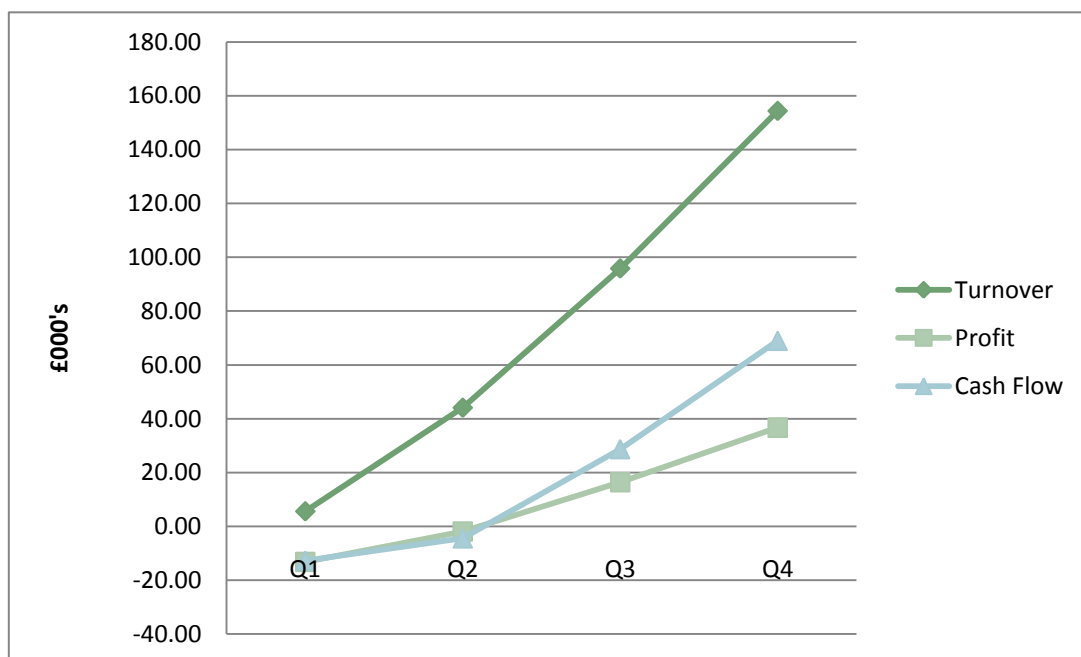
We estimate setup costs to be £17,000. You will also need working capital and as in this model we expect that to be in the region of £12,000 to 15,000 over the first year

Expectations are that in year one you create £300,000 turnover with a £120,000 gross margin and £65,000 for you in Salary and Dividend. You can see below the return on investment. Please contact us for more in-depth figures and examples.

### Business Plan Modelled 2008-2009

**Turnover £300,000. Gross Margin 42%.**

**Setup costs including VAT in the model are £17,000  
Franchisee earns £65,000.**



## Typical Set Costs

Set Up Cost in £000's			
	Cost	VAT	Tot
Franchise Fee	15.0	0.0	15.0
Rent deposit	0.5	0.1	0.6
Computer	0.4	0.1	0.5
Other	1.0	0.2	1.2
	<b><u>16.9</u></b>	<b><u>0.4</u></b>	<b><u>17.3</u></b>

## Profit and Loss Projections

<b>Profit and Loss in £000's</b>					
<b>Income</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>TOTAL</b>
Income from hours sold	5.60	44.08	95.79	154.32	299.79
CRB sales	0.54	0.54	0.54	0.54	2.16
	6.14	44.62	96.33	154.86	301.95
<b>Expenditure</b>					
Labour	3.21	25.30	54.98	88.58	172.08
Payroll	0.08	0.66	1.44	2.31	
Factor	0.10	0.75	1.63	2.62	
Management Chgs	0.28	2.20	4.79	7.72	
Training Costs	0.00	1.00	1.00	0.00	
CQC fee	0.00	0.65	0.00	0.00	
Advertising	0.30	0.30	0.30	0.30	
Director salaries	2.40	2.40	2.40	2.40	
Admin salaries	4.50	4.50	4.50	4.50	
NI	0.89	0.89	0.89	0.89	
Dividend	4.50	4.50	4.50	4.50	
Rent	0.90	1.35	1.35	1.35	
Printing	0.10	0.00	0.10	0.10	
Telephone	0.60	0.60	0.60	0.60	
Stationery	0.08	0.08	0.08	0.08	
Motor expenses	0.60	0.60	0.60	0.60	
Sundries	0.30	0.30	0.30	0.30	
Insurance	0.30	0.30	0.30	0.30	
Accountancy fees	0.00	0.00	0.00	0.85	
Bank charges	0.15	0.15	0.15	0.15	
	19.29	46.53	79.90	118.15	263.87
<b>Margin</b>	<b>-13.15</b>	<b>-1.91</b>	<b>16.43</b>	<b>36.71</b>	<b>38.08</b>
<b>Shareholder/Director income in £000's</b>					<b>65.68</b>

## Typical Cash Flow

<b>Cash Flow in £000's</b>					
<b>Income</b>		<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
	<b>Initial cash input</b>	17.28			
	<b>Income from hours sold</b>	6.72	52.90	114.95	185.18
	<b>CRB sales</b>	0.54	0.54	0.54	0.54
		<u>24.54</u>	<u>53.44</u>	<u>115.49</u>	<u>185.72</u>
<b>Expenditure</b>					
	<b>Setup</b>	17.28			
	<b>Labour</b>	3.21	25.30	54.98	88.58
	<b>Payroll</b>	0.10	0.79	1.72	2.78
	<b>Factor</b>	0.11	0.90	1.95	3.15
	<b>Management Chgs</b>	0.34	2.64	5.75	9.26
	<b>Training Costs</b>	0.00	1.20	1.20	0.00
	<b>CQC fee</b>	0.00	0.65	0.00	0.00
	<b>Advertising</b>	0.36	0.36	0.36	0.36
	<b>Director salaries</b>	2.40	2.40	2.40	2.40
	<b>Admin salaries</b>	4.50	4.50	4.50	4.50
	<b>NI</b>	0.89	0.89	0.89	0.89
	<b>Dividend</b>	4.50	4.50	4.50	4.50
	<b>Rent</b>	1.08	1.62	1.62	1.62
	<b>Printing</b>	0.12	0.00	0.12	0.12
	<b>Telephone</b>	0.72	0.72	0.72	0.72
	<b>Stationery</b>	0.09	0.09	0.09	0.09
	<b>Motor expenses</b>	0.72	0.72	0.72	0.72
	<b>Sundries</b>	0.36	0.36	0.36	0.36
	<b>Insurance</b>	0.30	0.30	0.30	0.30
	<b>Accountancy fees</b>	0.00	0.00	0.00	1.02
	<b>Bank charges</b>	0.15	0.15	0.15	0.15
	<b>VAT Paid</b>	0.00	0.07	0.00	23.97
		<u>37.23</u>	<u>48.17</u>	<u>82.34</u>	<u>145.48</u>
	<b>bf</b>	<b>0.00</b>	<b>-12.69</b>	<b>-7.43</b>	<b>25.72</b>
	<b>movement</b>	-12.69	5.26	33.15	40.24
	<b>cf</b>	-12.69	-7.43	25.72	65.96
	<b>Initial investment (Setup)</b>	<b>17.28</b>			
	<b>Working capital</b>	<b>12.69</b>			
	<b>Total</b>	<b>29.97</b>			

## Typical 3 year Projections

3 Year projections in £000's				
Income		First Year	Second Year	Third year
	Sales	299.79	617.28	740.74
	other	2.16	2.16	2.59
		<b><u>301.95</u></b>	<b><u>619.44</u></b>	<b><u>743.33</u></b>
<b>Expenditure</b>				
	Labour	172.08	354.32	425.18
	Payroll	4.50	9.26	11.11
	Factor	5.10	10.49	12.59
	Management Chgs	14.99	30.86	37.04
	Training Costs	2.00	5.00	6.00
	CQC fee	0.65		
	Advertising	1.20	1.20	1.44
	Director salaries	9.60	40.00	60.00
	Admin salaries	18.00	30.00	50.00
	NI	3.55	9.02	14.17
	Dividend	18.00	50.00	60.00
	Rent	4.95	4.95	4.95
	Printing	0.30	1.00	1.50
	Telephone	2.40	5.00	6.00
	Stationery	0.30	1.00	1.20
	Motor expenses	2.40	5.00	6.00
	Sundries	1.20	3.00	3.60
	Insurance	1.20	1.20	1.20
	Accountancy fees	0.85	1.00	1.00
	Bank charges	0.60	2.00	2.40
		<b><u>263.87</u></b>	<b><u>564.30</u></b>	<b><u>677.16</u></b>
	<b>Margin in £000's</b>	<b>£38.08</b>	<b>£55.14</b>	<b>£66.17</b>
	<b>Franchisee in £000's</b>	<b>£65.68</b>	<b>£145.14</b>	<b>£186.17</b>

## Are you for us



Many people feel that the way to personal success is to start their own business. Opening your own business can bring many advantages, apart from the obvious financial and tax rewards; there are also lifestyle changes, such as having time off when you choose and controlling your own life instead of being controlled by a manager or boss.

### *Personal growth is an important part to this too*

Starting your own business can be daunting though because you need knowledge and expertise to be successful. We will provide you with the knowledge and the business acumen of the care sector and business; we will help and provide the expertise needed to start your own business.

### *Businesses starting in this way will have a far higher success rate than other types of start-up businesses.*

You will be provided with a proven business system to operate, which has already been proven successful for the Franchisors, who run and manage their own business. This will minimise the possibility of costly mistakes.

247 Professional Health has Franchisees from differing backgrounds and their high level of success shows that this is a real opportunity to develop a large successful business.

Provide a quality and caring service to clients and add business knowledge and you will be successful with our business model

## The Franchise Opportunity – Summary

With us a £15,000 Franchise Fee gets you in business; in Healthcare with a company that is CQC registered and that is also member of the Recruitment and Employment Confederation; the United Kingdom Home Care Association; and an Investor In People then above all and on target a gets you an income £60,000



The pilot enjoyed a first year turnover of £397,000 and after salaries paid £60,000 to the shareholders. The royalty or management fee is 5% of turnover. There are no other fees paid to us.

Training comprises of CQC accredited Social Care Staffing; Nursing; Tenders Acquisition and Domiciliary Care. Our plan is that we start franchisees with Social Care (residential and elderly supervised) and at the same time we train them to be CQC compliant. Once CQC is attained for them we train staffing for qualified Social Workers\*; Social Carers\*; Nursing Staff (PIN's); Re-Enablement Teams\*; Local Authority Tenders\* and Qualified Dom Care Teams\*. Please understand that only a few companies compare with our business model as most companies only involve themselves with basic none-personal Domiciliary Care.

*\* NOTE: it is important to realise that lots of our contracts are with vulnerable adults and children and therefore the territory has to be assessed professionally because the locations are not released into the public domain for obvious reasons.*

**Territory which we protect consists of:**

- Residential Homes;
- Care Homes;
- Rest Homes;
- EMI Care Homes;
- Nursing Homes;
- Learning Disability Centres;
- Mental Health Centres;
- Hospitals;
- Local Authority Domiciliary Care contracts;
- Private Domiciliary Care contracts;
- National and local tender locations



For more information on the franchise please visit <http://247phc.com> and for our Healthcare site visit <http://247professionalhealth.com>.

If this is business that interests you then please call Les Armitage (07739 701 702) now and let's have an informal chat or meeting as we too are interested in talking to you.

## Payments and Policies

### Deposits.

Normally as someone become interested in our business the first thing is to reserve a territory by a deposit of £2500. This is obviously deducted from the Franchise Fee. The deposit is best paid by bank transfer and we are happy to send those details to you. The launch management of the franchise is handled by Gardner Riley ([garder-riley.com](http://garder-riley.com)).

### Refunds Policy.

Once the Franchise Agreements are signed or business plans created then this is a commitment from you to become a business partner and likewise the same commitment then comes from us and payments are then non-refundable.

### Privacy Policy.

Save for information you may have previously sent to me by email, using this web site does not transfer to me any personal information about you such as your name, address, phone number, e-mail address or any other information. Your email address is never shared.

### Figures correct at the time of creation

Please note that figures could have changed since creation through conditions out our control - taxation rates and other unstable conditions