

BUSINESS PLAN 2006-2007

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BUSINESS PLAN YEARS 1-3

INTRO

1. **AIM**

To provide professional service and solutions, which meet the needs of our customers and that are practical and aspirations. To achieve sustainable growth within budget for financial year starting in April 2004 and the following two subsequent years.

2. **MISSION**

To extend the limits of the consultancy and network development that will satisfy the needs of the clients, resulting in sustainable development & growth.

3. **MARKET ASSESSMENT**

4. **PRODUCT RANGE & NATURE OF PROVISION**

5. **PRODUCTION AIM**

6. **PRODUCTION STRATEGY**

7. **PRODUCTION OBJECTIVES**

	YEAR 1		
1			
2			
3			
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8. MARKETING AIM

To position the company as the lead organisation for motor vehicle in Merseyside and to advance the brand 'LEL' in the business community

9. MARKETING STRATEGY

Our strategy is to use the principles of the marketing mix and to build upon relationship marketing to satisfy the core aim of our business

Develop research techniques internally and externally for brand awareness and loyalty

Make use of the marketing SWOT analysis tools

Make use of CBA across the whole company

Attempt to unit price every element of business

Breed awareness to staff about marketing principles

Learn best practice and concept via The Chartered Institute of Marketing

Produce relevant promotional material

Devise a PR and communications plan

Hold an Open Day event

10. MARKETING OBJECTIVES

	YEAR 1		
1			
2			
3			
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11. SALES AIM

12. SALES STRATEGY

13. SALES OBJECTIVES

	YEAR 1		
1			
2			
3			
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14. QUALITY AIM

To implement the standards of ISO 9002, PFM, IIP and C&G systems and procedures to enhance the company's quality assurance in order to maximise efficiency and effectiveness.

15. QUALITY STRATEGY

Co-ordinate the quarterly quality management meeting

Internally audit to ISO 9002 standard every six months

Introduce the concept of QA to all new staff

Introduce the concept of QA to all employers and suppliers

16. QUALITY OBJECTIVE

	YEAR 1		
1			
2			
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17. SITE AIM

To maintain, within the standards of the H & S E and the Environmental Agency, a establishment and surrounding landscape for the use of manufacture.

18. SITE STRATEGY

Utilisation of space and resources to maximise efficiency

Develop landscaping initiatives to beautify the area

Develop a modernisation of buildings with current decorative concepts

To constantly improve the provision on site

To repair any faults within the month of recording

To phased the develop the site

Development of community relationships

Optimise rental and complementary usage

Implement a no smoking policy

19. SITE OBJECTIVE

	YEAR 1		
1			
2			
3			
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10			

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20 MANAGEMENT AIM

To increase the volume of the effective business activity to produce an annual 5-10 % profit within the scope of the plan.

21 MANAGEMENT STRATEGY

To co-ordinate all management tasks via the management team

To implement the policies and directives of the Board

Introduce new management concepts

Introduction of new admin and accounting systems

To introduce accountability at all levels of management

To use 'best practice' management principles

Optimise contract profiles in teams of profit per unit cost

Implement a solid organisational structure with lines of command and responsibility

Embrace I.T. functions throughout the business to aid decision making

Segment the production to cater for loss earners

To build value, depth and investment into the business

To comply with the company's articles of association operating regulations

To accept assistance from professional bodies and organisations to further the Agency core aim

22. MANAGEMENT OBJECTIVES

	YEAR 1		
1	Increase income/expend		
2	Maintain staff		
3	Implement I.T.		
4	Achieve contract profile		
5	Reduce admin costs		
6	Rationalise budgets		
7	Set Dept targets		
8	Locate other funds		

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23. KPI's

	YEAR 1		
1			
2			
3			
4			
5			
6			
7			
8			

24. FINANCE

25. FINANCIAL FORECAST SUMMARY

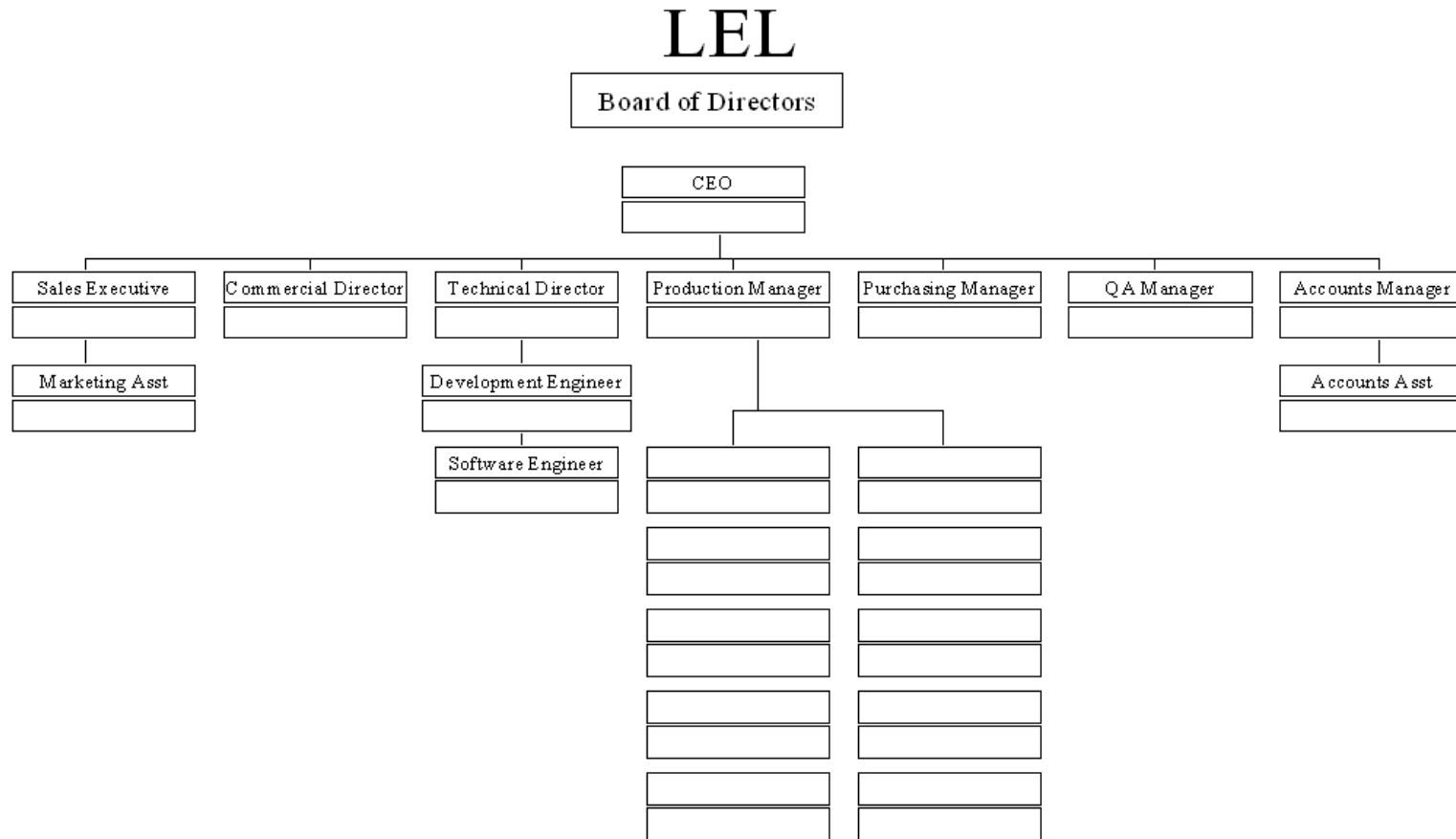
YEAR 1	2005/06	YEAR 2	2006/07	YEAR 3	2007/08
Income		Income		Income	
Expenditure		Expenditure		Expenditure	
Profit		Profit		Profit	
Percentage		Percentage		Percentage	

ANNEX

1. ORGANISATION CHART
2. STAFF PROFILE /QUALIFCATION MATRIX
3. ACTIVITY PLAN
4. FORECAST

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ORGANISATION CHART



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STAFF PROFILE /QUALIFCATION MATRIX

Name	Title	Qualification				

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ACTIVITY PLAN

Jan				Feb				Mar				Apr				May				Jun				Jul				Aug				Sep				Oct				Nov				Dec			
Week				Week				Week				Week				Week				Week				Week				Week				Week				Week				Week							
1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Diagnostic & Development of Marketing Plan																																															
Developing Sales Team																																															
Developing Pricing Policy																																															
Development of Logistics and distribution																																															
Development of Promotion mix																																															
Event Management																																															
Customer Relationship Management																																															
Co-ordinating QA																																															
Research & Market Analysis																																															

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FORECAST

FORECAST PROFIT 2006																				
Measure	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2006	2005	Var. b/(w)		2004	Var. b/(w)		
	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	F/c	F/c	F/c	Act	£	%	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	%
ORDERS	99,318	117,216	98,221	66,265	77,588	140,051	85,293	118,040	123,154	98,839	150,585	59,145	1,233,714	#####	£	0	0.0	#####	46,505	3.9
SALES																				
Product Sales	92,031	115,000	115,000	110,000	95,000	90,000	100,000	110,000	125,000	120,000	105,000	100,000	1,277,031	1,319,730	-42,699	(3.2)	#####	38,072	3.1	
Carriage	934	1,347	1,632	1,792	1,067	1,182	1,327	1,770	1,526	1,176	1,277	1,149	16,179	16,179	0	0.0	15,344	835	5.4	
TOTAL SALES	111,558	139,616	139,959	134,150	115,280	109,418	121,593	134,124	151,831	145,412	127,532	121,378	1,551,852	#####	215,942	16.2	#####	297,549	23.7	
COST OF SALES																				
Materials	29,081	39,097	43,385	48,168	23,811	29,530	39,952	34,240	51,934	50,369	53,289	53,079	495,934	495,934	32.0	37.1	420,288	32.0	37.1	
Labour	12,667	12,615	12,684	12,979	12,392	12,023	11,823	12,445	11,882	11,307	11,737	12,430	146,983	146,983	9.5	11.0	137,872	9.5	11.0	
Carriage Inwards	1,671	920	562	656	919	893	1,122	521	1,119	982	1,115	596	11,074	11,074	0.7	0.8	10,907	0.7	0.8	
Data post and parcels	1,114	1,542	1,301	1,765	1,629	1,255	1,832	1,494	1,736	1,047	2,128	1,354	18,199	18,199	1.2	1.4	20,422	1.2	1.4	
Packaging	500	500	1,000	0	52	467	115	1,247	112	0	580	174	4,748	4,748	0.3	0.4	3,204	0.3	0.4	
	54,039	65,609	70,718	76,282	46,564	53,001	65,814	59,936	80,140	76,446	82,618	81,158	812,326	676,938	52.3	50.7	592,693	52.3	50.7	
GROSS PROFIT	57,519	74,007	69,241	57,868	68,717	56,417	55,779	74,187	71,691	68,966	44,914	40,220	739,526	658,971	80,555	12.2	661,610	47.7	49.3	
Gross profit %age	52%	53%	49%	43%	60%	52%	46%	55%	47%	47%	35%	33%	48%	49%	37%	76%	53%			
OTHER INCOME																				
Grants received	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,879	(1,879)	(100.0)	
Bank interest receivab	0	0	31	0	0	35	0	0	110	0	0	105	282	282	0	0.0	1,111	(829)	(74.7)	
EXPENSES																				
Sales & Mktg.	1,440	1,295	2,111	724	3,598	769	3,302	935	651	401	541	501	16,268	16,268	£	%	35,443	19,175	54.1	
Research & Developme	2,258	4,609	829	74	500	145	295	1,512	1,718	63	159	1,570	13,732	13,732	0	0.0	25,881	12,149	46.9	
Repairs & Small Tools	190	163	657	245	8	203	42	447	407	695	372	287	3,714	3,714	0	0.0	4,325	611	14.1	
Cleaning & Vending	1,299	218	1,833	919	780	208	248	249	404	217	487	1,031	7,892	7,892	0	0.0	6,206	(1,686)	(27.2)	
Audit Fees	475	475	475	358	950	950	718	475	475	475	475	475	6,776	6,776	0	0.0	6,475	(301)	(4.6)	
Training	1,104	463	296	0	1,292	315	0	3,050	0	0	383	739	7,642	7,642	0	0.0	4,428	(3,214)	(72.6)	
Salaries	33,353	34,488	36,785	34,000	37,809	37,206	34,259	35,200	31,025	28,375	28,693	31,966	403,159	403,159	0	0.0	371,818	(31,341)	(8.4)	
P Cosgrove	1,650	1,800	1,920	1,080	0	1,440	0	2,760	0	0	0	11,850	0	0	0	0	11,850	(11,850)		
Depreciation	1,680	1,508	1,676	1,676	1,676	1,510	2,318	1,690	2,021	1,723	1,672	3	19,153	19,153	0	0.0	24,648	5,495	22.3	
Utilities	349	0	120	614	113	0	184	184	0	20	129	0	1,713	1,713	0	0.0	1,241	(472)	(38.0)	
Rates & Insurance	2,261	3,838	2,261	2,261	819	2,088	2,639	2,900	2,639	7,205	3,600	3,096	35,606	35,606	0	0.0	31,686	(3,920)	(12.4)	
Vehicle Costs	2,038	1,022	1,288	1,217	1,693	1,047	1,291	1,383	1,556	1,838	2,465	813	17,652	17,652	0	0.0	18,368	716	3.9	
Bank Charges & Int	885	1,038	870	922	866	990	903	925	842	880	1,012	881	11,014	11,014	0	0.0	10,562	(452)	(4.3)	
Bad Debts	0	0	(89)	0	0	0	0	0	0	1,580	0	0	1,491	1,491	0	0.0	1,120	(371)	(33.1)	
Exchange (Gains)/Loss	224	604	472	110	1,016	543	91	(3,699)	973	(889)	3,224	4,648	7,315	7,315	0	0.0	3,514	(3,801)	(108.2)	
Legal & Professional	15	0	0	66	0	665	379	0	250	0	130	487	1,992	1,992	0	0.0	3,646	1,654	45.4	
Communications	811	631	1,496	1,277	1,523	1,631	557	1,870	808	657	507	1,312	13,080	13,080	0	0.0	13,665	585	4.3	
Subscriptions & Maint	267	569	1,166	341	531	341	769	719	733	(258)	708	233	6,119	6,119	0	0.0	7,616	1,498	19.7	
IT & Internet	0	350	1,405	1,491	375	(780)	1,088	0	1,626	18	945	350	6,868	6,868	0	0.0	10,048	3,180	31.6	
Sundries	122	190	15	90	0	0	10	18	0	0	331	222	998	998	0	0.0	2,166	1,168	53.9	
	53,648	58,421	61,014	53,135	60,092	52,613	55,586	52,644	52,061	50,334	50,272	53,615	653,436	582,182	0	0	#####	(70,580)	(12.1)	
Dividends paid	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
NET PROFIT	3,871	15,587	8,258	4,733	8,625	3,840	192	21,544	19,740	18,632	(5,359)	(13,290)	86,372	77,070	80,555	12	81,744	4,628	5.7	
Qtr profit			27,715			17,197			41,476				-16	67,723						
Cum profit	3,871	19,457	27,715	32,448	41,073	44,912	45,105	66,648	86,388	105,020	99,662	86,372								
Material %	26.1	28.0	31.0	35.9	20.7	27.0	32.9	25.5	34.2	34.6	41.8	43.7	32.0	37.1						
Labour %	11.4	9.0	9.1	9.7	10.7	11.0	9.7	9.3	7.8	7.8	9.2	10.2	9.5	11.0						
GM %	51.6	53.0	49.5	43.1	59.6	51.6	45.9	55.3	47.2	47.4	35.2	33.1	47.7	49.3						
Cum mat %	26.1	27.1	28.5	30.4	28.7	28.4	29.0	28.6	29.3	29.9	31.0	32.0	32.0							
Cum lab %	11.4	10.1	9.7	9.7	9.9	10.0	9.9	9.6	9.4	9.4	9.5	9.5	9.5							
Cum GM %	51.6	52.4	51.3	49.2	51.1	51.2	50.4	51.1	50.6	50.2	48.9	47.7	47.7							
VAT on sales	17,571	21,990	22,044	21,128	18,157	17,233	19,151	21,125	23,913	22,902	20,086	19,117	244,417							
Input VAT - materials	4,739	(1,037)	9,095	15,247	489	1,707	928	9,697	10,269	14,192	14,232	3,835	31,789							
Input VAT	3,398	3,377	3,654	2,728	3,551	2,429	3,134	3,468	3,005	2,308	2,959	2,805	36,815							