



Start Your Water Distribution Service

A STEP-BY-STEP-GUIDE OF HOW
TO START A COMMUNITY-BASED
WATER DISTRIBUTION SERVICE

Start Your Water Distribution Service Business Plan



INTERNATIONAL LABOUR
OFFICE



**The Republic of Zambia
Ministry of Local Government and Housing
Sustainable Lusaka Programme**



Lusaka City Council



Start Your Water Distribution Service

Business Plan

October 2001

This Training Manual is part of a training package that was produced for the Sustainable Lusaka Programme by a task force of the International Labour Organisation consisting of:-

Lucia Mandengenda for ILO/SIYB in Harare
Evans Lwanga and Vivian Mthetwa for ILO/SIYB Master Trainers
Wilma van Esch and Tomas Stenström for ILO/ASIST and
Kees van der Ree for ILO/SEED, Geneva

Copyright is vested in the Government of the Republic of Zambia and the International Labour Organisation. Nevertheless, short excerpts may be reproduced without authorization, on condition that the source is indicated. For permission to use or reproduce the contents of this training manual contact:

The Ministry of Local Government and Housing, Department for Physical Planning and Housing

P.O. Box 32379, Lusaka, Zambia

Fax: +260-1-253697

Or

International Labour Organisation, Lusaka Area Office

PO Box 3218, Lusaka, Zambia

Tel: +260-1-228071/2 or fax: +260-1-223277/84

BUSINESS IDEA

Name of Business

The business is going to provide the following services

The customers will be

The business will sell in the following way

The business will satisfy the following needs of the customers

MARKET RESEARCH

Service	Customers	Needs & Wants of Customers	Competitors

**MARKETING PLAN
SERVICE**

	Product/Service
Quality	
Quantity	

MARKETING PLAN

PRICE

	Product/Service
Cost	
How much customers are willing to pay	
Competitors' price	
Price	
Reason for setting this price	
Discounts will be given to the following customers	
Reason for giving discounts	
Credit will be given to the following customers	
Reason for giving credit	

MARKETING PLAN
PROMOTION

ADVERTISING

Type of advertising	Details	Cost

PUBLICITY

Type of publicity	Details	Cost

REGISTRATION OF BUSINESS NAMES

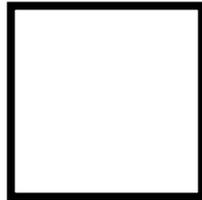
<p>1. Business name to be registered</p> <p>Where a business is carried on under two or more business name, each of these business names must be stated</p>	
<p>2. General nature of business</p>	
<p>3. Principal place of business</p> <p>Plot No. and P.O. Box No.</p>	
<p>4. Present Christian name (or names) and Surname (if any) of the individuals who are partners</p>	
<p>5. Former Christian name (or names) and surname (if any) of the individuals who are partners.</p>	
<p>6. Nationality of each of the individuals who are partners.</p> <p>NRC or Passport Number</p>	
<p>7. Age and Sex of each of the individuals who are partners.</p> <p>If 21 years of age or over, it shall be sufficient to state "full age"</p>	
<p>8. Usual place of residence of each of the individuals who are partners.</p> <p>(Full residential addresses - Plot No., Street, etc).</p>	
<p>9. Other firms or corporation where partnership/directorship/shareholding is held business occupation (if any) of each individual who are partners.</p>	
<p>10. Date of commencement of business.....</p> <p>The date needed only stated where the business was commenced after the 1st day of January, 1932.</p>	
<p>11. Financial Year of the firm.....</p>	
<p>12. Corporate name of each corporation which is a partner.</p>	
<p>13. Registered or principal office of each corporation which is a partner</p>	

STAFF
(TASKS OF GROUP MEMBERS)

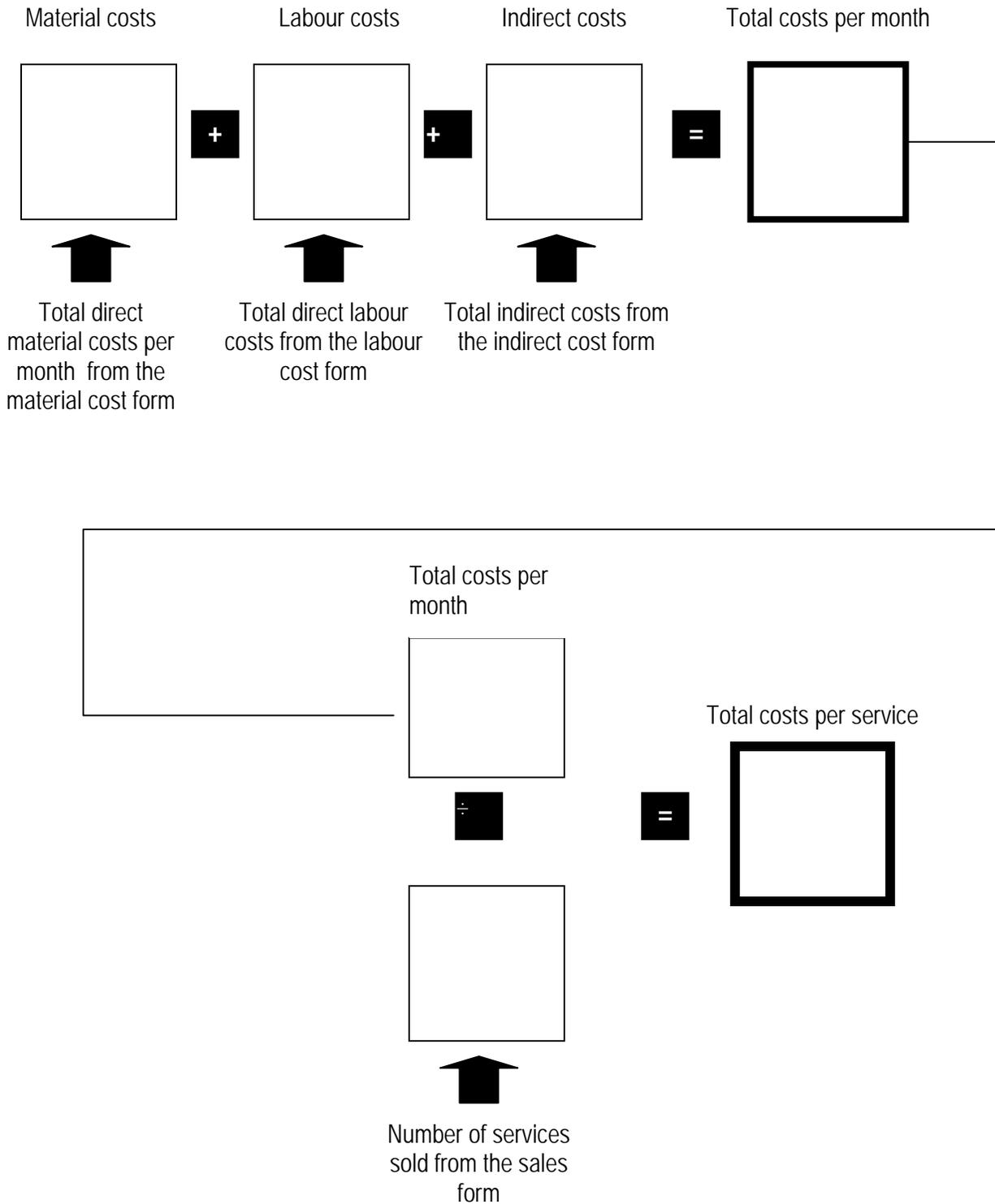
Task	Required skills and experience	Performed by	Pay (per month)

SALES FORM

PROJECTED SALES PER MONTH
(Number of services sold)

A large, empty square box with a thick black border, intended for the user to enter the projected sales data.

TOTAL COST PER SERVICE SUPPLIED



REQUIRED START-UP CAPITAL

Investments

- Business premises

Construction or purchase of building

Conversion/ reconstruction of premises

- Equipment

Working capital

Stock of materials

Promotion

Wages and salaries

Rent

Other Costs

Total start-up capital

--

SALES AND COST PLAN

200_

DETAILS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
SALES													
<div style="background-color: black; width: 20px; height: 10px; margin-bottom: 2px;"></div> DIRECT MATERIAL COST													
<div style="background-color: black; width: 20px; height: 10px; margin-bottom: 2px;"></div> DIRECT LABOUR COST													
<div style="background-color: black; width: 20px; height: 10px; margin-bottom: 2px;"></div> GROSS PROFIT													
<div style="background-color: black; width: 20px; height: 10px; margin-bottom: 2px;"></div> INDIRECT COST													
<div style="background-color: black; width: 20px; height: 10px; margin-bottom: 2px;"></div> NET PROFIT													

CASH FLOW PLAN

		JAN	FEB	MAR	APR	MAY	JUN
CASH IN	1 Cash at the start of the month						
	2 Cash in from sales						
	3 Any other cash in						
	4 TOTAL CASH IN						
CASH OUT	5 Cash out for direct material costs						
	6 Cash out for direct labour costs						
	7 Cash out for indirect costs						
	8 Cash out for planned investment in equipment						
	9 Loan repayment						
	10 Any other cash out						
	11 TOTAL CASH OUT						
12 CASH AT THE END OF THE MONTH							

CASH FLOW PLAN *continued*

		JUL	AUG	SEP	OCT	NOV	DEC
CASH IN	1 Cash at the start of the month (brought forward)						
	2 Cash in from sales						
	3 Any other cash in						
	4 TOTAL CASH IN						
CASH OUT	5 Cash out for direct material costs						
	6 Cash out for direct labour costs						
	7 Cash out for indirect costs						
	8 Cash out for planned investment in equipment						
	9 Loan repayment						
	10 Any other cash out						
	11 TOTAL CASH OUT						
12 CASH AT THE END OF THE MONTH							

ACTION PLAN

Action	Contact	When
Service		
Price		
Place		
Promotion		
Form of business		

ACTION PLAN*continued*

Action	Contact	When
Tasks and responsibilities of group members		
Costing		
Start-up capital		
Financial planning		
Financial management		

Every business comes out of an idea. This Business Plan and the accompanying Start Your Business Manual are for you if you have a business idea and are thinking of starting your own business. The Manual will help you to organize your thoughts and get together the information you need.

The Business Plan covers all the important aspects to be considered before starting your business. When you work through the Start Your Business Manual and fill in your Business Plan you will, for example:

- Make a marketing plan
- Calculate how much start-up capital you need
- Assess the sources of start-up capital
 - Make financial plans.

When you have read through the Manual and completed your Business Plan you will be able to decide if you should start your new business or not. If you decide that starting is a good idea, the Business Plan will be the plan for how to start.