



# 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**

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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:-

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# **BUSINESS IDEA**

**Name of Business**

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**The business is going to provide the following services**

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**The customers will be**

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**The business will sell in the following way**

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**The business will satisfy the following needs of the customers**

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## MARKET RESEARCH

Service	Customers	Needs & Wants of Customers	Competitors

**MARKETING PLAN**  
**SERVICE**

	<b>Product/Service</b>
<b>Quality</b>	
<b>Quantity</b>	

# 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	

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## **MARKETING PLAN**

### **PROMOTION**

#### **ADVERTISING**

<b>Type of advertising</b>	<b>Details</b>	<b>Cost</b>

#### **PUBLICITY**

<b>Type of publicity</b>	<b>Details</b>	<b>Cost</b>



## REGISTRATION OF BUSINESS NAMES

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

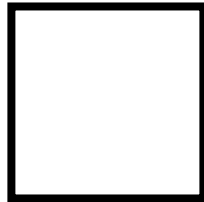
# STAFF

## (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.

# MATERIAL COST FORM

For service operators


**Direct material costs per month**

Item	Cost per unit	Number of units per month	Total costs
	<b>X</b>		<b>=</b>
<b>TOTAL</b>			


# LABOUR COST FORM

for service operators

	DIRECT LABOUR COSTS	INDIRECT LABOUR COSTS
EMPLOYEE/ GROUP MEMBER		PAY FOR TIME <i>NOT</i> IN PRODUCTION
TOTAL		



Total direct labour costs



Total indirect labour costs; brought forward to the indirect cost form

## DEPRECIATION FORM

Depreciation per month

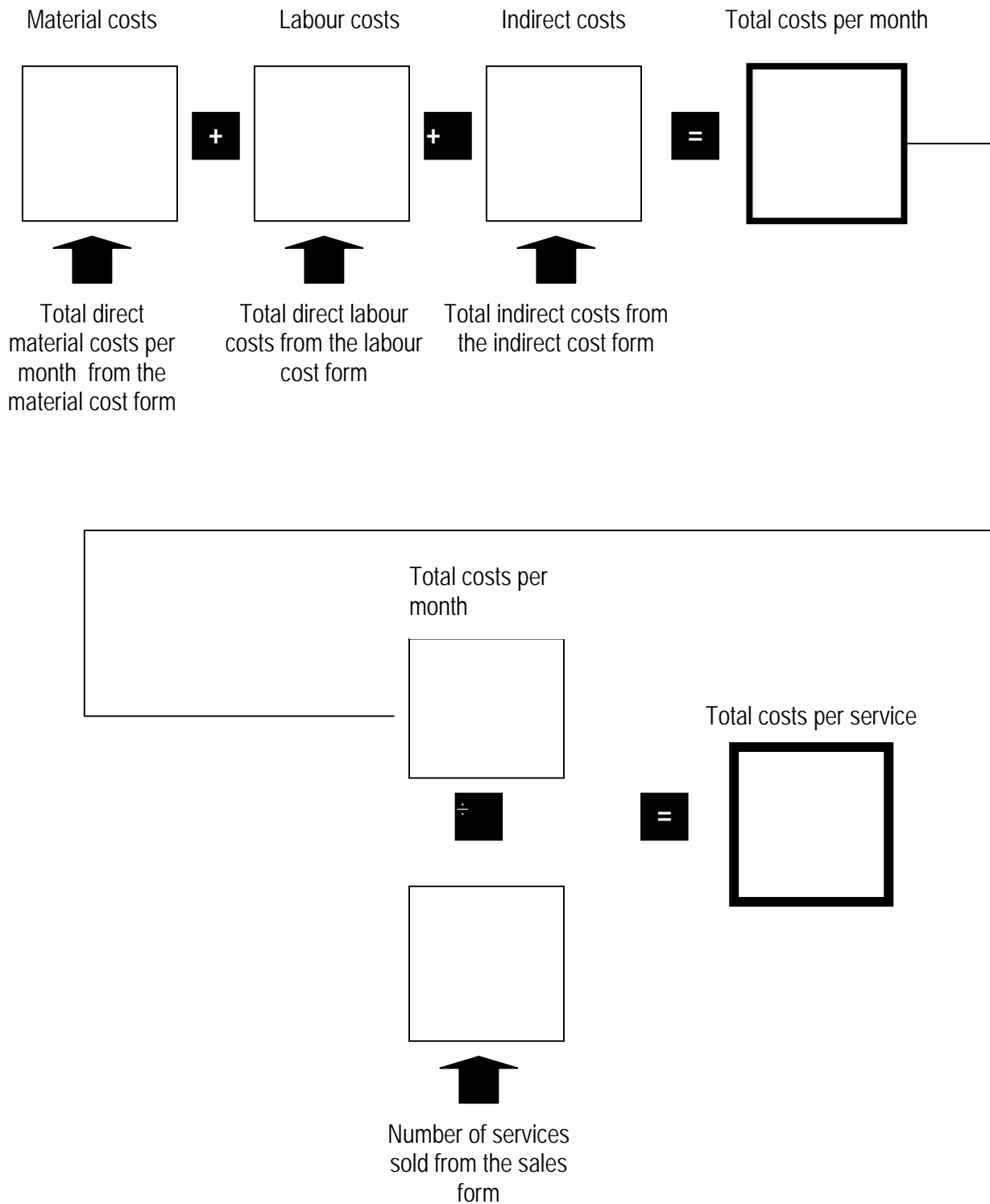
Item	Retail Price	Product Life-span	Depreciation per month
<b>TOTAL</b>			

**INDIRECT COST FORM**

**Indirect costs per month**

<b>TOTAL INDIRECT COSTS PER MONTH</b>	

## TOTAL COST PER SERVICE SUPPLIED





## REQUIRED START-UP CAPITAL

### Investments

- Business premises

Construction or purchase of building

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Conversion/ reconstruction of premises

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- Equipment

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### Working capital

Stock of materials

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Promotion

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Wages and salaries

\_\_\_\_\_

Rent

\_\_\_\_\_

Other Costs

\_\_\_\_\_






\_\_\_\_\_

Total start-up capital

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## SALES AND COST PLAN

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DETAILS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
SALES													
 DIRECT MATERIAL COST													
 DIRECT LABOUR COST													
 GROSS PROFIT													
 INDIRECT COST													
 NET PROFIT													

## CASH FLOW PLAN

		JAN	FEB	MAR	APR	MAY	JUN
<b>CASH IN</b>	1 Cash at the start of the month						
	2 Cash in from sales						
	3 Any other cash in						
	4 <b>TOTAL CASH IN</b>						
<b>CASH OUT</b>	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 <b>TOTAL CASH OUT</b>						
12 <b>CASH AT THE END OF THE MONTH</b>							

## CASH FLOW PLAN *continued*

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

## 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.