

fun fest

FOR CHILDREN

Franchise Prospectus



Choose Fun



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Introduction



Fun Fest for Children offers a range of different childcare and children's activity services across the UK which are available as franchise businesses. These include:



Fun Fest for Children is ranked as one of the UK's Top 100 franchisors and since it launched its national franchise programme in 2017, it has achieved:

- **A UK-wide network:** Over 20 operating units in the UK, spread from Chorley in the North to Orpington in the South
- **A unique USP of choice:** All Fun Fest services are designed to be child-led, supporting children in their choices
- **Growth:** 68% growth in revenue year on year
- **Customer Satisfaction:** Net Promoter Score of 61
- **Franchisee Satisfaction:** 81% franchisee satisfaction rating
- **Ofsted Approval:** All services receiving 'Good' or 'Outstanding' in their Ofsted inspections
- **Awards:** Best Newcomer to franchising award in 2018 from WorkingMums



With decades of experience of running Ofsted rated 'outstanding' nurseries, the Fun Fest team are delighted to be able to bring this expertise to the market with the launch of the Canopy Children's Nurseries franchise in 2021.

Brands

Fun Fest For Children aims to provide working parents across the UK with the ideal solution to their childcare dilemmas. All Fun Fest services are designed to be child-led, which means letting the children themselves choose what they wish to play, learn or explore and supporting them in their choices.



Every child is different and Fun Fest Holiday Club embraces this by offering them a choice from a menu of exciting activities every morning and afternoon.

This means that children design their own individual holiday programme, choosing activities they love or trying something new.

In one week a Fun Fest Holiday Club can give children a chance to play Quidditch (Harry Potter Experience), hold a snake (Animaltastic), bake a cake (Cupcake Heaven), build a den (Great Outdoors), juggle (Circus Skills), score a goal (Football Camp), design a bag (BLING), solve clues (Treasure Hunt), paint a canvas (Picturesque Painting) and drive like Lewis Hamilton (Go-Karting).

Knowing that their children are having fun and benefitting from these opportunities is a key factor in parents' choice of holiday childcare but Fun Fest Holiday Clubs deliver on other important aspects too. The clubs are:

- Ofsted registered and managed by qualified childcare professionals
- Based in local primary school premises and take children from 3 years old
- Open from 8am to 6pm for all the school holidays
- Eligible for childcare vouchers and tax-free childcare

Coram Family & Childcare: Holiday Childcare Survey

'High quality holiday childcare is essential for both families and the economy: as well as enabling parents to work, it gives children the opportunity to take part in positive activities that they might not otherwise access'





BEFORE & AFTER SCHOOL CLUB

Having built strong relationships with schools where the holiday clubs are based, Fun Fest were increasingly being asked to run their before and after school clubs so this is what they now offer as another service to schools and as an additional income stream for franchisees.

By providing a different Fun Fest activity session every afternoon, such as Pottery, Dodgeball, Barmy Origami, Tag Rugby and Fun Day Friday, children can enjoy a variety of different after school activities.

Parents are constantly looking for inspiration for their children's birthday parties.

The most popular Fun Fest activity sessions are ideally suited to this and so children can now enjoy a range of unique party themes on their special day such as the Beauty School Party, Nerf Challenge Party, Mission Impossible Party, I'm a Kid Get Me Out of Here Party and many more.



CHILDREN'S PARTIES



The Fun Fest Story

Fun Fest MD and founder - Sarah Beattie



In 2009 I was working full time managing my nursery and had 3 children who were 10, 8 and 5 years old. Whilst I could manage to juggle everything in term time, I found that the school holidays were more difficult. The clubs that existed either did not suit all my children or they did not cover the full working day or the full holiday period. Trying to organise my childcare for the 6 week summer holidays in particular was a stressful, logistical exercise that involved a complicated mixture of different clubs for different children, family, friends and taking odd days off to cover the gaps and repay the favours!

I could see that I was not alone in this annual challenge and decided that I was in a good position to do something about it. My day nursery business is based at a private school in the centre of Solihull. This school has fantastic facilities and beautiful grounds but was empty for the duration of the holidays – what a waste!

I approached the school with a business plan to rent their facilities for the school holidays to run my own holiday club. I am very grateful that they listened to me, could see the potential and agreed to work with me and so Fun Fest Holiday Club was born.

I employed Ryan as one of our play workers when he was 18 and he came back to work with us every holiday for the duration of his time at university. When he graduated he was keen to work with me to set up and run his own Fun Fest Holiday Club – and so Fun Fest Franchising was born!



Market

Demand

- There are over 8 million children in the UK aged between 0 and 9 years old
- Compared with previous generations, women are now leaving it until later to have their first child, are having fewer children and are more likely to return to work after having children
- The UK has a significant gap between the end of maternity/paternity leave (6 weeks) and entitlement to childcare begins with 30 funded hours per week for children from 3 years old
- The traditional use of grandparents for childcare is in decline due to people deferring parenthood and retiring later in life
- Only a third of local authorities in England have enough childcare in all their areas for parents working full time and this drops to 8% in Scotland and 5% in Wales
- The average price of full-time nursery care for a child under 3 years old is £263.81 per week or £13,700 per year which is nearly 4 times as much as the average household spends on food
- The average price of full-time holiday childcare for a child of school age is £144.65 per week or £1,700 per year for state school holidays
- The average weekly price of after school care for 5 days per week is £62.13 per child which equates to £2,485 for the average state school year
- These trends result in high demand by working parents for childcare provision. This is coupled with a lack of adequate supply, creating a gap in the market. High quality and well-regarded childcare operators are particularly sought after, often having long waiting lists
- The Government recognises that it has to support this sector and has introduced legislation to encourage childcare providers as well as subsidies to working parents in the form of childcare vouchers and tax-free childcare
- The Children's Party market presents an additional opportunity as 48% of parents spend up to £500 on their children's birthday parties

Sources: Christie & Co: 'Early Childhood Education & Care', Statista, Asda, Coram Family & Childcare: 'Childcare Survey 2021' and 'Holiday Childcare Survey 2021' For latest Holiday Childcare Survey go to:

<https://www.familyandchildcaretrust.org/our-research>



Franchising

'We only flourish as a whole if you flourish individually.'

According to research, 2 out of 3 people have considered starting their own business. ` Owing a franchise enables you to do this with a reduced level of risk and stress.

The benefits of owning a franchise are:



You trade under an established brand name, giving you a head start at building your business



It has a track record of business performance, giving you confidence that the business is in demand and profitable



The brand will have defined its customer base, unique selling proposition and brand values so you can understand why the business is successful and decide whether it appeals to you



There is an operating system which gives you step-by-step instructions on how to set up and run the business, with tools to enable you to do this effectively and efficiently



The franchisor provides training, support and advice on how to set up and run your business so you are not on your own



There is a network of franchisees who run the same business across the country, providing support and interaction with other people in the same situation



You benefit from reduced buying costs and funding options due to economies of scale across the operation

Fun Fest Franchising (UK) Ltd is an ethical franchisor. It is a member of leading franchise associations within the UK such as the British Franchise Association and Encouraging Women in Franchising. It has won awards for its launch as a national franchisor and within 3 years has been recognised as one of the UK's top 100 Franchise brands.





HOLIDAY CLUB

Fun Fest Holiday Club Franchise



The initial franchise fee of £14,999 + vat includes:



Territory

Ownership of a geographical territory within the UK, as defined by the postcodes in that region, where they are the sole Fun Fest Holiday Club operator. Each territory has a minimum of 17,500 children of primary school age.



School/Setting finding services

We will contact schools and other suitable settings within your territory, attend meetings with them and write a proposal.



Marketing

Complete pre-launch Marketing package to include PR and digital Marketing services in conjunction with the website such as SEO and social media advertising.



Operational Support

We provide a step by step operations manual, a suite of invaluable tool boxes as well as your regional director who will hold your hand through the entire process.



Training

Franchisees will spend a week working within the clubs in order to gain a full understanding of how a club is run. A suite of training modules will be delivered both face to face and via our online training platform.



Regulatory Licence

Fun Fest will train you and support you through the Ofsted registration process to become an Ofsted nominated individual for your first club which will enable you to run a high quality club and to expand efficiently thereafter.



Website

Each club has its own website pages to promote its services and where customers can book their activities and pay for their childcare. The associated information system allows franchisees to monitor bookings, manage payments and produce registers.

Full Set-up Costs

The initial set-up costs for a Fun Fest Holiday Club are estimated to be approximately £20k which is calculated as follows:

• Franchise purchase price	£15k
• Vat	£3k
• Equipment	£1k
• Marketing	£1k
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	£20k

Fun Fest is a respected franchisor and can support franchisees with getting suitable finance through our trusted partnerships with lenders such as HSBC.

Ongoing Costs

The monthly franchise management fee is 10% of sales turnover + vat.

This fee covers:

- Strategic direction
- Individual club support
- Continual improvements
- Communication

The monthly marketing levy is 2% of sales turnover + vat.

This fee covers:

- Search Engine Optimisation
- Customer review system
- Social Media
- PR

Rewards

The potential revenue for 1 club with 70 children per day is £100,000 per annum/£8,300 per week with expected profit margins of 25%-30%.

Prospective franchisees will be taken through a full financial model of expected returns at the next stage of the process.





**BEFORE & AFTER
SCHOOL CLUB**

Fun Fest Before & After School Club Franchise



The initial franchise fee of £9,999 + vat includes:



Territory

Ownership of a geographical territory within the UK, as defined by the postcodes in that region, where they are the sole Fun Fest Before & After School Club operator. Each territory has a minimum of 17,500 children of primary school age.



School/Setting finding services

We will contact schools and other suitable settings within your territory, attend meetings with them and write a proposal.



Marketing

Provide templates for marketing material



Operational Support

We provide a step by step operations manual, a suite of invaluable tool boxes as well as your regional director who will hold your hand through the entire process.



Training

Franchisees will spend a week working within the clubs in order to gain a full understanding of how a club is run. A suite of training modules will be delivered both face to face and via our online training platform.



Regulatory Licence

Fun Fest will apply for and hold the club's Ofsted licence. Franchisees will be trained to understand Ofsted requirements and will be supported in the run up to an Ofsted inspection which usually takes place approximately 1 year after opening.



Website

Each club has its own website pages to promote its services and where customers can book and pay for their childcare. The associated information system allows franchisees to monitor bookings, manage payments and produce registers.

Full Set-up Costs

The initial set-up costs for a Fun Fest Before & After School Club are estimated to be approximately £14k which is calculated as follows:

• Franchise purchase price	£10k
• Vat	£2k
• Equipment	£1k
• Marketing	£1k
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	£14k

Fun Fest is a respected franchisor and can support franchisees with getting suitable finance through our trusted partnerships with lenders such as HSBC.

Ongoing Costs

The monthly franchise management fee is 10% of sales turnover + vat.

This fee covers:

- Strategic direction
- Individual club support
- Continual improvements
- Communication

Rewards

The potential return for 1 club with 50 children per day is £55k per annum/£1,400 per week.

Prospective franchisees will be taken through a full financial model of expected returns at the next stage of the process.





Fun Fest Children's Parties Franchise



The initial franchise fee of £2,999 + vat includes:



Territory

Ownership of a geographical territory within the UK, as defined by the postcodes in that region, where they are the sole Fun Fest Children's Parties operator. Each territory has a minimum of 17,500 children of primary school age.



Marketing

Provide templates for marketing material.



Operational Support

We provide a step by step operations manual, a suite of invaluable tool boxes as well as your regional director who will hold your hand through the entire process.



Training

Franchisees will spend a week working within the clubs in order to gain a full understanding of how Fun Fest activity/party sessions are run. A suite of training modules will be delivered both face to face and via our online training platform.



Website

There will be an option to upgrade to have a website page with an enquiry/booking form.



Full Set-up Costs

The initial set-up costs for a Fun Fest Children's Party operation are estimated to be approximately £6k which is calculated as follows:

• Franchise purchase price	£3k
• Vat	£600
• Equipment	£1k
• Marketing	£1k
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	£5,600

Fun Fest is a respected franchisor and can support franchisees with getting suitable finance through our trusted partnerships with lenders such as HSBC.

Ongoing Costs

The monthly franchise management fee is 10% of sales turnover + vat.

This fee covers:

- Strategic direction
- Individual franchisee support
- Continual improvements
- Communication

If the franchisee upgrades to have a website page for their business, then they also pay the monthly marketing levy of 2% of sales turnover + vat.

This fee covers:

- Search Engine Optimisation
- Customer review system
- Social Media
- PR

Rewards

The potential return for running 80 parties per year is £30k per annum/£600 per week.

Prospective franchisees will be taken through a full financial model of expected returns at the next stage of the process.



If you wish to develop the full range of Fun Fest childcare and childrens' activity services in a territory then you can purchase all 3 franchise systems for £19,999 + vat.



Children always choose fun

**What will
you choose?**

Choose Fun

Why should you choose a Fun Fest Franchise?

You are in the process of making an important decision which will have a big impact on your life and your lifestyle so we expect you to want to do your research and to ask lots of questions.

We recommend completing the British Franchise Association's 'Prospective Franchisee Certificate' which is free of charge and which will help you to prepare for this journey. This can be found at

<https://www.thebfa.org/training-research/prospect-franchisee-certificate-pfc/>

We pride ourselves on delivering outstanding childcare services to our customers and on building a network of satisfied franchisees so regular research surveys are conducted to measure both customer and franchisee satisfaction.

Here are some reviews we have received from our existing franchisees:

'I felt welcomed, informed and at no point pressured. The team were professional and efficient in delivering the detail and explaining where necessary'

'Excellent support with a team full of diverse skills, comprehensive knowledge and extensive experience'

'Very happy and pleased with the service they have provided to date. Always very supportive, help with queries quickly and hold your hand when needed. The experience they have as a team is extensive, they have a friendly and close nit team with everyone working towards the same goals and on the same page. I am so happy to have joined their franchise and couldn't ask for a better more friendly company to work with'



Team

“Highly experienced team have proven and consistent delivery of Ofsted Outstanding childcare over 15 years”



Sarah Beattie
Managing Director
Owner of Ofsted 'Outstanding'
nurseries since 2004



Vicky Hayton
Operations Director
Teacher, Postgraduate in SEN,
Safeguarding Lead



Emma Price
Operations Director
Nursery Manager of 'Outstanding'
nursery 20 years' experience in early
years childcare



Lynne Newman
Business Development Director
Marketing & Market Research Professional
Extensive FMCG and brand building experience
Former Associate Director of the
British Franchise Association



Ryan Turner
Operations Director
Psychology Graduate
Family Support Worker



Lucy Walker
Training & Compliance Manager
Early Years and Education Level 3,
Play Work Level 3



Elisha Dover
Website Manager

This level of educational and practical experience alongside professional marketing and operational experience makes us ideally positioned to support our franchise partners in establishing successful childcare businesses.

Process

We aim to establish sustainable and successful partnerships with the highest calibre of franchisees so we have a process to follow to ensure that we are a good fit for each other:

1. Discovery Meeting

We invite you to an online or face-to-face meeting to take you through our ethos and vision for the Fun Fest brand, and to explain the franchise system and process in detail.

We understand that you want to make a healthy profit in return for your investment and hard work so we will demonstrate how you can achieve this using a financial model based on actual fee income, overheads and expenses to give you a realistic income expectation.

2. Application

If you wish to be considered as a Fun Fest franchisee then you need to complete an Application Form, Business Plan and Psychometric Test. We will complete DBS, Reference & Financial checks and invite you to an interview.

3. Interview

This is a face to face interview with at least 2 of the Directors to ensure that you fully understand your commitment to the process and so that we understand your personality, ambitions and expectations.

4. Intention to Proceed

If we are both happy to proceed then we complete an Intention to Proceed Agreement and an initial deposit of £1,500 + vat will be payable, after which we will start the 'route to opening' process. This will be tailored to your skills, experience and requirements.

The Fun Fest team will now:

- Assist you with finding the right school/location for your Club/Parties
- Introduce you to our finance partners if you need to arrange business finance
- Guide you through the legal process
- Apply for your Ofsted licence
- Organise training programme

5. Full Franchise Agreement

50% of the balance is payable when training starts and the final balance is due when the website/business is ready to take bookings and payments.

At this point the Franchise Agreement will be signed by all parties. The franchise agreement specifies rights and obligations of the franchisor and the franchisee.

To take the next step, please click on this link to book a discovery call:

<https://calendly.com/fun-fest/10min?month=2022-03>

or email us on enquiries@funfestholidayclub.co.uk