

“WARM HOME” SENIOR CARE CENTER

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ABSTRACT

In today's society, people's demand for retirement market is increasing, the warm home” senior care center upholds the service concept of "service first", with quality services and perfect living facilities, so that the elderly can get the best living experience; in addition, the centre also makes full use of the unique natural environment of Qiandao Lake scenic area, combined with various local habits and traditional culture to develop a series of recreational activities for the elderly. In addition, the centre also makes full use of the unique natural environment of the Qiandao Lake scenic area, combining various local habits and traditional culture to develop a series of recreational activities for the elderly, allowing them to slow down from the fast-paced city life and relax in the simple and free atmosphere of life. As you can see from this business plan, the centre will be ready for construction in 2022 and will be open for business in 2023, with a view to achieving profitability within three years.

Section I Executive Summary

At present, China's economy is developing at a rapid pace and people's material living standards are rising, which is accompanied by strong work pressure, fast-paced social life and unhealthy work and rest patterns, resulting in an increasing number of people suffering from sub-health symptoms and a tendency for chronic diseases to become younger. Coupled with the rapid development of China's ageing population, it is gradually becoming the country with the largest elderly population in the world. Against this backdrop, the huge demand for elderly care is becoming increasingly evident, and there is a growing demand for all kinds of healthy elderly care institutions. The "Warm Home" elderly care centre provides a good choice and guarantee for the needs of the middle-aged and elderly,

Section II Company Description

Company Profile

“warm home” senior care center is an elderly centre that combines catering, accommodation, entertainment and health care through the conversion of leased residential flats, which was opened in January 2023 with a registered capital of RMB 24.7 million. The project is located in Qiandao Lake Scenic Area, Chun'an County, Hangzhou. The project has a unique lake leisure pension base, based on the existing ecological resources and pension culture of the Qiandao Lake scenic area in Chun'an County, to create a multi-functional one-stop pension centre for "livability, health management, wellness and fun".

Corporate Culture

The company's vision is to be the leader and representative of the elderly care industry.

The company's philosophy is to provide seniors with warm, attentive and home-like services, hence the name "Warm Home" Senior Care Centre.

The company's mission is to serve the elderly industry, to meet the needs of society and to give the elderly a sense of security.

The company's values are patience, pragmatism, meticulousness, care and responsibility.

Section III Industry Analysis

This chapter analyses the general environment of China's institutional elderly care industry in which the elderly care centre is located. By analysing the demand and industrial situation of the elderly care industry in China, especially in Hangzhou, the current development status and trends of the elderly care industry are understood and the direction of the development of the Warm Home elderly care centre project is guided.

Section IV Market Analysis

4.1 Market Segmentation and Target Market However, with the number of beds being tight, there is a The "Warm Home" project can cover all the needs of the elderly, the target customers are mainly the elderly groups, which can be simply divided into the following four categories: the first category is a relatively wealthy family, but the children go out to work and are not around; the second category is more open-minded elderly people who do not want to add trouble to their

Analysis of the Competitive Environment

The analysis of the competitive environment starts with the swot analysis, which analyses the strengths, weaknesses, opportunities and threats facing the market for elderly care institutions. Analysis. This analysis will help Warm Home Care to understand the environment in which it operates and to understand the threats and opportunities it faces.

Strengths	Extensive range of retirement services	Travelling retirement experience
Weaknesses	Financial cost pressure	Accidental risk
Opportunities	Huge potential for the development of the elderly market	Support from government policies
Threats	Impact of the new epidemic on elderly care institutions	lack of laws and regulations

Competitiveness of Existing Competitors In the Same Industry

warm home” senior care center is located in Qiandao Lake Scenic Area, Chun'an County, Hangzhou. Through a survey and analysis of the surrounding senior living institutions, the main competitors were selected as Yiheyuan-Hangzhou Qiandao Lake Wellness Centre and Chun'an Qiandao Lake Yi Kang Medical and Health Centre.

Section V Marketing Plan

Pricing strategy

"The pricing strategy of the Warm Home elderly care centre is based on the rate of return on investment. The rate of return is calculated based on the average market rate of return, which is approximately 15%.

Sales process and mix of promotional activities

Word-of-mouth promotions: Through questionnaires we have learned that the most acceptable sales channel for consumers is "recommendation from acquaintances", which requires that the focus of the elderly centre should be on word-of-mouth building. The centre can invite some of the best, most prestigious and influential elderly people in the industry to conduct free experience activities, and film and post-promote their experiences so as to attract customers.

Section IX Financial Projections

9. Source and Use of Funds Description

9.1 Sources of funds and description of use

9.1.1 Sources and Use of Funds

The "Warm Home" elderly care centre is financed by six investment partners in the amount of RMB 23.7 million,

ZhangQiangguo	800	33.75%
LiNa	350	14.77%
SongPengfei	350	14.77%
ChenChen	350	14.77%
WuKaili	260	10.97%
ZhouWanli	260	10.97%
Total	2370	100%

Table 9.1.1-1: Summary of contributions

According to the "Hangzhou Municipal Subsidy Method for Elderly Service Funds" and other methods, a total of 1 million RMB in total can be obtained from the municipal and county government subsidies, and a total of 24.7 million RMB was raised for the project for preliminary construction and operation. The centre is budgeted for six floors, including an office area, an activity area, a dining area and an accommodation area, with an estimated total area of approximately 8,300 square metres. The main front-end costs will be incurred for site rental, site decoration, fixed asset and equipment procurement, staff costs, vehicle procurement, office supplies procurement and operating working capital. "The initial investment in the Warm Home Centre was RMB24.7 million, with the following table showing the specific costs.

According to the "Hangzhou Municipal Pension Service Funding Subsidy Method" and other methods, a total of 1 million RMB can be obtained from the municipal and county government subsidies, and the project will raise a total of 24.7 million RMB for the preliminary construction and operation. The centre is budgeted according to six floors, including office areas, activity areas, dining areas and accommodation areas, with an estimated total area of approximately 8,300 square metres. The main front-end costs will be incurred for site rental, site

decoration, fixed asset and equipment procurement, staff costs, vehicle procurement, office supplies procurement and operating working capital. "The initial investment in the Warm Home Centre was specific costs.

Project content	Amount(\$)
Venue rental	232 0000
Venue renovation costs	800 0000
Fixed asset equipment purchase costs	552 0000
Staff Costs	88 0000
Vehicle purchase fee	32 0000
Food ingredients purchase fee	42 0000
Maintenance costs	12 0000
Utilities costs	9 6000
Tableware purchases	6 0000
Office supplies purchase	9 6000
Advertising and promotion expenses	24 0000
Miscellaneous expenses	24 0000
Operating cash flow	638 8000
Total(\$)	2470 0000

9.1.1-2: Summary of Project Costs Expenditure

9.1.2 Main sources of income

"The main source of income for the Warm Home Retirement Centre is, firstly, room income. As there are three different price packages: monthly, quarterly and annual, the average room rate is calculated by taking one third of each package in the financial forecast.

9.1.3 Other sources of income

The other sources of income for the centre are twofold:

firstly, the short stay experience will be arranged for the vacant rooms at a discounted rate of RMB850 per week for single and double occupancy; secondly, the daily sales of some health care products and household items for the elderly as a source of income.

9.1.4 Government subsidy income

Government subsidy income includes operating fee subsidy, professional post subsidy and technical allowance for nursing posts. The operating fee subsidy is approximately RMB200 per bed per month; the professional post subsidy and nursing post technical allowance are approximately RMB100,000 per year, averaging RMB8,300 per month

9.2 Hypothesis table

Fessional post subsidy and nursing post technical allowance are approximately RMB100,000 per year, averaging RMB8,300 per month.

Occupancy rate	Occupancy rates for the next five years are: 50%, 60%, 70%, 80% and 90%. Sales revenue.
Sales revenue	10% annual increase in revenue from merchandise sales.
Depreciation rate	Depreciation rate of 10% of total assets.
Dividends	The plan is to pay an annual dividend of 50% of net profit to shareholders.
Room options	One third of the occupancy is based on monthly, quarterly and annual packages.
Salary increase	The average salary increase is calculated at 3%.
Fixed asset supplement purchase	Fixed assets are purchased as a supplement to the total amount of 5% of the previous year's net income, starting from a profitable year, and distributed according to the reality of the damage.

Table 9.2-1: Hypothesis table

9.3 Pro forma financial statements

According to the project funding plan, salary expenses total RMB 880,000 per year, RMB 73,300 per month; venue rentals total RMB 2.32 million per year, RMB 193,000 per month; venue renovation expenses total RMB 8 million, equally shared according to the first three years; fixed assets and equipment purchase expenses total RMB 5.52 million, equally shared according to the first three months; vehicle purchase expenses total RMB 320,000, equally shared according to the first year, equally shared every month, RMB 27

According to Article 2 of Hangzhou's Notice on the Implementation of Preferential Tax Relief Policies for Small and Micro Enterprises (Cai Shui [2019] No. 13), the portion of the annual taxable income of small and micro enterprises not exceeding RMB1 million shall be reduced by 25% of the taxable income and subject to corporate income tax at a rate of 20%; the portion of the annual taxable income of small and micro enterprises not exceeding RMB1 million shall be reduced by 25% of the taxable income and subject to corporate income tax at a rate of 20%; the portion of the annual taxable income of small and micro enterprises not exceeding RMB1 million shall be reduced by 25% of the taxable income and subject to corporate income tax at a rate of 20%. The portion of the annual taxable income exceeding RMB1 million but not exceeding RMB3 million shall be reduced by 50% of the taxable income and subject to corporate income tax at a rate of 20%.

9.7 Ratio Analysis

	2023	2024	2025	2026	2027
Total assets	2488.92	2465.31	2498.93	3271.90	3673.42
Net profit	-174.67	-30.63	45.55	571.82	643.34
Total shareholders' equity	2295.53	2446.39	2504.60	2799.59	2844.20
ROE	-7.02%	-1.24%	1.82%	17.48%	17.51%
ROI	-7.61%	-1.25%	1.82%	20.43%	22.62%

References

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