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A&S E-Learn Business plan

[Period covered]

# Executive Summary

A&S E-Learn is an e-learning software provider specializing in teaching a number of different programming languages to people from all backgrounds and education levels. It provides a fully interactive platform on which users can watch teaching materials and code along with them, completing exercises and challenges as they go to solidify the knowledge and skills they have gained.

We believe that by making learning programming fun, easy and accessible to everyone, this area of Information Technology previously unchartered by all except elite technology geniuses will soon become commonplace amongst curriculums taught across the country.

Being a small business, communication and collaboration is vital to success, which is why all operations will be conducted in close quarters within a small office located outside the CBD. The majority of the staff will be based here, with some more minor roles being conducted by employees externally or being outsourced to specializing companies. All interactions with customers will be conducted over the internet due to the nature of the products and the scope of their potential customer base.

The customer base consists primarily of people looking to get starting in learning some programming, most of these people will be beginners, though some may be using the products to refresh or update their knowledge. The software can also be used in secondary or tertiary programs as an additional learning resource or to substitute needing to attend such programs.

Providing a one-off unique product that cannot be found elsewhere has its own benefits when it comes to the success of a business, but having a number of unique products that will become an integral part of day-to-day life for many users has the ability to put a business leagues ahead of market competitors, purely based on the continued participation and interest of such users. It is because of these reasons that free trial versions of each product will be released to entice the users and allow them to experience the environment created by these products, as well as encouraging continued participation with discounts and challenges available to users.

Four years ago, self-paced E-Learning resources amassed $35.6 billion in the worldwide market, with an estimated growth percentage of 7.6% per annum, these revenues are likely to reach approximately $50 billion within a year. Entering into such a large market will require external funds to assist the start-up of business, which may be sourced from either investors seeking equity or sponsorships for educational initiatives.

Losses will be experienced throughout the first phase of the business' operation, with a high initial cost incurred due to development before the products are able to be launched, revenue projections predict these losses will be compensated for quickly as the business takes off and revenue increases.

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# Mission Statement

At A&S E-Learn, we strive to provide our users with an alternate method of learning programming that is guaranteed to turn any beginner into an expert at the completion of our courses. Our goal is to assist users every step of the way, whilst pushing them to challenge their capabilities and emerge successful, ready to put their newfound skills to use in the industry.

# Business Description

The business operates within the sector of online education or e-learning, and attempts to provide a new space for such learning to occur within. It is currently in the early stages of development and will be launched to the public once the products have been completed and tested extensively. Each product consists of a piece of software designed to teach the user to understand one of many programming languages, allow them to code along with the lessons within the same interface, whilst also providing them with projects and challenges to extend their knowledge.

Operated under a formal partnership agreement between the two founders, A&S E-Learn is seeking equity funding from investors in order to kick start the business until a profit margin is being achieved. Investors will receive a share of the company in return, with a high potential to see large profits in the long-term scheme. The remaining share of the company will be split evenly between the two founders.

The business will be run from a small office outside the CBD to keep costs down, as with only a few employees a larger and more central space is not necessary at this point. As the business is run entirely online and there is no face to face interaction with customers or physical products to ship, the office space will consist only of a work station for each employee, with some storage for physical filings.

Whilst the upfront costs incurred by the business before being released are quite high, once it is launched the cost of maintaining the business will drop significantly and plateau to a steady level. Until more products are released or upgrades become necessary, the only finances required to keep the business stable will be the on-going salaries of the business team, the advertising budget, and office costs.

The strategy employed by the business in order to achieve success in the first few years of operation will be heavily focused on promotion to push the products out to the online community, and to provide users with a unique experience they are not likely to receive elsewhere. In the digital space, most customers will discover companies on their own accord by searching for their specific needs, because of this making the site easily discoverable and accessible will be the key to its success.

Currently as the market stands, there is a vast amount of resources and tutorials available covering every topic imaginable, however, these are often made to cater for people who are looking for something very specific. Our products are specially designed to take the user through the entire learning process and allow them to progress at their own speed whilst choosing topics that interest them.

For our customers, our products could be used to replace the need to attend classes teaching the same content, whilst still offering the structured approach to learning that many people find necessary as opposed to self-directed learning. Our products are also inexpensive, and allow flexibility with when and where users can work through the programs.

# Products and Services

Five products will be released when the e-business is launched, with possibilities for this number to increase depending on demand. The core of each product is a piece of software designed to actively teach users one particular programming language or area of programming, whilst simultaneously allowing them to follow along and try out examples for themselves in the very same interface. Weekly projects and monthly challenges will also be available to simulate those assessed in a typical classroom situation, and to aid users in learning to apply their knowledge.

There is a natural progression through the five products and the content they cover, which users are recommended to follow in order to get the best learning experience possible. The first product is a HTML & CSS course, followed by JavaScript, Python, Java, and finally SQL & Databases.

Each product will have three tiers of pricings and features, the first being a trial starter pack for each topic allowing users to get a feel for the software and teaching style, where they will be able to experience the first 3 tutorials for free and try out a small project to apply these basic skills. There will also be no obligation with this trial for users to sign up or continue to do business with us.

The second tier is the standard subscription to receive consistent weekly content and extras, able to be paid either weekly ($10/week) or monthly ($40/month). Users with this tier will receive four 30 minute lessons per week, as well as a weekly project applying the learnt material, and a monthly challenge with a higher degree of difficulty. This monthly challenge will be designed to test all knowledge cumulative of the user’s progress.

The third tier is an unlimited access one time only fee of $99 which gives the user access to all of the content previously mentioned, as frequently as they choose. In order to encourage users to continue purchasing our products, we will offer them $10 off their purchase of another course if they submit the challenge to us for verification. This not only encourages users to progress through each product, but it also will encourage users to attempt the challenge in order to receive the discount.  
  
Our products are exclusively for download, and are not available via any other means, as an internet connection is vital to the correct functioning of the software included. Customers will be able to download the software bundle upon checkout and will be issued with a one-time registration code to activate the content they have paid for.

Our products are set apart from competitors because of the unique learning environment they provide, with a combination of visual, textual and auditory guidance, as well as an interface that displays a real-time output of the code being typed by the user. The projects and challenges given to the user also offer something uncommon amongst similar resources, and allow users to apply what they have learnt in a similar way to standard assignments used in real classrooms.

# Market Analysis

Our target market primarily consists of those who are looking to get started learning about IT and would like to gain practical experience in a number of different areas that are vital to this industry. Our products also cater to those who are looking to extend upon the knowledge they already possess.

The business will primarily be marketed on the internet, as this is the platform which our users must have access to in order to utilize our products, it also contains the prime demographic of our target audience. Other means of advertising will also be investigated to expand the customer base when such a need arises, these are detailed in the operation strategy section of this report.

In 2011, E-learning resources that were self-paced amassed $35.6 billion in the worldwide market, with an estimated growth percentage of 7.6% per annum, revenues are likely to reach approximately $50 billion by 2016. This presents an immensely encouraging view of the projected growth and sales for the business, as despite such a huge boom in the market, the same software and style of learning provided by our products is currently not offered by any competitors.

This growth in E-learning is being fuelled mainly by the large investments put forward by large companies, universities, new ventures, and other smaller parties. In 2012, a learning management system called Desire2Learn received $80 million in funds from investors, whilst the total amount of capital poured into the E-learning sector in the last few years has amounted to approximately $6 billion.

Corporate employee training has also seen a major shift into the digital realm in the last decade, with an increasing amount of employee training budgets being put towards more flexible and time-conserving online learning systems. The following chart depicts a number of reasons cited for the switch to E-learning when training new employees, or refreshing their knowledge:

Source: (Docebo, 2014)

The reasons these corporations switched to E-learning also reveals a great deal about the reasons individuals may choose to use our products

Not-for-profit E-learning initiatives run by large universities have solidified a place for themselves in the sector by offering free courses online, primarily targeting those with a particular interest in certain topics or people who are getting an education for themselves without attending university.

In 2010, approximately 1 in 8 university students were studying entirely external to their universities, with a vast amount of internal students choosing to substitute some or all of their learning for online based delivery. Many larger universities have made some content or courses available to the public for no cost, but also with no actual degree accreditation at the completion of these courses. Studies have shown that often these courses are used to complement university gained knowledge, rather than replace it, which is also a viable option for the products provided by our business.

Whilst the exact demographics of the user base cannot be predicted due to the ever-changing nature of the online market, the largest segment of the E-Learning market will always be those currently enrolled in educational institutions or those looking to find a substitute for this. The projected growth between 2012 and 2017 in the E-Learning sector is overwhelmingly occupied by primary, secondary, and tertiary educational demographics, which collectively account for 88% of expected growth.

Source: (Docebo, 2014)  
  
This immense success experienced by the E-Learning sector in recent years has paved the way for new startup companies to gain a foothold in the digital market, and sparked the interest of a huge amount of new users who are heavily invested in furthering their own learning.

# Competitor Analysis

There are a number of options for people to access similar information or tutorials taught within our software, however, the options for people looking to find a piece of software capable of teaching them from very basic to very advanced lessons in a number of different programming languages is very limited. In order to get a similar experience to the one provided by our products users would need to draw on a multitude of different resources, some of which are provided by our competitors and these will be analyzed below.

**Competitor One:**General Assembly’s online tool, Dash, for teaching beginners to code HTML, CSS, and JavaScript has a similar approach to the one in our products by providing users with some small projects to get them started in coding and allowing them to follow along with tutorials and see a real-time representation of their code. Whilst General Assembly does have a vast amount of on-campus courses and programs run in cities all over the world, their online tool is the only aspect of their business which sets them up as a competitor to the range of products supplied by our business, so this will be the prime focus of our analysis.

The Dash tool is very similar in content and focus to the free starter pack in HTML and CSS provided by our business, as they both allow users to get a taste of programming and give them something interesting to build in a series of small lessons which is likely to intrigue them to learn more. The main strength of this tool is the very simple and easy to use layout of the page, and the incredibly interactive nature of the tool itself which gives user real time feedback as well as a representation of the code they are currently working on that updates as they type. The lessons are each set out as a part of a project, so the end goal is always clear and apparent to the user. They are able to progress through each task at their own pace, and share their successes on social media if they choose.

They have made it very simple to get started using the online tool, with users only needing to enter a few details, and then they are able to immediately use the tool without so much as validating their email address and logging in. Whilst their tool is relatively straight forward to use, and people are not likely to experience many problems when interacting with it, there is a distinct lack of user support on the site for those who do run into issues. The closest thing to this is a link to a Q & A forum, which directs the user to Facebook where they can ask the community of users for help, which presents problems for those users who may not have a Facebook account, or do not want to ask strangers for help.

They share the same target market as our business, being those who want to get started in a particular programming language but in such a way that they can follow along with the lesson instead of just watching or reading the information. The tool is intended to be well suited to people of all ages, and the simplicity of the interface is a clear example of this in action.

Dash does not appear to have any promos or ads running online, but instead gains most of its user base from online technology news sites promoting it as a free online web design course, as well as being in one of the top few Google results for search queries such as “free online HTML CSS JavaScript course”. This means that the bulk of users are people who have tried to find an online course themselves via search engines.

**Competitor Two:**   
SQLcourse.com provides interactive online SQL training to get people started with SQL and allow them to experiment with it within their browser. The content on the website can be accessed for free, and gives users a number of tutorials on each of the basic aspects of SQL that they can read through and then test their knowledge at the end of each one.

The biggest weakness of this site would be the layout and overall design, which is very outdated and does not promise users an up to date experienced based on its appearance. It uses a very strong yellow colour that may prove difficult for some users to look at, and the site is riddled with small design flaws that degrade the user experience quite significantly. Whilst it offers similar content to the SQL program our business provides, it is entirely text-based and lacks a feeling of personalized learning.

Despite this, the site does have some strengths, mainly being that the content is easy to navigate and access, as well as giving users a method via which they can test out examples as they read through. The target market is again very similar to our business, mainly consisting of people who want to engage in self-directed learning of a particular programming language, however this site is less of an online course and more of a resource for people to brush up on the basics.

Again, this site does not run promos or ads and instead relies on people who know what they are looking for, and are likely using a search engine to find it.

**Summary:**Whilst all the information provided within our products is readily available online, our approach is to instead provide users with the full experience of learning content and trying it out as you go, being taught verbally and visually by a real person, and being able to apply what you have learnt to real world problems. There currently is not a similar option available online, with the exception of enrolling in an online university course at a much higher cost.

# Management and Staff

There are a number of roles vital to the startup and running of this business, all with individual necessities and requirements for the people who fill each position. Due to the great deal of work required to develop the products before release, some job positions may only exist up until the launch.

**Software Developers (x3):** These people are in charge of developing the software available for purchase by the users. They will decided upon the specifications and limitations of the program, and will be involved in the development process from start to finish. Only the lead software developer will need to continue in their role at a lesser capacity once the products are released in order provide maintenance.

**User Interaction Designer:** This role involves the designer taking the finished software, and developing a clean looking user interface to bring the whole project together and produce an aesthetically pleasing layout that will be easy for users to operate. This is another position that will operate at a lesser capacity once product development has ceased, and it will be required again when new products are being built.

**Business Manager:** The business manager will be required to oversee the operation of the business and its employees, whilst ensuring that the business’ goals and targets are being met. They will provide direction to the other employees and deal with the business aspect of the site’s running.

**Accounts Manager:** The accounts manager will need experience in overseeing the financial growth of the business through the increase of sales and clients. They ought to be able to assume a leading role, and drive the development of the business through advertising also.

**Legal Advisor:** The legal advisor will be required to advise the business on any legal trends that may impact the business itself, and also to influence the direct operation of the business, deal with contracts, and also any licensing legality problems.

**Banker:** The banker will assist the business by finding financial strategy that would benefit or increase revenue, whilst also searching for opportunities that may bring funding to the business.

**Bookkeeper:** The bookkeeper will be required to have strong accounting skills, and will deal with customer billing, management of payroll, producing financial and budget statements, and overseeing tax filing.

# Risks and Challenges

**Changes in technology:**As technology changes, the software available to users will need to be upgraded to ensure that those who have made a purchase are able to access what they paid for without having compatibility issues. As the software is not available on mobile devices, these upgrades will only need to be made when new operating systems are developed or new versions become available. For example, Windows 10 is set to be released at some point this year, and this will need to be catered for.

**Software bugs/errors:**   
Despite vigorous testing prior to release, it is still possible for bugs or errors to occur within the software. In order to minimize the harm these pose, a user should be able to report any errors to the maintenance team, and routine tests should be conducted post release to ensure no problems occur.  
  
**Copyright infringement:**  
Whilst software is relatively difficult to protect from illegal duplication and distribution, having users input a unique serial number upon purchase will deter some copyright infringement, and users being required to login to verify their subscription is still active will help further. Note that the user is only able to install the software on a single machine.

**Online security:**There is a very real threat to many e-commerce businesses of the theft of user’s payment details, which may discourage some users from subscribing. To combat this, all online transactions will either be completed using PayPal or via a secure payment page for credit cards, no money transfers or direct bank deposits will be accepted to protect both the users and the business.

**Lack of users:**It is a possibility that the products will not attract as many customers as is needed to further support the business. Initially, the site will be advertised online in ways that are likely to react the target audience, but it is expected that using search engine optimization will bring in the majority of customers, if this method fails, more widely spread methods of advertising will be used to seek out potential customers.

**Website upgrades:**   
Depending on the user base of the services provided, the business website may need to be upgraded to cater to the traffic coming in. To avoid this becoming a hassle, the website will be hosted with a company that offers upgradable service as interest grows to increase network capacity.

# Website Development

The website has been designed with the idea of having a simple, clean layout that allows customers to find what they want without hassle. The website was first designed using a wireframe concept of setting out the pages as a paper prototype. This allowed testing of the usability of the site before beginning the developing process.

Almost every page has a banner that clearly depicts what the page is about to minimise reading for the customer. This banner incorporates the branding colour of a green-blue. This branding colour is also used on anchors and to highlight various sections. Such as the order form table. All anchors change once hovered over to allow users to identify the anchor as a link that will take them to a different page. The FAQ and disclaimer page do not have a banner as they are purely for information and a banner would distract the customers from what they are searching for.

The same font (Georgia) is used throughout the website as it is easy to use and very clear. To ensure that the website is neat and simple all paragraph font has a set size, as does all headings. All headings are also bolded to make them stand out and make page viewing easier.

The footer is pinned to the bottom of the page to make sure that the customers can find the disclaimer and see the copyright.

When viewing the products page users can choose which version of the product they are interested in by using the Version drop down. This will make more information appear below, such as the price.

The customers can order products by using the order form on the order page. Their first step is to read the instructions on where to send the form. Once they have read that they fill out the form and select the print to order form. If the customer wants to use credit card they must select the credit card radio button which will make the credit card details section appear. The same will happen with the Bank Transfer option. This allows the form to be more interactive and user friendly. It also minimises the amount of room the form takes up once printed.

A special @media class has been used on the style sheets to ensure that the print or save of the page is neat. This class removes the navigation and the banner which is not needed when submitting the form. This also helps the process time later as the form is clearer and less cluttered. The footer with the copyright is still there as this is important for legal purposes.

To ensure that the website is secure for customers to buy from a HTTPS (SSL) certificate will validate the site and all orders will not be done through the website. This will show that it is a trusted website. Instead of the website receiving information about the customer the customer must send their order after downloading or printing the form. No information will be stored by A&S E-Learn.

To analyse the customers that use the website google analytics will be used. This will give feedback into how the customers act on the website and where they navigate to. It will also provide information on the most popular products.

The hardware needed to create this website will be a computer with software such as sublime or notepad++ to code the website. The Adobe programs Illustrator and Photoshop will also be needed to create graphics and edit images for the website. This website will be very basic so very little software is needed for its development.

# Operational Strategy

The company only currently supports business-to-consumer operations, as this is the prime demographic of the customer base, however if the demand arises, integration for educational institutions providing the software to many students could be implemented in the future at discounted rates. Whilst the products have the potential to reach a large amount of people, the business itself will be small due to the nature of the product and lack of need for production, packaging, and distribution. If additional support is needed, this will be outsourced where possible in order to keep costs down and productivity up.

Most users will not communicate directly with the company at all as the whole transaction process is automatic. They will select the products they are interested in, and upon purchase, will receive a download link and registration key to unlock the software. If, however, any problems arise customers will either be able to find help in the frequently asked questions section of the site, or contact a member of the team for further assistance. When this occurs it is the company’s standard procedure to reply promptly and guide them through to a solution. If any problems occur with the products or resulting transactions, these issues will be dealt with not by the customer support, but by the managers in order to ensure the customers are not affected.

Marketing is an integral part of the success of this start up business, especially in the digital space with so many varied competitors, if customers are not able to locate our website, they will find another one instead. Search engine optimisation will be heavily invested in to combat this, and ensure the accessibility of the website is sufficient to cater to the revenue projections covered in Appendix B. Advertising will also be used in order to entice the target audience, with online ads in relevant places and also in traditional mediums where potential customers are likely to be found, for example, technology magazines. As the business’ customer base grows, word of mouth will perhaps play the biggest role in attracting new customers, though advertising campaigns will also be extended to supplement this.

Re-design and re-development will remain a vital aspect of the business even after the products are launched, as real user feedback accumulated over time will allow for features to be added and interfaces to be updated in order to cater best to those using the platform. Research will also be consistently conducted into market trends and projections so the business is able to stay ahead of the competition by offering services people are likely to be interested in soon.

As per the business’ current plan, production and development of new products will begin in the third year of operation in order to provide new content for those who have become heavily involved with the software and were left wanting more. No new product development was scheduled for the second year of operation, this was in order to compensate for startup losses, and to allow the opportunity to learn about the user base and cater to their needs and desires.

# Financial Plan

Revenue will be generated primarily from paid subscriptions to the software and one-time payments as detailed in the products and services section of the report, whilst other revenue generation strategies will be pursued to supplement the business until it is able to break even. This external revenue will be sourced from both investors seeking equity, and larger corporations or foundations willing to sponsor education initiatives.

Securing funding or investments is vital to the success of the business in its first year as a result of high startup costs before a profit is being achieved. The income and expenses table in Appendix B highlights a loss of approximately $80,000 over the course of the first year due to the immense cost of producing the software and salaries required to get the business started. This loss is compensated for in the projected income of the company in its second year, and from that point onwards it is expected for the business to only increase its profit margin.

The business has already secured $10,000 worth of funds which will be put to use purchasing computers and office supplies, and also to put towards renting the office space required to get the business up and running. As detailed in the Income and Expenses table in Appendix B, expenditure will be far less in the second and fourth years of operation due to there being no new product development expected during this time. This will give the business an opportunity to compensate for any losses incurred as a result of expensive product development phases, and will allow for loans or investments to be repaid where necessary.

Detailed information outlining the business’ startup budget, as well as projected income and expenses for the first four years of operation can be found in Appendix A & B. Whilst these figures are not factual and cannot be relied entirely on, they have been calculated based on extensive research and growth rates of similar companies, and therefore ought to provide an educated projection of the business’ financial state once it has been launched.

# Appendix A – Start Up Budget

|  |  |
| --- | --- |
| **General and Administration** |  |
| Salaries and wages | 280,000 |
| Rent and lease expenses | 16,000 |
| Office supplies | 1,000 |
| Insurance | 20,000 |
| Accounting services | 2,000 |
| Legal services (including incorporation) | 1,000 |
| **Total General and Administration** | **$ 320,000** |
|  |  |
| **Buildings and Equipment** |  |
| Office equipment | 2,000 |
| Computers | 6,000 |
| **Total Buildings and Equipment** | **$ 8,000** |
|  |  |
| **Web Site Development** |  |
| Web site set-up expenses | 1,000 |
| Web site design | 9,000 |
| Web site testing | 1,200 |
| Art and multi-media | 1,000 |
| **Total Web Site Development** | **$ 12,200** |
|  |  |
| **Marketing Development** |  |
| Market research | 900 |
| Search engine listings and optimization | 1,100 |
| Design of marketing materials | 1,500 |
| Materials printing costs | 400 |
| Product launch expenses | 2,000 |
| **Total Marketing Development** | **$ 5,900** |
|  |  |
| **Product Development** |  |
| Product design | 15,000 |
| Product prototype and testing | 40,000 |
| **Total Product Development** | **$ 55,000** |
|  |  |
| **Other Expenses** |  |
| Miscellaneous expenses | 1,500 |
| **Total Other Expenses** | **$ 1,500** |
|  |  |
| **Total Operating Expenses** | **$ 402,600** |

# Appendix B – Income and Expenses

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Income and Expense Statement** |  |  |  |  |
| **Years ending: December 31, 2016 - December 31, 2019** | | |  |  |
|  |  |  |  |  |
|  | 1st Year Proj | 2nd Year Proj | 3rd Year Proj | 4th Year Proj |
|  | Dec 31, 2016\_ | Dec 31, 2017\_ | Dec 31, 2018\_ | Dec 31, 2019\_ |
| **INCOME** |  |  |  |  |
|  |  |  |  |  |
| Gross Receipts on Sales | 274,000 | 376,600 | 405,220 | 436,000 |
| **TOTAL INCOME** | **$ 274,000** | **$ 376,600** | **$ 405,220** | **$ 436,000** |
|  |  |  |  |  |
| **EXPENSES** |  |  |  |  |
|  |  |  |  |  |
| Sales, General, and Administration |  |  |  |  |
| Salaries and wages | 280,000 | 200,000 | 300,000 | 240,000 |
| Rent and lease expenses | 16,000 | 16,000 | 24,000 | 24,000 |
| Insurance | 20,000 | 20,000 | 26,000 | 29,000 |
| Web site hosting | 400 | 400 | 700 | 700 |
| Advertising | 18,000 | 11,000 | 11,000 | 11,000 |
| Accounting and legal services |  |  |  |  |
| **Total Sales, General, and Administration** | **$ 334,400** | **$ 247,400** | **$ 361,700** | **$ 304,700** |
|  |  |  |  |  |
| Buildings and Equipment |  |  |  |  |
| Building renovations | - |  |  |  |
| Office equipment and computers | 8,000 | 3,000 | 9,000 | 15,000 |
| **Total Buildings and Equipment** | **$ 8,000** | **$ 3,000** | **$ 9,000** | **$ 15,000** |
|  |  |  |  |  |
| Other Expenses |  |  |  |  |
| New product development | 55000 | - | 12,000 | 0 |
| Web site development | 12,200 | - | 1,500 | 0 |
| **Total Other Expenses** | **$ 12,200** | **$ -** | **$ 13,500** | **$ -** |
|  |  |  |  |  |
| TOTAL OPERATING EXPENSES | $ 354,600 | $ 250,400 | $ 384,200 | $ 319,700 |
|  |  |  |  |  |
| Operating Profit | $ (80,600) | $ 126,200 | $ 21,020 | $ 116,300 |
| Less: interest expense |  |  |  |  |
| Profit Before Taxes | $ (80,600) | $ 126,200 | $ 21,020 | $ 116,300 |
| Less: corporate taxes |  |  |  |  |
|  |  |  |  |  |
| **NET PROFIT** | **$ (-80,600)** | **$ 126,200** | **$ 21,020** | **$ 116,300** |

# Appendix C – Research and References

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