



Case study

Pricing

A Neighbourhood Nursery

Social aim

Quality, affordable childcare in an area of disadvantage.

Trading activity

A local project of a Registered Charity and Company Limited by Guarantee.

Ownership

An activity of a local project which is a Registered Charity and Company Limited by Guarantee.

How Co-operative Futures helped

A review of the nursery's pricing structure prior to the end of Government funding. Working with the Charity's manager and the nursery manager Co-operative Futures' Advisor looked in detail at the hourly costs of running the nursery and the number of hours' care they needed to sell to break even.

This 'break even' analysis showed that costs were much too high for the number of hours being sold. The nursery needed to ensure that income exceeded costs by selling more hours or reducing costs. It was found to be impossible to do this in the time available and the nursery closed soon afterwards, though a relaunch is expected. Although the childcare service was lost, the closure meant that the Charity stopped losing money through the nursery.

Read more about pricing from our services section here...