

GROUP PROJECT

ETR 300- FUNDAMENTAL OF ENTREPRENEURSHIP

Member's group:

Insyirah Khalid

Nur' Shafiqah Saleh

Arizah Talha

Nur Atiqah Ramli

Zairul Hawani Johari

Nurmaya Idris

Norazida Johari

ADMINISTRATION PLAN

Types of company: Private

Types of business: Bakery Shop

Product: Cup Cakes

Name of company:

Sweet Peace Bakery

Vision:

TO BE AMONG THE CREATIVE AND INNOVATIVE LEADER IN THE
CUPCAKE MARKET

Mission:

WE ARE COMMITTED TO INTRODUCING NEW DESIGN AND VARIETY
FLAVOUR IN OUR CUPCAKES



Objective:

- 1.To establish and operate cupcakes cafe for the people who are living at Klang Valley.
- 2.To provide with the friendliest services with affordable prices of cupcakes and other services.

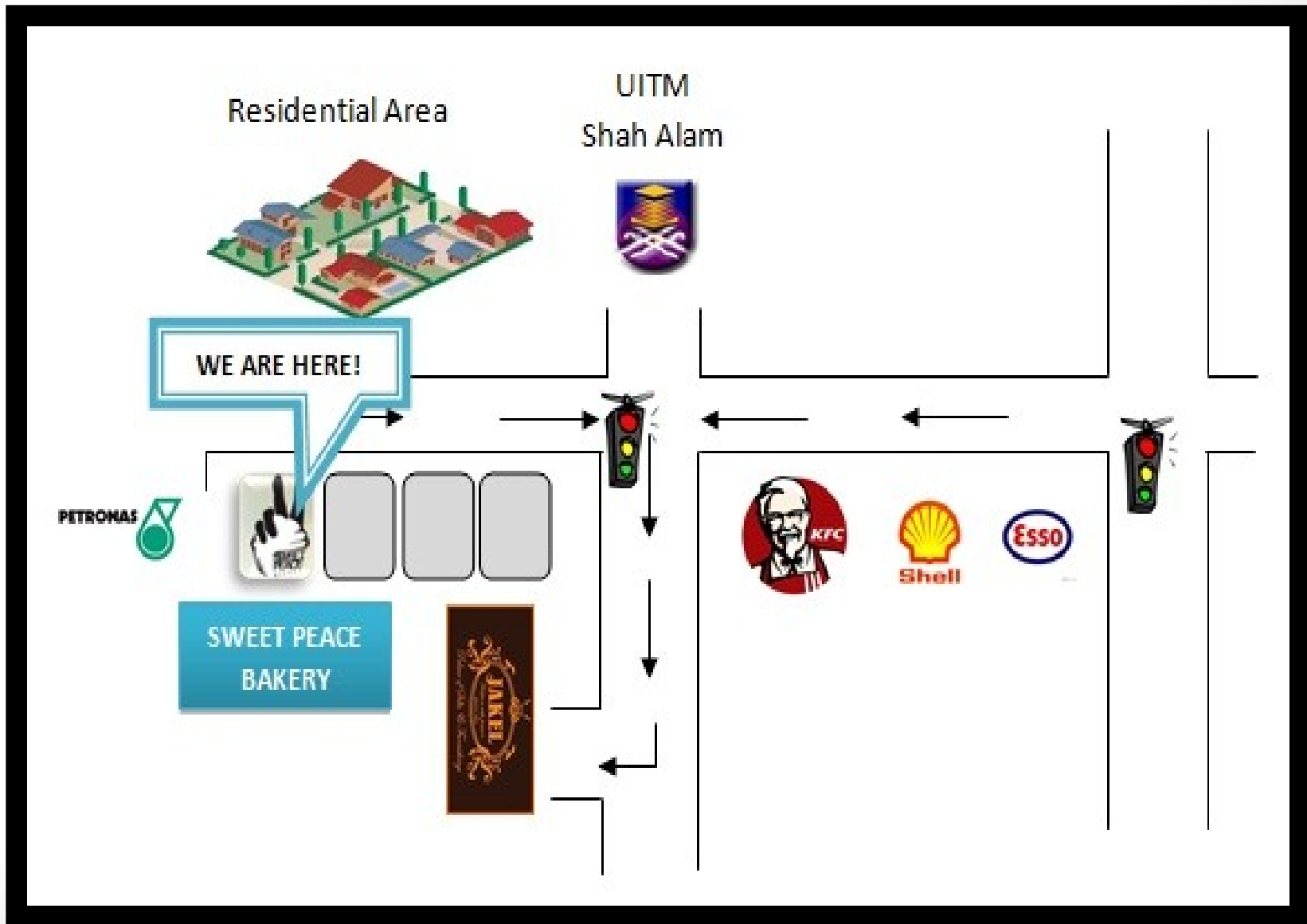
Business Address:

No. 3A Jalan Plumbum S7/7, Pusat Komersial Seksyen 7, 40000 Shah Alam, Selangor

Telephone Number: 03-5519-3999



Location Plan:



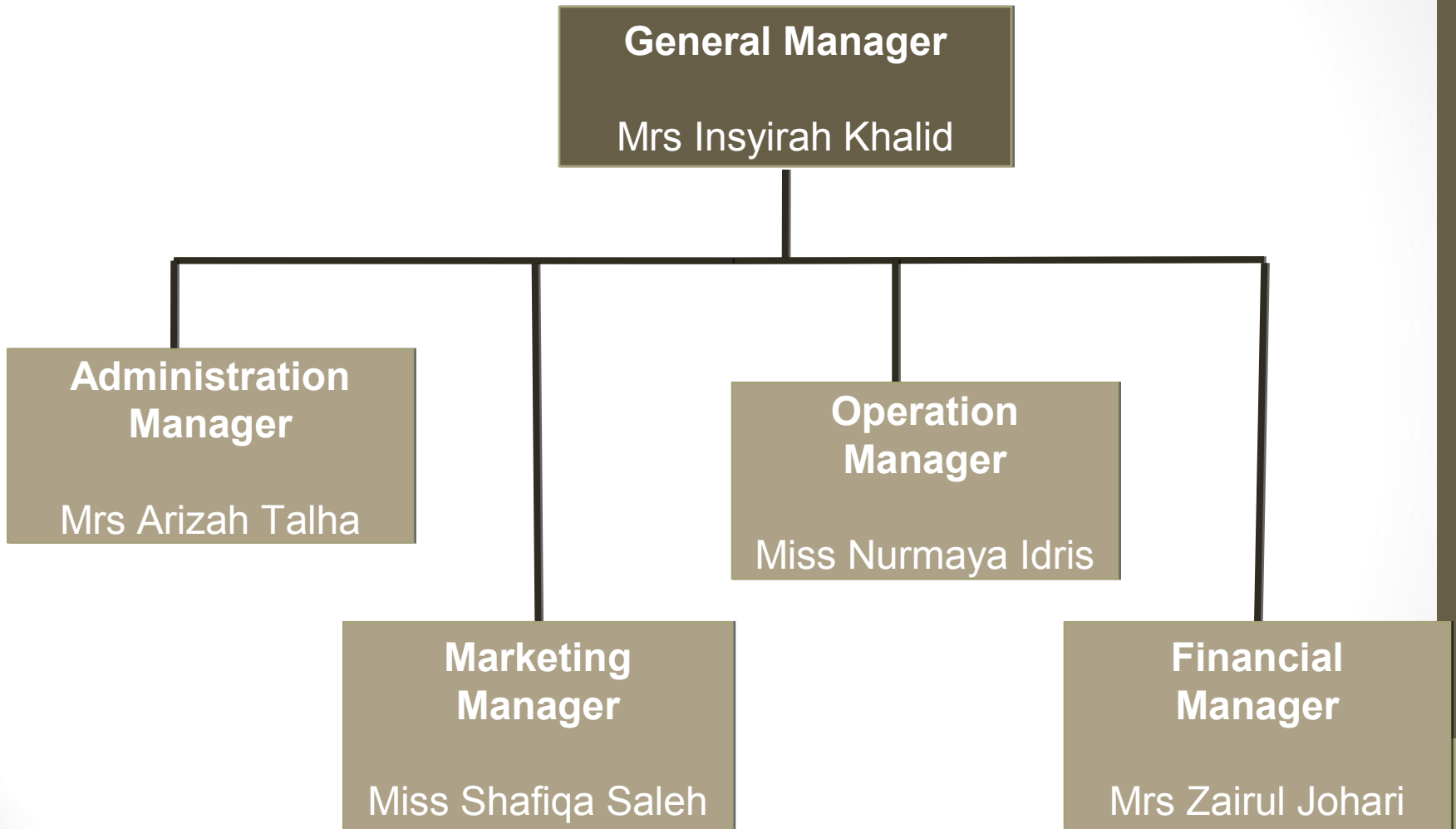
Type of Building:

- Commercial Structures – Shop Office
- Rent

Infrastructure:

- Land Area → 22 X 7
- Built-Up → 1320 sq.ft
- Pasar raya Bintang
- Jakel
- KFC
- Shell
- Esso
- Petronas
- UiTM Shah Alam

ORGANIZATIONAL STRUCTURE FUNCTION



LIST OF ADMINISTRATION PERSONNEL

POSITION	NO. OF PERSONNELS
General Manager	1
Administration Manager	1
Marketing Manager	1
Operation Manager	1
→ General Worker	2
Financial Manager	1

SCHEDULE OF TASK AND RESPONSIBILITIES

POSITION	TASK AND RESPONSIBILITIES
General Manager	<ol style="list-style-type: none">1. Complete management responsibilities in ensuring the company objective and mission can be achieved according to plan.2. Supports motivation of employees in organization products or programs and operations.3. Looks to the future for change opportunities.4. Oversees the overall operations of organization.5. Analyse monthly report of every department.
Administration Manager	<ol style="list-style-type: none">1. Update and maintain database with accurate client information.2. Controlling the financial expenses for administration department.3. Identify and inform the duties every department.4. Management of staff's salary payment, bonuses and incentive, EPF and SOCSO

POSITION

TASK AND RESPONSIBILITIES

Marketing
Manager

1. To set a strategic marketing plan for the company and identify new marketing opportunities.
2. Promoting the products and services of the business to the customers.
3. Analyze SWOT (Strength, Weakness, Opportunity and Threat) of the company and strengths and weaknesses of our competitors.
4. Prepared the department report and submit to the top manager.

Operation
Manager

1. Manage the quality of products and ensure problems are handled efficiently.
2. To set a rules and procedures for staff to follow in order for department run smoothly.
3. Manage and determine the operation cost adequate with the company budget.

POSITION

TASK AND RESPONSIBILITIES

Financial
Manager

1. Manage and control the overall budget, expenses and profits of the company.
2. Prepare monthly and annual cash flow and income statement.
3. Researching and reporting on factors influencing the business performance
4. Managing a company's financial accounting, monitoring and reporting systems.

SCHEDULE OF REMUNERATION

POSITION	NO.	MONTHLY SALARY (RM) (A)	EPF 13% (RM) (B)	SOCSSO 2% (RM) (C)	TOTAL AMOUNT (RM) (A)+(B)+(C)
General Manager	1	2200.00	286.00	44.00	2490.00
Administration Manager	1	1500.00	195.00	30.00	1725.00
Marketing Manager	1	1610.00	209.30	32.20	1851.50
Operation Manager	1	1000.00	130.00	20.00	1150.00
Financial Manager	1	1700.00	221.00	34.00	1955.00
General Worker	1	800.00	104	16.00	920.00

SCHEDULE OF REMUNERATION

POSITION	NO.	MONTHLY SALARY (RM) (A)	EPF 13% (RM) (B)	SOCSSO 2% (RM) (C)	TOTAL AMOUNT (RM) (A)+(B)+(C)
General Worker (Baker)	1	800.00	104	16.00	920.00
TOTAL					RM 11,011.50

LIST OF OFFICE FURNITURE AND FITTINGS

TYPE	PRICE/UNIT (RM)	QUANTITY	TOTAL AMOUNT (RM)
File Cabinet	200.00	3	600.00
Table	300.00	5	1500.00
Chair	60.00	10	600.00
Pedestal	150.00	5	750.00
Computer	1100.00	3	3300.00
Air Conditioner	700.00	2	1400.00
Multi Function Printer/Fax	300.00	2	600.00
Telephone	150.00	3	450.00
Photocopy machine	5500.00	1	5500.00
TOTAL			RM 14,700.00

ADMINISTRATION BUDGET

ITEMS	FIXED ASSETS (RM)	MONTHLY EXPENSES (RM)	OTHER EXPENSES (RM)
Land & Building		0	
Furniture & Fittings	14,700.00		
Renovation	3,700.00		
Salary (EPF&SOCSSO)		6170.00	
Rent		3,800.00	
Business License & Registration			2500.00
Telefon and Wi-Fi		200.00	
Water		500.00	
Electricity		2500.00	
TOTAL	18400.00	13170.00	2500.00

MARKETING PLAN

MARKETING PLAN

Marketing plan can be defined as outlines the specific actions entrepreneur intend to carry out to interest potential customers and clients in our product and persuade them to buy the product offered.

LIST OF PRODUCT OFFERED

Flavour	Price per cup (RM) Medium Cup 2 inch	Price per cup (RM) Large Cup 2.5 inch
Vanilla Cupcakes	2.50	3.50
Almond Cupcakes	2.50	3.50
Lemon Cupcakes	2.50	3.50
Orange Cupcakes	2.50	3.50
Mocha Cupcakes	2.50	3.50
Cappuccinos Cupcakes	2.50	3.50
Strawberry Cupcakes	2.50	3.50
Pandan Cupcakes	2.50	3.50

LIST OF PRODUCT OFFERED



TARGET MARKET



MARKET SIZE

TARGET MARKET	NUMBER OF TARGET MARKET (MONTHLY)	MARKET SIZE (RM)
<i>Weekend getaway customers</i>	27%	158 000.00
<i>Students</i>	43%	250 000.00
<i>Residents of urban area.</i>	30%	180 000.00
Total	100%	588 000.00

COMPETITORS

Name of the company	Strength	Weakness
White Daisy's Cupcakes	<ul style="list-style-type: none"> ▪ Has been well known by the customer ▪ Has operates the business for more than 4 years ▪ Have more experience 	<ul style="list-style-type: none"> ▪ Lack of staff ▪ Lack of equipments
Diya's Cupcakes	<ul style="list-style-type: none"> ▪ Well-known by most of the customer ▪ Location business in the middle of resident 	<ul style="list-style-type: none"> ▪ Homemade cupcakes ▪ Lack of staff
Cuppy Cuppy	<ul style="list-style-type: none"> ▪ Affordable price ▪ Good promotion 	<ul style="list-style-type: none"> ▪ Hidden location
Basic Stories Cupcakes & Cafe	<ul style="list-style-type: none"> ▪ Friendly service ▪ Newly establish with new furniture ▪ CCTV 	<ul style="list-style-type: none"> ▪ Small premises ▪ Unattractive environment ▪ Narrow building
Sweet Peace Bakerys & Cafe	<ul style="list-style-type: none"> ▪ Product quality ▪ Beautiful design and used natural material for the ingredients of cupcakes ▪ Hired qualified and skill staff ▪ New equipments and technologies 	<ul style="list-style-type: none"> ▪ New in the market

MARKET SHARE

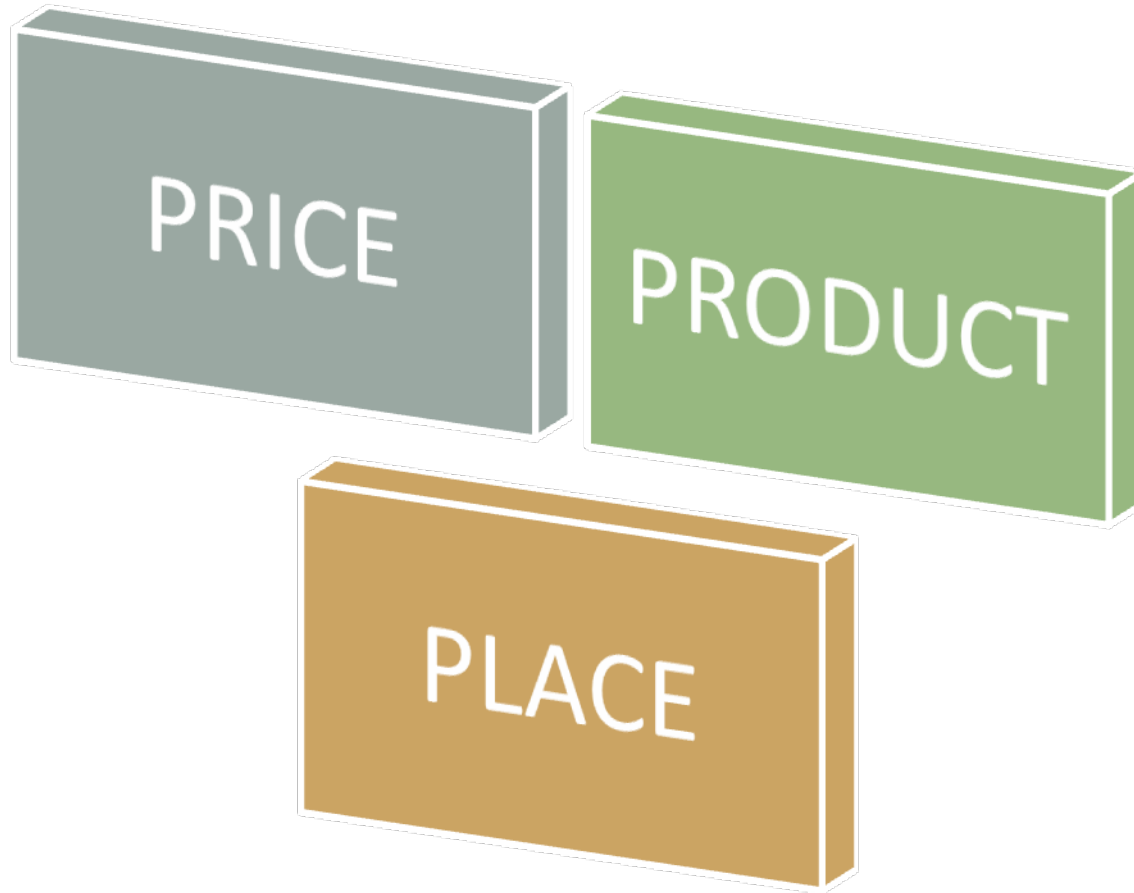
Name of the company	Monthly Sales (RM)	Market Share (%)
White Daisy's Cupcakes	235 200.00	40
Diya's Cupcakes	176 400.00	30
Cuppy Cuppy	88 200.00	15
Basic Stories Cupcakes & Cafe	88 200.00	15
Total	588 000.00	100%

Name of the company	Monthly Sales (RM)	Market Share (%)
White Daisy's Cupcakes	229 320.00	39
Diya's Cupcakes	164 640.00	28
Cuppy Cuppy	82 320.00	14
Basic Stories Cupcakes & Cafe	64 680.00	11
Sweet Peace Bakery	47 040.00	8
Total	588 000.00	100%

SALES FORECAST

Month	Sales	
	Unit	RM
Month 1	13440	47,040.00
Month 2	13490	47,215.00
Month 3	13540	47,390.00
Month 4	13590	47,565.00
Month 5	13640	47,740.00
Month 6	13690	47,915.00
Month 7	13740	48,090.00
Month 8	13790	48,265.00
Month 9	13840	48,440.00
Month 10	13890	48,615.00
Month 11	13940	48,790.00
Month 12	13990	48,965.00
Year 1	164580	576,030.00
Year 2 (3%)	169517	593,310.90
Year 3 (5%)	172809	604,831.50

MARKETING STRATEGY



PROMOTION STRATEGY

BROCHURES & SOCIAL NETWORKING

SIGNBOARD

BUSINESS CARD

SALES PROMOTION

BUSINESS CARD



MARKETING BUDGET

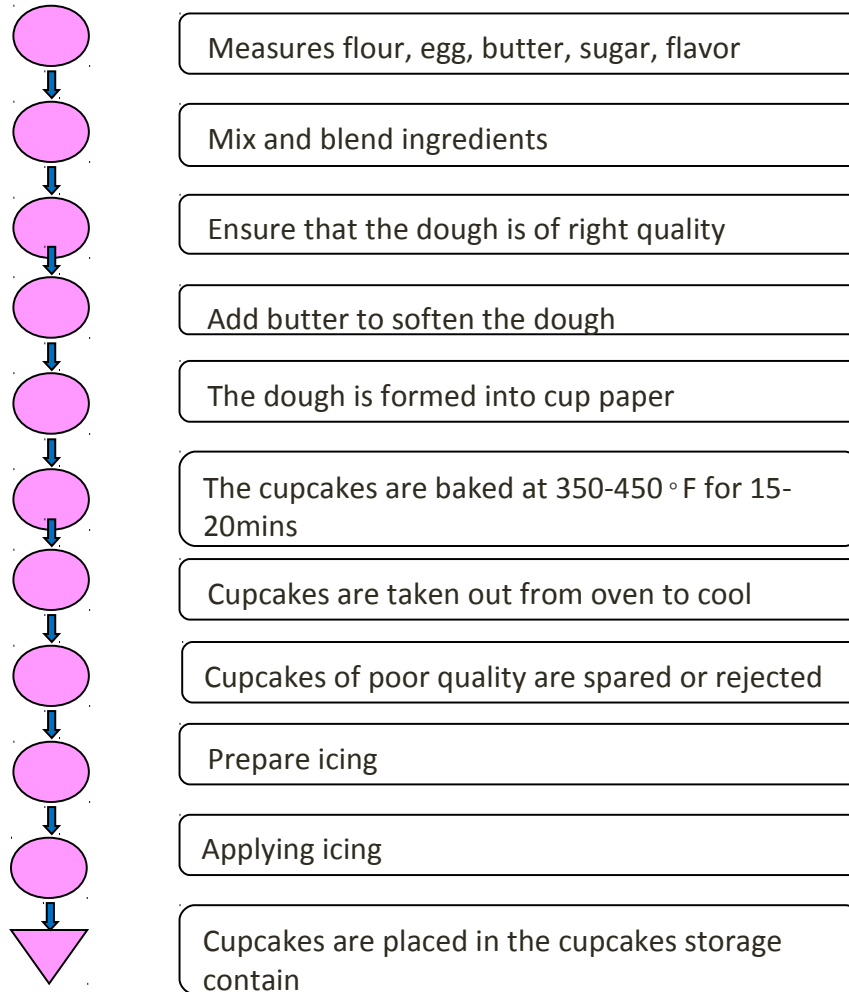
Type	Fixed Asset (RM)	Monthly Expenses (RM)	Other Expenses (RM)
Signboard	3,500.00		
Salaries (EPF&SOCSSO)		1,851.50	
Magazine (Advertisement)		200.00	
Grand Opening			3,000.00
TOTAL	3,500.00	2,051.5	3,000.00

OPERATION PLAN

OPERATION OBJECTIVE

- To optimized our customer's satisfaction
- To create a variable cupcakes business
- To accomplish consistency in the services offered
- To resolve any of operation problem and make all the operation process run efficiently
- To ensure that all of the operation process in our business is functioning well to meet the demand of our customers
- To hiring more workers in bakery field

PROCESS FLOW CHART FOR MANUFACTURING CUPCAKES



PRODUCTION PLANNING

- ❖ Capacity planning refers to the amount of output that can be produced within a specified time. For daily production, we are required to produce 500 units of cupcakes. To produce 500 units of cupcakes it takes 5 hours.

$$500/5 = 100 \text{ units of cupcakes per hour}$$

- ❖ We estimate that one worker can produced 50 units of cupcakes in 1 hour

$$100/50 = 2 \text{ workers}$$

- ❖ Therefore, we need 2 workers to produced 50 units of cupcakes in 1 hour. Sweet Peace Bakery was open on Monday until Sunday and will be closed during public holiday. Our business will start the operation on 9.00 am until 11.00 pm because we want to take much reservation and attract more customers comes to our cupcakes cafe.

RAW MATERIAL EQUIPMENT

Item	Amount Required for 100 cupcakes	Amount required/ cupcakes	Amount required/ Month	Price/Unit (RM)	Total Purchase (Month) (RM)
Flour	4 kg	40 g	40g/unit x 13 440 = 537.6kg	1.50	806.40
Egg	5 units	0.05 units (1 egg for every 20 cupcakes)	1/unit x 672 = 672 units	0.25	168.00
Butter	2 kg	20 g	20g/unit x 13 440 = 268.8kg	1.50	403.20
Sugar	2 kg	20 g	20g/unit x 13 440 = 268.8kg	2.30	618.30
Icing	2 kg	20g	20g/unit x 13 440 = 268.8kg	2.00	537.60
Total					2 533.50

LIST OF OPERATION PERSONNEL

Position	No. of Personnel
Operation Manager	1
Worker	2

DAILY ROSTER

Staff	MON	TUE	WED	THU	FRI	SAT	SUN
Operation Manager	√	√	√	√	√	X	X
Worker	√	X	√	√	√	√	√
Cashier	√	√	X	√	√	√	√

√ = Worker day (Open Business)

X = Worker leave

SCHEDULE OF REMUNERATION

Position	No.	Monthly Salary (RM)	EPF (13%) (RM)	SOCSSO (2%) (RM)	Total (RM)
Operation Manager	1	1 000.00	130.00	20.00	1 150.00
Worker	2	800.00	104.00	16.00	1 840.00
Total					2 990.00

OPERATIONAL EQUIPMENT

Item	Price/Unit (RM)	Quantity	Total Cost (RM)
Baking oven	5 500.00	2 units	11 000.00
Cream Cooker	1 500.00	2 units	3 000.00
Spiral Mixer	3 300.00	2 units	6 600.00
Cupcake Pan/Tray	59.90	20 units	1 198.00
Cupcake Stand/Tree	46.00	5 units	230.00
Refrigerator	4590.00	2 units	9 180.00
Cupcakes Refrigerator (curve glass display)	2 390.00	1 units	2 390.00
Spatula	2.50	2 dozen	5.00
Cup Measure	4.00	5 units	20.00
Bowls	5.00	20 units	100.00
Icing Bag	10.00	3 packet	30.00
Cupcakes Boxes	3.00	1000 boxes	3 000.00
Total			36 753.00

FOOD AND BEVERAGES

Item	Price/Unit (RM)	Quantity	Total Cost (RM)
Soft Drink	34.00	5 dozen	170.00
Mineral Water	20.00	5 dozen	100.00
Straw	2.00	6 pack	12.00
Coffee Maker	150.00	1 unit	150.00
Buns	1.50	200 unit	300.00
Fork & Spoon	40.00	5 dozen	200.00
Table Set	550.00	5 set	2 750.00
	Total		3 682.00

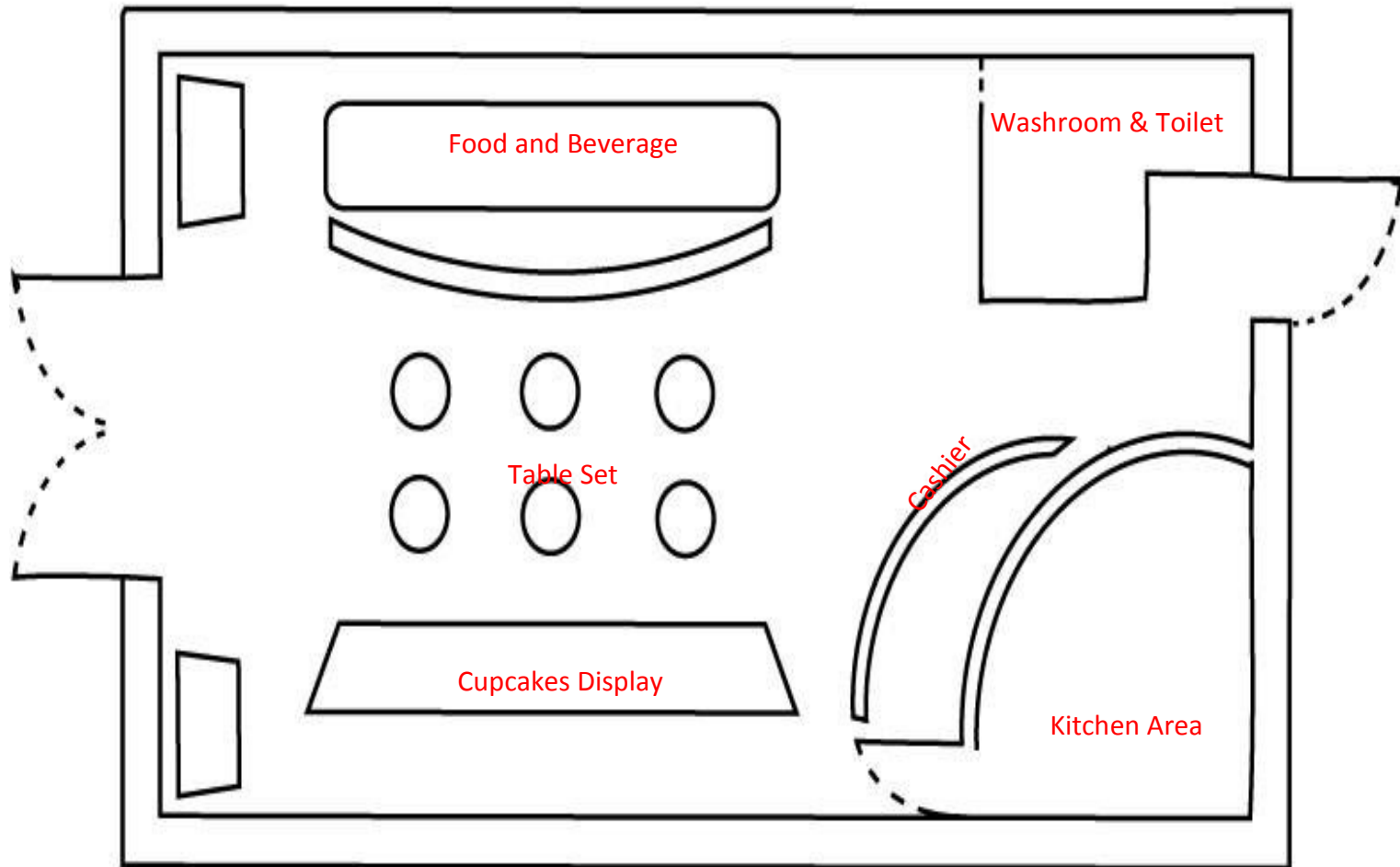
OTHER EQUIPMENTS BUDGET

Item	Price/Unit (RM)	Quantity	Total Cost (RM)
Cash Machine	350.00	1	350.00
Air Conditioner	1 000.00	2	2 000.00
	Total		2 350.00

OPERATION BUDGET

Type	Fixed Asset Cost (RM)	Monthly Expenses (RM)	Other Expenses (RM)
Operational Equipment	36753.00		
Raw Material		2 533.50	
Salary (EPF&SOCSSO)		2990.00	
Food Beverage		3 682.00	
Other Equipment's			2 350.00
TOTAL	36753.00	9205.50	2350.00

SPACE LAYOUT



SUPPLIERS INFORMATION

Item	Supplier
Food and Beverages	Bagus Sdn. Bhd.
Raw Materials	No. 8, Jalan Sungai Udang 2A, Klang Business Centre, 4200 Klang, Selangor Darul Ehsan. Tel : 03-33713580 Fax: 03-33721588
Kitchen Equipment	Pretty Event Sdn. Bhd. 17, Jalan 5/36, Bukit Harimau, Kepong 52100 Wilayah Persekutuan Kuala Lumpur

FINANCIAL PLAN

**Sweet Peace Bakery
Project Implementation Cost**

Capital Expenditure			Cost	Sources of Financing
Land & Building				Cash
Furniture and Fitting			14,700	Cash
Renovation			3,700	Cash
				Cash
				Cash
Signboard			3,500	Cash
				Cash
				Cash
				Cash
Operations Equipment			36,753	Cash
				Cash
				Cash
				Cash
Working Capital	1	months		
Sales & Marketing Costs (monthly)			2,052	Cash
General & Administrative Costs (monthly)			13,170	Cash
Operations & Technical Costs (monthly)			9,206	Cash
Pre-Operating & Incorporation Costs (one-off)			13,100	Cash
Other Expenditure (annually)			-	Cash
Provision for Contingencies	10%		9,618	Cash
TOTAL			105,799	

Sweet Peace Bakery

Sources of Project Financing

Capital Expenditure	Cost	Own Contributions		Loan	Hire-Purchase
		Cash	Existing F. Assets		
Land & Building		-			
Furniture and Fitting	14,700	14,700			
Renovation	3,700	3,700			
		-			
		-			
Signboard	3,500	3,500			
		-			
		-			
		-			
Operations Equipment	36,753	36,753			
		-			
		-			
		-			
Working Capital					
Sales & Marketing Costs (monthly)	2,052	2,052			
General & Administrative Costs (monthly)	13,170	13,170			
Operations & Technical Costs (monthly)	9,206	9,206			
Pre-Operating & Incorporation Costs (one-off)	13,100	13,100			
Other Expenditure (annually)		-			
Provision for Contingencies	9,618	9,618			
TOTAL	105,799	105,799			

Proposed Terms of Loan (if required)	
Interest rate	5%
Loan tenure (years)	10

Proposed Terms of Hire-Purchase (if required)	
Interest rate	5%
Tenure (years)	5

PRO FORMA CASH FLOW STATEMENT

	2013 MONTHLY CASH FLOW													2013
MONTH	Pre-Operations	January	February	March	April	May	June	July	August	September	October	November	December	
<u>CASH INFLOW</u>														
Capital (Cash)	105,799													105,799
Loan	0													0
Cash Sales		47,040	47,215	47,390	47,565	47,740	47,915	48,090	48,265	48,440	48,615	48,790	48,965	576,030
Collection of Accounts Receivable		0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CASH RECEIPT	105,799	47,040	47,215	47,390	47,565	47,740	47,915	48,090	48,265	48,440	48,615	48,790	48,965	681,829
<u>CASH OUTFLOW</u>														
Pre-operating & Incorporation Expenditure	13,100													13,100
Sales & Marketing Expenditure		2,052	2,052	2,052	2,052	2,052	2,052	2,052	2,052	2,052	2,052	2,052	2,052	24,618
General & Administrative Expenditure		13,170	13,170	13,170	13,170	13,170	13,170	13,170	13,170	13,170	13,170	13,170	13,170	158,040
Operations & Technical Expenditure		9,206	9,206	9,206	9,206	9,206	9,206	9,206	9,206	9,206	9,206	9,206	9,206	110,472
Other Expenditure		0												0
Purchase of Fixed Assets	58,653													58,653
Hire-Purchase Repayment:														
Principal		0	0	0	0	0	0	0	0	0	0	0	0	0
Interest		0	0	0	0	0	0	0	0	0	0	0	0	0
Loan Repayment:														
Principal		0	0	0	0	0	0	0	0	0	0	0	0	0
Interest		0	0	0	0	0	0	0	0	0	0	0	0	0
Tax Payable		0	0	0	0	0	0	0	0	0	0	0	69,074	69,074
TOTAL CASH OUTFLOW	71,753	24,428	24,428	24,428	24,428	24,428	24,428	24,428	24,428	24,428	24,428	24,428	93,502	433,957
CASH SURPLUS (DEFICIT)	34,046	22,613	22,788	22,963	23,138	23,313	23,488	23,663	23,838	24,013	24,188	24,363	(44,537)	247,872
BEGINNING CASH BALANCE		34,046	56,658	79,446	102,408	125,546	148,858	172,346	196,008	219,846	243,858	268,046	292,408	0
ENDING CASH BALANCE	34,046	56,658	79,446	102,408	125,546	148,858	172,346	196,008	219,846	243,858	268,046	292,408	247,872	247,872

PRO FORMA CASH FLOW STATEMENT (contd.)

	2013	2014	2015
MONTH			
<u>CASH INFLOW</u>			
Capital (Cash)	105,799	0	0
Loan	0	0	0
Cash Sales	576,030	593,311	604,832
Collection of Accounts Receivable	0	0	0
TOTAL CASH RECEIPT	681,829	593,311	604,832
<u>CASH OUTFLOW</u>			
Pre-operating & Incorporation Expenditure	13,100		
Sales & Marketing Expenditure	24,618	25,849	27,141
General & Administrative Expenditure	158,040	165,942	174,239
Operations & Technical Expenditure	110,472	115,367	120,571
Other Expenditure	0	-	-
Purchase of Fixed Assets	58,653		
Hire-Purchase Repayment:			
Principal	0	-	-
Interest	0	-	-
Loan Repayment:			
Principal	0	-	-
Interest	0	-	-
Tax Payable	69,074	71,350	70,499
TOTAL CASH OUTFLOW	433,957	378,508	392,450
CASH SURPLUS (DEFICIT)	247,872	214,803	212,382
BEGINNING CASH BALANCE	0	247,872	462,675
ENDING CASH BALANCE	247,872	462,675	675,057

PRO FORMA INCOME STATEMENT

Sweet Peace Bakery
Pro-forma Income Statement

Years	2013	2014	2015
Sales	576,030	593,311	604,832
Less: Cost of Sales (Notes 1 & 2)	30,408	31,300	32,300
Gross Profit	545,622	562,011	572,532
Less: Expenditure			
Pre-Operating & Incorporation Expenditure	5,500		
General & Administrative Expenditure	158,040	165,942	174,239
Sales & Marketing Expenditure	24,618	25,849	27,141
Operations & Technical Expenditure	80,064	84,067	88,271
Other Expenditure			
Interest on Hire-Purchase			
Interest on Loan			
Depreciation of Fixed Assets	11,731	11,731	11,731
Total Expenditure	279,953	287,589	301,382
Net Income Before Tax	265,669	274,422	271,150
Tax	69,074	71,350	70,499
Net Income After Tax	196,595	203,073	200,651
Accumulated Net Income	196,595	399,668	600,319

Note 1

Cost of Sales

Opening inventory	0		
Add: Total Purchases	30,408	31,300	32,300
Carriage Inwards & Duty			
Less: Ending Inventory			
	30,408	31,300	32,300

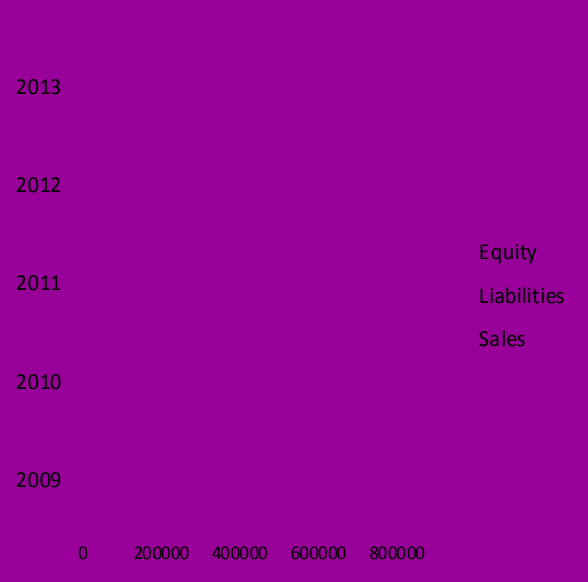
PRO FORMA BALANCE SHEET

Sweet Peace Bakery
Pro-forma Balance Sheet

	2013	2014	2015
ASSETS			
Non-Current Assets (Book Value)			
Land & Building			
Other Fixed Assets	46,922	35,192	23,461
Other Assets			
Deposit	7,600	7,600	7,600
	54,522	42,792	31,061
Current Assets			
Inventory			
Accounts Receivable			
Cash Balance	247,872	462,675	675,057
	247,872	462,675	675,057
TOTAL ASSETS			
	302,394	505,466	706,118
Owners' Equity			
Capital	105,799	105,799	105,799
Accumulated Income	196,595	399,668	600,319
	302,394	505,466	706,118
Long-Term Liabilities			
Loan Balance			
Hire-Purchase Balance			
			-
Current Liabilities			
Accounts Payable			
TOTAL EQUITY & LIABILITIES			
	302,394	505,466	706,118

Main Menu
Pro-forma Cash Flow Statement
Pro-forma Income Statement
Pro-forma Balance Sheet
Financial Performance

SUMMARY	Total Assets	Total Liabilities	Total Equity
2013	302,394		302,394
2014	505,466		505,466
2015	706,118	-	706,118

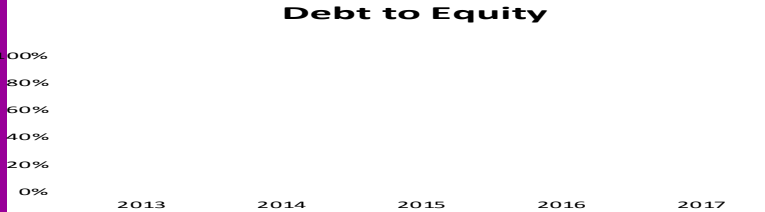
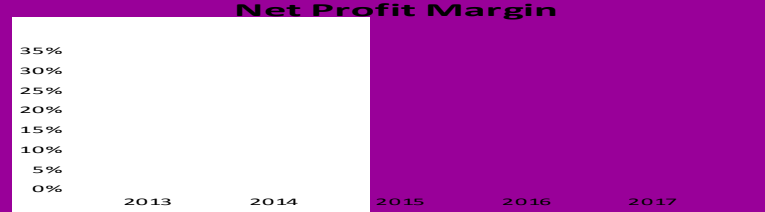
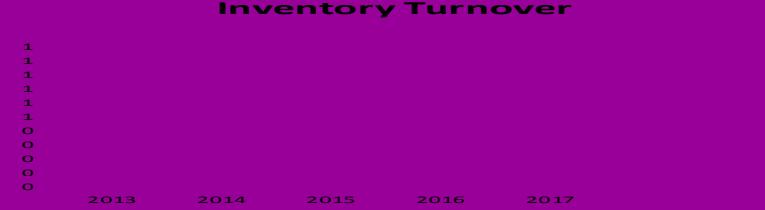
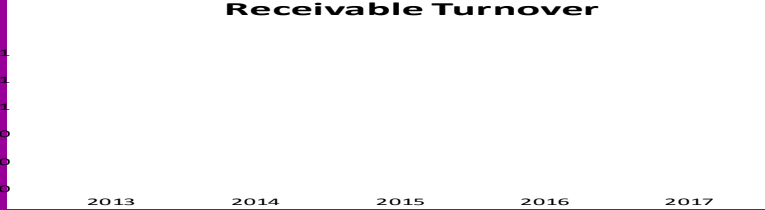
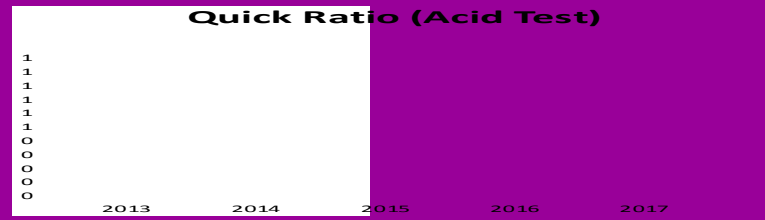
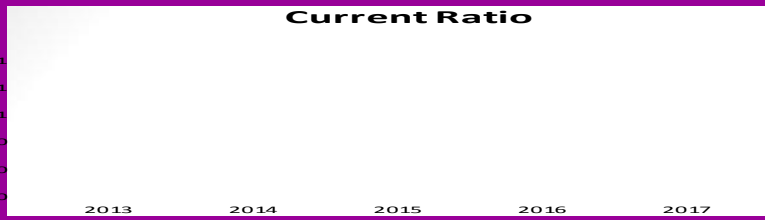


FINANCIAL ANALYSIS

Financial Ratio Analysis	2013	2014	2015	2016	2017
<u>LIQUIDITY</u>					
Current Ratio	NA	NA	NA		
Quick Ratio (Acid Test)	NA	NA	NA		
<u>EFFICIENCY</u>					
Receivable Turnover	NA	NA	NA		
Inventory Turnover					
<u>PROFITABILITY</u>					
Gross Profit Margin	94.72%	94.72%	94.66%		
Net Profit Margin	34.13%	34.23%	33.17%		
Return on Assets	65.01%	40.18%	28.42%		
Return on Equity	65.01%	40.18%	28.42%		
<u>SOLVENCY</u>					
Debt to Equity					
Debt to Assets					
Time Interest Earned	#DIV/0!	#DIV/0!	#DIV/0!		

Break-even Analysis	2013	2014	2015		
Total projected sales(RM)	576,030	593,311	604,832		
Total variable costs (cost of sales)	30,408	31,300	32,300		
Contribution margin	545,622	562,011	572,532		
Contribution margin ratio	95%	95%	95%		
Fixed costs	279,953	287,589	301,382		
Total costs	310,361	318,889	333,682		
Net Profit	265,669	274,422	271,150		
Break-even sales	295,555	303,605	318,384		
Percentage of break-even to sales	51%	51%	53%		

[Main Menu](#)
[Pro-forma Cash Flow Statement](#)
[Pro-forma Income Statement](#)
[Pro-forma Balance Sheet](#)
[Financial Performance](#)
**PAYBACK PERIOD FOR
START-UP FUND**
Less than 1 year
**INTERNAL RATE OF
RETURN (IRR)**
TIME TO BREAK-EVEN
Less than 1 year



CONCLUSION

THANK YOU...

