

CHAPTER 1

PROJECT SUMMARY

A. Name of the Enterprise

Kilobytes – The owners came up with the idea of establishing a computer shop. When the owners came up with a business plan, co-founder Auie Garcia, together with the other owners, tried all kinds of names related to computers and finally settled for “Kilobytes”, a unit of computer memory or data storage for digital information. Although considered as the smallest unit, it was chosen due to its ability to expand to other units.

B. Location

The Kilobytes Computer Shop will be renting a space at the Sinag building in a nearby neighborhood in MacArthur Highway, Ibayo, Marilao, Bulacan. The target market are students, teachers, office workers, children and adults alike.

The two hundred (200) meter radius requirements as provided in the existing zoning code and other rules and regulations wherein computer shops should be constructed at a certain distance away from the church, schools, hospitals, and other government offices shall be complied with.

C. Project's Long Term Objective

The objectives of Kilobytes Computer Shop are to generate profit, and to grow at a challenging and manageable rate.

The mission of the enterprise is to provide fast, reliable and affordable computer related services and technical assistance to users while providing a safe and comfortable environment.

Several sources note that a computer shop is quite easy to start. It requires enough front capital, enough technical knowledge about computers, and has the potential to be quite a lucrative business in today's high-tech society.

The enterprise and the founders aim to be intellectual and social assets to the community by providing quality service, and complying with company policies and country's rules and regulations.

The objective of the project is to project rapid growth and high net profits over the next three years. By providing a comprehensive and detailed marketing plan, it will ensure that Kilobytes Computer Shop rapidly becomes a profitable venture for the owners.

D. Highlights of the Study

History

Kilobytes Computer Shop began in 2012 when five students – Parveen Chohan, Auie Garcia, Kristine Mendoza, Anna Margarita Nieva, and Jean Claude Delos Reyes – opened a business called “Kilobytes Computer Shop” in the neighborhood of MacArthur Highway, Ibayo, Marilao, Bulacan. The five partners shared their love for computers and believed they could establish a computer shop. Chohan, Garcia, Mendoza, Nieva, and Delos Reyes chose the name “Kilobytes” because they thought the name was simple yet catches attention since it was a terminology commonly used in computer technology.

The first computer shop featured modest features. One area contains the server or main computer and the inner area contains the eight computers to be used by the target market. Posters adorned one side of the walls which attracts daily visitors. Initially, the five owners will be functioning as the shop's functional retail and service experts. An employee will be recruited and oriented to do the job properly.

Kilobytes Computer Shop aims to expand,, renovate and offer a variety of more services over the next three years wherein a café, Wi-Fi, Research Room, and Private Chat rooms will be included.

Project Time Table

The enterprise is set to operate immediately within one to two months of preparation. Facilities and equipment and the services offered in the process of preparation and completion requires ample amount of time to be ready and accounted for. Business permits are also being completed. Manpower is being prepared and oriented to provide quality service on the job.

Nature of the Industry

Kilobytes Computer Shop offers a variety of services such as:

- Computer rentals for various purposes
- Surfing the net
- Chatting online using Skype, Twitter, Facebook, Instant Messenger, or Yahoo
- Video conference with business associate, family
- LAN and Online Gaming
- Send and receive e-mail, or set up free e-mail accounts
- Create flyers, school reports or presentations
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- Download software programs
- Scanning, Printing and Photocopy
- Listen to music and watch videos online
- Type resumes, letters, and term papers using Microsoft Word
- Music and Game Downloads
- Computer repair
- Multiplayer gaming
- Web Design
- Web maintenance
- PSP Download and repair
- Web Programming

- **Mode of Financing**

- Kilobytes Computer Shop is established using the owners' shared pocket money. Also, since the shared investment is not enough for providing facilities and equipment needed, the owners decided to use the Bank Loan method.

MODE OF FINANCING	
Pocket Money from Owner	Shares
Owner 1	50,000.00
Owner 2	50,000.00
Owner 3	50,000.00
Owner 4	50,000.00
Owner 5	50,000.00
Total Shares:	250,000.00
	Amount
Bank Loan	200,000.00
Total Investment:	450,000.00

Bank Loan Mode of Payment (For 3 Years)	
	Amount
Monthly	5,555.56
Annual	66,666.67

- **Investment Cost**

- The capital necessary for establishing Kilobytes Computer Shop reached an estimated total of **Php 400,000.00**. The amount is enough to provide quality services and equipment for the business.

Investment Cost (Total Capital)	Total Amount
Machinery and Equipment	Php 268,043.00
Furniture and Fixtures	43,938.75
Building and Facilities	14,000.00
Raw Materials and Supplies	5,966.00
Legal Requirements(w/first month tax)	18,063.96
Cleaning Materials	750.00
Utilities (First Month)	9,117.50
Salaries and Wages (First Month)	25,000.00
Total Investment Cost	Php 384,879.21

- Machinery and Equipment

• List of Hardware	• Brand Name	• Q	• Unit Price	• Total Amount
• AMD Processor	• AMD Phenon 11x52 555 3.2Ghz	• 9	• 4,150.00	• 37,350.00
• Mother Board	• Bistar A880 AMD880G/DDR3/A/V/L	• 9	• 2,650.00	• 23,850.00
• Memory Card	• Kingston 4GB	• 9	• 1,020.00	• 9,180.00
• Hard Disk Drive	• Hitachi DESKSTAR 1TB (7K1000) SATA 16MB 7200RPM	• 9	• 4,790.00	• 43,110.00
• Video Card	• Powercolor HD5570 1GB	• 9	• 2,400.00	• 21,600.00
• Mon	• 16" Viewsonic LED	•	• 3,	• 29,

itor		9	3	700
	Monitor		0	.00
			0	
			0	
• DV		•	• 1,	• 13,
D		9	5	500
RO	• Liteon ETAU 108		0	.00
M	8x External		0	
			0	
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• AT		•	• 1,	• 9,0
X		9	0	00.
Casi	• Power Logic V12		0	00
ng	ATX 600 w PSU		0	
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• Key		•	• 2	• 2,0
boar		9	3	70.
d	• Delux DLK 8050P		0	00
	PG2		0	
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se		9	5	95.
	• Delux DLM-312BP		5.	00
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dset		8	5	00.
	• Dolby GS005		0	00
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• Web		•	• 6	• 4,9
cam	• A4Tech PK-635G		2	60.
	16MP	8		

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			0	
• Memory Card	• Generic All-in-one Card Reader	• 9	• 250.00	• 2,250.00
• RJ45 Connector	• Metal shielded 25	• 1	• 3.00	• 54.00
• UTP Cable	• Box Cat5e -100mhz	• 1	• 1,100.00	• 19,800.00
• Computer Application and Software		•	•	•
• OS Windows	• Microsoft Windows 7 Home Basic 64-bit	• 9	• 4,770.00	• 42,993.00
• Open Office	•	•	•	•
• Anti-Virus/Spysware	•	•	•	•
				• <u>Ph</u>
				<u>p26</u>
				<u>8,0</u>
• Total Machineries and Equipment Cost		•		<u>43.00</u>

- **Furniture and Fixtures**

• Description	• Q	• Unit Price	• Total Amount
• Computer Cabinet	• 1	• Php 7,000.00	• 7,000.00
• Bench for Waiting area	• 1	• 400.00	• 400.00
• Air Conditioner 1HP	• 1	• 6,500.00	• 6,500.00
• Monobloc Chair	• 8	• 230.50	• 1,844.00
• Office chair for Server	• 1	• 745.75	• 745.75
• Cabinet for Supplies	• 1	• 950.00	• 950.00
• Server Desk and Counter	• 1	• 999.00	• 999.00

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• CCTV		0.	
Surveillance		0	
Cameras		0	
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			<u>p</u>
	•		<u>43,</u>
• Total Furniture and			<u>938</u>
Fixture Cost			<u>.75</u>
•			
•	•		•

• **Buildings and Facilities Cost**

• Description	•	• Amount
• Rent Initial Payment (First 2 months)		• Php
		10,000.00
• Rent		
(5000*12)	•	• 60,000.00
• Construction		
of shop	•	• 10,000.00
		• <u>Php</u>
• Total Building and Facility Cost		<u>80,000.00</u>
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• **Raw Materials and Supplies**

• Description	• Amount	•
	• Php	
	150	• (500pcs/
• Bond Paper	.00	rim)
	• 13.	
• CD w/ case	00	• /set

• Ballpen	• 48. 00	• /box(12 pcs)
• Stapler	• 100 .00	•
• Stapler wire	• 30. 00	•
• Canon Black ink	• 800 .00	•
• Canon Tri-color	• 850 .00	•
• Ledger	• 25. 00	•
• Fire extinguisher 10lbs.	• 3,9 50. 00	•
	• <u>Php</u>	
	<u>5,9</u>	
• Total Raw Materials and Supplies Cost	<u><u>66.</u></u> <u>00</u>	•
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- **Cleaning Materials Price:**

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|--------------------|-------------|---------------------------|
| • Broom & Dust Pan | Php. 105.00 | – replace every 5 months |
| • Trash Can | 100.00 | |
| • Feather Dust | 60.00 | – 2pcs. Good for 3 months |
| • Mop | 250.00 | – replace every 5 months |
| • Powder Soap | 60.00 | – 6pcs. Good for 2 months |
| • Air Freshener | 175.00 | – replace every 2 months |

• Total Waste Disposal Cost: Php. 750.00

- **Legal Requirements costs:**

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|-------------------------|----------|----------|
| • Barangay Clearance | Php | 150.00 |
| • Mayor's Permit | 4,000.00 | |
| • Business Tax | | 950.00 |
| • Business Plate | | 100.00 |
| • Monthly Tax(12%) | | 4,743.96 |
| • Occupational Tax | 400.00 | |
| • Inspection Fee | | 500.00 |
| • Filing | | 100.00 |
| • Processing | | 120.00 |
| • Zoning | | 350.00 |
| • Electrical Inspection | | 250.00 |
| • Fire Inspection | 350.00 | |
| • BIR | | 300.00 |
| • DTI | | 5,750.00 |

● Total Legal Requirement Cost: Php 18,063.96

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- **Labor Cost**

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Description	per Person	Head Count	Monthly Salary	Annual Salary
Manager/Employee(Owner)	5,000.00	5	25,000.00	300,000.00

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- **CHAPTER 2**

- **MARKET STUDY**

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- **Market Study**

- As the popularity of the internet continues to grow at an exponential rate, easy, and affordable access is quickly becoming a necessity of life. “Kilobytes Computer Shop” provides communities with the ability to access internet in a comfortable environment.

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- **Service Description**

- Kilobytes computer shop will provide its customer with full access to the internet and common computer software and hardware. Some of the internet and computing services available to Kilobytes computer shop are listed below:

- Surf the web at warp speed
- Chat online using instant messenger
- Experience the hot internet games and LAN games
- Printing, scanning and Photocopying
- CD burning
- Typing job
- Also accepting an PSP upgrade, PSP repair, Downloading games and mp3.

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- **Marketing Program**

- Kilobytes computer shop has three main strategies. The first strategies focuses on attracting novice internet users by providing a novice friendly environment.

- Second, and most important, strategy focuses on pulling in power internet users. This group of customers serves an important function at Kilobytes computer shop.

- And last, strategy focus on different benefits that will get the customers by giving them discounts.

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- **Price Study**

- It is one of the considerations of the costumer that enhance them to rent computers.

- The following services are:

• Internet/ Games	• Php 15.00/hour
• Printing black & white (short)	• Php 2.00/ page
• (long)	• Php 3.00/ page
• Colored (logo size)	• Php 8.00/page
• Photocopying (short)	• Php 0.75/page
• (long)	• Php 1.00/page
• Scanning	• Php 10.00 /page
• CD burning	• Php 35.00]
• Other services:	•
• Typing job	• Php 5.00/page
• PSP upgrade & repair	• Php 350.00

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- **Major user of the product**

- Nowadays, computers become necessity to each one of us in different aspects. Due to its different purposes, computers can be used by people of all ages. Children and adults are alike to find computers useful and beneficial.

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• Water			• 117.50		• 1,410
• Internet			• 4,000.0		• 48,000
Provider(PLDT w/ landline)			0		
			• <u>Php</u>		• <u>Php</u>
			<u>9,117.5</u>		<u>109,410.0</u>
• Total Utility Cost			<u>0</u>		<u>0</u>
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• Maintenance Cost					
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• Total Maintenance		•		• Php	• Php
Cost				<u>4,500.</u>	<u>55,00</u>
				<u>00</u>	<u>0.00</u>
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- Registration with BIR (Bureau of Internal Revenue)
- Registration of Business Name with DTI (Department of Trade and Industry)
- Barangay Clearance and Business Permit
- Mayors Permit Legal Requirements Cost
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• Barangay Clearance	Php	150.00
• Mayor's Permit	4,000.00	
• Business Tax		950.00
• Business Plate		100.00
• Monthly Tax(12%)		4,743.96
• Occupational Tax	400.00	
• Inspection Fee		500.00
• Filing		100.00
• Processing		120.00
• Zoning		350.00
• Electrical Inspection		250.00
• Fire Inspection	350.00	
• BIR		300.00
• DTI		5,750.00
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- **Labor Requirements**

- Estimated Annual Cost for Salaries and Wages

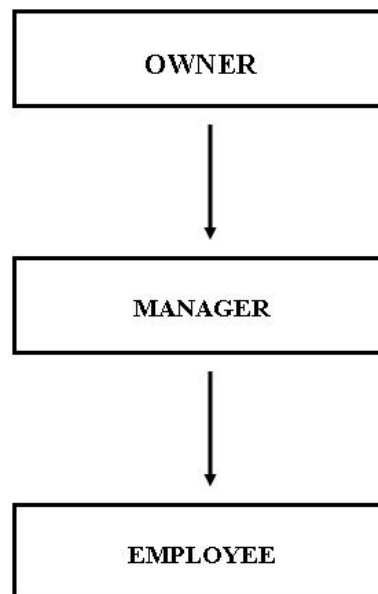
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Description	per Person	Head Count	Monthly Salary	Annual Salary
Manager/Employee(Owner)	5,000.00	5	25,000.00	300,000.00

- **Requirements on Hiring an Applicant**

- Applicant must be 20 years old
- Resume
- Two Valid I.D.
- Birth Certificate (NSO)
- N.B.I. Clearance
- SSS number
- Vocational Graduate (Computer Technician)
- Hardworking
- Pleasing Personality

- **Organizational Chart**



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- **CHAPTER 4**

- **TECHNICAL FEASIBILITY**

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A. Products

- **The Services**

- Kilobytes Computer Shop offers the services listed below:

- Internet and gaming
- Printing (black & white/colored)
- Scanning
- Photocopy
- CD burning
- Typing Job
- Downloads
- Game downloads
- Computer Repair
- Music Downloads
- PSP games download and repair

- **LAN Games**

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|---------------------------|------------------------------------|
| • GTA: Vice City | • Supreme Commander |
| • GTA: San Andreas | • Starcraft |
| • Red Alert II | • Starcraft II |
| • Red Alert III | • Company of Heroes |
| • Carmageddon 3: TDR 3000 | • Brothers in Arms: Hell's Highway |
| • GTR 2 | • The Sims 3 |
| • NASCAR Racing 3 | • NBA |
| • Counter Strike | • Need for Speed |
| • HALO | • Left for Dead |
| • Half-Life | • Autojam |
| • Empire Earth | • Dance Audition |
| • Warcraft 3 | • Battle Realms |

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- Online Games
 - Ace Online
 - Ace High
 - Adventure Quest
 - Audition Online
 - Cabal Online
 - Dark Age of Camelot
 - Dark Ages
 - Dark Sun Online: Crimson Sands
 - DC Univers
 - Dragon Ball Online
 - Dungeons and Dragons Online: Storm Reach
 - Dynasty Warriors Online
 - Empire and State
 - Everquest Online
 - Final Fantasy XI
 - Final Fantasy XIV
 - Flyff
 - Gods War Online
 - Guild Wars
 - Hello Kitty Online
 - Lineage
 - Lineage II
 - Maple Story
 - Megami Tensei Online: IMAGINE
 - Neocron and Neocron 2
 - Perfect World
 - Phantasy Star Zero Universe
 - Pirates of the Caribbean
 - Ragnarok Online
 - Ragnarok Online 2
 - ROSE Online
 - Ran Online
 - Runescape
 - Starquest Online
 - Tantra Online
 - Vanguard: Saga of Heroes
 - The Sims Online
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B. Operation Process

- This is the Kilobytes Computer Shop's Operation Process:

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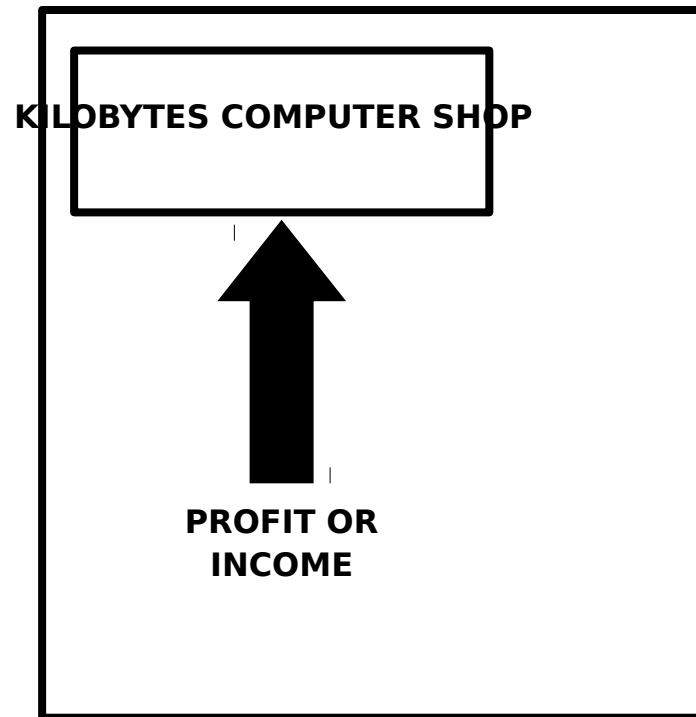
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- The Kilobytes Computer Shop will provide products and services to the customer, and the customer provides profit or income in return. The income or profit will be used to provide and improve products and services.

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C. Operation Schedule

- The Kilobytes Computer Shop will operate seven days a week. Kilobytes Computer Shop opens at 8:00am ahead to other competitors. Due to early operating hours, it will become well-known. The goal is to provide the needs of the target market in an early manner of time.

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- **Daily Capacity of Operation**

- **Kilobytes Computer Shop Time Schedule**

- **O p e r a t i n g**

- # Hours

- • •
D O C

- • •
M 8: 1

- • •
T 8: 1

- W • 1
• 8 •

- T • 8 • 1

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F 8 1

- S • 8 • 1

- 14

- 14

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•	•	•	
S	8:	1	• 1
			4
•	Total Operating		• <u>9</u>
	hours per Week		<u>8</u>
		•	

- **Days per Month the Project Operates**
- Kilobytes Computer Shop operates seven days a week. About 30-31 days per month.
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D. Machinery and Equipment

- The proposed project consists of eight (8) units of computers and the details of the equipment required for the project is given below:

- **Machinery and Equipment**

	Brand Name	Q	P	Total Amount	Ph p
Processor	AMD Phenon 11x52 555 3.2Ghz				37,350.00
Mother Board	Bistar A880 AMD880G/DD R3/A/V/L		2,		3,850.00
Memory	Kingston 4GB				9

e m o r y			1,	, 1 8 0 . 0 0
C a r d				0
• H a r d	•	•	4, 4,	• 4 3 , 1 9 1 . 0 0
D i s k	• Hitachi DESKSTAR 1TB (7K1000) SATA 16MB 7200RPM			0
D r i v e				
• V i d e o	•	•	2, 2,	• 2 1 , 6 0 0 . 0 0
C a r d	• Powercolor HD5570 1GB			0
• M o n i t o r	• 16" Viewsonic LED Monitor	•	• 3,	• 2 9 , 7 0 0 . 0 0
• D V	• Liteon ETAU 108 8x External	•	• 1,	• 1 3

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	C	•	Power Logic		0
	a		V12 ATX 600 w		0
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	y				0
	b	•	Delux DLK		7
	o		8050P PG2		0
	a				.
	r				0
	d				0
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	u				3
	s	•	Delux DLM-		9
	e		312BP PS2		5
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m				2
o	• Generic All-in-			5
r	one Card			0
y	Reader			.
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C	• Box Cat5e			0
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• Computer Application and	•	•	•	
Software				
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W	• Microsoft			9
i	Windows 7			9
n	Home Basic 64-			3
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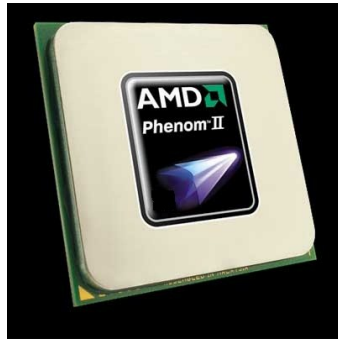
- **Total Machineries and Equipment Cost**

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- Machinery and Equipment Layout



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Figure 4.1
AMD Processor

Figure 4.2
Mother board





Figure 4.3
Memory Card

Figure 4.4
Hard Drive



Figure 4.5
Video Card



Figure 4.6
Monitor



DVD Rom Figure 4.7



Figure 4.8
ATX Casing



Figure 4.9
Keyboard



Figure 4.10
Mouse



Figure 4.11
AVR



Figure 4.12

Printer



Figure 4.13

Headset



Figure 4.14
Webcam



Figure 4.15
Card Reader



Figure 4.16
RJ45 Connector



Figure 4.17
UTP Cable

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- **Furniture and Fixtures**

- **Descripti
on**

- **Q**

- **U**

- **1**

- **P**

- **Compute
r Cabinet**

- **1**

- **4**

- **Bench
for
Waiting
area**

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			8
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			4
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• Monoblo c Chair			0
			0
	•	•	• 7
	1	7	4
			5
• Office chair for Server			.
			7
			5
	•	•	• 9
	1	9	5
			0
• Cabinet for Supplies			.
			0
			0
	•	•	• 9
	1	9	9
			9
• Server Desk and Counter			.
			0
			0
	•	•	• 1
	2	7	,
			5
			0
			0
			.
			0
• Pad Lock			0
• CCTV	•	•	• 2
Surveilla	2	1	4

$$\frac{0}{0} = \frac{0}{0}$$

•

- **Amount**

•

	• P h p	
	1 5 0 . 0 0	• (500 pcs/r im)
• Bond Paper	• 1 3 . 0 0	
• CD w/ case	• 4 8 . 0 0	• /set • /box (12 pcs)
• Ballpen	• 1 0 0 . 0 0	
• Stapler	• 3 0 . 0 0	•
• Stapler wire	• 8 0 0 . 0 0	•
• Canon Black ink	• 8 5 0 . 0 0	•
• Canon Tri-color	• 2 5	•

- Fire extinguisher 10lbs.

	.	
	0	
	0	
•	3	
	,	
	9	
	5	
	0	
	.	
	0	
	0	•
•	<u>P</u>	
	<u>h</u>	
	<u>p</u>	
	=	
	<u>5</u>	
	±	
	<u>9</u>	
	<u>6</u>	
	<u>6</u>	
	±	
•	<u>0</u>	
	<u>0</u>	•

- **Total Raw Materials and Supplies Cost**

-
-
-

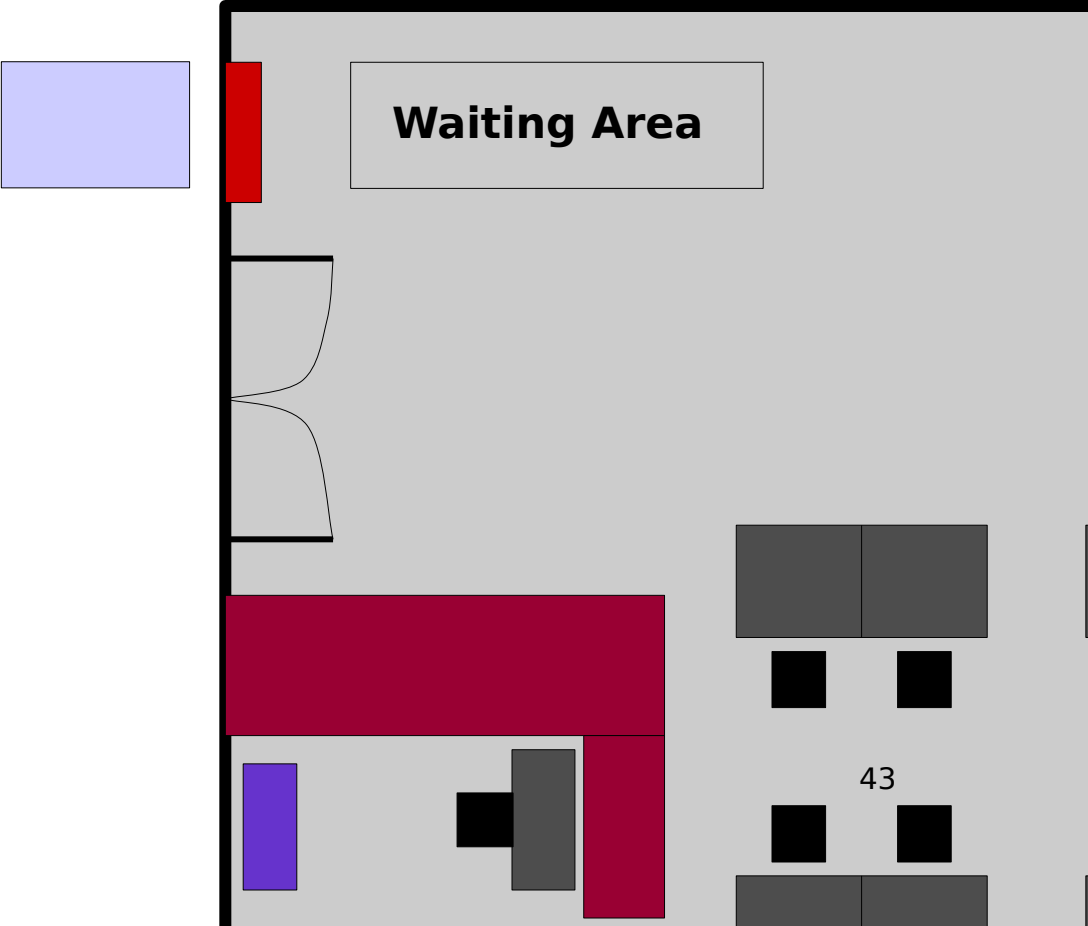
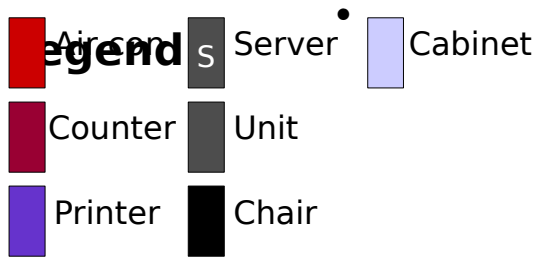
E. Location

SM CITY MARILAO

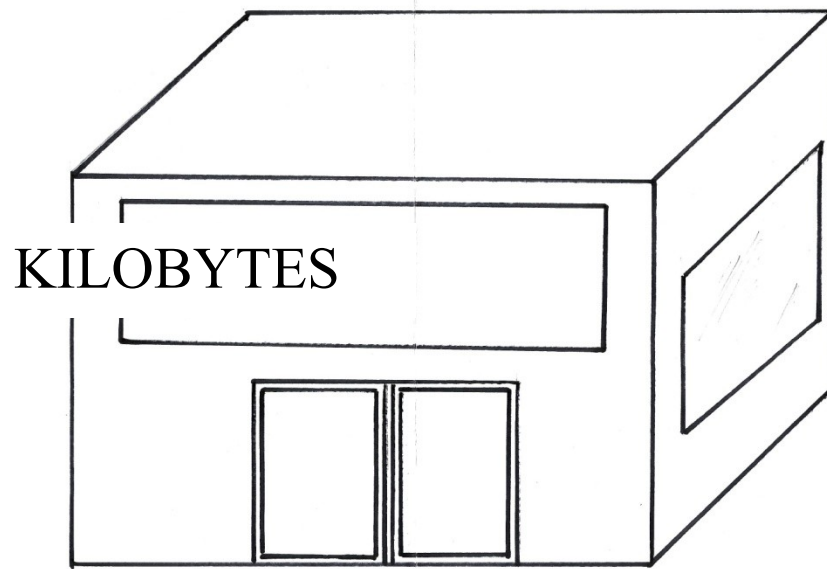
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F. Floor Plan



G. Prospective Layout Design of Shop



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H. Utilities

- Kilobytes Computer Shop has Electric and Water Utilities. An Internet Service Provider is also required to deliver adequate services to the target market.

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- **G. Waste Disposal**

- Kilobytes computer shop can manage the waste disposal properly, because every Monday, Wednesday, Friday and Sunday is the schedule in collecting all the garbage in barangay ibayo, McArthur highway at sinag building.

-

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- **Cleaning MaterialsPrice:**

- | | | |
|--------------------|-------------|---------------------------|
| • Broom & Dust Pan | Php. 105.00 | – replace every 5 months |
| • Trash Can | 100.00 | |
| • Feather Dust | 60.00 | – 2pcs. Good for 3 months |
| • Mop | 250.00 | – replace every 5 months |
| • Powder Soap | 60.00 | – 6pcs. Good for 2 months |
| • Air Freshener | 175.00 | – replace every 2 months |

-

• Total Waste Disposal Cost: Php. 750.00

-

- **CHAPTER 5**

- **FINANCIAL FEASIBILITY**

- **A. Total Project Cost**

- **Total Project Cost for 3 Years**

Year	Project Cost
2012	869,065.27
2013	605,008.52
2014	621,008.52
Total Project Cost for 3 Years	2,095,082.31

- **Annual Project Cost Breakdown**

Project Cost (2012)	Total Amount	
Machinery and Equipment	Php	268,043.00
Furniture and Fixtures		43,938.75
Building and Facilities		14,000.00
Raw Materials and Supplies		5,966.00
Legal Requirements(w/tax)		70,247.52
Cleaning Materials		2,460.00
Utilities		109,410.00
Salaries and Wages		300,000.00
Maintenance		55,000.00
Total Investment Cost	Php	869,065.27

Project Cost (2013)	Quantity	Unit	Total Amount
Building and Facilities			
Rent(10% Annual Increase)		5,500.00	66,000.00
Sub Total:			66,000.00
Maintenance			
Monthly Maintenance	9	500.00	54,000.00
Air con Maintenance	1	500.00	1,000.00
Sub Total:			55,000.00
Legal Requirements(Renewal+Annual tax)			70,247.52
Sub Total:			70,247.52
Salaries and Wages			
Manager (Owner)		5,000.00	300,000.00
Sub Total:			300,000.00
Utilities			
Electricity		5,000.00	60,000.00
Water		117.50	1,410.00
Internet Service Provider		4,000.00	48,000.00
Sub Total:			109,410.00
Raw Materials and Supplies			1,991.00
Sub Total:			1,991.00
Cleaning Materials			
Broom and Dust Pan(5 mos.)	1	105.00	210.00
Feather Dust(3 mos.)	2	30.00	240.00
Mop(5 mos.)	1	250.00	500.00
Powder Soap(2 mos.)	6	10.00	360.00
Air Freshener(2 mos.)	1	175.00	1,050.00
Sub Total:			2,360.00
Total Project Cost for 2013:		Php	605,008.52

Project Cost (2014)	Quantity	Unit	Total Amount
Building and Facilities			
Rent(10% Annual Increase)		6,000.00	72,000.00
Renovation		10,000.00	10,000.00
Sub Total:			82,000.00
Maintenance			
Monthly Maintenance	9	500.00	54,000.00
Aircon Maintenance	1	500.00	1,000.00
Sub Total:			55,000.00
Legal Requirements(Renewal+Annual tax)			70,247.52
Sub Total:			70,247.52
Salaries and Wages			
Manager(Owner)		5,000.00	300,000.00
Sub Total:			300,000.00
Utilities			
Electricity		5,000.00	60,000.00
Water		117.50	1,410.00
Internet Service Provider		4,000.00	48,000.00
Sub Total:			109,410.00
Raw Materials and Supplies			1,991.00
Sub Total:			1,991.00
Cleaning Materials			
Broom and Dust Pan(5 mos.)	1	105.00	210.00
Feather Dust(3 mos.)	2	30.00	240.00
Mop(5 mos.)	1	250.00	500.00
Powder Soap(2 mos.)	6	10.00	360.00
Air Freshener(2 mos.)	1	175.00	1,050.00
Sub Total:			2,360.00
Total Project Cost for 2014:		Php	621,008.52

B. Initial Capital Requirement

- Initial Capital required to start the business is an estimated total of **Php 400,000.00**. Here is the summarized list of the total investment cost.

Investment Cost (Total Capital)	Total Amount
Machinery and Equipment	Php 268,043.00
Furniture and Fixtures	43,938.75
Building and Facilities	14,000.00
Raw Materials and Supplies	5,966.00
Legal Requirements(w/first month tax)	18,063.96
Cleaning Materials	750.00
Utilities (First Month)	9,117.50
Salaries and Wages (First Month)	25,000.00
Total Investment Cost	Php 384,879.21

C. Sources of Financing

- Kilobytes Computer Shop is established using the Bank Loan method. Loan has also been considered due to circumstances of such processes, and was used instead as investment. The owners aim to generate enough income to meet Loan requirements and provide adequate and better equipment and facilities over the next three years.

D. Financial Statement

- **Projected Income Statement for 3 Years**

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Services	Income per day	Income per Month	Income in 1 Year	Income for 3 Years
Computer Rentals	1,500.00	45,000.00	540,000.00	1,620,000.00
Printing (black&white)- short	160.00	4,480.00	53,760.00	161,280.00
(black&white)-Long	180.00	5,040.00	60,480.00	181,440.00
(colored)-logo size	180.00	5,040.00	60,480.00	181,440.00
Photocopy (short)	60.00	1,680.00	20,160.00	60,480.00
(long)	80.00	2,240.00	26,880.00	80,640.00
Scanning		450.00	5,400.00	16,200.00
CD Burning		385.00	4,620.00	13,860.00
Typing job		550.00	6,600.00	19,800.00
Psp repair / upgrade		1750.00	21 000.00	63 000.00
Totals :	2,160.00	66,615.00	799,380.00	2,398,140.00

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- Balance Sheet

- Year 2012

	Dr.	Cr.
ASSETS		
Current Assets		
Cash	799,380.00	
Furniture and Fixtures	43,938.75	
Raw Materials and Supplies	5,966.00	
Waste Disposal	2,460.00	
Total Current Assets:	851,744.75	
Property, Land, and Equipment		
Land		
Land Improvements/Renovation	4,000.00	
Buildings	60,000.00	
Equipment	268,043.00	
Less: AccumDepreciation	(53,456.00)	
Intangible Assets		
Goodwill		
Trade Names		
Other Assets	25,585.11	
Total Assets:	PHP 1,155,916.86	
LIABILITIES		
Current Liabilities		
Notes Payable		66,666.67
Wages Payable		300,000.00
Taxes Payable		70,247.52
Utility Cost		109,410.00
Property Cost		74,000.00
Maintenance Cost		55,000.00
Supplies Cost		5,966.00
Disposal Cost		2,460.00
Unearned Revenues		
Total Current Liabilities:		683,750.19
Long-Term Liabilities		
Notes Payable		66,666.67
Bonds Payable		
Total Long-Term Liabilities:		66,666.67
Total Liabilities:		750,416.86
STOCKHOLDERS' EQUITY		
Common Stock		115,500.00
Retained Earnings		300,000.00
Less: Treasury and Stock		(10,000.00)
Total Stockholders' Equity:		405,500.00
Total Liab. And Stockholders' Equity:	PHP 1,155,916.86	

- Year 2013

	Dr.	Cr.
ASSETS		
Current Assets		
Cash	854,065.00	
Furniture and Fixtures	43,938.75	
Raw Materials and Supplies	5,966.00	
Waste Disposal	2,360.00	
Total Current Assets:	906,329.75	
Property, Land, and Equipment		
Land		
Land Improvements/Renovation	10,000.00	
Buildings	64,000.00	
Equipment	268,043.00	
Less: Accum Depreciation	(45,000.00)	
Intangible Assets		
Goodwill		
Trade Names		
Other Assets	97,494.11	
Total Assets:	PHP 1,300,866.86	
LIABILITIES		
Current Liabilities		
Notes Payable		66,666.67
Wages Payable		300,000.00
Taxes Payable		70,247.52
Utility Cost		109,410.00
Property Cost		64,000.00
Maintenance Cost		55,000.00
Supplies Cost		5,966.00
Disposal Cost		2,360.00
Unearned Revenues		
Total Current Liabilities:		673,650.19
Long-Term Liabilities		
Notes Payable		66,666.67
Bonds Payable		
Total Long-Term Liabilities:		66,666.67
Total Liabilities:		740,316.86
STOCKHOLDERS' EQUITY		
Common Stock		120,000.00
Retained Earnings		450,550.00
Less: Treasury and Stock		(10,000.00)
Total Stockholders' Equity:		560,550.00
Total Liab. And Stockholders' Equity:	PHP 1,300,866.86	

- Year 2014

	Dr.	Cr.
ASSETS		
Current Assets		
Cash	945,362.00	
Furniture and Fixtures	43,938.75	
Raw Materials and Supplies	5,966.00	
Waste Disposal	2,360.00	
Total Current Assets:	997,626.75	
Property, Land, and Equipment		
Land		
Land Improvements/Renovation	10,000.00	
Buildings	72,000.00	
Equipment	268,043.00	
Less: Accum Depreciation	(38,000.00)	
Intangible Assets		
Goodwill		
Trade Names		
Other Assets	90,647.11	
Total Assets:	PHP 1,400,316.86	
LIABILITIES		
Current Liabilities		
Notes Payable		66,666.67
Wages Payable		300,000.00
Taxes Payable		70,247.52
Utility Cost		109,410.00
Property Cost		64,000.00
Maintenance Cost		55,000.00
Supplies Cost		5,966.00
Disposal Cost		2,360.00
Unearned Revenues		
Total Current Liabilities:		673,650.19
Long-Term Liabilities		
Notes Payable		66,666.67
Bonds Payable		
Total Long-Term Liabilities:		66,666.67
Total Liabilities:		740,316.86
STOCKHOLDERS' EQUITY		
Common Stock		150,000.00
Retained Earnings		520,000.00
Less: Treasury and Stock		(10,000.00)
Total Stockholders' Equity:		660,000.00
Total Liab. And Stockholders' Equity:	PHP 1,400,316.86	

- CHAPTER 6
- GALLERY



- Figure 6.1 Online Surfing and Chatting
- E-mail account creation



- Figure 6.2 LAN Games



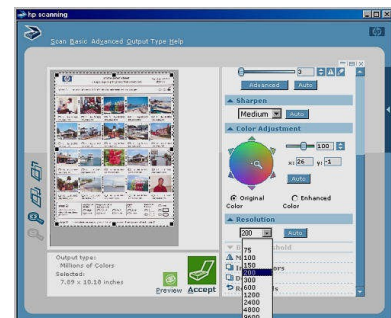
- Figure 6.3 Online Games



- Figure 6.4 B&W/Colored Printing



- Figure 6.5 Photocopying



- Figure 6.6 Scanning



- Figure 6.7 CD/DVD Burning



- Figure 6.8 Typing Job



- Figure 6.9 PSP Games and Repair



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- Figure 6.10 PC Repair

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