# BUSINESS PLAN

# DOMMY BAKERIES

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**PRESENTED BY: MUASYA DOMITILA MUNEE**

**REGISTRATION NUMBER: SCIE/02053/2018**

**PRESENTED TO TECHNICAL UNIVERSITY OF KENYA IN PARTAIL FULFILMENT REQUIRED FOR THE AWARD OF DIPLOMA IN INFORMATION TECHNOLOGY OF COMPUTER SCIENCE AND TECHNOLOGY.**

**DATE OF SUBMISION: APRIL 2020**

# DECLARATION

This business project is my original work which is not duplicate work and has not been presented in any other college or University for the award of diploma in information technology.

NAME SIGNATURE DATE

Muasya Domitila Munee ……………………………………. ……………………….

This research project has been submitted for examination with my approval as the Institute supervisor

Name ………………………………………REGNO………………………. DATE…………….

# Name of Supervisor

NAME…………………………………………………. Signature……………………………………………DATE………………………………

# ACKNOWLEDGEMENT

I wish to acknowledge all those who have assisted me during the period of this research. Special appreciation goes to my supervisor for tirelessly guiding me through to the final stage of the research.

# DEDICATION

I dedicate this business plan to my beloved parents, dear brothers and sisters and friends for their moral and financial support and for their continuous encouragement in difficult times.

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# CHAPTER ONE

* 1. **BUSINESS NAME**

The name of the business is DOMMY BAKERY which is a computerized form of business. The name will be from the name owners’ initials and bakers. The name describes the kind of products that is associated with sweetness, something that is baked meaning products made from baking and of quality will be offered and computerized systems to run the business. Thus, the name of the business will remain DOMMY BAKERY as long as it is in operation.

# BUSINESS LOCATION

The business will be located in Machakos Town, Machakos County of Kenya along Muindi Mbingu Street, Kamba building ground floor room number 6A opposite the Sacco building. The following contacts will be used for any business transaction.

DOMMY BAKERIES

P. O BOX 536 - 90100 MACHAKOS

Tel 07135-219-58

Email: dommymunee@gmail.co

# LOCATION MAP

Sacco

SUPERMAR KET

DOMMY BAKERIES

EQUIT Y BANKK

**1.3 BUSINESS VISION AND MISSION**

**MISION:**

* Create a bakery which makes the best quality baked goods on site from scratch, fresh daily!
* Create an atmosphere where we can attract, retain and motivate the brightest and most talented people in the industry through being a computerized industry.
* Create an atmosphere where employees can learn, grow, and innovate, while holding true to the roots of traditional baking.
* To create an inviting warm atmosphere for our clients and customers to be able to purchase their baked goods

**VISION:**

* Continually innovate in the baking industry while continuing to make everything from scratch on site.
* Educate our staff and the public about the importance of chemical free/additive free baking and where the food comes from.
* Petition Government to create more informative uses of the terms “fresh baked”, “bakery”, “from scratch” to better educate the public about where their food is from and what is in it

**1.4OWNERSHIP**

The proposed “DOMMY BAKERIES” will be registered under sole proprietorship type of business, whereby I will be the owner and overall manager of the business assisted by family members. The owner will be able to manage and operate all transaction carried out in the business. The reason as to why this form of business organization includes

* personal incentive-that is the owner takes personal interest for the success of a business. As a result of this, there is profit maximization.
* Quick decision making-the owner can make quick decisions because he is not supposed to consult anyone. He can make decisions in time and control the situation to move effectively.
* Close supervision- the owner can supervise her business closely and he has direct contact with employees through a computerized system such as cctv cameras and using the sql servers for the keeping the records.
* Independence- the owner is independent and so can put his plans into action quickly since he does not have to consult any other person. He may for example change the nature of his business as he wishes to adopt the changing market situation.

# 1.5TYPE OF BUSINESS

The type of business will be a startup business. The business will start with everything new that is all the equipment for example the oven, the mixer will be new, new management, new premises, new employees and of course new clients.

The business will involve baking up of breads, scorn, cookies, cakes, pastries and pies. The business will also craft and bake new exciting goods.

It will also involve installation of different systems such as different servers like Microsoft sequential query language(sql), computerized systems to order goods and also free delivery but in a computerized order whereby the customer will not consume too much transport coming for the goods.

# 1.6 PRODUCTS AND SERVICES

The bakery will mostly specialize in production and selling of baked items which will be sold to various market segments namely: institutions, supermarkets, retail and wholesale shops and customers in the residential areas. The products will be of various sizes, shapes, texture, color and flavor.

The various customers will order goods in their working place since there is a flexible order delivery either by use of a phone to order goods through our websites or our app.

Will also inform cafés which will be used in serving coffee and tea to customers who wish to consume the baked goods on the premise.

Baked items will include: -

# Bread

The bakery will be producing brown and white bread, which will be various shape including round, block, twisted and sliced. The bread will be of various form and weight ranging from 200gms and 400gms and it will be of various taste and flavors, so as to suit the taste and preference of the customer. The bread will be packed in attractive bags which will be printed. The ingredients used in making the bread and will also include some nice drawing and marketing messages.

# Cakes

The bakery will produce cakes of various size, shape and weight and flavor. The cakes will include chocolate cake, lemon cake, vanilla cake, queen cake, marble cake etc. both birthday and wedding cakes will be prepared and baked with order.

# Scones

The scones will be produces in various shape such as round, blocky, twist, rolls etc. they will also be produced in various weigh such as 100gms, 150gms, 200gms etc. scones will be produced in various color, various flavor such as white and brown color, vanilla scones etc.

They will be packed in polythene bags and clear plastic containers and the number per bag/container will be minimum 6 pieces and maximum 12 pieces.

# Buns

Bakery will produce buns of various types such as rock burns, Chelsea burns, fruit buns, this will help to suit the interest taste and preference of each customers. They will be of various shapes and forms such as round and blocky. Also, they will be of various weights ranging between 100 - 200gms. The mode of packing will be in a polythene bag or clear plastic container and number per as will be ranging from 6-12 pieces.

# JUSTIFICATION OF OPPORTUNITY

Being an entrepreneur and having the necessary management skills, the owner stands a better chance for success in the business. The reasons for investing in this kind of business that justify success are: -

* The competitors within the area do not render high quality products. This is because they are not well qualified in the industry and the equipment’s used by them are of very poor quality.
* Ready market for the products as the business will be located within the town and at the street where there is rate of population within the area is still growing and is a computerized method or delivery since growing faster.
* Steady water supply to the building. This due to the availability of piped water and an alternate source of a borehole. The water is very essential for both production and cleaning purpose.
* Availability power and an alternate source of power is a generator. These will be essential in running the machines and provision of lights at all times.
* Good roads and telephone services which will facilitate distribution of the products and good communications with customers since the customers do not need to travel to come and order goods.
* The existing competitors are located very far and by starting up a bakery within the town most people who run retail and wholesale shops, kiosks, supermarkets and institution will benefit since there will be reduced cost for transportation cost of having to travel very far to find this product.

# 1.8THE INDUSTRY ANALYSIS.

“DOMMY BAKERIES” falls under food processing industry which is a major necessity in human life. In the past, confectionary industry was not booming because very few people had knowledge concerning the various ways and methods of baking and producing baked items. In addition, very few people knew about the use of modern mechanical equipment like oven and refrigerators and computerized methods to manage the records and making the work easier for the consumers and retailers. This mechanical equipment was still not available in the past and instead people could only use improvised equipment’s like charcoal oven which were very cumbersome and could not produce the best quality. Nowadays the industry is really booming because of introduction of various equipment both manual and electrical equipment’s.

Introduction of various courses which fall under catering and hospitality in various colleges and universities have contributed much in growth of this industry. Various recipes have been developed for various baked items. For example, cakes can be produced in various forms, shapes, color, flavor like we can have chocolate cake, lemon cake, marble cake etc. consumers get to choose his

/ her taste and preference and hence profit maximization in the industry

With the invention of new sophisticated equipment and new standard recipe and the high demand for the catering service, due to high rate of population, the industry is expected to grow more tremendously in future. Industry characteristics include: -

Capital requirements: This type of industry does not require very large of capital as some other firms in other industries.

Technology: Also, the technology needed in the production area is not complicated thus anybody can learn it since there will be a computerized method of storing the stock and ordering the goods and also due to those systems there will be few loss in the business since every transaction process will be done through computerized method that’s the transaction processing systems and also will promote in provide equal services to our customers.

Size of competitors: The competition in the industry has increased, this is because many people have entered in the industry thus increasing the number.

The future of the industry: The industry will have a bright future due to the invention of new standard recipes and also availability of qualified personnel from both colleges and universities.

# 1.9BUSINESS GOAL

For any business organization to succeed in its operations, it must have to set up goals which it must target to achieve in the course of its operation. “DOMMY BAKERIES” will be aiming at achieving the following goals: -

# Short term goals

Profit maximization which will be achieved through provision of high-quality services to the customers and also provision of high-quality product, which will increase the rate of customer’s turnover hence more sales.

Creation of employment to the area residents. By its inception the business will have two chefs and three sales people, but as the times goes and the business grows, more opportunities will be created and the people to be given first priorities during recruitment are the qualified are residents.

Customer’s satisfactory by offering reasonable and affordable price. Being a chef by profession having the necessary skills in costing, I will be able to account and control every single input that is employed during producing in order to produce product / output which will be sold at affair price and a profit realized and through computerized systems to order and supply the goods.

Having good public relationship, this will lead to the public acceptance of the business and the society at large. To establish good relationship with the public, I intend to join hand in hand with the members of the public in matters relating to corporate social responsibility CSR.

# Long term goals

Expansion of the business and increased capital for operation, the owner of the business intends to buy more land for business expansion and plough back the profit to the business within the period of 5 years of operation to expand the business.

Increasing employees’ salaries. As the business grows and expand the owner intends to improve the employees’ salaries and also employing more of the staff.

Help in development of the area by improving standard of living of the people and taking part in promoting social welfare of the society. After several years of growth and when the "business start

realizing a lot of income, the owner intends to take part in matters relating to public development

e.g. starting a catering college, fund raising to help needy people etc.

# ENTRY AND GROWTH STRATEGY

* + 1. **ENTRY STRATEGY**

1. These are the means and ways of the business being able to enter into the market.

Legal documents. These are documents which are issued by the government, health officials that help in regulating the number of businesses and allows ones to start operating a business. They are a requirement for one to start operating a business and they include business permit and health certificate.

1. Advertisement: In order for the potential customers to know every information concerning the business, advertisement will be placed on the posters, local radio and newspapers and the adverts will contain information like location, date of commencing, product and service to be offered time of opening and closing.
2. Date of commencement “DOMMY BAKERIES” is expected to commence on 1st December 2020 all requirements have been met. The initial funds such as owner’s contribution will be from sale of my personal savings from sale of my firm produce. There will be a grand opening of the bakery where the occasion will be used as a source of obtaining funds from the public. During the occasion, the guest of honor will spell out the main objectives of the firm and any contribution and suggestion from the public will be allowed.

# GROWTH STRATEGY

Once “DOMMY BAKERIES” has started its operation, it is expected to make profits which will enhance it to continue growing and remain in the market. The owner of the business has underlined the following growth strategies: -

Quality products: The owner will employ qualified staff with the required skills to produce good and high products than the competitors.

Staff welfare: The owner will provide good enumeration packages, off days as a motivation factor to staff.

The owner has identified the weakness of his competitors and will work on his business in order to try and cover this weakness with his strength.

|  |  |  |
| --- | --- | --- |
| **Names** | **Strength** | **Weakness** |
| DOMMY BAKERY | * Qualified staff hence high-quality products. * Fair and reasonable price. Good facilities of storage facilities. * Good management systems. * Offers varieties e.g. products. | * Startup business * Small in size * Lack permanent customers |
| Competitors | * Existing business experienced. * Large in size * Permanent customers * Good promotion strategies * Good distribution channels. * Computerized to order and deliver good to our customers * Transaction processing systems | * Lack qualified personnel. * High price * Poor management system * Only cakes are sold, No breads. * Poor facilities e.g. storage facilities hence cannot cater emergencies. |

# CHAPTER TWO

* 1. **MARKETING PLAN**
  2. **CUSTOMERS**

The targeted customers by DOMMY BAKERIES shop are divided as follows.

1. Individual clients

These are people living in Machakos town and within its out scars. They are the customers who will buy the firm’s products on individual capabilities directly at retail prices. Most of these people are monthly income earners such as nurses, teachers, bankers, policemen and also the businessmen who will require the products especially bread for breakfast before leaving the residential area.

1. Commercial customers

Under the group are the customers placing their orders in bulk such as kiosks, hotels, bread depots and supermarkets. These are located in Machakos town and within its out scars. The customer will be buying the products at a wholesale price and sell them to their outlet retail price.

1. Institutional customers

The business intends to attract and hold colleges, school and hospitals, which will be supplied with the products on daily basis. Most of these institutions are within Machakos County and they include; - Machakos level 5 hospitals, medical training college, famous hotel, schools such as;

* + Machakos Boys High School
  + Machakos Girls High School
  + Mumbuni Boys High School
  + Mumbuni Girls High School

# MARKETING SHARE

According to the national census 2019, Machakos Town had a population capacity as shown below.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| GROUP | YEAR | MALE | FEMALE | TOTAL |
| Adult | 35 – above | 256,428 | 600,000 |  |
| Youth | 18 – 35 | 88,000 | 120,562 |  |
| Children | 18 – below | 121,620 | 82,650 |  |
| Total |  | 466,048 | 800,652 | 1266,700 |

When carrying out a research on the proposed or planned business area, the size of the market / those who used the pastry product was 50% of the total population. Therefore, the targeted market was (50% x 46700 = 63,335).

The business expects to have about 28% market share. Already established business, Fiona’s bakery has a market share of 25% Zuxo bakery has market share of 24%. Other growing small-scale business have a market share of 23%.

# COMPETITION

Fiona’s and Zuxo bakery are the potential competitors that are currently supplying the baked items in Machakos County.

|  |  |
| --- | --- |
| NAME OF COMPETITORS | PHYSICAL LOCATION |
| Zawadi Bakery | Situated in Masii market which is about 30km from Machakos town |
| Road Side bakery | Situated in Machakos – Wote road near Katumani Research Centre. |

The location of my business will be very advantageous as compared to my competitors because of the following reasons.

# Infrastructure

Roads, electricity, piped water, security and network accessories etc. are well developed in Machakos town as compared to potential competitor’s area. This will help the business to grow since its location will be preferred by all its clients.

# Products

According to the entrepreneur research, has noted that her competitors mainly deal with cakes, bread is not a main concern to them whereby the customer should travel to the company and pick the products and also to order they have to travel to the company. DOMMY BAKERIES will be aiming at producing very nutritious loaves of bread by adding delicious ingredients. The bread will be of various size, shape and color. For example: large family bread, medium and halve bread, blocked or sliced, brown, white or yellow in color. All these will be done help attracts.Also, the dommy bakeries will provide a free delivery to the consumers, retailers and institution whereby will provide a computerized app and websites for the customers to order goods from their working place.

# COMPETITORS STRENGTH AND WEAKNESS

|  |  |  |
| --- | --- | --- |
| Competitors name | Strength | Weakness |
| Zawadi bakery | * Very big business with good transport facilities e.g. Vans and Lorries but a customer has to pay for delivery * Started long time ago hence has got experience in its operation. * A lot of permanent customers as its started long time ago. * Sell its products at a very fair as he receives purchase discount when buying raw materials. | * Only produces cakes but no breads which are always in high demand hence delay in transportation, since customer has to travel and pay for goods before delivery. * Quality of products in normally low due to lack of skilled staffs and poor storage facilities. * Poor promotion and selling tactics, customers in the interior areas are usually not aware of the products |
| Road Side bakery | * Very big in size and experienced. * Good promotion and selling tactics. * Fair price to its products. | * Poor transport and distribution network due to lack of transport facilities. * Breads are not main concern to them, despite of it having high demand. * Always unable to cater for emergences due to lack of enough facilities. * No computerized systems for customers. |

Despite the competitors’ overall strengths and weakness, the proprietor wishes to improve on his business in order to capitalize on them.

This will be achieved by:

1. Recruiting qualified staff. The firm will recruit staffs from colleges who have the relevant skills in the field. This will help in production of high-quality product.
2. Ensuring daily supply of the products. This will help to maintain and win more of the customers. This will be achieved by provision of better storage facilities.
3. Regular premises maintenance to improve the appearance and hygiene standard of the premises. This will be achieved by regular re-painting and daily cleaning of the premises.
4. Meeting standards acceptable by customer. Producing high quality products.
5. By ensuring every process done by the workers will be electronically through use of the systems hence providing better services to the customers.

# PROMOTION AND ADVERTISING

After the product has been made ready for distribution, it has no ability to satisfy human needs and wants unless customers are aware that the product exists and where and when it can be bought. Therefore, the products will be promoted through personal selling and advertising. The media to be determined by the distance to be covered, the customer on target and cost insured. This promotion will come in as the business expands to absorb the excess demand and also to sustain sales and ensure expanding market share.

1. Promotion

Promotion includes any or all of techniques employed to give rapid boost to the demand of a product or a way of influencing people to buy your product. The business promoters will develop the promotions strategies and design promotion materials which can create a desire for the product. The firm will offer sales discount like low price and extra packages to those regular customers and those customers who paid on cash will be offered with cash discount. The firm will also free sample of products to customers for them to try the products taste and preference.

1. Advertising

Advertising is informing people / potential customers what the firm has to offer so that they can buy products more than those of competitors. DOMMYBAKERIES will aim at developing the interest of potential customers on products. This will make the customers aware of the products and will aim at convincing the customers to purchase the products. The principle methods of advertising that the firm will adopt at the start of the business shall include; posters, which will be

bearing the name of the firm, product, service and their prices. The posters will be hanged in various strategic places such as road junctions, public areas like bars, hotels and markets and at the entrance of the firm.

Leaflets containing the same information with the posters will also be distributed to customers. The use of press and radio will be minimized and be used only once in a while due to cost incurred. These 2 methods are very efficient since most people listen to the radio as well as read newspaper after the day work.

# PRICING STRATEGY

This is where the owner of the business is expected to give out his reasonable selling price whereby since the motto is to maximize on profits, this will cater for all running expenses and leave him with some profit margin, which will be used in business expansion. The selling price will be based mostly on the following: -

Selling Price = Labor cost + Overhead + Manufacturing Cost + Profit Margin + Price Fluctuation+ Allowance.

Labor cost: This will include: salaries and wages, staff meals, medical insurance.

Overhead costs: These will include; electricity and water, printing & stationeries, postage service, telephone, transportation, network services etc.

Manufacturing cost: These mostly involve the cost of raw materials and power.

Profit margin: Amount of profit that the entrepreneur is targeting from the sale of his products. Price fluctuation: Change in price of the products in the market due to uncontrollable environment

e.g. government policies.

At first the price for the products will be low to attract the customers. After winning the customers, the price will be set at its normal though not too high. The terms of payment will be strictly on cash basis either through bank cheques, direct deposit and also through Mpesa but the owner will extend credit facilities to his regular customers especially institutional customers but that is as long as they abide to his rules and regulations.

# SALES TACTICS

The terms of payment shall be strictly on cash basis with an allowance of up to 5% discount to institutional and regular customers. The entrepreneur will employ both personal selling and promotion sale tactics during the initial stages of the business.

# Personal selling

This is the face to face contact between the salesman and the buyer. The firm will therefore use salesmen to establish customer’s contacts, arouse interest in the product and service. The salesmen will take various needs of the customers. They will also be there to explain various characteristics and advantages of the product and the reasons why to use this product. Salesmen/ ladies will be sent all over the field, just at the doorstep of the customers to make the product to be within their reach.

# Promotional tactics

It will include the use of adverts, free samples and sales discounts. The advertisement will be placed on local newspaper, posters and even in local radio. These adverts will be framed in simple terms such as local languages and illustrated with diagram for the messages to reach everybody even those who are slightly literate. Posters and leaflets will be distributed everywhere even to the interior places where other form of adverts may not reach. Adverts will also help the customers to know and be aware of where they can get the products and at what price, this will in turn increase sales, free samples will mostly be given to potential customer to entice him/her buy the products. Sale discount will mostly be given to regular and institutional customers to encourage them to continue buying in bulk.

# Transportation tactics

The firm will provide and offer transportation of its products to the market that are far away to make the products within customer reach, thus promoting sales of the product; Bicycles, motorbikes and vans will be used depending on the distance.

# DISTRIBUTION STRATEGY

Distribution involves providing products and service to the customer i.e. within their reach. The firm will use various channel of distribution to make its products available to the customer. Some of channels are;

1. Producer – consumer
2. Producer – wholesaler – retailers – consumers
3. Producer – distributor – consumers Producer – DOMMY BAKERIES Distributor – Mbole distributors Wholesaler – Kakai Kilonzo wholesalers

Retailers – Peter Mulley supermarket, NAIVAS supermarkets and Dukamatt retail shop and any other within the town and outskirts. Most of the distributors and wholesalers will order their goods via our websites then our company will be using our vans and lorries to get products from our bakery to their working place. DOMMY BAKERIES shop will use bicycle and motorbike to transport products to the immediate consumers and the small-scale retailers, vans will be used in special arrangements to reduce transportation cost.

# CHAPTER THREE

* 1. **ORGANIZATION AND MANAGEMENT PLAN**
  2. **ORGANIZATION CHART**

Manager (Owner)

Accounts Clerk /

Chief Caterers Sales person Chef IT MANAGER

Messenger Driver Cooks

Cleaner

Security

# KEY PERSONNEL, THEIR DUTIES AND QUALIFICATIONS

* + 1. **Manager**

Qualifications

* Diploma holder in Management Skills
* Computer literate
* Able to communicate in English, Kiswahili (written and spoken)
* 2 years’ experience
* Age: Between 25-30 years

Duties and responsibilities

* Manage and supervise all the staff under him/her
* Preparing the salaries and wages for the workers
* Supporting and implementing the policies of the managerial by allocating responsibilities to staff equitably.
* Planning works and also oversee them been done.
* Maintaining discipline by making rules and regulations.

# Chief Cateress

Qualifications

* Diploma Certificate in Food and Beverage skills from any recognized institution
* Able to oversee overall production of the bakery.
* Good financial understanding.
* Good communication skills both English and Kiswahili.
* 1 years’ experience in the same field
* Aged between 25-27 years. Duties and responsibilities
* Oversee the production line from start to end.
* Ensuring that there is proper communication from all distribution chains.
* Maintain proper inventory at all times.
* In charge of ensuring that all requisitions are ready in right quantities and delivered effectively and efficiently.

# Sales persons

Qualifications

* Certificate in sales and marketing.
* Good communication skills both English and Kiswahili.
* Aged between 2 1- 25 years. Duties and responsibilities
* Able to pursue and convince people to buy product.
* Submitting their finding to the manager to ensure that the needs of customer are satisfied.
* Marketing of products through advertising and promotional activities.
* Age 21-25 years.

# Chef

Qualifications

* Diploma holder in food production (baking and pastry option).
* Computer literate
* Good communication skills (English and Kiswahili)
* 1-year experience in the same field
* Age 22-30 years. Duties and responsibilities
* In charge of coordinating and organizing daily production activities in the firm.
* Making arrangements for supply of new raw materials and kitchen equipment.
* Assist the cook in the actual production.

# Account clerk

Qualifications

* K.A.T.C final (certificate)
* At least 2 years working experience.
* Good communication skills both English and Kiswahili.
* Certificate of good conduct.

Duties and responsibilities

* Preparing annual account report to the firm.
* Recording salaries and wages of employees
* Receiving invoices
* Preparing records and approving account analysis i.e. dating and maintaining the dept. ledger account.
* Paying the tax liabilities of business.

# Messenger

Qualifications

* K.C.S.E certificate
* Good communication skills i.e. able to read and write.
* Certificate of good conduct.

# Driver

Qualifications

* K.C.S.E certificate
* Clean valid driving license
* At least 3 years experience.
* Age 25 years above. Duties and responsibilities
* In charge of firm van either in collection and distribution materials and equipment required.

# Cook

Qualifications

* Certificate in pastry and bakery
* At least 1 year experience Duties
* Actual production of the firm’s products.

# Cleaner

Qualifications

* Physically and mentally fit
* Age 18 years and above

# Duties

* Carrying all cleaning activities within the firm.

# Security

Qualifications

* K.C.P.E certificate holder
* Good communication skills
* Certificate of good conduct. Duties
* Guarding the firm and directing any visitor to the relevant officer.

**IT MANAGER**

* Diploma in information technology and any other relative course
* Knowledge in sql
* Three years of experience

# RECRUITMENT, TRAINING AND PROMOTION

This is a process of obtaining applicants for certain job based on interviews conducted in firm premises by manager and key personnel. Relevant qualifications will be looked up from the candidates and the best candidate is given the job firm get itself know by advertising their interest through advertisement of local papers and getting through relatives and friends.

Requirements will be done by getting experienced and person from already existing bakeries which have excess employees and achieved by giving better salaries and allowance.

# TRAINING

The firm will later set up an education and training program for its employee’s once new working personnel is employed. Internal training will start for some of the people, less internal and external training will be set up when the firm will be establishing, this is to avoid outdated technology. Internal training will be the training within the organization and external training will be outside organization, it will also promote internship.

This will include on job training, formal education offered in different relevant institution.

# PROMOTION

Promotion program will also be set up for those who will be working hard, interest in their work and after further training. It will be done from time to increase in hard work and interest among staff also allowance of payment

# REMUNERATION AND INCENTIVES.

# REMUNERATION

|  |  |  |
| --- | --- | --- |
| JOB TITLE | MONTHLY SALARY | ANNUAL SALARY |
| Manager | 15,000 | 180,000 |
| Chief Caterers | 8,500 | 102,000 |
| Sales person | 5,500 | 66,000 |
| Chef (senior baker) | 4,500 | 54,000 |
| Account clerk | 4,500 | 54,000 |
| Assist baker (2) | 3,000 | 36,000 |
| Driver (2) | 3,000 | 36,000 |
| Messenger | 2,000 | 24,000 |
| Cleaner | 1,500 | 18,000 |
| Security | 1,500 | 18,000 |
| TOTAL | 41,000 | 420,000 |

# INCENTIVES

These are motivation factors that will be provided to keep the moral of the worker high. It will be achieved by showing the employees that work done by them is appreciated. The firm will give promotion program whereby hardworking employees promoted to next position; the morale will also be kept high by subsiding their meal such as having extra free tea at 10 o’clock and free lunch. Entitled with 21 days leaves with full payment after consecutive month of service when business get boom work will be given bonus and payment fee for employees on training to carryout career given some gift for hardworking employees at the end of the year. They will also be given free medical service.

# LICENSES, PERMITS & BY LAWS

* Registration of business name cap 499
* Act of parliament making provision for the code proprietorship registration.
* Local government act cap 265
* Authority establish for trade to take place and abide with rates and registration made by; parliament of local government.
* Trade license act cap 497
* Having the ministry of commerce and industry issuing license in certain trace.
* Industrial property act 1989
* Act of parliament for promotion or investment and innovation activities and facilitate technology by providing grant to go ahead with new techniques.
* Registration of wage and condition of employment act cap 229
* status that provide for establishment of wages and advisory board and wages council for remuneration of regulation and employees condition hour a day in week entitled to 21 days learnt with full payment after in consecutive month of services.
* Workers compensation act cap 237
* Act of parliament that cater your service contribution and treatment of employees by employer occur in matter of notices in termination employee’s services notice of at least 3 months.
* Sales and good act cap 31
* Regulation of sale of goods, food should correspond the description.
* Occupiers liability act cap 34
* State of being legally responsible for liabilities and necessarily have employees and outside since this will be rented by Nomad dual with electronic equipment by accident cause of business.
* Hire purchase act cap 507
* time when one wants to get good on hire purchase you must now register provided that there is a contract of sale of good.
* Disposal of uncollected good act cap 38
* If consumer fall to collect his foods during given duration and notice given chance to collect and gain tail goods are sold.
* National social security fund act cap 258
* All employees will be members of N.S.S.F when their money is forwarded for deduction of their employees’ salary.

# SUPPORT SERVICE

Services required by firm for support in a day to day smooth running include having a lawyer who will assist in legal matters affecting the business from external forces and give advice help to obtain legal documents of business service provider will Kamau’s advocate. Need of accounting services and s achieved by identifying an auditing the accounting work and see if the business is running and making profits, giving advice on financial status and recommending the necessary adjustments. This service will be provided by Kikars’s auditor baking services will be required i.e. commercial bank because on line it helps commercial enterprise by giving loan and credit facilities also act as referee to borrowing loan.

Other services include; telephone. Water supply, electricity supply and all are available thus assist in running of business facilities need of proper roads in area of poor network.

# CHAPTER FOUR

* 1. **PRODUCTION / OPERATIONAL PLAN**

This section deals with tools of operation that leads to improved production.

# PRODUCTION FACILITIES AND CAPACITY

Since this will be a startup business, operation can commence once the machinery, equipment, furniture and fittings have been installed. The machinery and equipment required for production include.

* + 1. Dough mixer – with a high – speed spiral mixer with removable bowls capacity from 20-30 kgs.
    2. Molding machine – processing a capacity of up to 1700 pieces per hour with a weight range of 200-1700 g.
    3. Multi– 4 deck oven – multiple choices energy saving with dan lens traditional quality baking capacity of 420 loaves of bread for every 30 mins.
    4. Baking tins – efficient in heat distribution made per customer requirements comes in 1500g, 1000g, 500g, and 250g.
    5. Wheeled cooling rocks – are normal made to hold 21b loaves, should be stable and durable.
    6. Bread crates – should be made of plastic with a capacity of 24 loaves per crate.
    7. Heavy duty weighing scale – 100kg
    8. Scones tray – made to achieve best quality scones by well spaced depression to put dough. Number of scones per tray is as per customer’s requirements and specifications.
    9. Electric bread slicer – should be from a recognized company with a capacity of slicing 30 loaves per hour.
    10. Delivery van – should be Mitsubishi capacity of 1.2 tones.

# FURNITURE / FITTINGS

* + - 1. Working benches – should be made of stainless sheets which are shinny and easy to clean.
      2. Cupboard – made from durable, stainless metal or heavy durable wood.
      3. Storage shelves – made from stainless metals.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **FACILITY** | | **DETAILS** | | | | |
| Machine / tool equipment | / | NO.  required | Capacity | Cost per unit | Total cost | Supplier / source |
| Dough mixer | | 1 | 20-30 kg | 750,000 | 750,000 | Kitchen pride ltd |
| Molding machine | | 1 | 200-1700g | 150,000 | 150,000 | Kitchen pride ltd |
| Divider machine | | 1 | 20-30kg | 50,000 | 50,000 | Kitchen pride ltd |
| Bakery oven | | 1 | 420 loaves | 395,000 | 395,000 | Sew cope ( E.A |
| Baking tins | | 200 | 1500g,1000g,500g | 300 | 60,000 | Sew cope (E.A) |
| Proper cabinet | | 2 | 1700 pieces / 1hr | 1 40,000 | 280,000 | C and G ltd |
| Weighing scales | | 2 | 100kg | 15,000 | 30,000 | Kitchen pride |
| Bread crates | | 200 | 24 loaves | 410 | 82,000 | Kitchen pride |
| FURNITURE FITTINGS  benches | / | 4 | 2 persons | 1500 | 6000 | Gab sank |
| Shelves | | 4 | 400 loaves | 1500 | 6000 | Bakeries |
| Cupboard | | 1 | 400 loaves | 1200 | 1200 | Limited |
| **TOTAL** | |  |  | **1,504,910** | **1,810,200** |  |

# REPAIR AND MAINTENANCE

Since the enterprise is acquiring its machinery and equipment from car and general (trading) limited who are specialists in baking machine sales and services. They are also responsible for the factory installation.

Repair and maintenance of the bakery machinery and equipment for the first one year after purchase and installation at a small fee is part of their after-sale service.

# PREMISE LAYOUT OF BAKERS DOMMY BAKERY

GROUND PLAN

**Kitchen/Cooks**

6 **Accountant office/**

7 **Storage Office** Sales 5

8 **IT MANAGER**

**Loading Area**

4

9 3

**Managers Office**

**Parking Space**

**Men Washroom**

**Ladies Washroom**

11 10 2

**Chief Cateress Office**

1**Reception** M

|  |  |  |
| --- | --- | --- |
| KEY  - | DOOR |  |
| 1. | Reception | 10 Ladies Washrooms |
| 2. | Chief caterer’s office | 11 Gents Washrooms |
| 3. | Managers office |  |
| 4. | IT manager |  |
| 5. | Kitchen/ Cooks |  |
| 6. | Accountants office/sales/marketing |  |
| 7. | Storage room/packaging room |  |
| 8. | Loading Area |  |
| 9. | Packing Space |  |

# PRODUCTION STRATEGY

DOMMY BAKERIES is to produce 5,000 loaves of white premium bread of 500gms each per day at the initial stage of our operation.

# DESIGN AND DEVELOPMENT

* + - 1. Costs

In designing and developing the firm’s product, certain costs are usually incurred. The costs are purchased of machinery and equipment, raw materials, direct labour and overheads. These costs could be further classified as fixed and variable costs.

* + - 1. Choice of technology

Three technologies are used in the bakery industry

Commercial baking technology, which is capital intense, with maximum equipment and machinery, under these levels of technology, dough mixing, bulk fermentation, driving and molding, proving and baking are done by the use of machines and equipment’s. The human labor force during the production process is only required to operate the machine and equipment.

The other technology is where operations tend to be labor intense with a minimum of equipment and machines. Under this level of technology, the mixing of wheat flour, water, yeast and other ingredients to from the dough is often done by hand on table tops followed by hand kneading, dividing the dough through hand operation.

The other type of technology to be used is transaction processing system for doing transactions and Microsoft sql for storing the day to day records in the company.

# DIRECT MATERIAL COST

Kneading and dividing the dough through hand operation.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **ITEM** | **8hrs** |  | **1 wk.** |  |  |  |
|  | Qty | Costs (ksh) | Qty | Cost | Qty | Cost |
| Wheat flour | 1500 kg | 461 ,667/= | 10500 kgs | 32,666/= | 45,000 kg | 1,400,000 |
| Salt | 15 kg | 105/= | 150 kg | 735/= | 450 kg | 3,150 /= |
| Yeast | 25 kg | 750/= | 175 kg | 56250 | 250 kg | 225,000 |
| Veg. oil | 15 kg | 930/= | 105 kg | 6510/= | 450 kg | 25,900/= |
| Sugar | 17 kg | 578/= | 117 kg | 3978 | 500 | 17000 |
| Water 2500c | 84 l | 167 | 5834 l | 11667 | 25000l | 5000 |
| TOTAL |  | 49197 |  | 354,811 |  | 1,678,050 |

# LABOUR COST REQUIRED MONTHLY

|  |  |
| --- | --- |
| **Personnel** | **Monthly salary** |
| Managing director (1) | 15,000 |
| Chief caterers (1) | 6500 |
| Salesperson (1) | 5,500 |
| Chef (senior baker) (1) | 4,500 |
| Account clerk (1) | 4,500 |
| Assistant baker (2) @ 3000 | 6,000 |
| Drivers (2) @ 3000 | 6,000 |
| Messenger (1) | 2,000 |
| Cleaner (1) | 1,500 |
| Security (1) | 1,500 |
| TOTAL | 41,000 |

# OVERHEAD COST PER MONTH

|  |  |
| --- | --- |
| **ITEM** | **AMOUNT** |
| Rent | 6,000 |
| Electricity | 10,984 |
| Telephone | 2,500 |
| Water | 20,773 |
| Cleaning material | 2,600 |
| Network services | 1500 |
| TOTAL | 42,857 |

# TOTAL COST OF PRODUCTION PER MONTH

|  |  |
| --- | --- |
| ITEM | AMOUNT |
| Material cost | 1,678.050 |
| Labor cost | 41,000 |
| Overhead cost | 42,857 |
| TOTAL | 1,761,901 |

# COST OF PRODUCTION PER LOAF OF BREAD.

Number of loaves produced per day = 5,000 Number of loaves produced per month = 150,000 Total cost of production per month = 1,820,907.00

(Total production cost per month) / (number of loaves produced per month)

= cost of production per loaf of bread. (1,820,907.00) / (150,000) = 12.14

Cost of producing one loaf of bread = 12.14

# PRODUCTION / OPERATIONAL PROCESS

The production in use is customer type and the repetitive type.

# DOUGH MIXING

The usual mixing method of converting flour into dough is to mix a specific quantity of wheat flour together with vegetable fat and salt, with water in a quantified fraction of pressed baker yeast, which has been suspended. The temperature of the water must be adjusted so that the dough after 15-minute mixing in a mechanical mixer has a temperature of about 24c.

Mixing the flour with water has two important effects. The flour enzymes correct part of the starch into maltose, which commonly forms the main nutrient for the yeast. The mechanical work done by blades of the dough mixture starts to stretch the fibers of the gluten i.e. the protein in the flour.

# BULK FERMENTATION

The mixed dough is placed in large metal containers or troughs and held in and insulated room of about 26.7c and in and atmosphere of high humidity to allow fermentation. The dough is maintained at this temperature covered to prevent the evaporation of moisture and allowed fermenting. Varying fermentation is used in different process. At the end of this period the dough will have risen to the top of the bowl. It is cut with a knife, mixed mechanically for five minutes and then allowed to ferment for another one and a half hour.

# DIVIDING AND MOULDING

After these four hours of fermentation in bulk, the dough is put through a divider, this is a machine that cuts it into accurately weighed pieces usually of half kilograms each out of which the individual loaves will be produced.

These pieces are rolled mechanically into balls by a machine called a molder, then dropped by the machine into a service of slowly moving canvas pockets, which travel in a temperature-controlled compartment called a first proved. The times spent in this first prove usually about 10 minutes for gluten fiber, which have been rather roughly stretched by molder to recover.

# PROVING

The delayed dough is dropped out of the canvas pockets into a second molding machine which in its return drops the new sausage shaped pieces of still fermenting dough into individual baking tins.

These moves slowly through another prove for 40 to 50 minutes, where the temperature is maintained between 35`c and 37.9`c.

# BAKING

The baking tins containing the dough are then conveyed to the oven during the first stage. In the oven, the dough continues to ferment and increase in volume. As the dough passes through the oven the temperature is increased further expanding the dough and eventually the heat sets the gluten. The starch is first gelatinized and then set by the heat and some water, ethanol is evaporated. This is achieved by adjusting the oven temperature so that loaves are exposed to an atmosphere of 248.9`c to 269`c injected with steam for a period of 40 to 50 min. eventually the outer layers at the dough become brown forming the crust. Browning is probably due to both the reaction between protean, sugar and caramelization of sugar. After baking the loaves of bread are cooled, cut into slices by machine if so required and packed either manually or by bread wrapping machine.

# PRODUCTION RECIPE

|  |  |  |
| --- | --- | --- |
| Name of dish | Ingredients | Quantity used |
| Bread W /B (50 pax) | Flour (W /B) Yeast Margarine Castor Sugar Salt | 5kgs 120g  31g 450g  50g |
| Scones (100 pax) | Self-rising flour Baking powder Salt  Margarine Sugar | 25kg 600g  100g  6kg 6kg |
| Cakes (special occasion | Flour | 6kg |
| cake e.g. X-mas, | Mixed peels | 2kg |
| graduations) | Sugar | 20kg |
| Margarine | 20kg |
| Mixed spice | 1kg |
| Sultanas | 1kg |
| Eggs | 100 |

# REGULATION AFFECTING OPERATIONS

# WORKMAN INJURIES AND COMPENSATION ACT

It states that if any worker attached to a company sustains injury leading to loss or damage of any body organ, he/she shall be properly compensated.

# PATIENTS AND COPYRIGHT

1. Copies of printed documents by modern printing work shall not be retained in hardcopy to avoid careless handling of customer’s material so any such materials arising shall b shredded.
2. Modern printing being in the printing industry shall not be involved in production of copyright or patented copies of material in party of full as requires by the copyright laws.

# PUBLIC HEALTH ACT

It is requirement to this act that the environment within which the bakery is located must not be a health hazard.

# FACTORIES ACT 1961

The factories act 1961 refers to the health safety and welfare of worker.

# WAGES GUIDELINES

Under this requirement the employer, it is a regulation to pay the employees a wage not below the stated minimum wage guidelines per month.

# CHAPTER FIVE

* 1. **FINANCIAL PLAN**

This chapter shows the future of the proposed business. For a business to sustain itself and run smoothly, the following documents and statement are prepared.

* Pre-Operation cost
* Estimation of the working capital
* Proforma income statement
* Expected profitability ratio
* Desired financing
* Proposed capitalization

# PRE-OPERATIONAL COSTS

This includes all the costs incurred between the times business starts to operate. They are as follows:

|  |  |
| --- | --- |
| ITEM | COST (Ksh) |
| Market research | 6,500 |
| Business registration | 2500 |
| Trade license | 4,500 |
| Rent (12 month) | 48,000 |
| Legal documentation | 2,700 |
| Electricity / telephone /network installation | 33,000 |
| Product design and development | 8,000 |
| Miscellaneous | 16,750 |
|  |
|  |
|  |
| TOTAL | 92,250 |

# WORKING CAPITAL

|  |  |
| --- | --- |
| ITEM | AMOUNT |
| CASH AT BANK | 1,000,000 |
| CASH IN HAND | 505,000 |
| TOTAL | 1,505,000 |

* 1. **PROFORMA INCOME STATEMENT**

|  |  |
| --- | --- |
| **ITEM** | **Year** |
| Sales | 7,271,512 |
| Cost of Goods Sold | 3,458,786 |
| Gross Profit | 3,812,726 |
| EXPENSES | 774,000 |
| Salaries |
| Rent | 48,000 |
| Water | 95,000 |
| Telephone | 10,000 |
| Electricity | 56,000 |
| Advertising | 12,000 |
| Stationery | 8,000 |
| Postage | 12,000 |
| Insurance | 150,000 |
| Interest on loan | 91,684 |
| Repair and maintenance | 165,000 |
| Depreciation rate | 59,556 |
| TOTAL EXPENSES | 1,481,240 |
| NET PROFIT BEFORE TAX | 2,331,486 |
| TAX | 554,615 |
| NET PROFIT AFTER TAX | 1,776,871 |

* 1. **PROFORMA BALANCE SHEET**

|  |  |  |  |
| --- | --- | --- | --- |
| Assets | Cost (Ksh) | Depreciation | Net book value |
| FIXED ASSETS | 300,000 | 30,000 | 270,000 |
| Land and building |
| Machines and Equipment’s | 2,219,750 | 322,962 | 1,886,787 |
| Motor vehicle | 100,000 | 10,000 | 90,000 |
| Furniture and fittings | 50,000 | 5,000 | 45,000 |
| Bicycle | 6,000 | 600 | 5,400 |
| Handcart | 2,000 | 200 | 1,800 |
| TOTAL FIXED ASSETS | 2,677,750 | 378,762 | 2,298,987 |
| CURRENT ASSETS  Cash at bank Debtors |  |  | 3,434,342 |
| TOTAL ASSETS |  |  | 3,434,342 |
| LIABILITIES  LONG TERM LIABILITIES  Owners’ Equity TOTAL  Add net profit | 437,809.87 |  | 505,000 |

* 1. **CASH FLOW PROJECTIONS**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **PARTICULARS** | **JAN** | **FEB** | **MAR** | **APR** | **MAY** | **JUN** | **JUL** | **AUG** | **SEP** | **OCT** | **NOV** | **DEC** | **TOTAL** |
| **Cash in hand** | 505000 | 544090 | 614029 | 715129 | 849471 | 1018729 | 1225102 | 1469902 | 1755211 | 2083568 | 2456568 | 2886567 |  |
| **Cash sales** | 605959 | 636226 | 268037 | 701439 | 736505 | 773330 | 811997 | 852596 | 895226 | 939987 | 986986 | 1036335 |  |
| **Debtors** |  | 5,000 | 6,500 | 4,000 | 4,500 |  | 5,800 |  | 4,200 | 4,000 | 6,000 |  | 40,000 |
| **Total inflow** | 1110959 | 1180316 | 1282066 | 1416568 | 1585976 | 1792059 | 2037099 | 2322498 | 2650437 | 3023555 | 3443554 | 3022902 |  |
| **Small cash purchases** | 442000 | 442000 | 442000 | 442000 | 442000 | 442000 | 442000 | 442000 | 442000 | 442000 | 442000 | 442000 | 442000 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Rent** | 4000 | 4000 | 4000 | 4000 | 4000 | 4000 | 4000 | 4000 | 4000 | 40000 | 4000 | 4000 | 4000 |
| **Salaries**  **and wages** | 64,500 | 64,500 | 64,500 | 64,500 | 64,500 | 64,500 | 64,500 | 64,500 | 64,500 | 64,500 | 64,500 | 64,500 | 774,000 |
| **Water** | 716 | 700 | 751 | 800 | 700 | 800 | 900 | 700 | 716 | 750 | 800 | 716 | 713 |
| **Electricity** | 4666 | 4000 | 4500 | 4600 | 4700 | 4760 | 4800 | 4900 | 4666 | 4650 | 4700 | 4666 |  |
| **Telephone** | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 30,000 |
| **Adverts** | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 36,000 |
| **Postage** | 1000 | 1000 | 1000 | 1000 | 1000 | 1000 | 1000 | 1000 | 1000 | 1000 | 1000 | 1000 | 3,600 |
| **Stationery** | 666 | 666 | 666 | 666 | 666 | 666 | 666 | 666 | 666 | 666 | 666 | 666 | 24,000 |
| **Transports** | 6000 | 6100 | 6200 | 6300 | 6400 | 6000 | 6100 | 6200 | 6000 | 6100 | 6000 | 6000 | 216,000 |
| **Insurance** | 10000 | 10000 | 10000 | 10000 | 10000 | 10000 | 10000 | 10000 | 10000 | 10000 | 10000 | 10000 | 223,800 |
| **Interest on loan** |  |  |  |  |  |  |  |  |  |  |  |  | 995,040 |
| **Loan repayment** | 91684 | 91684 | 91684 | 91684 | 91684 | 91684 | 91684 | 91684 | 91684 | 916841 | 91684 | 91684 | 1,025,0 |
| **Repair and maintenance** | 1375 | 1375 | 1375 | 1375 | 1375 | 1375 | 1375 | 1375 | 1375 | 1375 | 1375 | 1375 | 180,000 |
| **Depreciation** | 378762 | 378762 | 378762 | 378762 | 378762 | 378762 | 378762 | 378762 | 378762 | 378762 | 378762 | 378762 | 59,556 |
| **Allows tax** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total cash outflow** | 566869 | 566287 | 566937 | 567097 | 567247 | 566957 | 567197 | 567287 | 566869 | 566987 | 566987 |  |  |
| **Net cash** | 544090 | 614029 | 715129 | 849471 | 1018729 | 1225102 | 1469902 | 1755211 | 2083568 | 2456568 | 2886567 | 3434342 |  |

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# EXPECTED PROFITABILITY RATIO

YEAR I

1. Gross profit percentage ratio = Gross profit x 100

Sales

3,812,726 x 100

7271512

1. Net profit ratio

= 52.434%

= Net profit before taxation x 100 Sales

= 2331486 x 100

7271512

= 32.06%

1. Return on investment

YEAR II

1. Gross profit percentage ratio

= Net profit tax + interest x 100 Total investment

= 17 + 995,7040 x 100

4,557,835

30,505,000 = 33.78%

= Gross profit x 100 Sales

1. Net profit ratio

= Net profit before taxation x 100 Sales

= 7,360,760 x 100 30,505,000

1. Return on investment

Total contribution margin

= 24.13%

= Net profit tax + interest x 100 Total investment

= 6,624,684 + 995,040 x 100 4,557,835

= 160%

Sales – total variable cost

= 28,664,330 – 3,175,134

= 25,489,196.00

Contribution Margin Percentage

Contribution x 100 Sales

= 25,849,196 x 100

28,664,330

= 88.9%

# DESIRED FINANCING

The following amounts is required at the start of the business

|  |  |
| --- | --- |
| **ITEMS** | **AMOUNT (Kshs)** |
| Pre-operational costs | 58,550 |
| Working capital | 2,283,080 |
| 2,341,600 |
| **FIXED ASSETS** | 774,735 |
| Dough mixer |
| Molding and divider | 200,000 |
| Oven | 395,000 |
| Proven cabinet | 430,000 |
| Cooling racks | 157,000 |
| Weighing scale | 16,000 |
| Bread trays | 19,500 |
| Bread slicers | 40,000 |
| Bread crater | 84,000 |
| Motor vehicle | 100,000 |
| Total fixed assets | 2,216,235 |
| **TOTALS** | **4,557,835** |

# PROPOSED CAPITALIZATION

|  |  |
| --- | --- |
| **ITEM** | **AMOUNT** |
| Owners contributions Trade credits  Loans | 2,000,000  1,000,000  1,500,000 |
| **TOTAL INVESTMENT** | 4,500,000 |