



TECHNIC, THE SMART HOME LAB.

P.O Box 6560 – 00200

Next to Ndama Place, Kabarnet Road, off Ngong Road,
Nairobi, Kenya

MICHAEL ORINA
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PRESENTED TO:

THE TECHNICAL UNIVERSITY OF KENYA.

FACULTY OF APPLIED SCIENCES AND TECHNOLOGY.
SCHOOL OF COMPUTING AND INFORMATION
TECHNOLOGY.
DEPARTMENT OF COMPUTER SCIENCE AND
INFORMATICS.

FOR DEGREE:

BACHELOR OF TECHNOLOGY INFORMATION
TECHNOLOGY.

13th Dec, 2022

DECLARATION STATEMENT

I hereby declare that this plan is of my own and has not been presented before for award in B.Tech Information Technology.

NAME

SIGN

DATE

MICHAEL ORINA

This Business Plan has been forwarded for examination by the approval of my Supervisor

SUPERVISOR

NAME

SIGN

DATE

DEDICATION

To my entire family,
To all my friends who became family,
Without whom this project would not be completed.

Shout Out to you guys!

ACKNOWLEDGEMENT

I can not express enough thank to God, the Almighty for the guidance so far. Thank you.

I would like to express my deep and sincere gratitude to my Supervisor, for providing invaluable guidance throughout this project.

To my Parents, for their love, prayers, care and sacrifices, Thank you very much.

Special thanks goes to all my friends who gave me fresh perspective on different matters about the project.

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EXECUTIVE SUMMARY

TECHNIC, THE SMART HOME LAB is an enterprise **ICT infrastructure solution** that makes home automation a reality. Our elegantly designed devices give you control of your home from wherever. We are a leading provider of **Smart Home Automation Systems**.

Our smart homes aim to empower homeowners with a proven automation solution to promote **safety, peace of mind**, and **efficient control** of the home environment.

For additional **real-time security**, convenience, and control, **TECHNIC THE HOME LAB** also include options for **video surveillance** that include **local** and **remote**.

The clear **advantage** of home automation is the unmatched potential for **energy savings, cost efficiency** and the fact that, smart home technologies **streamline common tasks**.

We give you the ability to manage **home safety**, reduce **energy** consumption, and provide seamless **entertainment** options, controllable via on-site touch panels or remotely via your **smartphone or tablet**.

With the **app**, you can easily and securely control all your home electronics and accessories.

- >> Ask to turn off the lights from your smartphone.
- >> Lock the front door on your smart device.
- >> Control things remotely with the help of Apple TV. Even tell your new Home Pod to turn up the music.

Set the mood, and glide through your day. You can literally set anything to your liking whether it's lighting, temperature or even

security measures.

Monitor and limit movement areas of your home/office via **motion sensors**. Create a **stress free home** for you and the family or set an upbeat mood for your guests. Simply **live conveniently**. The possibilities are **limitless**.

Enhance your **lifestyle** by **combining cutting edge technology** with the benefits of **SmartHome**.

The system can be individually programmed to **suit your lifestyle**; taking the level of comfort and convenience in your home further.

SmartHome feature a **centralised control** that allows you to monitor every aspect of your home with a **single tap**, using our **user-friendly application and control panels**.

CHAPTER ONE: BUSINESS DESCRIPTION

1.1 BUSINESS SPONSORS

TECHNIC THE HOME LAB is owned by Michael Orina.

He has a Bachelors Degree in Information Technology from the Technical University of Kenya.

He has 3 years working experience in Internet of Things and has done a lot of projects regarding the same.

He is passionate about Smart Homes. His leading traits are Passion, Persistent and Innovativeness

He took a 6 months business Course from WEBBS Institute that taught him how to efficiently run a business.

He is fit and of sound mind.

He is a natural born leader.

1.2 BUSINESS NAME

The name chosen for the business is **TECHNIC THE HOME LAB**. TECHNIC is short for Technical but the main reason the name was chosen was because it is a pun for the word TECHNIQUE.

We are dealing with smart homes and the idea that we call it a Lab makes it fun. The name is not only easy to remember and well thought of, it is also funny and appealing to customers.

1.3 BUSINESS LOCATION AND ADDRESS

My business is located in Nairobi, Kenya off Ngong Road, Kabarnet Road, Next to Ndama Place and Taach Fm Radio. It is next to the hermitage garden.

*The map to the place is in the appendix.

The business address is P.O Box 6560 – 00200

The email address is technic@thehomelab.com

The location is appropriate because of the following reasons:

- i. It is off the Nairobi CBD which guarantees cheaper rent and maintenance costs.
- ii. Accessibility. It is still around the city that makes it easier for customers to access the company.
- iii. Fully established road infrastructure that makes it easier to serve our customers.
- iv. Security. The surrounding area has a very low crime rate which reduces our insurance premium for the business.
- v. Potential for growth. The location is able to accommodate business growth and a spike in demand.

1.4 FORM OF BUSINESS OWNERSHIP

The form of business ownership in this firm will be sole proprietorship. This will then mean that it will be run by me, as the sole trader and there is no legal distinction between me and the business entity.

Some of the advantages of this form of business ownership are:

- i. I am the boss
- ii. I keep all the profits
- iii. Start-up costs are low
- iv. Establishing and running my business is simple
- v. It is easy to change my legal structure later if circumstances change and I can easily wind up my business.

1.5 Type of Business

The activities to be carried out in the business are services that provide **smart**

home solutions that involve:

- ✓ Remote control,
- ✓ Automation of lighting,
- ✓ Heating (such as smart thermostats),
- ✓ Ventilation,
- ✓ Air conditioning (HVAC),
- ✓ Home entertainment (audio and video)
- ✓ Weather Monitoring and
- ✓ Security (alarm, sensors, door locks and cameras).

Minor activities include selling of smart home equipments such as CCTV cameras, sensors, door locks, alarms, smart lights etc in our business location.

The state of my business is a start-up since it is in the initial stage of itself and is in the attempt of getting external investment to get it off the ground.

1.6 Products and Services

We provide **smart home solutions** that involve:

- ✓ Remote control,
- ✓ Automation of lighting,
- ✓ Heating (such as smart thermostats),
- ✓ Ventilation,
- ✓ Air conditioning (HVAC),
- ✓ Home entertainment (audio and video)
- ✓ Weather Monitoring and
- ✓ Security (alarm, sensors, door locks and cameras).

For additional **real-time security**, convenience, and control, **TECHNIC THE HOME LAB** also include options for **video surveillance** that include **local** and **remote**.

The clear **advantage** of home automation is the unmatched potential for **energy savings, cost efficiency** and the fact that, smart home technologies **streamline common tasks**.

We give you the ability to manage **home safety**, reduce **energy** consumption, and provide seamless **entertainment** options, controllable via on-site touch panels or remotely via your **smartphone or tablet**.

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- >> Ask to turn off the lights from your smartphone.
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Monitor and limit movement areas of your home/office via **motion sensors**. Create a **stress free home** for you and the family or set an upbeat mood for your guests. Simply **live conveniently**. The possibilities are **limitless**.

Enhance your **lifestyle** by **combining cutting edge technology** with the benefits of **SmartHome**.

The system can be individually programmed to **suit your lifestyle**; taking the level of comfort and convenience in your home further.

SmartHome feature a **centralised control** that allows you to monitor every aspect of your home with a **single tap**, using our **user-friendly application and control panels**.

1.7 Justification of Business Opportunity

Kenya is a third world country that is trying to enter the global arena as one of the most technological country in Africa.

For that to happen, it needs proper health care, jobs, food and proper housing. Proper housing entails technological smart houses. That is where our business fits in the whole general structure.

Our business aims to solve the need for a user friendly, cutting edge smart homes that enhances lifestyle taking the comfort and convenience of homes even further.

Our business provides cheap solution that every mwananchi can take to technologize their homes.

The owners of the business have rich experience in smart homes and Internet of Things that ensures quality services to our customers.

The business is set up in the outskirts of the City, that makes it easy to satisfy our customers needs.

1.8 Industry

My business falls in the **Information and Communication Authority** Industry.

The size of the local ICT market is estimated at US\$ 500 million and it is of note that companies such as Spanco, followed Airtel into Kenya to continue servicing them. These companies are expected to expand into the region , given Kenya's its relative sophistication compared to neighbouring markets, and in order to service clients' expansion plans into the EAC and beyond.

1.9 Business Goals

Business Goals are divided into short term goals and long term goals

Short term goals

- To provide safer and more health-conscious working environments
- To use profits to raise capital or strengthen the business
- To ensure better quality products for customers
- To ensure fair trade practices

Long term goals

- ✓ **Survival:**the ultimate goal is to make enough money to pay for all overhead costs and also make a profit
- ✓ **Growth:**this explains what actions we will take when demand outpaces what we offer
- ✓ **Profit earning:** to earn enough to have a salary and/or be able to grow the business.

1.10 Entry and Growth Strategy

Entry Strategies

- ✓ Since the business is in the ICT industry, we will target the **social media** for awareness of the business. We will post in different social platforms to attract new customers.
- ✓ Partnering with **construction industry** who build houses so that we could automate them.
- ✓ Partnering with **insurance companies** who could refer us to new clients and customers.

- ✓ **TV Advertisement.**

Growth Strategies

- ✓ Offer cheap subscriptions packages to our customers on installing and maintaining their smart houses.
- ✓ Reward refferals to customers who reffer their friends and families.
- ✓ Give offers on holidays to our customers.
- ✓ Opening up a store in Mombasa in the next 1 year

CHAPTER TWO: MARKETING PLAN

2.1 CUSTOMERS

The business will serve the following type of customers

- i. **End users** – The business will directly install and maintain smart home equipments to final consumers.
- ii. **Commercial consumers** – The business will sell smart home equipments to other business that want to sell them to final consumers.

My customers are located all over around the city mainly in Rongai, Westlands, Ngong, Karen, Utawala, Roysambu, Embakasi and other major towns with houses that can be technologized.

The factors that would influence customers to buy the business products and services are:

- i. Cheap subsidized subscription services to install and maintain smart homes.
- ii. Reward refferals to customers who reffer their friends and families.
- iii. Give offers on holidays to our customers.
- iv. Quality services
- v. Door to door delivery for our smart home equipment products.
- vi. Free delivery around the city to our products.

The customer's needs in relation to our business includes:

- ✓ **Setting the mood**, and gliding through the day. You can literally set anything to your liking whether it's lighting, temperature or

even security measures.

- ✓ **Monitor and limit movement** areas of your home/office via **motion sensors**. Create a **stress free home** for you and the family or set an upbeat mood for your guests. Simply **live conveniently**. The possibilities are **limitless**.
- ✓ **Enhance** your **lifestyle** by **combining cutting edge technology** with the benefits of **SmartHome**.
- ✓ The system can be individually programmed to **suit your lifestyle**; taking the level of comfort and convenience in your home further.
- ✓ SmartHome feature a **centralised control** that allows you to monitor every aspect of your home with a **single tap**, using our **user-friendly application and control panels**.

2.2 MARKET SHARE

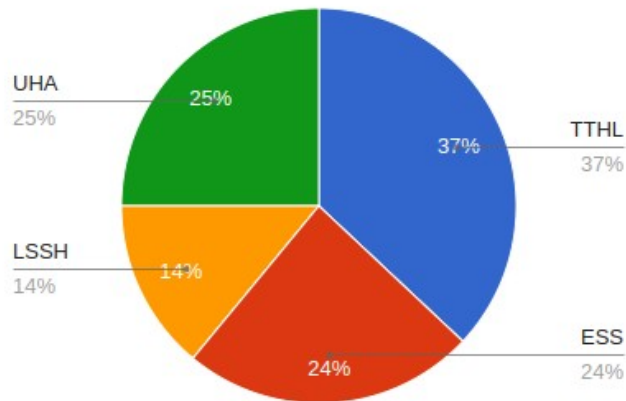
Nairobi City has a population of people around 4 million.

The Total target market share is 2 million.

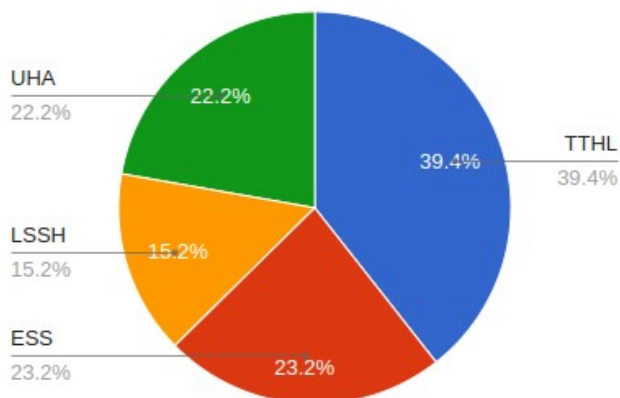
Proposed Shares in %	Expected Shares in %
Business Share --- 37%	Business Share --- 39%
Elm Street Security --- 24%	Elm Street Security --- 23%
Lone Start Smart House --- 14%	Lone Start Smart House --- 15%
Uptown Home Automation --- 25%	Uptown Home Automation --- 22%
Total = 100 %	Total 100 %

It is shown in the Pie Chart Below:

MARKET SHARE



EXPECTED MARKET SHARE



2.3 COMPETITION

My business Competitors are :

i. Elm Street Security

This business is a single proprietorship based at Avenue House, 4th floor, Kenyatta Avenue, Nairobi, Kenya. They deal with smart homes but focused in outside Security.

ii. Lone Start Smart House

It is located in Ragati Rd, NHIF Building 1st Floor Nairobi, Kenya. It specializes in selling smart home equipments.

iii. Uptown Home Automation.

It is located in stall No 35 Busia Road, Off Enterprise Rd, South B Nairobi. It specializes in installing and managing smart home.

Competitors	Strengths	Weakness	Opportunities	Threats
Elm Street Security	Strategic Location High capital	High Prices Slower to Market	Lease their transportation network	Make too much advertisement and take our customers
Lone Start Smart House	Speed to Market Diversification of products	Rigid Structure Reduced Agility Fragmented Company Culture	Partner with their building construction partner	Sell fast to our customers
Uptown Home Automation	Good Quality Products High adaptability	No Diversification Low Efficiency and High waste High Prices	Import from their sellers	Sell very quality products

Competitive Advantages:

- I combine both selling of smart home equipments and installing/managing of smart homes.
- I offer cheap equipments and services.
- I have capital to advertise and get the market's good share of the customers.

2.4 METHOD OF PROMOTING AND ADVERTISEMENTS

PROMOTIONAL METHODS

These are some of the methods the business will use to promote itself:.

- i. Awarding refferals in case a customer reffers a family or friend.
- ii. Sensitizing the mass on importance of having smart homes by having meetings with nyumba kumis.
- iii. Direct marketing to the customers through door to door services.
- iv.

These are the methods that will be used to **Advertise** the business:

- i. Renting bill boards and placing them along major roads such as thika super highway and Mombasa road.
- ii. Use of social media to target the mass of people online
- iii. Brochure printing and randomly giving it to people in town or homes.
- iv. Television advertisement by placing an ad in a TV channel.

2.5 PRICING STRATEGY

These are the factors we will consider when setting prices for the products and services:

The total costs of running your business including fixed and variable costs.

- Competitors' pricing.
- Market demand.
- Target customers spending power.
- The value of the product/services

There would be different packages for different services. For example, a package with just a few smart appliances will be cheaper than a full house modernization.

SERVICES		
Service Package Name	What it Entails	Price per month in ksh
Access	Remote control Automation of Lighting	1050
Family	Access Heating Ventilation	1500
Compact	Family Air Conditioning Home Entertainment	2800
Compact Plus	Compact Weather Monitoring	5100
Premium	Compact Plus Security alarms Sensors Door Locks Cameras Real Time Video local / remote surveillance	8400

PRODUCTS	
Prooduct	Price in Ksh
Security Alarm	4800
Sensors	5700
Cameras	12000
Automated Lights	3000

2.6 SALES TACTICS

The Business Sales tactics will be a Directed Approach.

A sales team will be hired to go door to door with brochures to sell the idea to people houses.

We will have a website too where customers can buy different products/services that will be delivered to them.

Discounts will be given to first time customers.

Free services / Incentives will be given to customers who will refer their friends and families.

2.7 DISTRIBUTION STRATEGIES

The products and services will be directly channeled to the customers.

The business, where the products are too many to be delivered by the business, will lease a channel to be used for delivering.

CHAPTER THREE: ORGANIZATION/MANAGEMENT PLAN

3.1 BUSINESS MANAGER

TECHNIC, THE HOME LAB Will be headed by me, Michael Orina as the Chief Business Manager of the organization since I am the sole owner of the business.

Qualifications

- i. Superior leadership skills, with focus in employee coaching and development
- ii. 3 years of experience in Internet of Things
- iii. Experience in developing Business Strategy
- iv. Strong ability with financial and budgetary processes
- v. Computer Science Degree from the Technical University of Kenya.

Duties

- i. Oversee all business processes and activities
- ii. Sign deals and partnership with different organizations
- iii. Track imported equipments
- iv. Ensure the business is profitable and is heading the right direction
- v. Make financial decisions that affects the business in the long run

3.2 KEY PERSONNEL AND OTHER QUALIFICATIONS AND DUTIES

TITLE	QUALIFICATIONS	DUTIES
-------	----------------	--------

Assistant Manager	<ul style="list-style-type: none"> - Degree in management - Age below 35 - Experience 5 years - Strong ability with financial and budgetary process 	<ul style="list-style-type: none"> - Oversee the business when the manager is not around - Ensure all equipments are safe - Ensure everyone is doing their work
Accountant	<ul style="list-style-type: none"> - Degree in Accountant - 2 years Experience - Strong ability with financial and budgetary processes - Additional Certifications may be needed - Highly organized 	<ul style="list-style-type: none"> - Make short term financial decisions - Tracking and collecting business finances - Ensure financial records are accurate
IT Team	<ul style="list-style-type: none"> - Degree / Diploma in ICT - Experience in installing / mantaining smart homes - Work under pressure -Honest and dilligent 	<ul style="list-style-type: none"> - Installing smart homes - Monitoring smart homes - Mantaining smart homes
Driver	<ul style="list-style-type: none"> - Drivers license - Honest in their work 	<ul style="list-style-type: none"> - Delivering smart home equipments
Sales team	<ul style="list-style-type: none"> - Good with people - Ability to sale - Good facial features - A course in sales - Persistent 	<ul style="list-style-type: none"> - Door to door sales of the business products

3.3 RECRUITMENT, TRAINING AND PROMOTION

RECRUITMENT.

The Business will recruit new employees through the following methods:

- The job title will be advertised through posters and online
- The selection of the candidates who will proceed for interviews will then take place after the application duration is over.
- The shortlisted candidates will be call for interviews

- Succeeding candidates in the interviews will be appointed in the business.

Training

- Workshops — employees will get a three-day session on business reporting. This training will increase communication, performance, and relationships.
- Coaching - The firm will train its employees to ensure they do the right thing and give the greatest product to consumers. This will boost their departmental efficiency.

Promotion

Employees with good performance will be rewarded for their good works.

They will be paid incentives based on what they have done.

Commissions to sales people will increase with increase in sales.

3.4 RENUMERATION AND INCENTIVES

The employees will be paid monthly at the end of each month.

All allowances, commissions and incentives will also be paid at the end of the month.

TITLE	NO OF POSITIONS	SALARY PER MONTH	ALLOWANCES	TOTAL SALARY PER MONTH
Manager	1	60000	40000	100000
Assistant Manager	1	50000	20000	70000
Accountant	2	40000	15000	110000
IT team	4	40000	15000	220000
Sales team	4	30000	10000	160000
Watchman	1	10000	1000	11000
Total Salary				671000

Incentives

Financial Incentives

Every employee who does a good job will be given some allowance at the end of the month.

Employees who do a well job will be given a holiday catered by the company and they can take their plus one.

Non-Financial Incentives

Employees who do a well done job will be given a leave to rest with their families.

3.5 LEGAL REQUIREMENTS

Licenses, Permits and By laws

The company must be registered and licenced and given permission to run by the county government of Nairobi.

The table shows all licences and by laws

License	Source	Cost	Status
Business Name Search	Register of Companies	900	Not Renewable
Business permit	City Council	7000	Renewable
KRA registration	KRA	3200	Not Renewable

3.6 SUPPORT SERVICES

TYPE OF SERVICE	FUNCTION / USE	SERVICE PROVIDER
Banking	- Keep our money - Offer Loans	KCB
Transportation	- Transport equipments to customers	UBER
Legal	- Advice on legal Issues	Msanii Advocates

	of the Business	
Insurance	- Offer Insurance in case of accidents	Maddisson group

CHAPTER FOUR: PRODUCTION/OPERATION PLAN

4.1 PRODUCTION FACILITIES AND CAPACITY

These are the common facilities in running the business:

i. Capital

My total capital investment will be 500,000 which will come from my savings, family and friends loans and a bank loan of 200,000.

This will be enough to kickstart the business.

ii. Premises

The premises of my business will be rented. Since it is outside the Nairobi CBD the rent is cheap. It is 12,000 per month.

The plan of the business premises is in the appendix.

The shop will allow for future expansion since there is a next shop which can be rented and expanded into.

iii. Tools, Machine and Equipments

ITEM	QUANTITY	SUPPLIER	UNIT COST	TOTAL COST
Computer	2	Jumia	@30000	60000
Coffe Machine	1	Coffe Bakers	5000	5000
Fridge	1	Quickmart	18000	18000
Office Chairs	6	Quickmart	13000	98000
Tables	3	Quickmart	3500	11500
Stationery	1	Quickmart	4500	4500
Water dispenser	1	Quickmart	3000	3000

iv. Labour

The business will hire both skilled and unskilled labour.

Skilled labour to perform internal job structures while unskilled labour to provide manpower to perform the tasks.

v. Social Amenities

The business will require schools to modernize them and churches.

4.2 PRODUCTION STRATEGY

a. Monthly Material Requirements

Type of Material	Sources	Quantity	Unit Cost	Total Cost
Camera	Quickmart	10	10000	100000
Sensors	Bahshir	10	2000	20000
Air Ventilators	Bahshir	20	1500	30000
Light bulbs	Bahshir	100	500	50000

The material will be readily available all throughout the year.

b. Monthly Labour Requirements

Title	No of Positions	Salary Per Month	Allowances	Total Salary Per Month
Manager	1	60000	40000	100000
Ass. Manager	1	40000	20000	60000
Accountant	2	30000	10000	40000
Driver	2	20000	40000	24000

c. Expenses and Overheads

This is my monthly production expenses.

Expenses	Amount
rent	12000
Electricity	5000
Fuel	10000
Total Expenses	27000

4.3 PRODUCTION PROCESSES

4.4 RULES AND REGULATION AFFECTING OPERATIONS

These are the rules and regulations that will affect my business:

- i. Government taxes, that is the yearly business permit that I must pay to the county government of Nairobi.
- ii. The local taxes that I have to pay the county government.
- iii. Safety regulations taxes for my workers.
- iv. Environmental regulations since we are installing smart devices in homes.

CHAPTER FIVE: FINANCIAL PLAN

In this section I will deal with the financial aspect of my business. This is to gauge future financial potential.

5.1 PRE-OPERATIONAL COSTS

ITEM	AMOUNT
Rent	12000
Licenses and Permits	20000
Tuition and Training	20000
Furniture and fittings	75000
Tools and Equipments	10000
Labor	43000
Total Preoperational cost	180000

5.2 WORKING CAPITAL REQUIREMENTS

ITEM	YEAR 1	YEAR 2	YEAR 3
CURRENT ASSETS			
Cash at Bank	500000	550000	600000
Cash in Hand	70000	87000	93000
Stock	30000	34000	33000
Total Current Assets	600000	671000	72600
CURRENT LIABILITIES			

5.3 PRO-FORMA INCOME STATEMENT

ITEM	YEAR 1	YEAR 2	YEAR 3
Sales	100000	200000	212200
Cost of Goods Sold	120000	200000	250000
Gross Profit	900000	300000	500000
Expenses:			
Wages and Salaries	400000	410000	450000
Rent	150000	150000	150000
Water	50000	52000	50000
Telephone	5000	5600	5000
Electricity	30000	33000	30000
Advertisement	70000	70000	70000
Stationery	4000	4000	4000
Postage	3000	3000	3000
Transport	80000	83000	80000
Depreciation	50000	45000	50000
Interest	20000	4000	20000
Repair and Maintenance	10000	10000	10000
Total Expenses	578000	600000	665000
Net Profit Before Tax	400000	300000	423000
Provision for tax	100000	100000	100000
Net Profit after tax	300000	300000	242000

5.3 PRO – FORMA BALANCE SHEET

ITEMS	AS AT OPENING	AS AT THE END OF 1ST YEAR	2ND YEAR
ASSETS			
Current Assets	400000	500000	500000

Cash	60000	70000	60000
Debtors	40000	20000	35000
Stocks of Finished Goods	50000	60000	70000
Total Current Assets	700000	800000	740000
FIXED ASSETS			
Machinery and Equipments	313000	312000	340000
Accumulated Depreciation	10000	10000	10000
Vehicle	500000	450000	400000
Accumulated Depreciation	5000	5000	5000
Furniture and Fittings	450000	450000	450000
Accumulated Depreciation	8000	13000	12000
Total Fixed Assets	458000	563000	675000
LIABILITIES			
Current Liabilities			
Creditors	50000	70000	54000
Total Current Liabilities	50000	70000	54000
Long term Liabilities			
Bank Loan	200000	150000	120000
Owners Equity	300000	350000	370000

Total liabilities and equity	900000	950000	1100000

5.4 PROJECTED CASH FLOW STATEMENTS

Money Recieved	Jan	Feb	March	April	May

5.5 BREAK EVEN ANALYSIS

GROSS PROFIT

Sales – Total Direct Cost = 346000

GROSS PROFIT MARGIN

Gross Profit/Sales x 100 = 10%

TOTAL OVERHEADS/EXPENSES

Total Overheads/Expenses = 1.68

BREAK EVEN LEVEL

$$\text{Overheads/Expenses} \times 100 = 168$$

5.6 EXPECTED PROFITABILITY RATIOS

GROSS PROFIT MARGIN

$$\text{Gross Profit/Sales} \times 100 = 10\%$$

	Year 1	Year 2	Year 3
Percentage	10%	13%	20%

RETURN ON EQUITY

$$\text{Net Profit after Tax/Owners Equity} \times 100 =$$

	Year 1	Year 2	Year 3
Return on Equity	34%	38%	54%

RETURN ON INVESTMENT

$$\text{Net Profit after Tax} + \text{Interest} / \text{Total Investment} \times 10 = 1.34$$

	Year 1	Year 2	Year 3
Return on Investment	1.34	5.67	2.34

5.7 FINANCIAL REQUIREMENTS AND DESIRED FINANCING

ITEM	AMOUNT
Pre Operational Cost	500000

Working Capital	345000
Fixed Assets	240000
Others	56000
Total Financial Requirements	867000

5.8 PROPOSED CAPITALIZATION

5.8.1

Total Investment = 867000

5.8.2

Owner's contribution = 40000

5.8.3

Total Borrowed = 450000

5.8.4

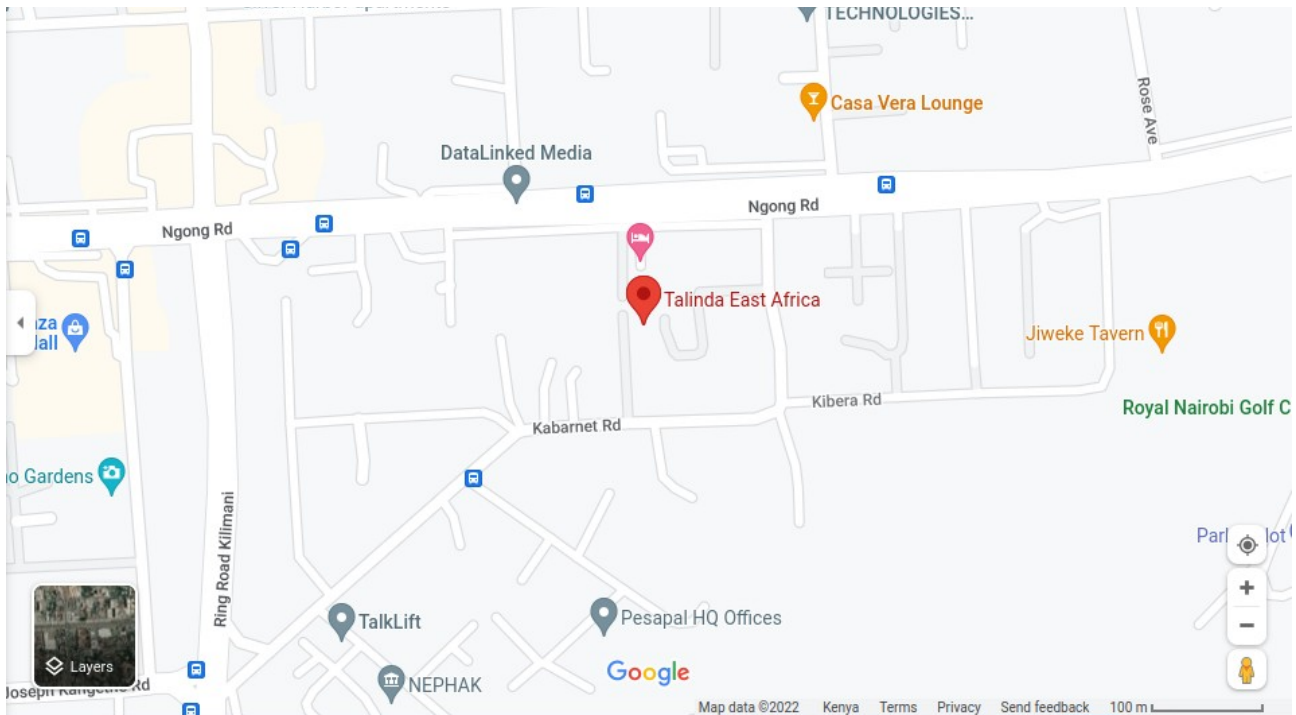
I will give the business car as the financial security

5.8.5

The Preferred loan repayment terms will be monthly loan repayment with interest.

Appendix

This is the map to my business:



1. Assets: Resources that belong to the business.
2. Balance sheet: A financial statement that indicates a venture's position at a particular time (end of the year) with respect to assets, liabilities, and net worth.
3. Creativity: The ability to bring something new into existence.
4. Current assets: cash or assets that can be easily converted to cash in the short term and used to clear current liabilities
5. Current liabilities: Business obligations that must be paid in the short term, usually from current assets.
6. Fixed assets: capital assets of a permanent nature that are used in the venture or business.
7. Patents: Legal protection afforded to inventions after registration with the government.

8. Trade credit: Credit extended by suppliers and venders on purchases of materials, inventory and services.
9. Trade mark: A distinguishing symbol, figure or artistic rendering that can include a unique combination of letters to identify a company, product, or business concept.

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