



اَوْنَبُوْرَسِيْتِي تِي كَوْنُوْلُو كِي مَارَا  
UNIVERSITI  
TEKNOLOGI  
MARA

UNIVERSITI TEKNOLOGI MARA SAMARAHAN SARAWAK  
FACULTY OF BUSINESS MANAGEMENT  
DIPLOMA IN OFFICE MANAGEMENT AND TECHNOLOGY  
(BM118)

FUNDAMENTAL OF ENTREPRENEURSHIP  
(ENT300)

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**PREPARED FOR:**

**ENCIK ABANG SULAIMAN BIN ABANG NAIM**



# IKASA COLLECTION

# GENERAL MANAGER

**SUBMISSION LETTER**

**ENT 200 Students**

Diploma in Office Management and Technology,  
Universiti Teknologi MARA (UiTM), Sarawak,  
Kampus Samarahan 2,  
Jalan Dato Mohd Musa  
94300, Kota Samarahan,  
Sarawak.

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**Sir Abang Sulaiman Bin Abang Naim**

ENT 300 Lecturer,  
Universiti Teknologi MARA (UiTM), Sarawak,  
Kampus Samarahan 2,  
Jalan Dato Mohd Musa  
94300, Kota Samarahan,  
Sarawak

1 January 2014

Sir

**RE:SUBMISSION OF BUSINESS PLAN**

As a representative of our business Ikasa Collection, I would like to submit our business plan for your valuation and further action. We are grateful for all the support and advice that have been given by you in order to accomplish this business plan and in the same time attach us toward goals and objective of the preparation of this business plan until we finally completing according to time given respectively.

## **EXECUTIVE SUMMARY**

Our business name is Ikasa Collection. The business formed based on the partnership ventures of five persons who are also act as the managers in the business. Our core business here is to selling *Jubah* only for women especially for the female students and population around Kota Samarahan..

As for our business here, we take supplies from a supplier which is Candy Shoppaholic through online. In addition to that, we open our own shop and we re-sell the *Jubah* directly to our customer from our shop. Apart from that, we show our concern to the environment and help maintained it by providing paper bag for our customers instead of using plastic bag since paper bag can be recycle while plastic cannot be recycled. If our customers buy our product directly through our shop, the customer may exchange the product if they are not satisfied with a condition that they should exchange it within 3 days and bring the original receipt with them with the tag price was still stick with the *Jubah* . In our business, the top management was conducted by our shareholder themselves. Starting from the General Manager which is going to be held by Khamisa binti Muddin. Administration is hold by Nurul Asyirikkin binti Salleh, Marketing Manager is taking by Nur-Amalina binti Buseman, Operation Manager is hold by Nurul Sutienna binti Abdul Laatib and our Financial Manager is Iraden Nur Hartini binti Hamdan.

The management team will be lead by the General Manager and the other manager will help in other process. The general manager is responsible in controlling, leading, organizing as well as plan the entire business. The administrative manager will responsible in doing for all jobs relating to office administration. The marketing manager will responsible in preparing the marketing process which includes the process of identifying the target market, determining the market size, identifying the competitors, determining the market share, developing the sales forecast and marketing strategies. This is where quality control and productivity will take place in order to improve efficiency of the workers. Finally, the financial manager will handle financial matters such as preparing for the budgets and financial statement for the each of the department. All the financial statement need to be taken care properly by our Finance manager.

## **INTRODUCTION TO BUSINESS PLAN**

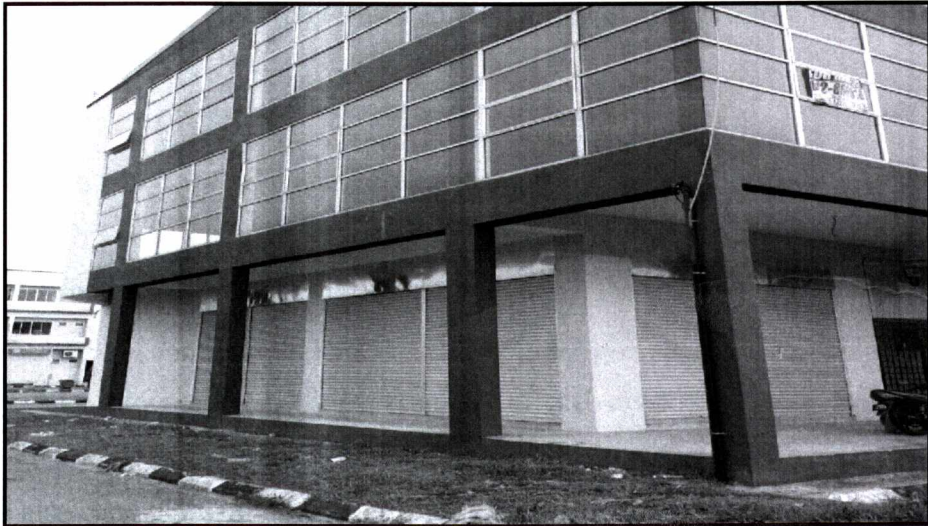
Business plan is important because it explains about the activities, strategy, financial, operation and others that are related to the business. People that have the knowledge about entrepreneurship will easily construct new business from business plan because it has a lot of information about the business itself, which will guide the entrepreneurs in managing their business effectively.

Ikasa Collection is business which ventures in product which has the concept of selling *Jubah* only for women especially for the students and the population around Kota Samarahan. This business had been agreed by all the partners of the business. All partners have agreed to abide to all terms of the partnership to contribute some capital according to the allocated shares. Besides that, it proves that the reason why we have chosen partnership as our form of business is due to the fact that we are able to share all profits as well as contribute ideas, knowledge and experiences in order for the business to constantly achieve high productivity.

The main reason of existence of Ikasa Collection is to give and provides our product which is *Jubah* to all women at all age excluding children. We are pretty sure that they must have looking for varieties of choices for *Jubah* as nowadays, *Jubah* has been increasingly attract women's attention especially when attending an event or any functions. Ikasa Collection provides variety choices of *Jubah* in colors and designs. We are looking forward to satisfy our customer's satisfaction with our product and sell it at reasonable price.

## LOCATION

As what have been agreed by all due to conveniences, we have agreed to set up our business at at 2nd floor, Lot 5599, Uni Square Commercial Centre, 94300 Kota Samarahan Sarawak.





## **PURPOSE OF THE BUSINESS PLAN**

The purpose of this business:

➤ **To maximize profit and minimize cost**

The effective and efficient cost management will ensure that the cost of the business can be decreased easily and at the same time maximizing the profit through the business plan, the budget that preferred to be utilized only for the related expense and the unrelated expense must be avoid as to decreased cost and wastage.

➤ **As a guideline in business**

The planned strategies are an important part of the business which consists of certain rules and regulation. Thus it becomes comprehensive guideline on our daily operation. As a business guidelines it avoid confusion and the member will understand the vision of organization achieve the goals.

➤ **To apply for loan to establish business from financial institution**

A good form of business is a business which has good financial position which will enables us to convince financial institution to provide the loan for us to establish the business. The financial institution just like bank will only provide the loan to the business that they trust and therefore will give profit to repay back the loan.

➤ **To convince relevant parties of the project**

This is to attract the attention of potential investor to invest in a business. The availability of a business plan also will boost the confidence of interested parties.

➤ **To allocate the business resource effectively**

The limited resource can be used effectively without any wastage. Business plan also can help with planning distribution and monitoring resources.



## **FUTURE PROSPECT OF BUSINESS**

- Able to meet our customer satisfaction.
- Able to minimize complaints from customers.
- Becoming one of the best choices shop among the best.

## BUSINESS LOGO



## EXPLANATION OF THE BUSINESS LOGO

### **Logo Description:**

The above logo is the logo that we have created for our business which portrays pictures of an elegant pink *Jubah* dress; the product that we are selling. Meanwhile, the word of Ikasa we combined from the shareholders names which are:

- I – Iraden
- K – Khamisa
- A – Amalina
- S – Sutienna
- A – Asyirikkin

### **The Meaning of Colors at the Logo is:**

**Pink** - Basically, it symbolizes feminine and generally pink is a color for women.

**Black** - The color black relates to the hidden, secretive yet bold and rich.

**White** - Symbolizes of purity, simplicity and freshness.

**Blue** - Trust, smart and simply natural.

## SHARE CONTRIBUTION

Position	Contribution (RM)
General Manager (28%)	7,420
Operating Manager (18%)	4,770
Marketing Manager (18%)	4,770
Administration Manager (18%)	4,770
Financial Manager (18%)	4,770
<b>Total</b>	<b>26,500</b>

## **BUSINESS OBJECTIVES**

In order to help the organization's goal and objective, administration department also have its own objective. It is to make sure the business and the administration of the organization runs smoothly run. The objectives are:

- To meet the satisfaction of our product from our customers.
- To provide a good quality of *Jubah*
- To maintained a good relationship between us and our customers.
- To help the process of planning, organizing, leading, and controlling of the organization.

## VISION AND MISSION

### 1) Vision

Our business has been stated the vision in describing what is our business wants to be in the long term. In order to achieve our wants, this vision has been stated:

- “To be successful and become one of the well-known shops in Sarawak.”

### 2) Mission

Our milestone of business start with our mission, which is become our guidelines for employees to perform their tasks and in order to achieve our business goals, the mission is:

- To expand the business and provide an excellent customer service.
- Provide a good quality of *Jubah* to our customers
- Maintain as one of the shop provides a reasonable price of *Jubah*

# MARKETING PLAN

# **MARKETING PLAN**

## **INTRODUCTION**

Developing a marketing plan requires research, time and commitment but it is one of the valuable processes that can greatly contribute for our business success. Marketing strategy is a key component of the marketing plan, which examines other factors related to the business. Marketing is basically an exchange of activity that takes place between a business entity and its customer. Besides, it is a physical place where buyer and sellers exchange goods and services.

A good marketing plan can help us reach our target audience, boost our customer base and ultimately, increase our bottom line in doing the business to make maximum profit. Not only that, marketing plan are also can is the group of techniques and actions that a business takes in order to achieve its marketing objectives. Marketing is not simply a collection if specialists business communication skills. The important things is the challenges in any business it to produce the product and services that will result in profits for the business especially to satisfied the customers.

When doing a marketing plan, it is often required when seeking funding and helps us set clear, realistic and measurable objectives for our business. Having a marketing strategy and knowing what the strategy is can be one of the important parts of being successful in any business.



## **MARKETING DEFINITION**

Marketing is the activities of a company or a business that associated with buying and selling a product or service to the customers which is to encourage and increase sales of products or services as long as the activities are in the line with ethical practices. Marketing is based on thinking about the business in terms of customer needs and their satisfaction towards the product that they are interested on. In addition, it is also a process of planning and executing the product conception, pricing, promotion and distribution.

Marketing have its own concept on how to put the reasonable price to customer. In addition marketing starts with recognition of customers needs to devise products and services to satisfy these needs. In order to keeps the business running for a long term it also important to bear in mind that the customer's satisfaction comes first. It is important to ensure that customer are attracted and motivated to buy our product and services. In this way, we can satisfy customers more efficiently in the present and anticipate changes in customer more accurately in the future.

Basically, marketing is an exchange activity that takes place between business entities and its customers. Marketing lies on the concept of satisfying the customer needs and wants at the same time to achieve the targeted market. In marketing concept, it has its own concept on how to put the reasonable price to the customers. Besides, it also has their own strategies to promote the services of the products. Moreover, there should be the balancing of demand of the customer and the supply of the products.

Many people believe that marketing is just about advertising or sales to gain profit for the business. In fact, marketing is everything that the company or the business does to satisfied customers and maintain their relationship with their customers. Even the small tasks like writing thank-you letters, playing golf with a prospective client, returning calls promptly and meeting with a past client for coffee can be thought of as marketing. The ultimate goal of marketing is to match a company's products and services to the people who need and want them, thereby ensure profitability the business.

We believe that through comprehensive marketing, we are able to increase our products and bringing the maximum profit for our business. The most important things is to provide better services to the customers so that the customers will be more satisfy and will give more profitable to the business. Therefore, it is essential for the marketing people to identify the need and wants of the customers in order to create the effective way in doing the business.

## **MARKETING OBJECTIVES**

Marketing plan is one of the important parts when we want to run a business.

Without having the good plan, the company or the business cannot run effectively, smoothly and gain profit. In addition, marketing plan and strategies must be effective as well as to bring profit to our business. Indeed it also can achieve our objective.

Our objectives are as follow:

- ▶ To gain maximum profit and sales
- ▶ Planning the business strategies
- ▶ To increase our sales
- ▶ To meet the satisfaction of our customers
- ▶ Provide information of our product by doing the promotion

## **MARKET SEGMENTING**

Marketing segmenting can be defined as the process of defining and subdividing a large homogenous market into clearly identifiable segments having similar needs, wants, or demand characteristics. Market segmentation is the basis for a differentiated market analysis. Market segmentation is necessary as the segmentation includes a lot of market research since there is a lot of market knowledge is required to segment the market in the business.

Not only that, market segmentation is a marketing strategy that involves dividing a broad target market into subsets of consumers who have common needs. Market segmentation strategies may be used to identify the target customers and provide supporting data for positioning to achieve the marketing plan objective. The objective is to design a marketing mix that precisely matches the expectations of customers in the targeted segment.

Dividing the market into these segments helped the business or the company be more specific on market needs, media, pricing patterns and decision criteria in each of their different market segments. The purpose for segmenting a market is to allow our marketing to focus more on of the subset of prospects that are most likely to be purchased by the customers. Segmentation helps you target specific people with specific messages and helps you focus on user needs. In addition, if we know the market segmentations, it will help us to make smart decisions when it comes to providing the products and services to the customers.

When doing businesses, it may develop product differentiation strategies that attributes of the target segmentations. The market segmentations strategies are one of the important things when we want to make market segmentation. The four basic market segmentation-strategies are based on Geographic, Demographic and Psychographic.

When using the geographic we identified the residency, division and the district. Demographic we are identified the age, gender, income, social class and occupation while for psychographic, we are identified the personal taste, status, sensitivity to the price and the loyalty of the products.

The term is also used when consumers with identical product and services need are divided up into group so they can be charged different amounts of services. The people in a given segment are supposed to be similar in term of criteria by which they are segmented and different from others segments in terms of these criteria. The criteria are as followed:

- Gender
- Price
- Age
- Interest

The relevant market is an integral part of the whole market, on which the company focuses its activities. To identify and classify the relevant market, a market classification or segmentation has to be done.

## **MARKETING ANALYSIS**

Market analysis can be defined as a section in a business plan that presents the information about the commercial market in which our business operates. Every business plan should include market analysis. Through all of these analyses the strengths, weaknesses, opportunities and threats of a company can be identified. Based on market research and intended to attract investors, a strong analysis will show why your business is a strong addition to a given market and how it will earn money.

Our analysis should be consists of:

- Who is the target market?
- What are the customer needs?
- Are they any gaps in the market?




Market analysis is one of the first and most important reasons to do a business plan whether we are just starting a new business or reviewing an existing business. The market that we need to look at is our potential market, not the actual market served.

## **TARGET MARKET**

Identifying the target market is an essential step in the development of a marketing plan. The consumers a company wants to sell its products and services to, and to whom it directs its marketing efforts. Target Marketing involves breaking a market into segments and then concentrating your marketing efforts on one or a few key segments. The target market must be identified to accomplish what the customers want and in addition to bring the profit through the services that we give to the customers.

Not only that, target market also is the process of identifying customers and promoting products and service. The characteristics of target market are that it makes the promotion, place, pricing and distribution of your products or services. The target market and marketing mix all the four element in determining the success of a product in the marketplace and once this distinct of customers have been defined, a marketing mix strategy of the product , promotion, place and price can be built by the business as well as to satisfy the target market.



NO	TARGET MARKET	DESCRIPTION
1	<p><b>Universiti Teknologi Mara</b></p> 	<p><b>NAME:</b> Universiti Teknologi Mara (UiTM)</p> <p><b>Address:</b> Universiti Teknologi Mara, Jalan Meranek, 94300 Kota Samarahan</p> <p><b>Target Market:</b> Female Students, Staff and Lecturers.</p>
2	<p><b>Universiti Malaysia Sarawak (UNIMAS)</b></p> 	<p><b>NAME:</b> Universiti Malaysia Sarawak (UNIMAS)</p> <p><b>Address:</b> Universiti Malaysia Sarawak, 94300 Kota Samarahan, Sarawak.</p> <p><b>Target Market:</b> Female Students, Staff and Lecturers.</p>
3	<p><b>Maktab Perguruan Tun Abdul Razak</b></p> 	<p><b>NAME:</b> Maktab Perguruan Tun Abdul Razak</p> <p><b>Address:</b> Jalan Dato Mohd Musa 94300 Kota Samarahan Sarawak</p>
4	<p><b>Residents of Kota Samarahan</b></p>	<p><b>Populations around Kota Samarahan</b></p>

## **MARKET SIZE**

Market size is the number of buyers and sellers in a particular market. The number of individuals in a certain market who are potential buyers and sellers of a product or service. The size of particular market needs to be estimate so that the business can estimate its own market share. Market size also the total potential purchase that is expected from the target market and share and ensure that the marketing work can run smoothly. Subsequently, these estimates are to be used in forecasting sales for the business. The capability of our business is depending on the wide market and amount of customer that interact with us. In order to determine our market size, we must take into consideration the population of our target market within the place where we went to establish our events services. By consideration of our target market, we would know the total estimate purchased out of the disposable income.

### **Population**

Resident of Kota Samarahan = 100,000 people

Student of UiTM, UNIMAS and MAKTAB = 25,000 people

### **Market size**

Price per piece = RM80

➤ 1% resident of Kota Samarahan

= 1% x 100,000 people

= 1,000 people

➤ 1% of student of UiTM, UNIMAS and MAKTAB

= 1% x 25,000 people

= 250 people

**Average spending per person per year on purchasing *jubah***

= (1250 people x RM80) x 12




= RM1,200,000

## COMPETITORS

Competition is the rivalry between the business selling the similar products and services with the goal of achieving revenue, profit, and market share growth.

Although new business likes us was usually face hard time competing with the other experience of *jubah*, in fact, if we have a competitors in business, it is good because it will make us to work harder in producing the quality of our product and to increase the potential of our business. Therefore, before we are operating our business, we need to identify our main competitors to know whom our business is sharing in the market and to develop the appropriate marketing strategies to survive and compete with them in a proper ways.

### 3.7.1 MAIN COMPETITOR'S STRENGTH AND WEAKNESSES

NO	COMPANY NAME	STRENGTH	WEAKNESSES
1	<b>ALMAS</b> 	<ul style="list-style-type: none"> <li>• Well known</li> <li>• Experience in the business</li> <li>• Good services</li> <li>• Have their own customer</li> </ul>	<ul style="list-style-type: none"> <li>• Too expensive</li> </ul>
2	<b>AMIR JAYA</b> 	<ul style="list-style-type: none"> <li>• Experience in business</li> <li>• Reasonable price</li> <li>• Efficient</li> </ul>	<ul style="list-style-type: none"> <li>• The shop is small</li> <li>• Service is not good</li> </ul>
3	<b>VUNFA</b> 	<ul style="list-style-type: none"> <li>• Well known</li> <li>• Good services</li> <li>• Reasonable price</li> </ul>	<ul style="list-style-type: none"> <li>• Far from our target market</li> <li>• Too expensive</li> </ul>

## **MARKET SHARE**

Market share refers to a company's portion of sales within the entire market in which it operates. The percentage of an industry or market's total sales that is earned by a particular business is over a specified time period. Market share is calculated by taking the company's sales over the period and dividing it by the total sales of the industry over the same period. This metric is used to give a general idea of the size of a company to its market and its competitors.

### **3.8.1 MARKET SHARE BEFORE IKASA COLLECTION ENTERING THE MARKET**

<b>NO</b>	<b>COMPETITORS</b>	<b>PERCENTAGE OF MARKET SHARE</b>	<b>ESTIMATED INCOME</b>
<b>1</b>	Almas	40%	RM 480,000
<b>2</b>	Vunfa	35%	RM 420,000
<b>3</b>	Amir Jaya	25%	RM 300,000
	<b>TOTAL</b>	<b>100%</b>	<b>RM 1,200,000</b>

## MARKET SHARE AFTER IKASA COLLECTION ENTERING MARKET

<b>NO</b>	<b>COMPETITORS</b>	<b>PERCENTAGE OF MARKET SHARE</b>	<b>ESTIMATED INCOME (RM)</b>
<b>1</b>	<b>Almas</b>	34%	408,000
<b>2</b>	<b>Vunfa</b>	30%	360,000
<b>3</b>	<b>Amir Jaya</b>	20%	240,000
<b>4</b>	<b>Ikasa Collection</b>	16%	192,000
	<b>TOTAL</b>	<b>100%</b>	<b>1,200,000</b>

## SALES FORECAST

<b>YEAR</b>	<b>MONTH</b>	<b>Quantity of Jubah</b>	<b>Total of Jubah (RM)</b>
<b>2015</b>	January	170	13,600
	February	195	15,600
	March	190	15,200
	April	180	14,400
	May	195	15,600
	June	250	20,000
	July	245	19,600
	August	200	16,000
	September	195	15,600
	October	190	15,200
	November	190	15,200
	December	200	16,000
	<b>Total</b>	<b>2,400</b>	<b>192,000</b>
<b>2016</b>		<b>Increase 5%</b>	<b>201,600</b>
<b>2017</b>		<b>Increase 5%</b>	<b>211,680</b>

### **Sales forecast for 2nd year**

Increase 5% from 1st year

$$= (5\% \times 192,000) + 192,000$$

$$= 9,600 + 192,000$$

$$= \text{RM}201,600$$

### **Sales forecast for 3rd year**

Increase 5% from 2nd year

$$= (5\% \times 201,600) + 201,600$$

$$= 10,080 + 201,600$$

$$= \text{RM}211,680$$

## MARKETING STRATEGIES

A marketing plan explains how we put our strategy into action. A good marketing strategy should be drawn from market research and focus on the right product in order to achieve the maximum profit potential of the business. To achieve this, we will need to create a flexible strategy that can respond to changes in the customer perceptions and demand. It may also help us to identify whole new markets that we can successfully target.

The marketing strategy is the foundation of a marketing plan and it focus on how we will increase our sales by getting and keeping customers. A marketing strategy will help us to put the right mix of marketing approaches in place so that you bring your sales and marketing activities together effectively in an effective marketing plan. The focus of your strategy should be making sure that your products and services meet customer needs and wants. Developing a marketing strategy is vital for any business. Without one, our efforts to attract customers are inefficient. There are four types of marketing strategies and also know as 4P's which are:

### **a. Product and service strategy**

Firstly, we must know the name of our product that will use for our business name. This is to ensure that the customers recognize our business and help encourage customers believes when they known the Ikasa Collection is one of the most popular *jubah* in the market.

Our product which is *jubah* is different with others because all of our *jubah* is the quality *jubah* besides because of our environment is our priority so we are using the paper bag to protect our environment.



**b. Pricing strategy**

Pricing strategy in marketing is the pursuit of identifying the optimum price for a product and the amount of money charged to the customers for a particular purchase. Pricing a product with affordable price is important to attract the customers is very important. There are several strategies which are:

**Competition based on the pricing**

**COMPETITORS**

<b>NAME</b>	<b>PRICE PER PIECE</b>
<b>VUNFA</b>	RM 100
<b>AMIR JAYA</b>	RM 98
<b>ALMAS</b>	RM 102

**IKASA'S COLLECTION**

<b>ITEM</b>	<b>TOTAL COST/ piece</b>
<b>Jubah</b>	RM80

**d. Place and Distribution**

In our business, we have our own shop to the customer where actually they can directly go to our shop. They can easily deal with our business without going through other things.

### **c. Promotion Strategy**

Promotion is the method you use to spread the information about your product or services to attract the target market. In addition, it is to promote our product through certain ways:

#### **i. Advertising**

Advertising is a means of communication with the users of a product or service through the various media. IKASA COLLECTION use the advertising media that are mostly known by the customers for their capability in giving the information. Several major types of advertising media:

##### **► Internet**

We are advertising our product through website <http://www.ikasacollection.com>. Other than using website, we also use social networking such as Facebook and Instagram.

##### **► Outdoor advertisement**

We are using banner, flyers and brochures to advertise our products to the customers. Banners and flyers are to inform our products that are available in our business. The reasons why we are using brochures are because it is cheaper and it is easy for us to distribute it to the target market.

## MANAGING MARKET ACTIVITIES

Ikasa Collection provides direction and monitor marketing activities to ensure that our activities are carried out according to the plan. Managing marketing activities by objective is an excellent way of monitoring the sales performances and to state the staff remuneration and promotion.

We have prepared a schedule to facilitate the controlling and monitoring process on the sales promotion. We put it together in the Gantt chart to assist the plan and monitoring process on the marketing activities.

NO	ACTIVITIES	MONTH											
		1	2	3	4	5	6	7	8	9	10	11	12
1	General briefing for the personnel	■											
2	Advertising and product promotion	■	■										
3	Department coordination		■	■									
4	Briefing for distribution			■									
5	Sales visit				■	■	■	■					
6	Monitoring and Corrective action				■	■	■	■	■	■	■	■	
7	Consolidation												■

## **MARKETING BUDGET**

Marketing budget is to allocate money for marketing activities. The marketing budget summarize all the marketing expenses planned and it useful for financial.

<b>ITEM</b>	<b>FIXED ASSET EXPENSES (RM)</b>	<b>MONTHLY EXPENSES (RM)</b>	<b>OTHER EXPENSES (RM)</b>
Signboard	RM2,000		
Flyers	"		RM50
Banner			RM250
Miscellaneous			RM200
<b>TOTAL</b>	<b>RM2,000</b>		<b>RM500</b>

# OPERATION PLAN

## **INTRODUCTION TO OPERATION PLAN**

In business plan operation is one of the important parts besides administrative and marketing plan in order to set up the business completely. Operation management can be defined as the process of marshaling resources to produce output through the transformation process. The operations process comprises three main components in example business input transformation system and output.

Business input refers to all resource required to produce a particular output, Examples of input are manpower, raw materials, machines and equipment , technology, information and capital. The transformation system refers to the activities involved in transforming input into output. Among others, the processing system involves planning of raw materials, designing of operational process, planning of floor layout and disturbing of manpower in the organization. Output refers to the end product created as the result of the transformation process. Business output can be categorized into either products or services. As input is transformed into output, it requires added value, whereby the value of the output higher than the total input value.

Operational manager handles the activities in the Ikasa Collection. It is crucial to make sure that this business able to produce services according to specification, quality and time specified by customer. It also involves planning, researching and controlling the quality of our services to be the best in the market. We are focusing on providing good resources order to satisfy the needs and wants of customers. Ikasa Collection main aim is to get customer and suppliers. We are hoping that we can minimize and dissatisfaction or disagreement among the customers

Therefore operation of services should be systematic and efficient due in order to produce a better services that promised by Ikasa Collection towards supplier and customers. A well planned operation enables us to understand customers and their needs, understand our own strengths and weaknesses and other. In addition, this can lead to the efficient and successfulness of the business.

## **OBJECTIVES**

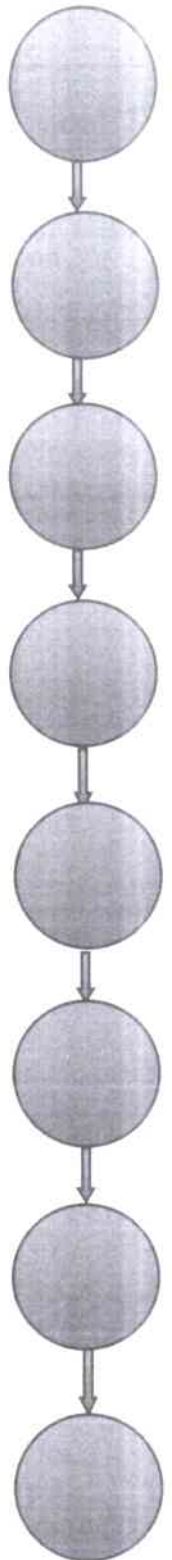
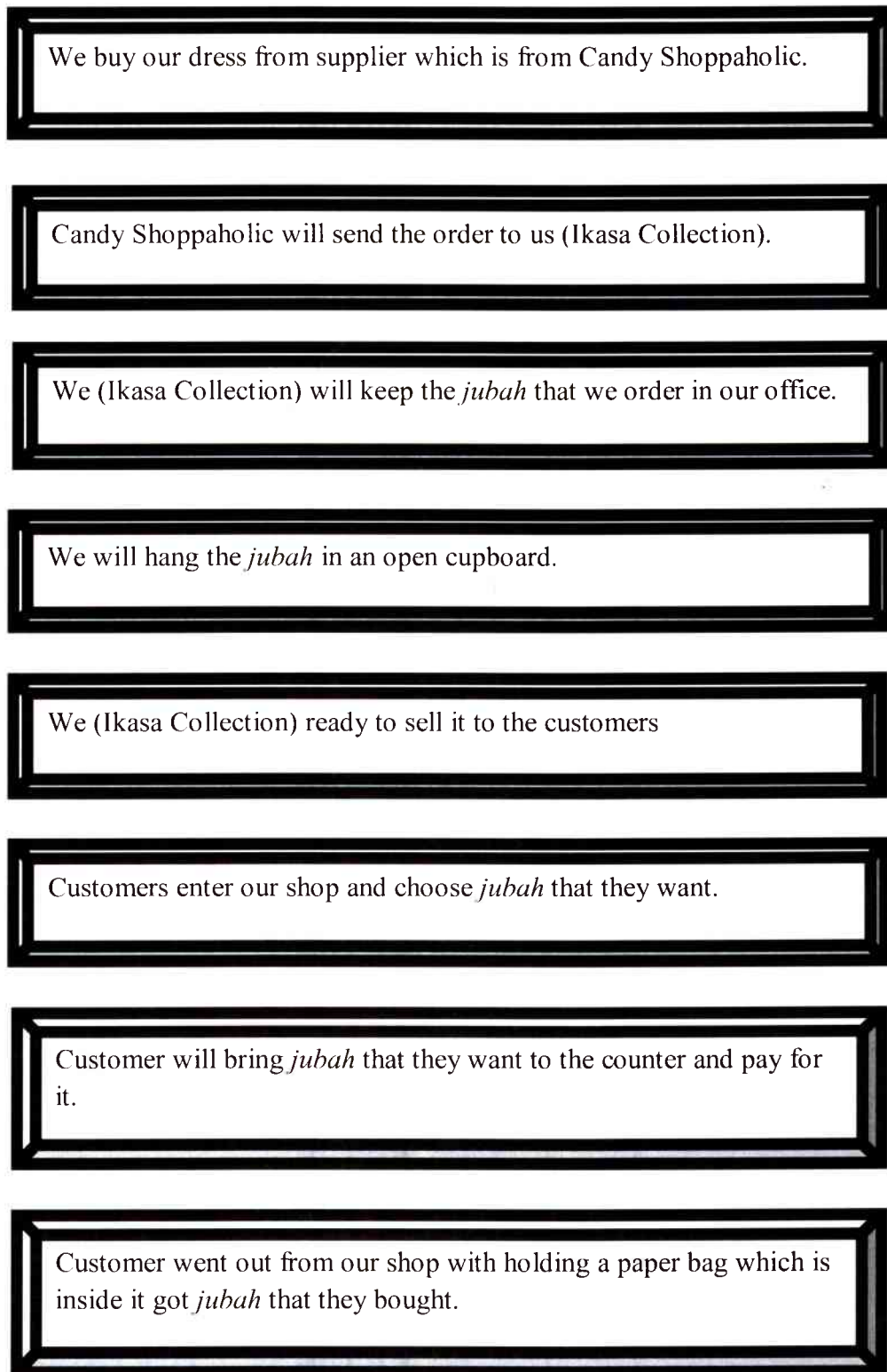
In order to have an effective flow of work and to achieve the goals, there are several objectives set up on our operation plan. Below are the objectives in the operation plan for Ikasa Collection

- ❖ To ensures all workers wear a suitable cloth while working.
- ❖ To motivate the workers so that the quality of services ca be improve from time to time.
- ❖ Too empowers workers to provide excellent clients or customer's service.
- ❖ To determine if there is any problems occur during the operation hours.
- ❖ To ensure whether the stock of the products are sufficient to run a business.

From here we can conclude that from the objective that we have already established, we are hoping that we are able to achieve a great quality of our shop services and or product quality. The other purpose of having this objective is also to maintain our business productivity as we are competing with our competitor to serve better services to our customers.



## IKASA COLLECTION FLOW CHART



**OPERATION HOUR**

Days	Operation Hours		
	Time		
	Morning	Break	Afternoon
Monday & Public Holidays	Closed		
Tuesday	9:45a.m - 1:00 p.m.	1:00 p.m. - 1:45 p.m.	1:45p.m. - 9:15 p.m.
Wednesday			
Thursday			
Friday			
Saturday	9:45 a.m. - 1:15 p.m.		
Sunday			

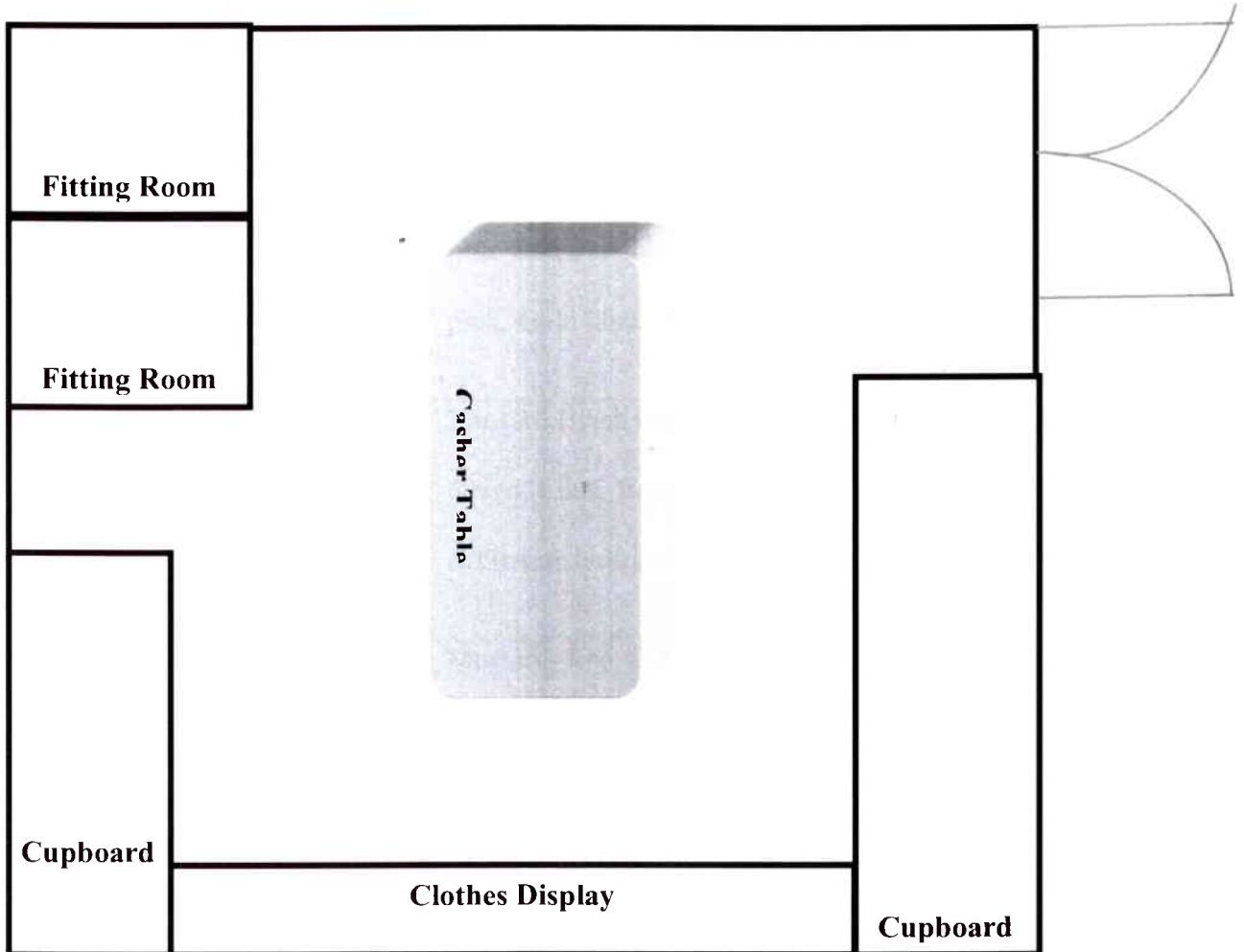
Note:

Based on Ikasa Collection working schedule, we have decided to have working shift in between our operation hours. It is divided into two shifts which are on the morning session and the afternoon session. We will constantly update workers for their shift or any changes depend on the progress of the business itself. Workers will still have their chances to work in both shift whether on the morning or on the afternoon.

**BUSINESS HOUR**

Days	Operation Hours		
	Time		
	Morning	Break	Afternoon
Monday & Public Holidays	Closed		
Tuesday	10:00a.m - 1:00 p.m.	1:00 p.m. - 2:00 p.m.	2:00p.m - 9:00 p.m.
Wednesday			
Thursday			
Friday			
Saturday	9:00 a.m. - 1:00 p.m.		
Sunday			

**OPERATION LAYOUT PLAN**





**IKASA COLLECTION JUBAH WITH MATERIALS AND COLORS**

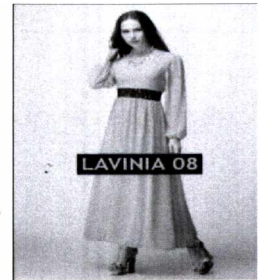
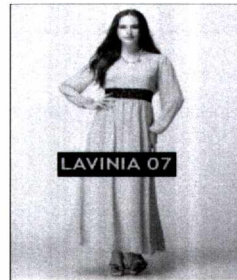
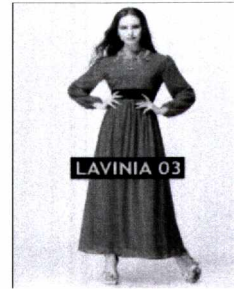
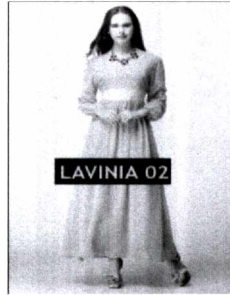
<b>Dress</b>	<b>Color</b>	<b>Type of material</b>
Flower Dress	Pink, Green turquoise &Purple	High Quality Chiffon Full Lining
Lavinia Lace Waisted Chiffon Jubah	Maroon, Tiffany blue with pink lace, Fuschia, Nune pink, Gold khaki, Mustard	Pearl Chiffon With Full Silk Inner Lining
Alyssa Lace Rubber Sleeve Jubah	Mustard, Black bamboo Green, Lilac, Berry purple & Greenish turquoise	Lace & Chiffon with Full Silk Inner Lining
Damia Denim Lace Jubah	Mustard, Red, Grayish blue	Denim & Lace
Valentina Paisley Print Jubah with Belt	Pink, Purple & Green	Quality Chiffon with Full Silk Inner Lining
Mandarin Collar Waisted Jubah	Light pink, Purple and Black	Pearl Chiffon with Full Silk Inner Lining
Iris paisley print Jubah	Blue, Maroon, Yellow	Quality Chiffon with Full Silk Inner Lining

Pauline Paisley Printed A Kine Chiffon Jubah	Pink, Yellow, Green, Orange, Turquoise	Quality Chiffon with Full Silk Inner Lining
Yuna Jubah A-Shape with belt	Valentine, Nune pink, Pink, Lilac, Blue	Pearl Chiffon with Full Silk Inner Lining
Jenny Maxi Dress-free belt	Navy blue, Pink, Dark Purple,Maroon,Yellow	Chiffon with Full Inner Lining
Viola Pearly Neck Chiffon Jubah	Dark green, Grayish navy	Pearl Chiffon with Full Silk Inner Lining

**EXAMPLES OF IKASA COLLECTION'S JUBAH**

NAME	EXAMPLES OF JUBAH
<p><b>Flower <i>Jubah</i></b></p>	
<p><b>Lavinia Lace Waisted Chiffon <i>Jubah</i></b></p>	





**Alyssa Lace Rubber Sleeve Jubah**

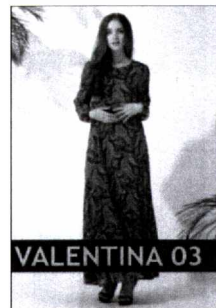




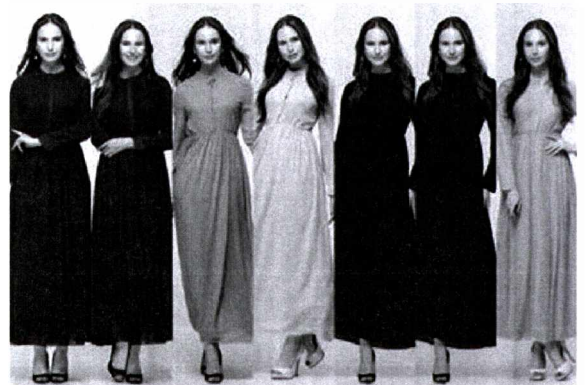
**Damia Denim Lace *Jubah***



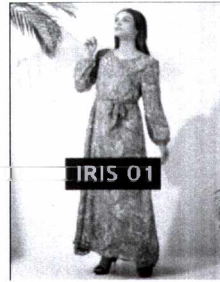
**Valentina Paisley Print *Jubah* with  
Belt**



**Mandarin Collar Waisted *Jubah***



**Iris Paisley Print Jubah**

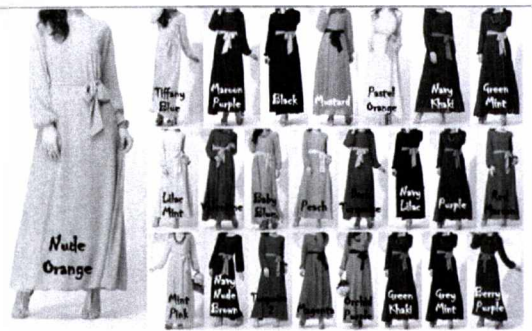


**Pauline Paisley Printed A Kine Chiffon**

*Jubah*



**Aryana Jubah A-Shape with Belt**



**Jenny Maxi Dress-free Belt**



**Viola Pearly Neck Chiffon Jubah**



## IKASA COLLECTION PURCHASE

MONTH	QUANTITY	PRICE (RM)
January	200	8,000
February	160	6,400
March	180	7,200
April	150	6,000
May	200	8,000
June	310	12,400
July	300	12,000
August	200	8,000
September	190	7,600
October	180	7,200
November	170	6,800
December	160	6,400
<b>TOTAL</b>	<b>2,400</b>	<b>96,000</b>

Second year (5% increased)

$$= (5\% \times \text{RM}96,000) + \text{RM}96,000$$

$$= \text{RM}100,800$$

Third year (5% increased)

$$= (5\% \times \text{RM}100,800) + \text{RM}100,800$$

$$= \text{RM}105,840$$

**FURNITURE AND FITTING**

<b>ITEM</b>	<b>QUANTITY</b>	<b>TOTAL (RM)</b>
Hanger		300
Plastic doll (3)	3	500
Mirror (2)	2	500
Display Racks hanger	4	3400

## MACHINE AND EQUIPMENT REQUIREMENT

ITEM	QUANTITY	PRICE PER UNIT	TOTAL COST
Cash Register	1	400	400
Steam Iron	1	530	530
Air-conditioner	1	830	830
Counter Chair	2	70	140
<b>TOTAL</b>			<b>1,900</b>

## OPERATION BUDGET

<b>ITEM</b>	<b>CAPITAL EXPENDITURE (RM)</b>	<b>OTHER EXPENSES (RM)</b>
<b>FIXED ASSET</b>		
Operation machines and Equipment	1,900	
Van	10,500	
<b>OTHER EXPENSES</b>		
Insurance & Road tax		900
<b>TOTAL</b>	<b>12,400</b>	<b>900</b>

# ADMINISTRATIVE PLAN



## **INTRODUCTION TO ADMINISTRATION PLAN**

A business needs a productive and proactive management which can run the organization runs effectively and efficiently. A good business management is where everyone should contribute well and being responsible and being able to carry out a good output of their working performance. Specifically, the shareholders must be able to identify the potential and abilities possessed by the company which can actually boost the morale of working within the organization. In addition, participant of the other personnel is also important as to accomplish the mission and vision of the business, maximize the profit and improve the reputation of the company.

Several aspects need to be considered. To reach the business's goals, the shareholders are liable to formulate company's policy and procedure to ensure the attainment of business mission, vision and objectives. The position and responsibility had been given to all shareholders according to educational background, skills and abilities in order to ensure the business runs smoothly.

As to manage the organization, we will try to create a comfortable and friendly atmosphere for all those who are working together in the organization as well as to ensure a high satisfaction among the entire valuable, our business will put all efforts, towards the advancements for our business.

## **ADMINISTRATION STRATEGIES**

Every business that been set up has its own goals and target to strive. In order to achieve for the goals, we have our own strategies that some of it commonly used by most business. The strategies are:

☺ Administration Department

- To ensure all the business operations in office are followed the procedure and to manage the office workers and administration problems.

☺ Marketing Department

- To ensure that product are fully advertise in the market and promote our best services by giving a reasonable price.

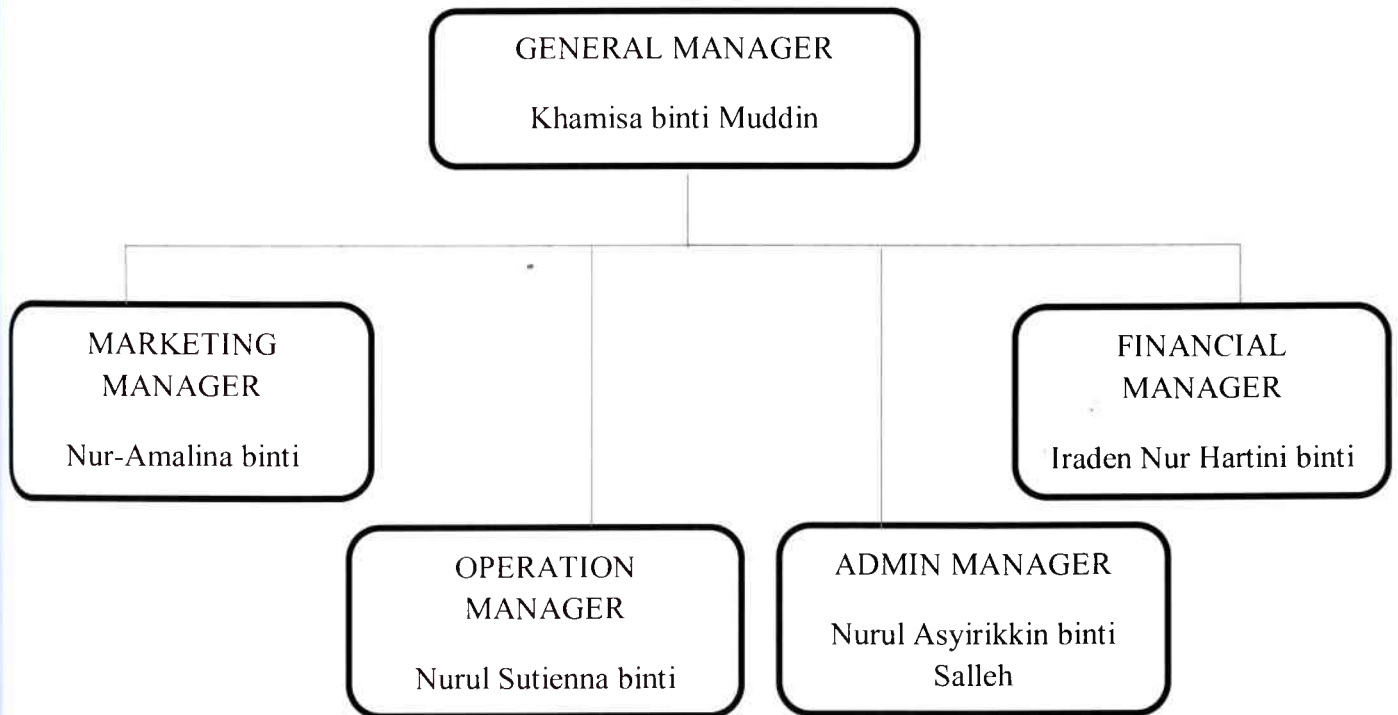
☺ Operating Department

- To ensure that all machines and equipment's are run smoothly and also to maintain operation of all machines are produce effectively.

☺ Financial Department

- To maintain the expenses that spend per month is not over budget and ensure all the expenses are being recorded and up to date.

## ORGANIZATION STRUCTURE



## MANPOWER PLANNING

Position	No. of workers	Position
General Manager	1	Shareholder
Marketing Manager	1	Shareholder
Operation Manager*	1	Shareholder
Admin Manager	1	Shareholder
Financial Manager	1	Shareholder

## JOB DESCRIPTIONS

Position	Job Description
General Manager	<ul style="list-style-type: none"> <li>- Act as director in all departments and any situation that required him to do so.</li> <li>- To make sure all his workers and managers follow the business's policies.</li> <li>- To plan, organize, lead and take control of overall operation of the organization.</li> <li>- To make sure the marketing operation, admin, financial department are aligned with business's goal</li> </ul>
Marketing Manager	<ul style="list-style-type: none"> <li>- Handle with all the marketing matters such as promotion, sales, discount and other marketing matters such as promotion, sales, discount, and other marketing strategies.</li> <li>- Make sure the percentage of sales increase from time to time and sufficient to cover all the organization operating expenses.</li> <li>- Make sure the target market of the organization is suitable with the business provided.</li> <li>- Make sure sales of each month reach the forecasted.</li> <li>- Examine the market strategies from time to time in order to maintain or increase to organization's profit.</li> <li>- To find suitable competitors and find the weaknesses and advantages of them and compare it with our business provided.</li> </ul>

<p>Operation Manager</p>	<ul style="list-style-type: none"> <li>- Ensure the operation flows work smoothly.</li> <li>- To create the process chart workflow for a systematic operation.</li> <li>- To find all the equipment required by the business and deals with the suppliers and manages the material workflows.</li> <li>- Controls the operation progress and manages the investors in order to achieve maximum flows of operation.</li> <li>- Setting up and design the business place in order to meet the maximum quality standard.</li> </ul>
<p>Administrative Manager</p>	<ul style="list-style-type: none"> <li>- Make sure all organization's manager and workers are working to the schedule stated.</li> <li>- Make sure the working condition of the workplace is fully equipped and safe.</li> <li>- Managing all the office matters and make sure management system are working well.</li> <li>- To make sure all the workers and managers follow the Job Description stated.</li> </ul>
<p>Financial Manager</p>	<ul style="list-style-type: none"> <li>- Responsible for all of the financial matter.</li> <li>- Prepare cash budget and financial position for the organization.</li> <li>- Updating the sales and profit gained by this business.</li> <li>- Manage all the cash inflows and outflow of the business control the expenditure of the company to prevent from losses.</li> </ul>

## **LABOR INCENTIVES**

Labor incentives are provided for all worker or employee in business. It is to make the employees felt appreciated and secure by working in a particular business. It is also known as reward system for the undying efforts to employees in the organization and also will motivate them performs well in their job effectively and efficiently.

These are the incentives given to the employees of Ikasa's Collection:

### **1. Salary**

Salary will be given to the employee based on qualification, experience, and position they hold. The work performances also need to be considered. Usually salary will be debited into their bank account on the 30<sup>th</sup> day of every month.

### **2. Employee Provident Fund**

Our organization will contribute 13% to the employees. This will be given to the permanent staff only.

### **3. SOCSO**

SOCSO contribution is determined by using the first category from the Payment SOCSO Table.

### **4. Bonus**

Bonuses will be given to the employees twice a year and the amount is based on the profit gained by the company throughout the year.

### **5. Working hours**

All employees and staffs are required to work according to the schedule arranged. All shift workers must follow their respective shift. Any shift changes will be notified through notices or letters.

### **6. Sick Leave and Medical Expenses**

Certificate to approve sickness must be obtained from registered medical practitioners. If the employee is hospitalized that individual will be entitled to sixty (60) days of sick leave and they are on paid leave. Medical expenses will also be borne by the company up to 90%.

### **7. Holiday and Leave**

In the view of the nature of this business, operates from 8:00 a.m. until 10:00 p.m. for Monday to Friday, whereas on Saturday, we are working for half day. Therefore, in Sunday we are close as this day is an off day. All workers will be given a holiday scheme of which they are qualified to take holiday not more than 21 days a year.

**8. Insurance**

Insurance are given to all workers and staffs, all premises or buildings bought or rented as well as transportation. This is to secure the properties and so well as our business's workers and staffs from all risks.

**9. Allowances**

All workers who work overtime will be paid allowance according to the hours of overtime.



### REMUNERATION FOR ADMINISTRATIVE STAFF

<b>Position</b>	<b>No. of Workers</b>	<b>Monthly salary (RM)</b>	<b>EPF (13%) (RM)</b>	<b>SOCSSO (2%) (RM)</b>	<b>Total Amount</b>
General Manager	1	1,000	130	20	1,150
Marketing Manager	1	800	104	16	920
Operation Manager	1	800	104	16	920
Administrative Manager	1	800	104	16	920
Financial Manager	1	800	104	16	920
<b>Total</b>	<b>5</b>	<b>4,200</b>	<b>546</b>	<b>84</b>	<b>4830</b>

### LIST OF OFFICE EQUIPMENT

<b>Items</b>	<b>Price per unit (RM)</b>	<b>Quantity</b>	<b>Total (RM)</b>	<b>Supplier</b>
Computers	RM1,200	2	RM2,400	PC IMAGE, 2 <sup>nd</sup> Floor, Summer Mall, Kota Samarahan
Printer all in one	RM500	1	RM500	
<b>Total</b>			<b>RM2,900</b>	

**OTHER MISCELLANEOUS**

<b>Items</b>	<b>Price per unit (RM)</b>	<b>Quantity</b>	<b>Total (RM)</b>	<b>Supplier</b>
Mini dustbin	RM10.0 0	2	RM20.0 0	Super Save, Summer Mall, Kota Samarahan
White board	RM40.0 0	1	RM40.0 0	
Broom	RM5.00	2	RM10.0 0	
Dustbin	RM10.0 0	2	RM20.0 0	
Mop	RM5.00	2	RM10.0 0	
<b>Total</b>			<b>RM 100</b>	

### LIST OF FURNITURE & FITTINGS

Items	Price per unit (RM)	Quantity	Total	Suppliers
Office tables – L shape	400	2	800	Evergrow Furniture Centre, Desa Ilmu, Kota Samarahan.
Manager's chairs	200	4	800	
Small wooden table	175	2	350	
Wall divider	80	1	80	
Counter chair	70	2	140	
Air conditioner	830	1	830	Panasonic Palm Road, Kuching
<b>Total</b>			<b>3,000</b>	

### MONTHLY EXPENSES

Items	Price per unit (RM)	Total (RM)
Salaries	4,200	4,200
Rental (shop)	1,500	1,500
Stremyx 2mbps	130	130
Utilities	500	500
<b>Total</b>	<b>6,330</b>	<b>6,330</b>

### **LIST OF ADMINISTRATION EXPENSES**

<b>Items</b>	<b>Costs (RM)</b>
Business Registration	60
Rent shop (deposit)	3,000
Utilities (deposit)	500
<b>Total</b>	<b>3,560</b>

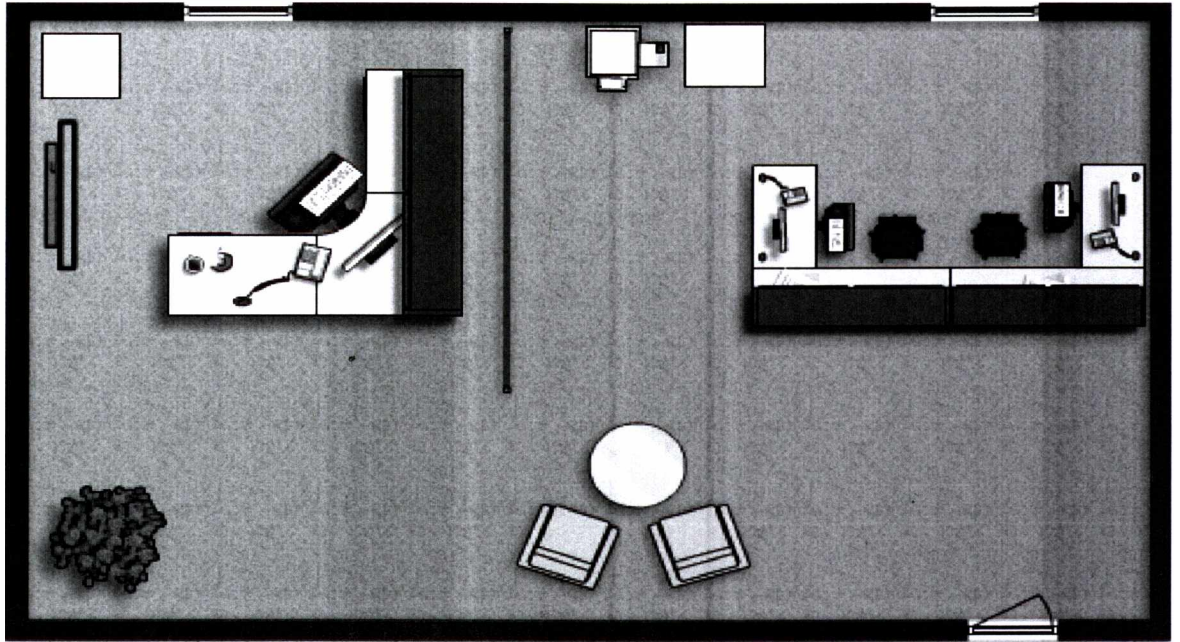
### **LIST OF RENOVATION EXPENSES**

<b>Items</b>	<b>Costs (RM)</b>
Floor Covering (tile and carpeting)	900
Lighting	700
Color Paint	300
<b>Total</b>	<b>1,900</b>

**ADMINISTRATION BUDGET (YEAR 1)**

<b>Items</b>	<b>Fixed Asset (RM)</b>	<b>Monthly Expenses (RM)</b>	<b>Other Expenses (RM)</b>
Capital Expenditure			
Office Equipment	2,900		
Furniture & Fittings	3,000		
Renovations	1,900		
Working Capital:			
Salaries (EPF+ SOCSO)		4,830	
Rent (Shop)		1,500	
Utilities		500	
Pre-Operation:			
Business Registered			60
Rent shop (deposit)			3,000
Utilities (deposit)			500
Other Miscellaneous			100
<b>Total</b>	<b>7,800</b>	<b>6,830</b>	<b>3,660</b>

OFFICE LAYOUT



**PHOTO OF OFFICE/SHOP**





# FINANCIAL PLAN



## **INTRODUCTION TO FINANCIAL PLAN**

The most main part in all types of business is the financial plan. Without the financial planning, it is very hard for the entrepreneurs to forecast and plan their business wisely which might cause them stumble in running their job.

Financial plan enables the company to visualize the short term and long term of financial requirement in running a new business. Besides that, it is also shows how the requirement to be financed (Using internal/external sources). Financial plan also includes projection of the financial statement such as cash flow, profit and loss, balance sheet, and some financial analysis in order to determine the viability of the proposed business.

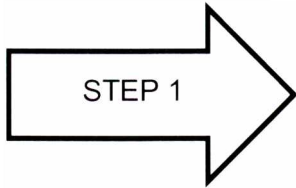
Financial plan is prepare to ensure good financial position in business. Good financial position will assure the stabilization of our business. The purposes of preparing the financial plan are:

- To certify the stabilization of the business.
- To recognize the position of our business cash flow.
- To know the profit and loss of the company starting from the operation.
- To ensure the utilization of the raw materials.
- To verify the amount of money to be invested the project.
- To ensure that the initial capital is satisfactory.
- As a guideline for project implementation

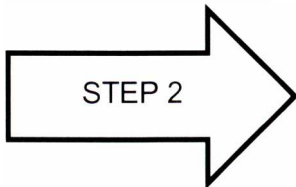
### **Financial Plan Strategies**

- Make an observation of the possible customer and opportunities in current market. They can also flow – in cash, increase and improve the financial position.
- Control the cost incurred in marketing, operating and administration as to below the restaurant budget.
- Discussion about financial position need to often conduct between the manager and staffs

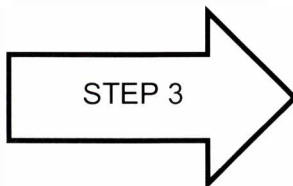
## Financial Plan Step



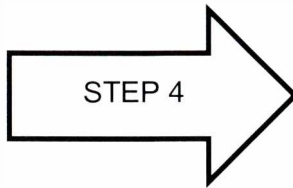
Gather all Financial Input



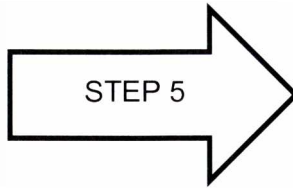
Prepare the Project Implementation Cost



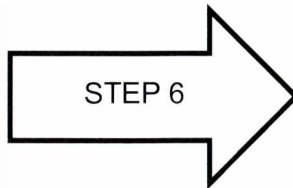
Prepare the Sources of Finance Schedule



Prepare the Pro Forma Cash Flow Statements



Prepare the Pro Forma Income Statement



Prepare Pro Forma Balance Sheet

**PROJECTION IMPLEMENTATION COST SCHEDULE**

IKASA COLLECTION							
PROJECT IMPLEMENTATION COST & SOURCES OF FINANCE							
Project Implementation Cost			Sources of Finance				
Requirements			Cost	Loan	Hire-Purchase	Own Contribution	
Fixed Assets						Cash	Existing F. Assets
Land & Building							
Office Equipment			3,000			3,000	
Furniture & Fitting			3,000			3,000	
Renovations			1,900	1,900			
Signboard			2,000			2,000	
Operation Machines and Equipment			1,900	1,900			
Van			10,500			10,500	
<b>Working Capital</b>	1	months					
Administrative			6,830	6,830			
Marketing							
Operations			8,000			8,000	
<b>Pre-Operations &amp; Other Expenditure</b>			4,960	4,960			
<b>Contingencies</b>	10%		4,209	4,209			
<b>TOTAL</b>			<b>46,299</b>	<b>19,799</b>		<b>26,500</b>	

## PRO FORMA CASH FLOW

IIKASA COLLECTION																
PRO FORMA CASH FLOW STATEMENT																
MONTH	Pre- Operations	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL YR 1	YEAR 2	YEAR 3
<b>CASH INFLOW</b>																
Capital Cash)	26,500													26,500		
Loan	19,799													19,799		
Cash Sales		13,600	15,600	15,200	14,400	15,600	20,000	19,600	16,000	15,600	15,200	15,200	16,000	192,000	201,600	211,680
Collection of Accounts Receivable																
<b>TOTAL CASH INFLOW</b>	<b>46,299</b>	<b>13,600</b>	<b>15,600</b>	<b>15,200</b>	<b>14,400</b>	<b>15,600</b>	<b>20,000</b>	<b>19,600</b>	<b>16,000</b>	<b>15,600</b>	<b>15,200</b>	<b>15,200</b>	<b>16,000</b>	<b>238,299</b>	<b>201,600</b>	<b>211,680</b>
<b>CASH OUTFLOW</b>																
Administrative Expenditure																
Salaries (EPF+SOCSSO)		4,830	4,830	4,830	4,830	4,830	4,830	4,830	4,830	4,830	4,830	4,830	4,830	57,960	60,858	63,901
Rent (Shop)		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000	18,900	19,845
Utilities		500	500	500	500	500	500	500	500	500	500	500	500	6,000	6,300	6,615
Marketing Expenditure																
Operations Expenditure																
Cash Purchase		8,000	6,400	7,200	6,000	8,000	12,400	12,000	8,000	7,600	7,200	6,800	6,400	96,000	100,800	105,840
Payment of Accounts Payable																
Carriage Inward & Duty																
Salaries, EPF & SOCSSO																
Other Expenditure																

Pre-Operations																	
Deposit rent, utilities, (tc.)																	
Business Registration & Licences	60													60			
Insurance & Road Tax for Motor Vehicle																	
Other Pre-Operations Expenditure	4,900													4,900			
Fixed Assets																	
Purchase of Fixed Assets - Land & Building																	
Purchase of Fixed Assets - Others	22,300													22,300			
Hire-Purchase - Down Payment																	
Hire-Purchase - Repayment:																	
Principal																	
Interest																	
Loan Repayment:																	
Principal		330	330	330	330	330	330	330	330	330	330	330	330	3,960	3,960	3,960	
Interest		82	82	82	82	82	82	82	82	82	82	82	82	990	792	594	
Tax Payable													0	0	0	0	
TOTAL CASH OUTFLOW	27,260	15,242	13,642	14,442	13,242	15,242	19,642	19,242	15,242	14,842	14,442	14,042	13,642	210,170	191,610	200,755	
CASH SURPLUS (DEFICIT)	19,039	(1,642)	1,958	758	1,158	358	358	358	758	758	758	1,158	2,358	28,129	9,990	10,925	
BEGINNING CASH BALANCE		19,039	17,397	19,354	20,112	21,269	21,627	21,984	22,342	23,099	23,857	24,614	25,772		28,129	38,119	
ENDING CASH BALANCE	19,039	17,397	19,354	20,112	21,269	21,627	21,984	22,342	23,099	23,857	24,614	25,772	28,129	28,129	38,119	49,045	

### Sources Of Finance Schedule

<b>Position</b>	<b>Contribution (RM)</b>
General Manager (28%)	7,420
Operating Manager (18%)	4,770
Marketing Manager (18%)	4,770
Administration Manager (18%)	4,770
Financial Manager (18%)	4,770
<b>TOTAL</b>	<b>26,500</b>

## Loan Amortization Schedule

LOAN REPAYMENT SCHEDULE				
<b>Amount</b>		<b>19,799</b>		
<b>Interest Rate</b>		<b>5%</b>		
<b>Duration (yrs)</b>		<b>5</b>		
<b>Method</b>		<b>Baki Tahunan</b>		
<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Payment</b>	<b>Principal Balance</b>
	-	-		19,799
<b>1</b>	3,960	990	4,950	15,839
<b>2</b>	3,960	792	4,752	11,879
<b>3</b>	3,960	594	4,554	7,920
<b>4</b>	3,960	396	4,356	3,960
<b>5</b>	3,960	198	4,158	-
<b>6</b>	0	0	-	-
<b>7</b>	0	0	-	-
<b>8</b>	0	0	-	-
<b>9</b>	0	0	-	-
<b>10</b>	0	0	-	

## Depreciation Schedule

<b>Fixed Asset</b>		<b>Office Equipment</b>	
<b>Cost (RM)</b>		<b>3,000</b>	
<b>Method</b>		<b>Straight Line</b>	
<b>Economic Life (yrs)</b>		<b>5</b>	
	<i>Annual</i>	<i>Accumulated</i>	
<b>Year</b>	<i>Depreciation</i>	<i>Depreciation</i>	<i>Book Value</i>
	-	-	3,000
<b>1</b>	600	600	2,400
<b>2</b>	600	1,200	1,800
<b>3</b>	600	1,800	1,200
<b>4</b>	600	2,400	600
<b>5</b>	600	3,000	-
<b>6</b>	0	0	-
<b>7</b>	0	0	-
<b>8</b>	0	0	-
<b>9</b>	0	0	-
<b>10</b>	0	0	-



<b>Fixed Asset</b>		<b>Furniture &amp; Fitting</b>	
<b>Cost (RM)</b>		<b>3,000</b>	
<b>Method</b>		<b>Straight Line</b>	
<b>Economic Life (yrs)</b>		<b>5</b>	
	<i>Annual</i>	<i>Accumulated</i>	
<b>Year</b>	<i>Depreciation</i>	<i>Depreciation</i>	<i>Book Value</i>
	-	-	3,000
<b>1</b>	600	600	2,400
<b>2</b>	600	1,200	1,800
<b>3</b>	600	1,800	1,200
<b>4</b>	600	2,400	600
<b>5</b>	600	3,000	-
<b>6</b>	0	0	-
<b>7</b>	0	0	-
<b>8</b>	0	0	-
<b>9</b>	0	0	-
<b>10</b>	0	0	-

<b>Fixed Asset</b>		<b>Renovations</b>	
<b>Cost (RM)</b>		<b>1,900</b>	
<b>Method</b>		<b>Straight Line</b>	
<b>Economic Life (yrs)</b>		<b>5</b>	
	<i>Annual</i>	<i>Accumulated</i>	
<b>Year</b>	<i>Depreciation</i>	<i>Depreciation</i>	<i>Book Value</i>
	-	-	1,900
<b>1</b>	380	380	1,520
<b>2</b>	380	760	1,140
<b>3</b>	380	1,140	760
<b>4</b>	380	1,520	380
<b>5</b>	380	1,900	-
<b>6</b>	0	0	-
<b>7</b>	0	0	-
<b>8</b>	0	0	-
<b>9</b>	0	0	-
<b>10</b>	0	0	-

<b>Fixed Asset</b>		<b>Signboard</b>	
<b>Cost (RM)</b>		<b>2,000</b>	
<b>Method</b>		<b>Straight Line</b>	
<b>Economic Life (yrs)</b>		<b>5</b>	
	<i>Annual</i>	<i>Accumulated</i>	
<b>Year</b>	<i>Depreciation</i>	<i>Depreciation</i>	<i>Book Value</i>
	-	-	2,000
<b>1</b>	400	400	1,600
<b>2</b>	400	800	1,200
<b>3</b>	400	1,200	800
<b>4</b>	400	1,600	400
<b>5</b>	400	2,000	-
<b>6</b>	0	0	-
<b>7</b>	0	0	-
<b>8</b>	0	0	-
<b>9</b>	0	0	-
<b>10</b>	0	0	-

## Pro Forma Income Statement

<b>IKASA COLLECTION</b>				
<b>PRO-FORMA INCOME STATEMENT</b>				
		<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b>Sales</b>		<b>192,000</b>	<b>201,600</b>	<b>211,680</b>
<b>Less: Cost of Sales</b>				
Opening stock				
Purchases		96,000	100,800	105,840
Less: Ending Stock				
Carriage Inward & Duty				
		96,000	100,800	105,840
<b>Gross Profit</b>		<b>96,000</b>	<b>100,800</b>	<b>105,840</b>
<b>Less: Expenditure</b>				
Administrative Expenditure		81,960	86,058	90,361
Marketing Expenditure				
Other Expenditure				
Business Registration & Licenses		60		
Insurance & Road Tax for Motor Vehicle				
Other Pre-Operations Expenditure		4,900		
Interest on Hire-Purchase				
Interest on Loan		990	792	594
Depreciation of Fixed Assets		4,460	4,460	4,460
Operations Expenditure				
<b>Total Expenditure</b>		<b>92,370</b>	<b>91,310</b>	<b>95,415</b>
<b>Net Profit Before Tax</b>		<b>3,630</b>	<b>9,490</b>	<b>10,425</b>
<b>Tax</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Profit After Tax</b>		<b>3,630</b>	<b>9,490</b>	<b>10,425</b>
<b>Accumulated Net Profit</b>		<b>3,630</b>	<b>13,120</b>	<b>23,545</b>

## Pro Forma Balance Sheet

IKASA COLLECTION					
PRO-FORMA BALANCE SHEET					
			Year 1	Year 2	Year 3
<b>ASSETS</b>					
<b>Non-Current Assets (Book Value)</b>					
Land & Building					
Office Equipment			2,400	1,800	1,200
Furniture & Fitting			2,400	1,800	1,200
Renovations			1,520	1,140	760
Signboard			1,600	1,200	800
Operation Machines and Equipment			1,520	1,140	760
Van			8,400	6,300	4,200
<b>Other Assets</b>					
Deposit					
			17,840	13,380	8,920
<b>Current Assets</b>					
Stock of Raw Materials			0	0	0
Stock of Finished Goods					
Accounts Receivable					
Cash Balance			28,129	38,119	49,045
			28,129	38,119	49,045
<b>TOTAL ASSETS</b>			<b>45,969</b>	<b>51,499</b>	<b>57,965</b>
<b>Owners' Equity</b>					
Capital			26,500	26,500	26,500
Accumulated Profit			3,630	13,120	23,545
			30,130	39,620	50,045
<b>Long-Term Liabilities</b>					
Loan Balance			15,839	11,879	7,920
Hire-Purchase Balance					
			15,839	11,879	7,920
<b>Current Liabilities</b>					
Accounts Payable					
<b>TOTAL EQUITY &amp; LIABILITIES</b>			<b>45,969</b>	<b>51,499</b>	<b>57,965</b>

## **FINANCIAL RATIO ANALYSIS**

Financial ratios are normally used to compare figures from the financial statement with other figures, so that the true meaning of financial pictures can be obtained.

Ratio can be compute by two ways, which are dividing the specific item to another item in the statement. For example, to compute the current asset whether with the current liability, profit and sales or the cost goods sold with sales and dividing the item form a statement. For example, profit divided with asset equity.

<b>IKASA COLLECTION</b>			
<b>FINANCIAL RATIO ANALYSIS</b>			
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b><u>LIQUIDITY</u></b>			
Current Ratio	-	-	-
Quick Ratio (Acid Test)	-	-	-
<b><u>EFFICIENCY</u></b>			
Inventory Turnover	-	-	-
<b><u>PROFITABILITY</u></b>			
Gross Profit Margin	50.00%	50.00%	50.00%
Net Profit Margin	1.89%	4.71%	4.92%
Return on Assets	7.90%	18.43%	17.99%
Return on Equity	12.05%	23.95%	20.83%
<b><u>SOLVENCY</u></b>			
Debt to Equity	52.57%	29.98%	15.82%
Debt to Assets	34.46%	23.07%	13.66%
Time Interest Earned	3	11	17

## **LIQUIDITY RATIO**

As for liquidity ratio, it refers to availability of liquid asset to meet the short-term obligation. Thus, liquidity ratio measures the ability of the business to pay its monthly. The most widely used liquidity ratios are current ratio and quick ratio. Current ratio and quick ratio can be determined by:

$$\text{Current Ratio} = \frac{\text{total current assets}}{\text{total current liabilities}}$$

$$\text{Quick Ratio} = \frac{\text{current assets} - \text{stocks}}{\text{current liabilities}}$$

## **EFFICIENCY RATIO**

The efficiency ratios measure how efficient the business uses its assets to generate sales. The most widely used efficiency ratio for planning purposes is inventory turnover ratio.

$$\text{Stock turnover} = \frac{\text{cost of goods sold}}{\text{average stocks}}$$

$$\text{Receivables (debtors) turnover} = \frac{\text{credits sales}}{\text{debtors}}$$

$$\text{Average collected period} = \frac{\text{trade debtors} \times 365 \text{ days}}{\text{credits sales}}$$

## **PROFITABILITY RATIO**

Computation of the ratio analysis that is select by our business is gross profit margin, net profit margin, return on assets and return on equity. The purpose of profit margin is to show the rate return that our business received after all expenditure deducted. The higher percentage of rate returns shows the good financial position of business. The formula to compute gross profit margin are stated as follow:

$$\text{Gross profit margin} = \frac{\text{gross profit}}{\text{sales}}$$

$$\text{Net profit margin} = \frac{\text{net profit}}{\text{sales}}$$

$$\text{Return on investment} = \frac{\text{net profit}}{\text{total assets}}$$

$$\text{Return on equity} = \frac{\text{net profit}}{\text{equity}}$$

## **SOLVENCY RATIO**

This final category of ratios is designed to help the entrepreneur measure the degree of financial risk that his business faced. By referring to this ration, the entrepreneur can assess his level of debt and decide whether it is appropriate for the business. The most commonly used solvency ratios are total debt to equity, total debts to total assets, and times interest earned.

$$\text{Debt to equity} = \frac{\text{long term liabilities}}{\text{owners' equity}}$$

$$\text{Debt to total assets} = \frac{\text{total debt}}{\text{total assets}}$$

$$\text{Times interest earned} = \frac{\text{profit before interest and taxes}}{\text{interest expense}}$$



## Graph

