



# UNIVERSITI TEKNOLOGI MARA

## SARAWAK

DIPLOMA IN OFFICE MANAGEMENT AND TECHNOLOGY (BM118)

SEMESTER JUNE – OCTOBER 2014

**FUNDAMENTALS OF ENTREPRENEURSHIP  
(ENT300)**

**GROUP:**

BM1185D

**PREPARED FOR:**

ABANG SULAIMAN BIN ABANG NAIM

**PREPARED BY:**

MOHAMAD ZULFADLY BIN BOLHASSAN	(2012875654)
MUHD HANAFI BIN RUSLAN ABDUL GHANI	(2012685446)
ABG MOHD SYAWAL BIN ABANG ABDUL HAMID	(2012621958)
ARIKASYLA JOSIM	(2012820112)
JOSHUA KEBING JOSEPH	(2012697788)
NADIRAH BINTI ADHA	(2012442412)

## SUBMISSION LETTER

ENT300 Students,  
Diploma in Office Management and Technology,  
MARA University of Technology,  
Samarahan Campus 2,  
Jalan Meranek,  
94300 Kota Samarahan,  
Sarawak

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Mr Abang Sulaiman bin Abang Naim  
ENT300 Lecturer,  
MARA University of Technology,  
Samarahan Campus 2,  
Jalan Meranek,  
94300 Kota Samarahan,  
Sarawak

Dear Sir,

### Submission of Business Plan

As a representative of our business, Street Glow Customs, I would like to submit our business plan for our evaluation and further action. We are grateful for the motivation and support guidance given which has indeed paved us the way and anchored us towards our aims and goal when preparing and finally completing this business plan on time and as scheduled.

For all six of us, ENT300 (Fundamentals to Entrepreneurship) has given us a clear picture on the fundamentals and basics of starting a business. Along the way, we gathered many ideas, which we personally felt, would have done much use and benefit to us if it is ever became a reality. We highly compute that it is not all that easy to become an order to overcome all forms of obstacles and risks, all of which we have learnt as well we attempted this business plan.

Your guidance and cooperation have taken us far by allowing this business plan to become a reality. It is insufficient to express our words of gratitude for all the knowledge that you have passed on to us as well as your continuous effort in assisting us as much as you can in completing this business plan. Thank you.

Yours faithfully,

  
(MOHAMAD ZULFADLY BIN BOLHASSAN)  
General Manager

Pejabat Am  
Bahagian Hal Ehwal Akademik

Surat Kami : 100-UITMKS (HEA. 30/7)  
Tarikh : 14 Julai 2014

**KEPADA SESIAPA YANG BERKENAAN**

Tuan/Puan

**PENGESAHAN PELAJAR**

<u>BIL.</u>	<u>NO. PELAJAR</u>	<u>NAMA PELAJAR</u>
1.	2012875654	MOHAMAD ZULFADLY BIN BOLHASSAN
2.	2012685446	MUHAMMAD HANAFI BIN RUSLAN ABDUL GHANI
3.	2012621958	ABG MOHD SYAWAL BIN ABANG ABDUL HAMID
4.	2012442412	NADIRAH BINTI ADHA
5.	2012820112	ARIKASHYLA JOSIM ANAK PETER JOSIM
6.	2012697788	JOSHUA KEBING JOSEPH

Sukacita sekiranya pihak tuan/puan dapat membantu dan memberi kerjasama kepada pelajar di atas dari Program **Diploma Pengurusan Dan Teknologi Pejabat** untuk membuat satu kertas projek bagi kursus **ENT 300 (FUNDAMENTALS OF ENTREPRENEURSHIP)**

Maklumat-maklumat daripada jabatan/agensi/syarikat tuan/puan amatlah diperlukan bagi melengkapkan kertas projek tersebut. Semua maklumat yang tuan/puan berikan adalah untuk tujuan akademik sahaja.

Sila hubungi Penyelia Projek, **Encik Abang Sulaiman Bin Abang Naim** di talian **(082-677200)** sekiranya pihak tuan/puan ingin mendapatkan maklumat lanjut berkaitan perkara di atas.

Kerjasama daripada pihak tuan/puan kami dahului dengan ucapan ribuan terima kasih.

**"BERSATU BERUSAHA BERBAKTI"**

Sekian.

Yang benar



**BAIZURA BINTI IBRAHIM**  
Pegawai Eksekutif  
bp Rektor

## AGREEMENT OF BUSINESS

The agreement letter has been made on the 1<sup>st</sup> September 2014 between six (6) partners of the company and below is the list of partners and the agreed terms:

Partners of Street Glow Customs have agreed to all terms and conditions that have been discussed and all the terms and conditions of the company are stated as below:

1. The partners agree to carry on a business of vehicle body painting as partnership under the name Street Glow Customs. No person may be introduced as a partner and no other business may be carried on by the partnership without the permission of all the partners.
2. All partners agree to be responsible for each amount of the profit of the organization made and received and to be divided equally between the partners.
3. Each partners shall have equal right to manage and control the partnership and its business.
4. The profit and losses of the partnership shall be divided by the partners according to the number of actions taken by each partners.
5. Each partner should take part in the management of the partnership business.
6. Any difference arising in the business shall be decided by the partners.
7. Every partners knows the risk and agreed that liabilities for the business of our own properties.
8. Documents such as profit and loss statement, balance sheet and other confidential documents shall not be revealed to others.
9. The partnership is dissolved on the death or insolvency of any of the partners or on any of the partners becoming on a mental incompetent so found by the court of law. If there is the heir of the partner interested to continue the business, he or she must obtain the approval from existing member.

Yours faithfully



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Mohamad Zulfadly bin Bolhassan  
General Manager



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Abg Mohd Syawal bin Abang Abdul Hamid  
Administrative Manager



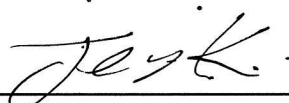
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Muhd Hanafi bin Ruslan Abdul Ghani  
Marketing Manager



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Arikashyla Josim  
Marketing Manager



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Joshua Kebin Joseph  
Operational Manager



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Nadirah binti Adha  
Financial Manager



**STREET GLOW CUSTOMS**

## **MISSION**

Our mission is to ensure that that the business will become the best car wash services as we provides the first class and high quality washing and detailing services for various types of vehicles.

## **VISION**

Our visions are to give a high quality of behaviour, attitude, fairness and understanding between the management, staffs, suppliers and our customers.

We are also determined to maintain customer service at the peak level and the highest satisfactory.

## **OBJECTIVES**

The objectives of Street Glow Customs are:

Offer the best quality of car wash service to our customers. This goal can be succeeded by giving a least time of car washing, better cleaning interior service, and with reasonable charges. Indirectly, this car wash system can save time and the money that our customers spend are worth the service provided.

- Treats customers as one of the business shareholders.
- Treats employees as an important asset for the business.
- Establish close relationship with suppliers as part of the business expansion.
- To be viewed as better and first-class car wash services in Kuching, Sarawak.

# **INTRODUCTION**

## ACKNOWLEDGEMENT

First of all, we would like to praise the Lord for His blessing to us. We would like to thank Mr. Abang Sulaiman bin Abang Naim, our Fundamentals of Entrepreneurship (ENT300) lecturer for his committed guidance and motivation as well as encouragement assisting in completing this project within the given. Besides, he gave us a massive support towards this business plan in order for us to do it perfectly.

We would also like to appreciate to those who involve direct and indirectly in our business plan. We would like to thank our group members for being supporting, helpful and give each other a great cooperation throughout the period of doing this business plan.

Lastly, we would like to express our gratitude to our beloved family for their amazing support and motivation towards us to complete this business plan.

## INTRODUCTION OF BUSINESS BACKGROUND

As we know today, people who lives in the city area will have their own career and responsibilities to perform their daily tasks. Most people will not have time to get rid of the dirt and dusts on their vehicles by themselves because of a busy daily routine.

Based on this reason, we can see that there is a big opportunity and potential for us to set up a car wash service which will be able to help with our high quality services that can also save their time. We have decided to establish our business plan and provide car washing services at Matang Jaya, Kuching. Observation has been conducted and we found out that this area have a big market and a very high demand.

We believe that our business can fulfil the customer needs but it depends on our strategies in marketing aspects. Before we decide to open up our business we also consider the risk and unpredictable and circumstances such as economy downturn, demand of usage as well as competitors.

On the financial aspect, we are preparing very well in order to face unpredictable situations. In addition, Matang Jaya, Kuching is a strategic place for us to achieve our business goal and objectives.

LOCATION



LOCATION MAP



# **ADMINISTRATIVE PLAN**

## **INTRODUCTION TO ADMINISTRATION PLAN**

An administrator is one of the important position in a company where setting up a business that concerns with the resources of administration that can help to achieve organizational goals. The vision and mission of the company is set up by the administration department. The administrator also ensures that every resource is given to the every department equally based on their needs. Administration department will manage the salaries of the staff in the business.

## **ADMINISTRATION VISION**

To provides best car wash services to our customer.

## **ADMINISTRATION MISSION**

To ensure the satisfaction of customer need and to gain more profit from customer.

## **ADMINISTRATIVE OBJECTIVES**

- Fulfill satisfaction of customer need.
- Improve performance in all service provide.
- Build health competitive among competitors.

## **LABOUR INCENTIVES**

### **SALARY**

- Staff will be given minimum salaries that is set up by the government
- Salary payment will be paid on the 28<sup>th</sup> day of every month

### **EMPLOYEES PROVIDENT FUND (EPF)**

- Every partners and workers have to registered as the EPF member
- 13% if the employee salary will be deducted from the employer of the business
- 11% of the employee salary will be deducted from the employee salary

### **SOCIAL SECURITY ORGANIZATION (SOCSO)**

- Every partners and workers are registered as SOCSO member
- The contribution of business employer is 2% to each staff of the business

### **ANNUAL LEAVE**

- Provision for twenty five days on annual leave for partners and workers of continuous services.
- All partners and workers must have approval from managers before take annual leave

### **SICK LEAVE**

- The sick leave will be given consideration with health condition of the employees

### **BONUS**

- Bonus will be given once a year or probably twice a year to the employee according to the profit of the company gain in every year

**Staff Working Hours**

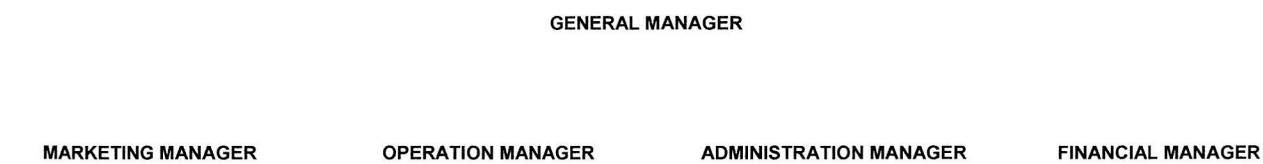
Day	Working Hour
Monday to Sunday	9:00 a.m. – 9:00 p.m.
Sunday	10:00 a.m. – 3:00 p.m.

## SCHEDULE OF TASKS AND RESPONSIBILITIES

POSITION	RESPONSIBILITIES
General Manager	<ul style="list-style-type: none"><li>➤ To manage the whole activity of the company as to achieve goals of the business</li><li>➤ To target short term and long term planning of the business</li><li>➤ To plan and monitor strategic progress of the business</li><li>➤ To be accountable for the overall performance of the business</li></ul>
Marketing Manager	<ul style="list-style-type: none"><li>➤ To analyze market demand and supply to fit the market</li><li>➤ To identify competitor skills and to manage the business the market</li><li>➤ To seek more information of the strength as well the weaknesses of the competitors</li><li>➤ To prepare business forecast</li></ul>
Operating Manager	<ul style="list-style-type: none"><li>➤ To ensure the operation roles in the business runs effectively and efficiently</li><li>➤ To ensure the service given operate accordingly to the customer expectation and needs</li><li>➤ Enable to deal with supplier of the business and have a good relation with them</li><li>➤ The operating manager able to analyze the workers job performance and avoid idle in operation</li></ul>

Administration Manager	<ul style="list-style-type: none"> <li>➤ Responsible to administration roles in the business</li> <li>➤ Able to communicate with proper manner to the customer</li> <li>➤ To select, recruit the experienced and qualified worker to fit vacancies</li> <li>➤ Responsible to set up payroll, compensation, hiring and training function</li> </ul>
Financial Manager	<ul style="list-style-type: none"> <li>➤ Responsible to calculate the expenses and profit of the business</li> <li>➤ To prepare the financial data of the organization</li> <li>➤ To keep every records that involved in the business</li> <li>➤ To forecast the organization of the expenses and profit</li> </ul>

**AN ORGANIZATIONAL STRUCTURE BASED ON FUNCTIONS**



**POSITION AND NUMBER OF STAFF**

<b>POSITION</b>	<b>NUMBER OF STAFF</b>
<b>GENERAL MANAGER</b>	1
<b>MARKETING MANAGER</b>	2
<b>OPERATION MANAGER</b>	1
<b>ADMINISTRATON MANAGER</b>	1
<b>FINANCE MANAGER</b>	1
<b>TOTAL</b>	6

REMUNERATION OF STAFF

POSITION	NO.	MONTHLY SALARY (RM)	EPF CONTRIBUTION (13%) (RM)	SOC SO CONTRIBUTION (2%)	AMOUNT (RM)
GENERAL MANAGER	1	1100	143	22	1265.00
MARKETING MANAGER	2	900	117	18	1035.00
		900	117	18	1035.00
OPERATION MANAGER	1	900	117	18	1035.00
ADMININSTARION MANAGER	1	900	117	18	1035.00
FINANCIAL MANAGER	1	900	117	18	1035.00
TOTAL	6	5600.00	728.00	112.00	6440.00

**LIST OF FURNITURE, FITTINGS AND EQUIPMENT**

**OFFICE FURNITURE**

ITEM	QUANTITY	PRICE PER UNIT (RM)	TOTAL COST (RM)
OFFICE TABLE	1	300.00	300.00
GENERAL MANAGER CHAIR	1	150.00	150.00
CEILING FAN	1	135.00	135.00
FILING CABINET	1	194.00	194.00
SOFA	1 SET	240.00	240.00
		TOTAL	1019.00

**OFFICE EQUIPMENT**

ITEM	QUANTITY	PRICE PER UNIT (RM)	TOTAL COST (RM)
FIRE EXTINGUISHER	1	110.00	110.00
PRINTER	1	149.00	149.00
FIRST AID KIT	1	62.00	62.00
CEILING FAN	1	250.00	250.00
CEILING LAMP	1	17.00	17.00
		TOTAL	588.00

**OTHER EXPENSES**

ITEM	QUANTITY	PRICE PER UNIT (RM)	TOTAL COST (RM)
TELEPHONE	1	50.00	50.00
WALL CLOCK	1	12.00	12.00
DUSTBIN	1	10.00	10.00
BROOM	2	6.00	12.00
MOP	2	6.00	12.00
FAX	1	200.00	200.00
T		TOTAL	296.00

**STATIONARY**

ITEM	QUANTITY	PRICE PER UNIT (RM)	TOTAL COST (RM)
A4 PAPER	1	12.90	12.90
PEN	2 PACKET	4.00	8.00
FILE	2	3.50	7.00
STAPLER	1	2.50	2.50
STAPLE	2 BOXES	1.00	2.00
INK PRINTER	3	20.00	60.00
RECEIPT BOOK	2	10.00	20.00
INVOICE BOOK	2	8.00	16.00
ERASER	1 BOXES	4.00	4.00
PUNCHER	2	4.00	8.00
SCISSOR	2	2.00	4.00
GLUE	2	1.50	3.00
PAPER CLIP	1 BOXES	3.00	3.00
CALCULATOR	1	19.00	19.00
		TOTAL	169.40

**SUPPLIERS**

ITEMS	ADDRESS
FURNITURE	No. 30, Ground Floor. Jalan Rock, 93200 Kuching Sarawak
PRINTER	Lot 1355, 1 <sup>st</sup> Floor, Tabuan Jaya Commercial Centre, Kuching Sarawak, 933050
STATIONARIES	Lot 34, Ground Floor Wisma Anza, Jalan Haji Taha, Kuching Sarawak, 93400
FIRST AID KIT	No 18, Jalan DBP, Dolomite Business Park, 68100 Batu Caves, Selangor
FIRE EXTINGUISHER	Lot 9, Jalan SS5A/11, 47301 Petaling Jaya, Selangor Darul Ehsan

**ADMINISTRATION BUDGET**

	<b>FIXED ASSETS EXPENSES (RM)</b>	<b>MONTHLY EXPESES (RM)</b>	<b>OTHER EXPENSES</b>
OFFICE FURNITURE	1019.00		
OFFICE EQUIPMENT	588.00		
OTHER EXPENSES			296.00
STATIONARY			169.40
SALARIES		5600.00	
EPF (13%)		728.00	
SOSCO (2%)		112.00	
BUSINESS REGISTRATION			50.00
BUSINESS LICENSE			25.00
RENTAL		1000	
UTILITIES			
ELECTRICITY		100.00	
WATER		200.00	
TELEPHONE		50.00	
<b>TOTAL</b>	<b>1607.00</b>	<b>7790.00</b>	<b>540.00</b>

**ADMINISTRATION BUDGET:**

**FIXED ASSET + MONTHLY EXPENSES + OTHER EXPENSES**

**=RM1607.00+ RM7790.00+ RM540.00**

**=RM 9937.00**

# **OPERATION PLAN**

Apart from administration and marketing plans, entrepreneurs should also plan their operations activities to ensure that business will meet customer's expectations, which include production parameters such as quality, quantity and time.

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, i.e. business input, transformation system and output.

Business input refers to all resources 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 process system involves planning of raw materials, designing of operational process, planning of floor layout and distributing of manpower in the organization.

Output refers to end product created as the result of transformation process. Business output can be categorized into either products or services. As input is transformed into output, it acquires added value, whereby the value of the output is higher than the total input value.

## **OPERATION OBJECTIVES**

In a business world, objectives are very important because it is major guideline for our business project. In order to make the business successful, we should establish our own strategy. In addition, it is also to make sure that all the assumption for forecast can be achieved in successful manner. We have determined our business objectives as stated below:

1. To make sure that the customers satisfy with our service and to fulfill the expectation towards the ability to run business.
2. To ensure that the operation of the business can run effectively and efficiently.
3. To make sure that the operation of the business can provide profit to us.
4. To enable all the process such as documentation runs smoothly and accurately.

LOCATION



**OPERATION HOURS**

**Business Hours:**

Day	Business Hour
Monday to Friday	10:00 a.m. – 5:00 p.m.
Weekend	9:00 a.m. – 6:00 p.m.

**Staff Working Hour**

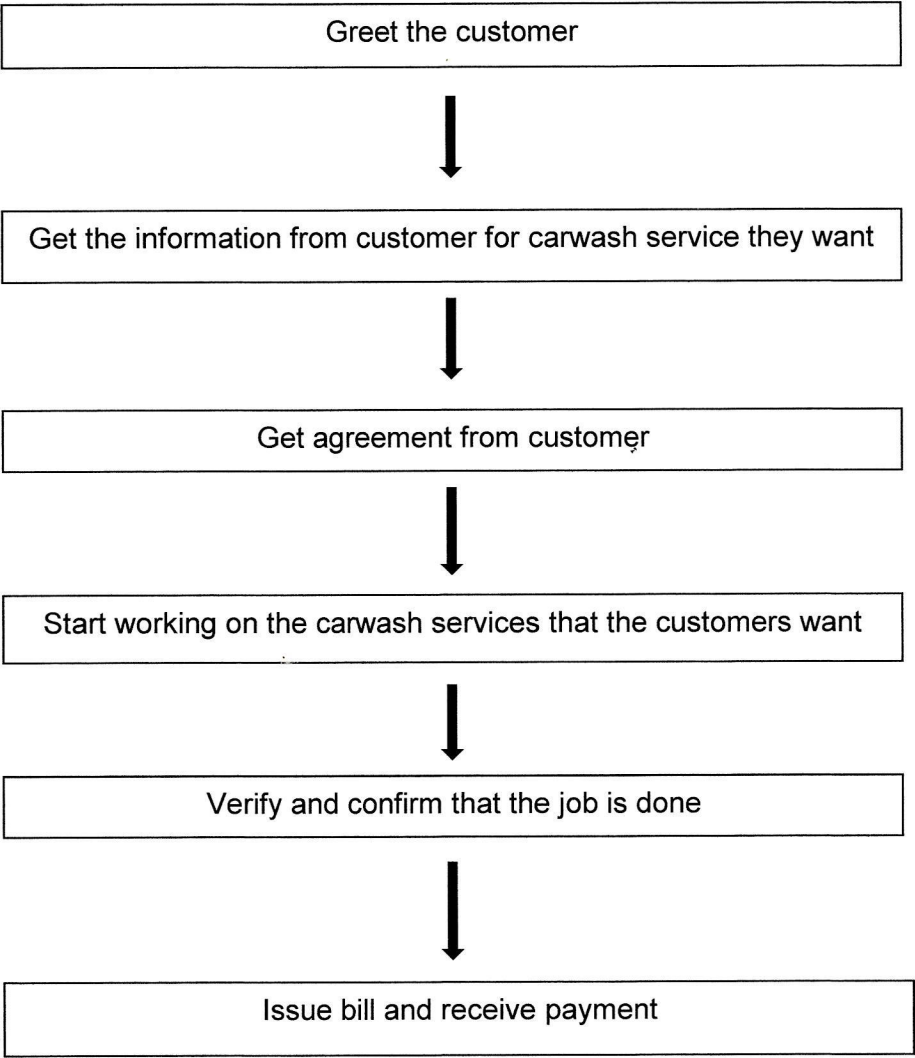
Day	Working Hour
Monday to Friday	9:00 a.m. – 6:00 p.m.
Weekend	8:00 a.m. – 7:00 p.m.

On Monday to Friday, we run our business for 8 hours. We open our shop at 10:00 a.m. and will close at 5:00 p.m. for Monday to Friday. We will close during lunch time from 12:00 noon – 1:00 p.m. within 8 hours of working. On weekend, we open our shop at 9:00 a.m. and will close at 6:00 p.m. We will open during public holiday. We only close on during Hari Raya Aidilfitri, Hari Raya Aidiladha and Hari Gawai Dayak.

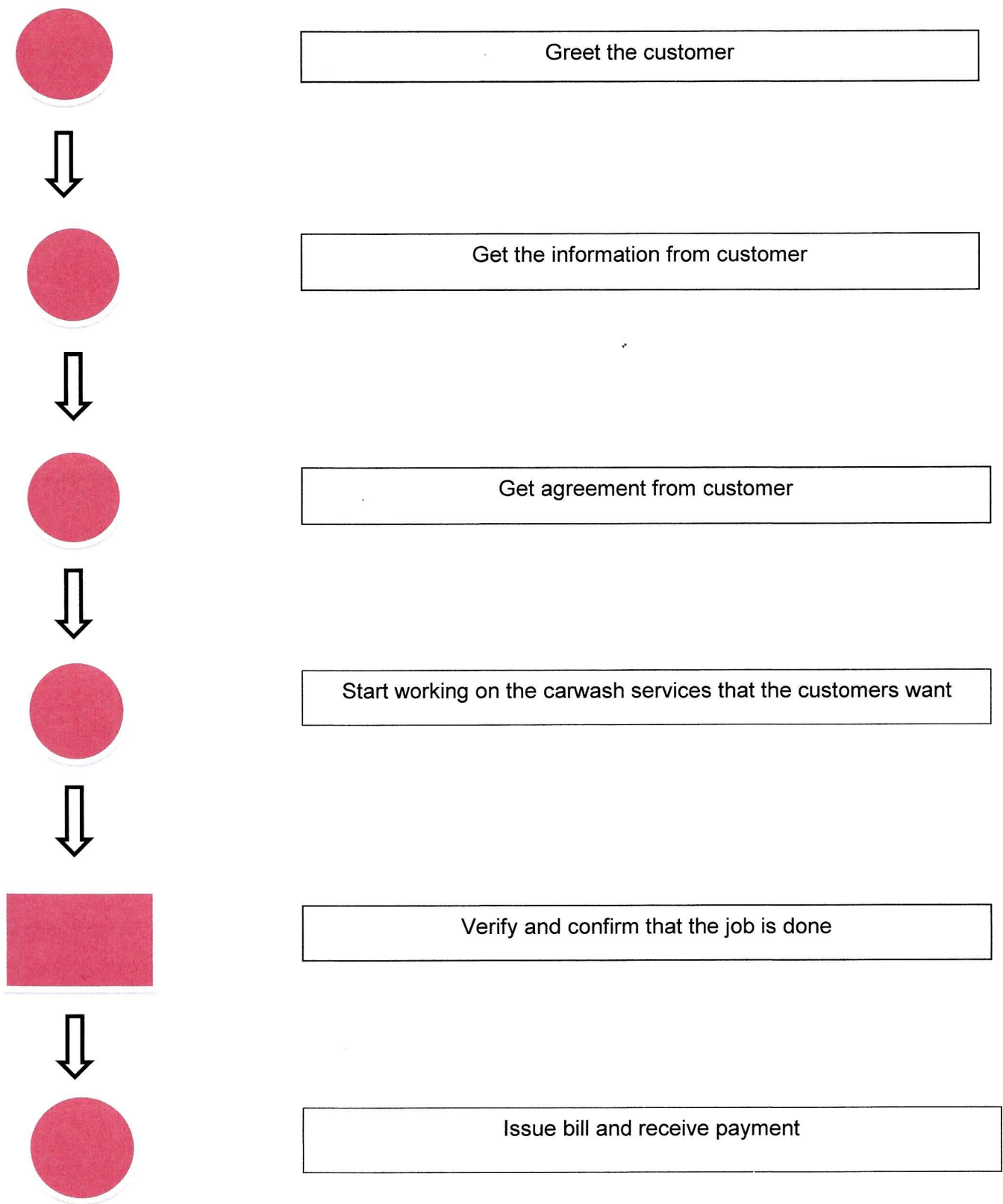
We have discussed among ourselves and agreed that the operation hours are according to the current demand by our target market. This is to make sure our customers are satisfied with our services. All workers should come early to the shop that is 1 hour before they started to work. This is to ensure that our business can run the operation smoothly every day.

If there are any enquires from our customers they can contact us via office telephone.

ACTIVITY CHART



PROCESS FLOW CHART FOR



## **SERVICE PLANNING**

Our service plan always starts with greeting the customer that goes and walk in to the shop. They will feel comfortable and appreciated when we greet them nicely. Everyone interested to go to a shop where the customer service has a friendly manner.

After they have entered the shop, one of the employees at the counter will ask them about the services that they want. The employee will briefly explain about what services that we provide such as snow wash or vacuum.

Next, after explaining to them is to get an agreement from the client on the final decision for what service they want. We will inform them whenever the car is already done to them.

When everything is done, we will issue a bill and receive the payment from the customer.

REMUNERATION OF GENERAL WORKERS

POSITION	NO	MONTHLY SALARY (RM)	EPF CONTRIBUTIO N (13%) (RM)	SOCSSO CONTRIBUTIO N (2%)	AMOUNT (RM)
GENERAL WORKER	1	600	78	12	690.00
GENERAL WORKER	1	600	78	12	690.00
GENERAL WORKER	1	600	78	12	690.00
TOTAL	3	1800.00	234.00	36	2070.00

**1. Price**

Price is the amount of the charged to the customers for the particular purchases. Price is important because it may attract people or customer to use our service. The pricing of the service will depend on the service quality. As our business at Matang Jaya, we offer are lower or more less the same with the same time with the competitor's price. We use cost-profit pricing on our service:

Types of vehicle	Price
City cars / Subcompact cars / Small family cars / Compact cars	RM10
Sedans / Saloons / Mid-size family cars	RM12
4x4s / SUVs / Vans / RVs	RM15

**Memberships**

Membership is one of our extra ways to attract people or customers to use our service. If the customer want to be our member they just need to pay RM10 for register and their will get membership card with expired for one year. After one year their can renew it back with just RM10.

### **EQUIPMENT PLANNING**

Item	Quantity Require	Price Per Unit (RM)	Total Cost (RM)
Cashier	1	500.00	500.00
Ceiling fan	1	130.00	130.00
Stand fan	2	49.00	98.00
Audio Speaker	1	120.00	120.00
Television 20"	1	300.00	300.00
News Stand	1	80.00	80.00
		Total	1228.00

### **FURNITURE PLANNING**

Item	Quantity Require	Price Per Unit (RM)	Total Cost (RM)
Counter table	1	150.00	150.00
Plastic Chair	4	12.00	48.00
		Total	198.00

### **MACHINERY PLANNING**

Item	Quantity Require	Price Per Unit (RM)	Total Cost (RM)
Blaster water gun	2	150.00	300.00
Vacuum	1	230.00	230.00
Water Tank	1	250.00	250.00
		Total	780.00

### **RAW MATERIAL PLANNING**

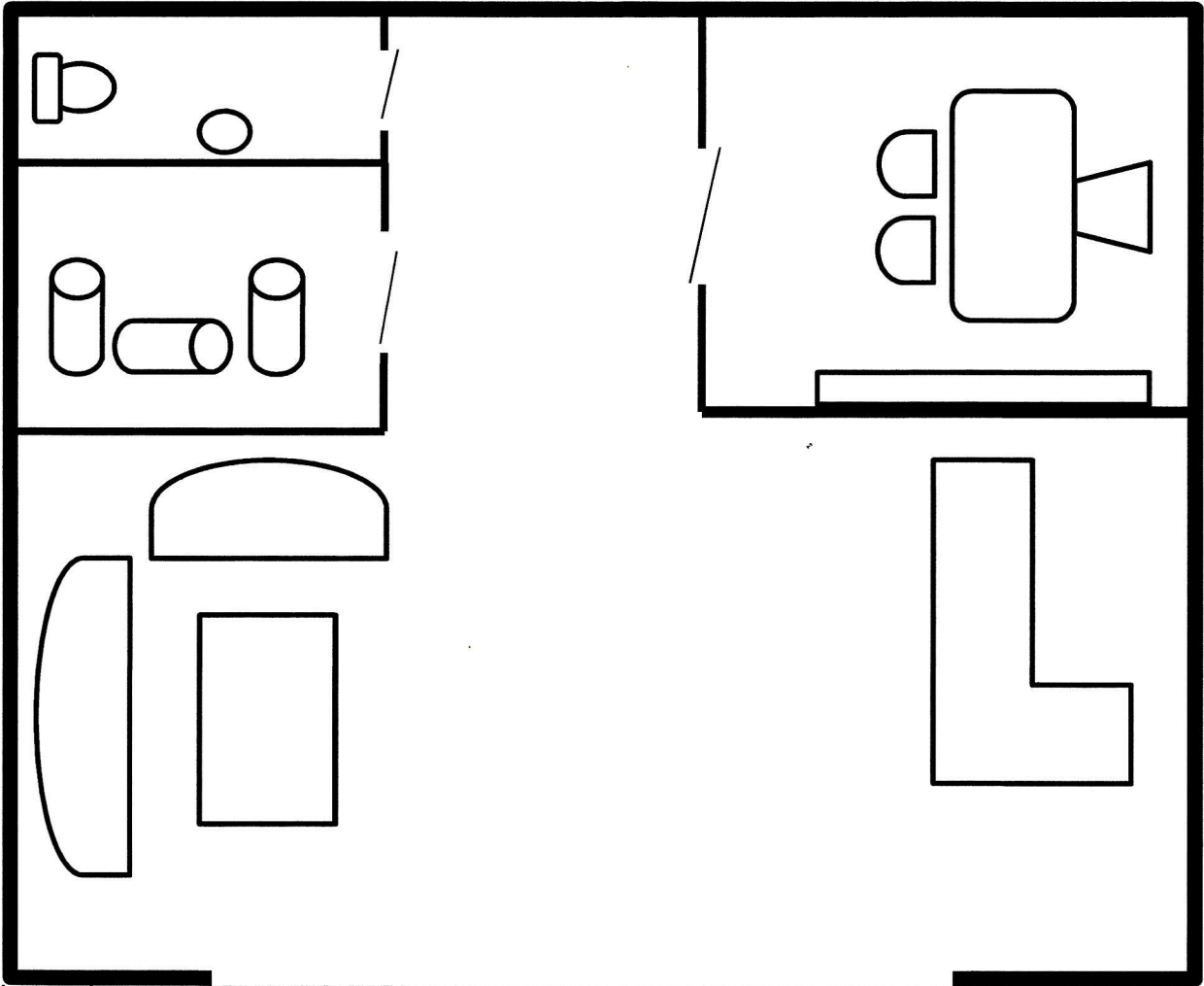
Item	Quantity Require	Price Per Unit (RM)	Total Cost (RM)
Towel	20	3.50	70.00
Wax	20	9.00	198.00
Span	20	1.00	20.00
Hos	4	7.00	28.00
Detergence (2 liter)	30 bottle	20.00	600.00
		Total	930.00

### **FIXED ASSET + MONTHLY EXPENSES + OTHER EXPENSES**

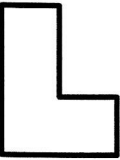
=RM 2206.00 + RM 3000.00

= RM 5206.00

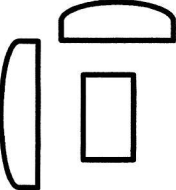
OPERATION LAYOUT



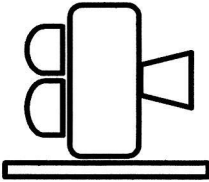
Legend




Counter table



Waiting area



Office



Store

## CAPACITY PLANNING

1 (worker) = 2 car in 1 hour

$$= 2 \text{ (car)} \times 8 \text{ (hour working time)}$$

1 (worker) = 16 car in 8 (hour working time)

Our business have 3 general worker.

$$= 16 \text{ (car)} \times 3 \text{ (worker)}$$

Total car/per day = 48 (car in one day)

Times with 30 days for one month including (weekends)

$$= 48 \text{ (car)} \times 30 \text{ (days)}$$

Total car in one month = 1440 (car)

## Operation Overhead

Month	Sales Collection (RM)	Purchases Projection
January	1440 x RM12 = 17,280	8640
February	1200 x RM12 = 14,400	7200
March	1500 x RM12 = 18,000	9000
April	1933 x RM12 = 23,200	11,598
May	2475 x RM12 = 29,700	14,850
June	2160 x RM12 = 25,900	12,960
July	2100 x RM12 = 25,200	12,600
August	2169 x RM12 = 26,032	13,014
September	1440 x RM12 = 17,280	8640
October	1440 x RM12 = 17,280	8640
November	1440 x RM12 = 17,280	8640
December	1440 x RM12 = 17,280	8640
1 <sup>st</sup> Year (5%)	248,832	124,422
2 <sup>nd</sup> Year (5%)	261,274	261,274
3 <sup>rd</sup> Year (6%)	276,950	276,950

## Operational Budget

Item	Fixed Assets	Monthly Expenses (RM)	Other Expenses (RM)
Equipment Planning	1228.00		
Furniture Planning	198.00		
Machinery Planning	780.00		
Raw Material		930.00	
General Workers Salaries		1800.00	
General workers EPF (13%)		234.00	
General Workers Sosco (2%)		36.00	
TOTAL	2206.00	3000.00	-

**TOTAL: FIXED ASSETS + MONTHLY EXPENSES + OTHERS EXPENSES**

= RM2206.00 + 3000.00+ -

=RM5206.00

# **MARKETING PLAN**

## **MARKETING PLAN**

### **Introduction**

Marketing is a social and managerial process by which the group members obtain what they need and want through creating and exchanging products and values with others. Why is it important to do a marketing plan? In business, marketing is responsible to introduce or promote goods and services to the customer. It is an important strategy to start and develop a business. Thus, to make sure the business succeeds and continuously operating, good marketing plans and strategies must be set up.

In marketing we need to ensure that all the customer's want and need have been fulfil so that the customers will enjoy and satisfied in using our product or services and will most likely come back for more and continue to contribute to the business sales profit. This situation is to ensure that our company maintains in gaining more profits to cover up the capital that has been invested beside gain extra profit.

In accordance to the marketing plans and strategies, our company, Street Glow Custom has develop some plans and strategies to inform our customers about the services that provided by us.

### **MARKETING DEFINATION**

Marketing refers to an activities which been carried out systematically to encourage and increase customers as long as the activities are in line with religious and ethical practices. In other words, marketing are the activities that help entrepreneurs to promote their services to the customers.

## MARKETING OBJECTIVES

The important objective in marketing is to give total satisfaction to the customers because of using our car wash services. Beside to earn profit from each wash, we also want to ensure our service more satisfying, we will determine the needs and wants of target market and to derive the desired satisfaction more effectively and efficient than the competitors.

Apart from that, we want to provide our customers with a friendly environment business. It is to ensure our car wash service more quality and friendly to compete with a same service provide by other company. We also train all of our workers to instil a friendly working environment such as willing to do what the customers want and always smile to the customers. We want to create the bonding between our company and our customers to get their loyalty for to continue using our services.

Therefore, our company had set some marketing goals that need to be achieve.

There are :

- To achieve a healthy net profit by year two
- To provide good services to our customers
- To show quality in our services
- To encourage and increase sales of services
- 100% customers satisfaction

## **TARGET MARKET**

To ensure that marketing efforts fulfill customer's needs and wants as well as bring profit, the business should identify and focus its effort on a selected group of customers. This is to ensure that the marketing efforts taken are within the scope and capabilities of the business. The target market therefore defined as the group of customers with needs and wants that can be satisfied by the business through the supply of goods and services.

Our business takes Matang Jaya as our target. This is because our area is at the middle of the town and mostly has the most visited by resident. In addition, Matang Jaya is also nearby Kuching town. As we known, Kuching town have a big size of population, which lead by many races such as Malays, Chinese, Iban, Bidayuh, Melanau and many more other races. So the demand for car wash will increase and gain more profit because of the number of population is very large especially during festive and raining seasons.

Our company has to decide where the best place to give the services. For that, we had decided and agreed to open our business located at Matang Jaya, which we believe that Matang Jaya can be a good location for our business. This is the strategic place to open our business because Matang Jaya is a town where the people will never get tired visited.

## MARKET SIZE

The market size was influence by the economic condition where we should consider at the customer purchasing power and spending patterns. The changes in economic variable can affect the demand in the market such as income, cost living rate and other economic condition.

### Calculation

Population in Matang Jaya = 28,800 (2013 based on the population statistics given by Jabatan Perangkaan Malaysia)

The total market size in price that we assumed one household (One household average 5 people), (One household estimated average have 2 vehicles) spend on the services is RM12 per month.

No of Household =  $28,800 \div 5$

= 5760 (Household)

=  $5760 \times 2$  (cars)

= 11, 520 (Cars)

Estimated spending : Person/Cars/ Month

=RM12

Therefore, the total market size in price per month =  $RM12 \times 11520$

= RM138,240

**COMPETITION**

Street Glow Customs have some competitors in the same market. Other than that, it is very important to analyze and interpret all the information regarding the competitors that share the same business. So we need to know our competitors strength as well as their weakness in order for us to know the current situation and make preparation to the outcomes. Table below shows that the main competitors in the same location and also their strength in our market:

**List of Competitors (Strength and Weakness)**

NO.	COMPETITORS	ADDRESS	STRENGTH	WEAKNESS
1	Snow wash RC	Lorong 3, Jalan Matang Jaya, 93050 Kuching, Sarawak	Well-known Strategic Permanent customer	Unsystematic Services slow
2	Garage wash	Ground Floor, Lot 3802, Matang Jaya, 93050 Kuching Sarawak	Strategic Place Good Services Well-known	Expensive price
3	Car wash Bakhtiar	Lorong 7, Lot 3913 Matang Jaya, 93050 Kuching Sarawak	Good Services Well-known	Unsystematic Unfriendly workers

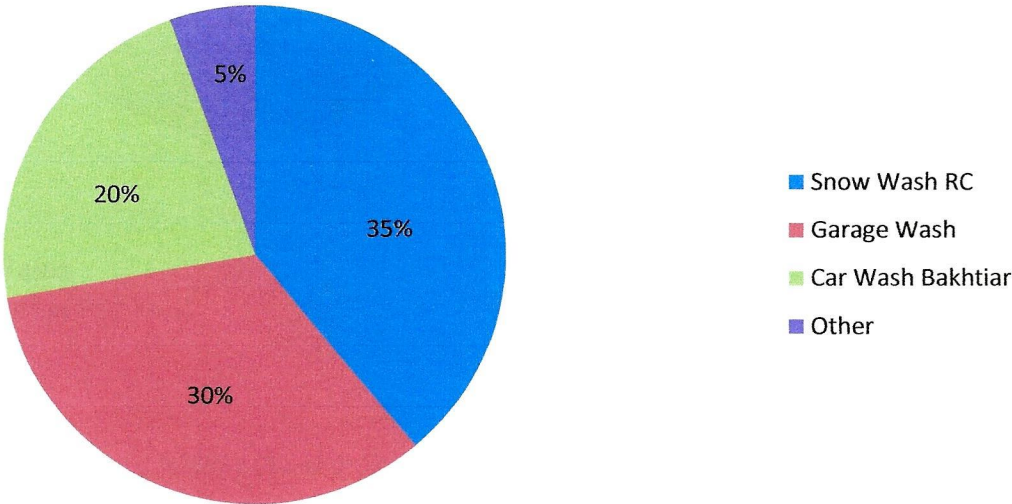
MARKET SHARE

After we had identified our competitors, we need to determine how much market share that they control before the existence of our company. Market share can be define as the portion of the market that the business can control after taking into consideration market size and the competitors' position in the same market size.

Market share before Street Glow Customs (SGC) enters business.

No	Competitors	Estimate of Market Share (%)	Estimated of Yearly Income (RM)
1	Snow wash RC	35%	RM48,384
2	Garage wash	40%	RM55,296
3	Car wash Bakhtiar	20%	RM27,648
4	Others	5%	RM6,912
	Total	100	RM138,240

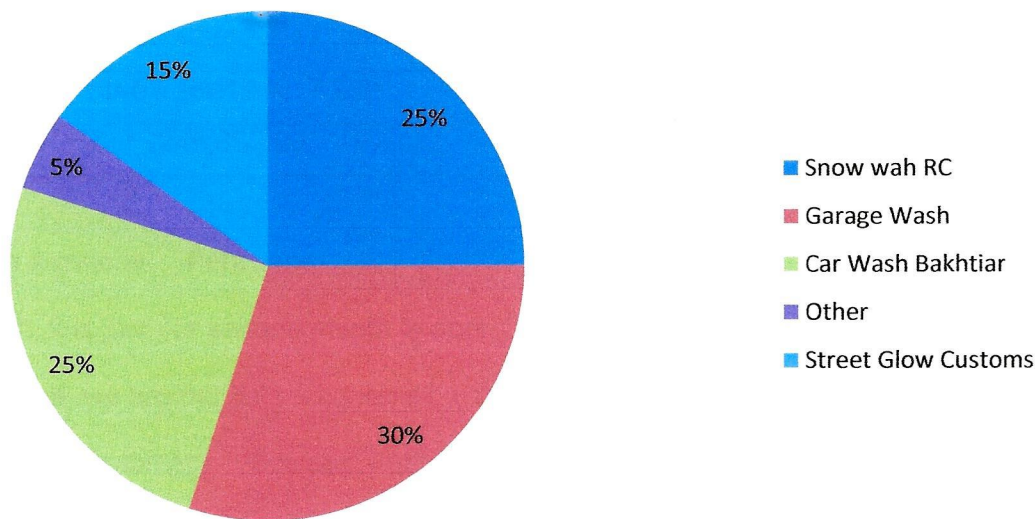
Market Share before Street Glow Customs enters business



**Market shares after Street Glow Customs enters business.**

No	Competitors	Estimate of Market Share (%)	Estimated of Yearly Income (RM)
1	Snow wash RC	25	34,560
2	Garage wash	30	41,472
3	Car wash Bakhtiar	25	34,560
4	Others	5	6,912
5	Street Glow Customs	15	20,736
	TOTAL	100	RM138,240

**Market shares after Street Glow Customs enters business.**



**Estimated Market Sales**

$$= \% \times \text{Total Market Sales Per Year}$$
$$= 15\% \times \text{RM138,240}$$
$$= \text{RM20,736}$$

**Total Market Sales Per Year x 1 Year (12 Month)**

$$= \text{RM20,736} \times 12$$

**SALES FORECAST**

MONTH	TOTAL OF VEHICLES x PRICE = SALES COLLECTION	PURCHASE PROJECTION
January	1440 x RM12 = 17,280	1440 x 6 = 8640
February	1200 x RM12 = 14,400	1200 x 6 = 7200
March	1500 x RM12 = 18,000	1500 x 6 = 9000
April	1933 x RM12 = 23,200	1933 x 6 = 11,598
May	2475 x RM12 = 29,700	2475 x 6 = 14,850
June	2160 x RM12 = 25,900	2160 x 6 = 12,960
July	2100 x RM12 = 25,200	2100 x 6 = 12,600
August	2169 x RM12 = 26,032	2169 x 6 = 13,014
September	1440 x RM12 = 17,280	1440 x 6 = 8640
October	1440 x RM12 = 17,280	1440 x 6 = 8640
November	1440 x RM12 = 17,280	1440 x 6 = 8640
December	1440 x RM12 = 17,280	1440 x 6 = 8640
TOTAL	248,832.00	124,422

**The lowest sale services: February**

During this month, it is just our second month in operating this business. Since we are new in this business, we are not yet recognized by our possible future and we still does not have our regular customers. Besides, February is predicted as the rainy season, whereby the monsoon season or is the time of the year when most of the places in the country's average annual rainfall occurs.

**The highest sale service: May**

We already have regular customers and our business has been recognized by people. Other than that, during this month of festive seasons and holidays, our business will received a large number of customers. The factors of weather will also affects the amount of customers that will use our service.

**Sales forecast for the year 2015 and 2016**

Year	Percentage Increase (%)	Total Sales (RM)
2015	5	RM263,074
2016	6	RM278,858

**Estimated sales 2015**

$$= (\% \times \text{Total Sales Forecast}) + \text{Total Sales Forecast}$$
$$= (5\% \times \text{RM}248,832) + \text{RM}248,832$$
$$= \text{RM}263,074$$

**Estimated sales 2016**

$$= (6\% \times \text{RM}263,074) + \text{RM}263,074$$
$$= \text{RM}278,858$$

**PRICES**

Price is the amount of the charged to the customers for the particular purchases.

Price is important because it may attract people or customer to use our service. The pricing of the service will depend on the service quality. As our business at Matang Jaya, we offer are lower or more less the same with the same time with the competitor's price. We use cost-profit pricing on our service:

Types of vehicle	Price
City cars / Subcompact cars / Small family cars / Compact cars	RM10
Sedans / Saloons / Mid-size family cars	RM12
4x4s / SUVs / Vans / RVs	RM15

**Memberships**

Membership is one of our extra ways to attract people or customers to use our service. If the customer want to be our member they just need to pay RM10 for register and their will get membership card with expired for one year. After one year their can renew it back with just RM10.

**MARKETING BUDGET**

No	Particulars	Quantity (unit)	Price per unit (RM)	Fixed asset (RM)	Monthly Expenditure (RM)	Other Expenses
1	Signboard	1	650.00	650	-	-
2	Business Card	30	2.00	-	-	60.00
3	Banner	1	180.00	-	-	180.00
4	Flyers	40	0.30	-	-	12.00
5	Memberships Card	10	4.00	-	-	40.00
	TOTAL			650.00	-	292.00

**Target Market Budget** = Fixed Asset + Monthly Expenses + Other Expenses

= RM650.00 + RM292.00

= RM942.00

## **MARKETING STRATEGY**

Street Glow Customs is the new comer in this branch of business, the good marketing strategy is important for us to gain more profits. Marketing strategy consists of four keys variables, which also known as the 4Ps of marketing:

1. Product and service strategy
2. Price
3. Place
4. Promotion

### **1. Product and services strategy**

The good quality of the service is a important factor to make sure our customers satisfy as well as to promote our business. In that case, this will help our business become increase and expand widely. The good service also helps to achieve our goal.

### **2. Price**

Price is the amount of the charged to the customers for the particular purchases. Price is important because it may attract people or customer to use our service. The pricing of the service will depend on the service quality. As our business at Matang Jaya, we offer are lower or more less the same with the same time with the competitor's price. We use cost-profit pricing on our service.

### **3. Place**

The place must be strategic to describe how the product and the services will be available to target customer when they need. To ensure the service offered reaches the customers, the place must be near at target market.

#### 4. Promotion

Promotion strategy is used to disseminate information about the company's product or services with the purpose of attracting the target market.

##### Advertising

Advertising may be defined as a non-personal communication through the identified target market. This is the way to promote our company to the customer. In selecting advertising media, we decided to use:

##### a) Signboard

Signboard is a more simple and straightforward message with a lot of details is not difficult to understand. In addition, it may attract people to take a look over it.



b) Banner

As new company we need to introduce our service. We will place it at the several main road and junction



c) Business Card

Business card is very efficient in order to enable to contact us. It is to familiarize our nearest friends and customers.



#### d) Flyers

A flyer is single page leaflet advertising a nightclub, event, services or other activity.

Flyers are typically used by individuals or business to promote their product or services.

There is a form of mass marketing or small scale, community communication. Flyers are handed out on the street, posted on bulletin boards or given away at events.



# **FINANCIAL PLAN**

## **INTRODUCTION**

The financial plan is the final step in the preparation of a business plan. The financial plan should be supported by depreciation schedules for every fixed asset owned as well as amortization schedules for loan and hire purchase repayments. The financial plan is prepared after all budgets pertaining to marketing, operations and administrative aspects are completed.

A financial plan incorporates all financial data derived from the operating budgets and administrative budgets. The financial information from the operating budgets is then translated or transformed into a financial budget, based on the financial data, projections are then prepared via several pro forma statements namely cash flow, income statement and balance sheet.

### **A GOOD FINANCIAL PLAN SHOULD BE ABLE TO DETERMINE THE FOLLOWING:**

- Total project implementation costs
- Total amount of financing required and the proposed sources of finance
- Capital structure of the new firm
- Amount of depreciation on fixed assets
- Amount of loan and hire purchases repayments
- Cash inflow and outflow for planned period
- Profit or loss at the end of the planned period
- Financial position at the end of the planned period
- Financial ability of the proposed project

## THE IMPORTANCE OF A FINANCIAL PLAN

- To determine the size of investment
- To identify and propose the relevant sources of finance
- To ensure that the initial capital is sufficient
- To appraise the viability of the project before actual investment is committed
- To be used as a guideline for implementation

**STREET GLOW CUSTOMS**  
**PROJECT IMPLEMENTATION COST & SOURCES OF FINANCE**

Project Implementation Cost			Sources of Finance			
Requirements			Cost	Loan	Hire-Purchase	Own Contribution
						Cash      Existing F. Assets
<b>Fixed Assets</b>						
Land & Building						
Office Furniture			1,019			1,019
Office Equipment			588	100		488
Signboard			650	215		435
Equipment Planning			1,228	120		1,108
Furniture Planning			198			198
Machinery Planning			780	200		580
<b>Working Capital</b>	1	months				
Administrative			7,790	392		7,398
Marketing						
Operations			3,000	1,580		1,420
Pre-Operations & Other Expenditure			833	613		220
Contingencies	5%		804	780		24
<b>TOTAL</b>			<b>16,890</b>	<b>4,000</b>		<b>12,890</b>

# MARKETING BUDGET

Particulars	F.Assets	Monthly Exp.	Others	Total
<b>Fixed Assets</b>				
Signboard	650			650
	-			-
	-			-
	-			-
<b>Working Capital</b>				
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
<b>Pre-Operations &amp; Other Expenditure</b>				
Other Expenditure			293	
Deposit (rent, utilities, etc.)			-	-
Business Registration & Licences			-	-
Insurance & Road Tax for Motor Vehicle			-	-
Other Pre-Operations Expenditure			-	-
<b>Total</b>	<b>650</b>	<b>-</b>	<b>293</b>	<b>650</b>

SALES PROJECTION	
Month 1	17,280
Month 2	14,400
Month 3	18,000
Month 4	23,200
Month 5	29,700
Month 6	25,900
Month 7	25,200
Month 8	26,032
Month 9	17,280
Month 10	17,280
Month 11	17,280
Month 12	17,280
Total Year 1	248,832
ToTal Year 2	263,074
Total Year 3	278,858

PURCHASE PROJECTION	
Month 1	930
Month 2	720
Month 3	900
Month 4	1,160
Month 5	1,485
Month 6	1,295
Month 7	1,260
Month 8	1,301
Month 9	864
Month 10	864
Month 11	864
Month 12	864
Total Year 1	12,507
ToTal Year 2	13,134
Total Year 3	13,257

# OPERATIONS BUDGET

Particulars	F.Assets	Monthly Exp.	Others	Total
<b>Fixed Assets</b>				
Equipment Planning	1228			1,228
Furniture Planning	198			198
Machinery Planning	780			780
				-
<b>Working Capital</b>				
Raw Materials		930		930
Carriage Inward & Duty		-		-
Salaries, EPF & SOCSO		2,070		2,070
		-		-
		-		-
		-		-
		-		-
<b>Pre-Operations &amp; Other Expenditure</b>				
Other Expenditure			-	
Deposit (rent, utilities, etc.)			-	-
Business Registration & Licences			-	-
Insurance & Road Tax for Motor Vehicle			-	-
Other Pre-Operations Expenditure			-	-
<b>Total</b>	<b>2,206</b>	<b>3,000</b>	<b>-</b>	<b>5,206</b>

# ADMINISTRATIVE BUDGET

Particulars	F.Assets	Monthly Exp.	Others	Total
<b>Fixed Assets</b>				
Land & Building	-			-
Office Furniture	1,019			1,019
Office Equipment	588			588
	-			-
	-			-
<b>Working Capital</b>				
Salaries, EPF & SOCSO		6,440		6,440
Rental		1,000		1,000
Utilities		350		350
		-		-
		-		-
		-		-
		-		-
<b>Pre-Operations &amp; Other Expenditure</b>				
Other Expenditure			465	
Deposit (rent, utilities, etc.)			-	-
Business Registration & Licences			75	75
Insurance & Road Tax for Motor Vehicle			-	-
Other Pre-Operations Expenditure			-	-
<b>Total</b>	<b>1,607</b>	<b>7,790</b>	<b>540</b>	<b>9,472</b>

## DEPRECIATION SCHEDULES

<b>Fixed Asset</b>		<b>Office Furniture</b>	
<b>Cost (RM)</b>		<b>1,019</b>	
<b>Method</b>		<b>Straight Line</b>	
<b>Economic Life (yrs)</b>		<b>5</b>	
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	1,019
1	204	204	815
2	204	408	611
3	204	611	408
4	204	815	204
5	204	1,019	-

<b>Fixed Asset</b>		<b>Office Equipment</b>	
<b>Cost (RM)</b>		<b>588</b>	
<b>Method</b>		<b>Straight Line</b>	
<b>Economic Life (yrs)</b>		<b>5</b>	
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	588
1	118	118	470
2	118	235	353
3	118	353	235
4	118	470	118
5	118	588	-

<b>Fixed Asset</b>		<b>Signboard</b>	
<b>Cost (RM)</b>		<b>650</b>	
<b>Method</b>		<b>Straight Line</b>	
<b>Economic Life (yrs)</b>		<b>5</b>	
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	650
1	130	130	520
2	130	260	390
3	130	390	260
4	130	520	130
5	130	650	-

<b>Fixed Asset</b>		<b>Machinery Planning</b>	
<b>Cost (RM)</b>		<b>780</b>	
<b>Method</b>		<b>Straight Line</b>	
<b>Economic Life (yrs)</b>		<b>5</b>	
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	780
1	156	156	624
2	156	312	468
3	156	468	312
4	156	624	156
5	156	780	-

<b>Fixed Asset</b>		<b>Equipment Planning</b>	
<b>Cost (RM)</b>		<b>1,228</b>	
<b>Method</b>		<b>Straight Line</b>	
<b>Economic Life (yrs)</b>		<b>5</b>	
<i>Year</i>	<i>Annual Depreciation</i>	<i>Accumulated Depreciation</i>	<i>Book Value</i>
	-	-	1,228
1	246	246	982
2	246	491	737
3	246	737	491
4	246	982	246
5	246	1,228	-

<b>Fixed Asset</b>		<b>Furniture Planning</b>	
<b>Cost (RM)</b>		<b>198</b>	
<b>Method</b>		<b>Straight Line</b>	
<b>Economic Life (yrs)</b>		<b>5</b>	
<i>Year</i>	<i>Annual Depreciation</i>	<i>Accumulated Depreciation</i>	<i>Book Value</i>
	-	-	198
1	40	40	158
2	40	79	119
3	40	119	79
4	40	158	40
5	40	198	-

# STREET GLOW CUSTOMS PRO FORMA CASHFLOW 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)	16,659													16,659		
Loan	0													0		
Cash Sales	10,032	13,800	13,800	13,800	18,200	20,500	25,500	25,500	22,500	22,500	21,500	26,500	26,500	248,832	263,074	278,858
Collection of Accounts Receivable																
<b>TOTAL CASH INFLOW</b>	<b>16,659</b>	<b>10,032</b>	<b>13,800</b>	<b>13,800</b>	<b>18,200</b>	<b>20,500</b>	<b>25,500</b>	<b>25,500</b>	<b>22,500</b>	<b>22,500</b>	<b>21,500</b>	<b>26,500</b>	<b>26,500</b>	<b>265,491</b>	<b>263,074</b>	<b>278,858</b>
<b>CASH OUTFLOW</b>																
<b>Administrative Expenditure</b>																
Salaries, EPF & SOCSO	4,345	4,345	4,345	4,345	4,345	4,345	4,345	4,345	4,345	4,345	4,345	4,345	4,345	53,340	53,340	53,340
Rental	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000	24,000	24,000
Utilities	330	330	330	330	330	330	330	330	330	330	330	330	330	3,960	3,960	3,960
<b>Marketing Expenditure</b>																
<b>Operations Expenditure</b>																
Cash Purchase																
Payment of Account Payable																
Carriage Inward & Duty																
Salaries, EPF & SOCSO		267	267	267	267	267	267	267	267	267	267	267	267	2,337	3,204	6,048



**STREET GLOW CUSTOM  
PRO-FORMA INCOME STATEMENT**

	Year 1	Year 2	Year 3
<b>Sales</b>	<b>248,832</b>	<b>263,074</b>	<b>278,858</b>
<b>Less: Cost of Sales</b>			
Opening stock			
Purchases	12,507	13,134	13,257
Less: Ending Stock			
Carriage Inward & Duty			
<b>Gross Profit</b>			
<b>Less: Expenditure</b>			
Administrative Expenditure	93,480	93,480	93,480
Marketing Expenditure			
Other Expenditure	758	758	758
Business Registration & Licences	75		
Insurance & Road Tax for Motor Vehicle			
Other Pre-Operations Expenditure			
Interest on Hire-Purchase			
Interest on Loan	200	160	120
Depreciation of Fixed Assets	893	893	893
Operations Expenditure	24,840	24,840	24,840
<b>Total Expenditure</b>	<b>132,753</b>	<b>133,265</b>	<b>133,348</b>
<b>Net Profit Before Tax</b>	<b>116,079</b>	<b>129,809</b>	<b>145,510</b>
<b>Tax</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Profit After Tax</b>	<b>116,079</b>	<b>129,809</b>	<b>145,510</b>
<b>Accumulated Net Profit</b>	<b>116,079</b>	<b>245,889</b>	<b>391,399</b>

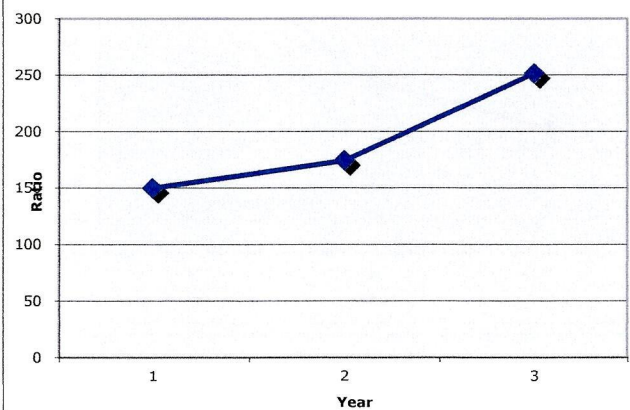
**STREET GLOW CUSTOM  
PRO-FORMA BALANCE SHEET**

	Year 1	Year 2	Year 3
<b>ASSETS</b>			
<b>Non-Current Assets (Book Value)</b>			
Land & Building			
Office Furniture	815	611	408
Office Equipment	470	353	235
Signboard	520	390	260
Equipment Planning	982	737	491
Furniture Planning	158	119	79
Machinery Planning	624	468	312
<b>Other Assets</b>			
Deposit			
	3,570	2,678	1,785
<b>Current Assets</b>			
Stock of Raw Materials	0	0	0
Stock of Finished Goods	0	0	0
Accounts Receivable			
Cash Balance	129,463	259,992	405,718
	129,463	259,992	405,718
<b>TOTAL ASSETS</b>	<b>133,034</b>	<b>262,670</b>	<b>407,503</b>
<b>Owners' Equity</b>			
Capital	12,890	12,890	12,890
Accumulated Profit	116,079	245,889	391,399
	128,969	258,779	404,289
<b>Long-Term Liabilities</b>			
Loan Balance	3,200	2,400	1,600
Hire-Purchase Balance			
	3,200	2,400	1,600
<b>Current Liabilities</b>			
Accounts Payable	864	1,491	1,614
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>133,034</b>	<b>262,670</b>	<b>407,503</b>

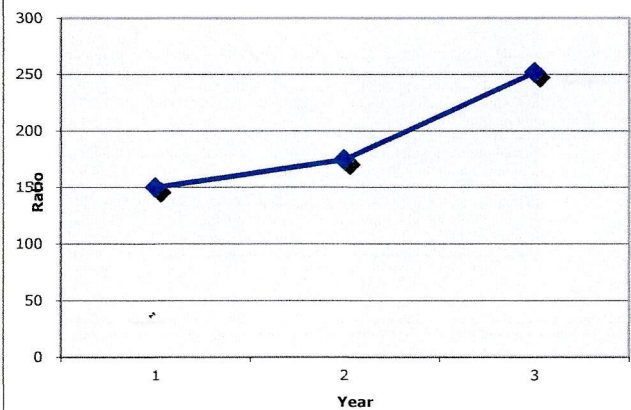
STREET GLOW CUSTOM FINANCIAL RATIO ANALYSIS			
	Year 1	Year 2	Year 3
<b><u>LIQUIDITY</u></b>			
Current Ratio	150	174	251
Quick Ratio (Acid Test)	150	174	251
<b><u>EFFICIENCY</u></b>			
Inventory Turnover	-	-	-
<b><u>PROFITABILITY</u></b>			
Gross Profit Margin	-	-	-
Net Profit Margin	46.65%	49.34%	52.18%
Return on Assets	87.26%	49.42%	35.71%
Return on Equity	90.01%	50.16%	35.99%
<b><u>SOLVENCY</u></b>			
Debt to Equity	3.15%	1.50%	0.80%
Debt to Assets	3.06%	1.48%	0.79%
Time Interest Earned	579	810	1,211

# FINANCIAL RATIO

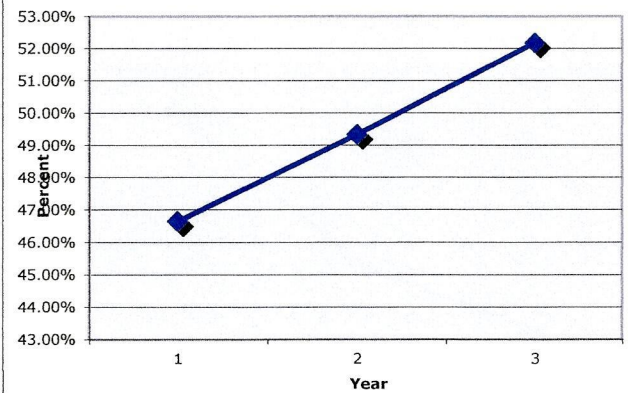
Current Ratios



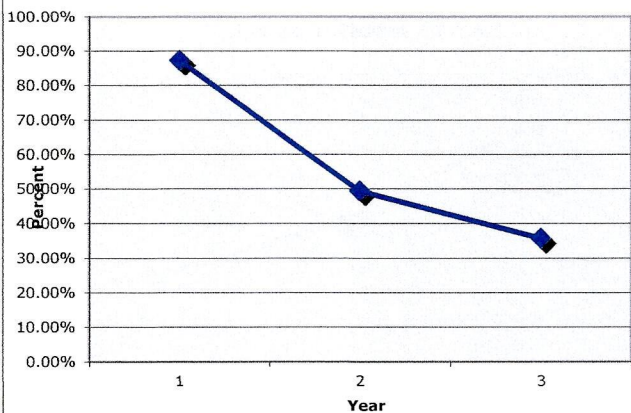
Quick Ratios

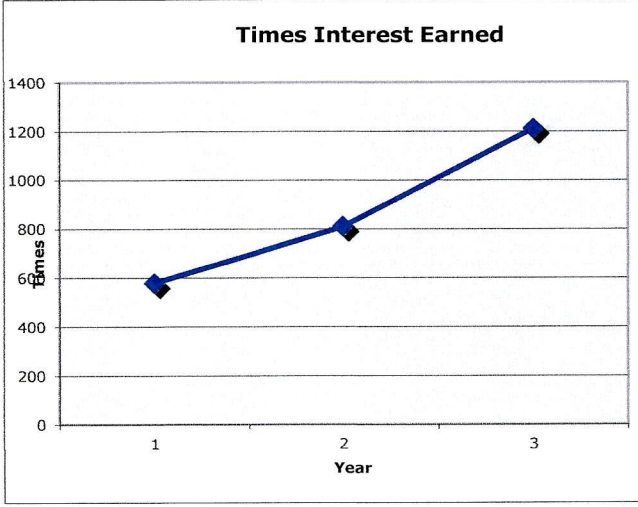
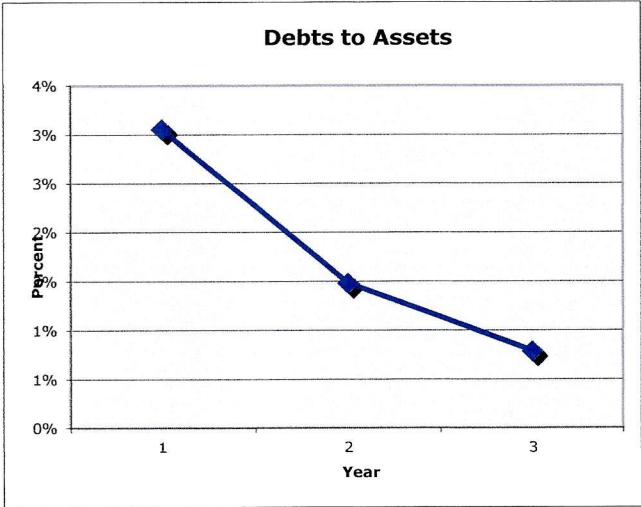
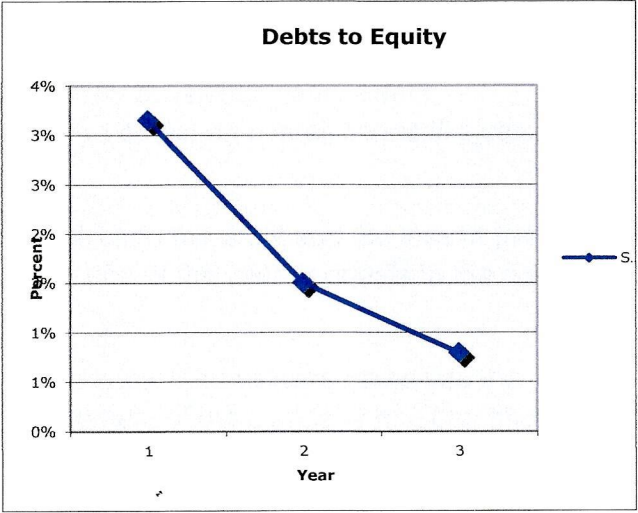
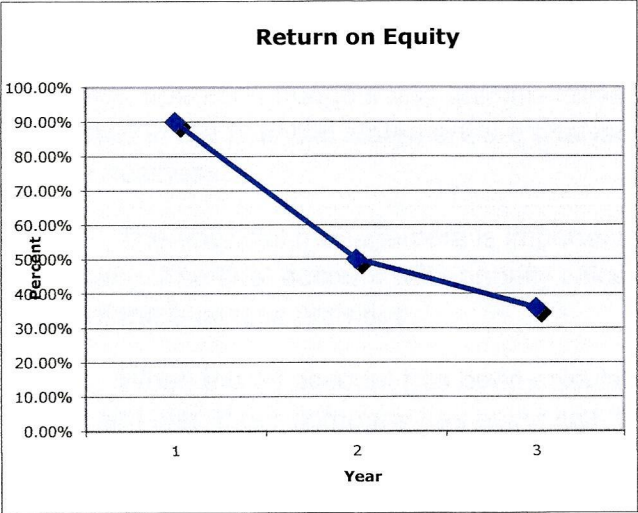


Net Profit Margin



Return on Assets





## CONCLUSION

In this financial plan, it is incorporates all financial data derived from the marketing budgets, operating budgets and administrative budgets. The business financial data gathered in the financial statement are analysed in order to obtain an overall financial picture of the business.

The financial management is important part to calculate the profit and the loss of the company. The final account will normally calculate at the end of the year or equals to the one year of the business activities.

When the all account has been calculated we can know the business come into the profit and lost. If our company has being lost, the management of the company must be find other alternative to make sure that the company will get the profit for the next year.