



اَبُو بَكْرٍ صَدِيقِي تَبِيكُو لَو كِنِي مَارَا
UNIVERSITI
TEKNOLOGI
MARA

FACULTY OF MECHANICAL ENGINEERING

DIPLOMA IN MECHANICAL ENGINEERING (EM110)

FUNDAMENTALS OF ENTREPRENEURSHIP

ENT 300



GAMERNET INTERNET CAFE

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EXECUTIVE SUMMARY

GamerNet offers a service that provides internet and gaming access for customers. Our primary strategy and aim is to increase more people especially young adult to get involve into e-Sports for Malaysia future. We are always looking forward to increase more people to open their mind about gaming industry and want to provide an internet to everyone who have a slow internet or don't have enough money to pay for it. Since our company is a new company in the market, so there will be many thing that we need to consider to make sure our internet café can compete with other internet café. Other than that, we saw that the industry in gaming are increasing every single year. For example we can see the e-Sports tournament such as Mobile Legends, Dota and League of Legends that reach up to 10 million views in a single match. We see this as an opportunity to grab more attention towards young people and parents to get involved in this industry. Our business is run by 4 main workers which hold the role as general manager, administration manager, marketing manager and financial manager. Every single one of us are playing an important role in our business to make sure that our business will be successful. Furthermore, our internet café location is very strategic since it is near to shop lots and residential areas. We believe in the future, the gaming industry will getting more attention to every people in Malaysia. Last but not least, we are pleasure to become part of the people who start a business in gaming industry.

1 INTRODUCTION

2 ADMINISTRATION PLAN

2.0 ADMINISTRATION PLAN

Vision

The visions of our company are :

- To be leading in providing internet access services for the customer.
- To establish an appropriate environment for customer to relax and enjoy, yet focus on their technology task.

Mission

The missions of our company are :

- To deliver excellent quality services and conveniences.
- Provide fast and affordable internet access in a good environment for a highly reliable.

Objective

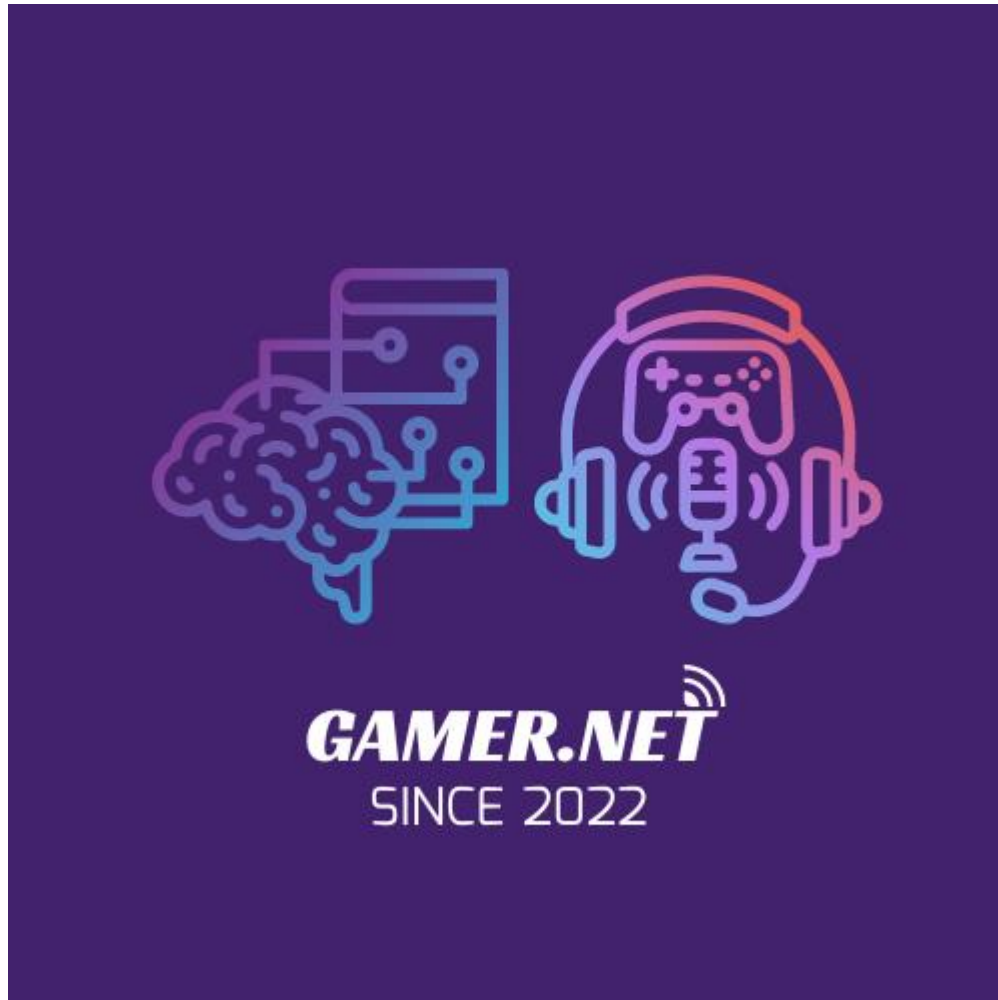
The objective of our company are :

- Ensure customers are consistently satisfied with the service given.
- Help people around easily get internet facilities for their work and satisfaction.

Schedule of task and responsibilities

Position	Main tasks
General manager	<ul style="list-style-type: none">➤ To plan, implement and control the overall management of the business.➤ To plan and monitor the strategic progress of the business.➤ To be accountable for the overall performance of the business.
Administrative manager	<ul style="list-style-type: none">➤ Select the assign staff, ensuring equal employment opportunity in hiring and promotion.➤ Identifies staff development and ensures that training is obtained.➤ Evaluates and verifies employee performance through the review of completed work and work techniques.

Business Logo and Description

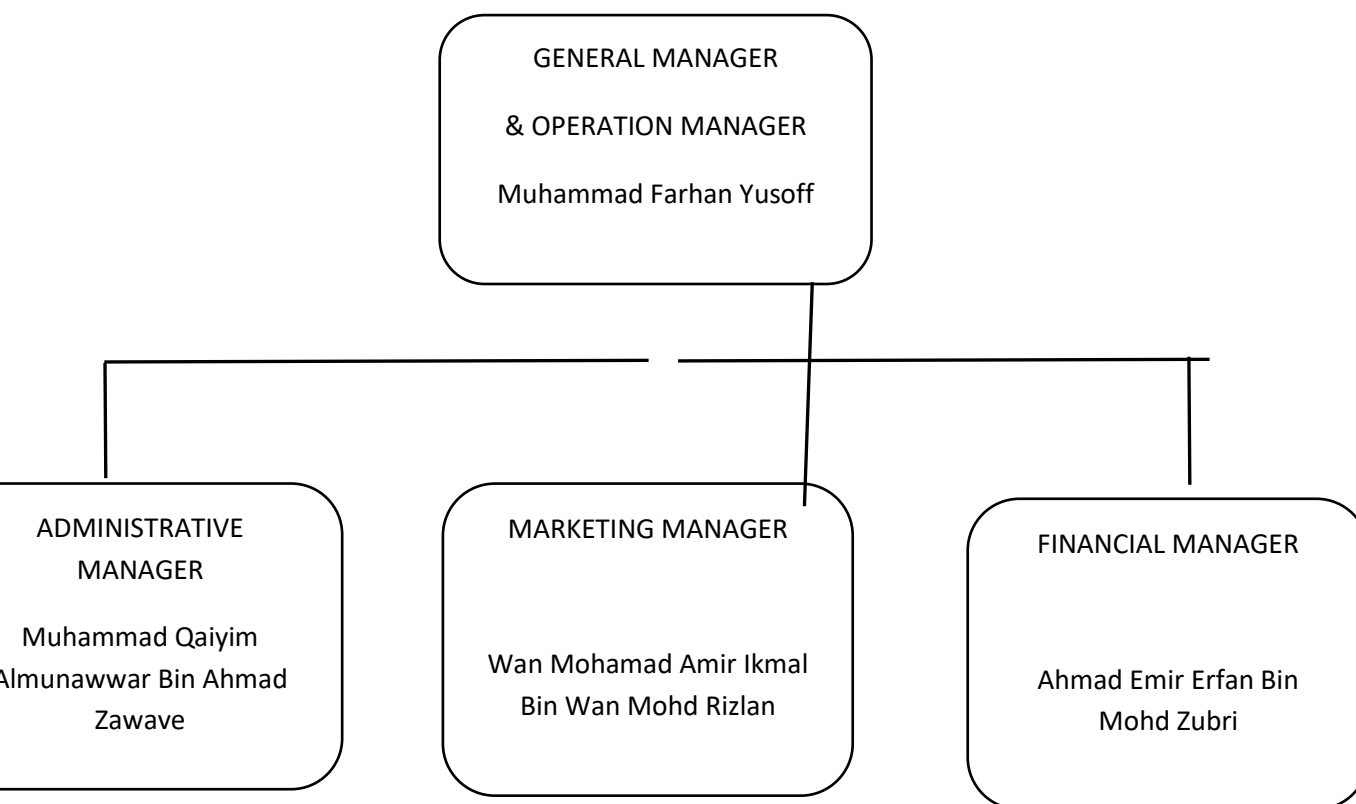


Provide internet access for information

Gaming center

Open since 20

Organization Chart



Schedule of Remuneration

POSITION	NO.	MONTHLY SALARY (RM) (A)	EPF (RM) (B)	SOCSSO (RM) (C)	TOTAL AMOUNT (RM) (A+B+C)
General Manager	1	2000.00	260.00	34.15	2294.15
Administration Manager	1	1600.00	208.00	27.15	1835.15
Marketing Manager	1	1600.00	208.00	27.15	1835.15
Operational Manager	1	1600.00	208.00	27.15	1835.15
Financial Manager	1	1600.00	208.00	27.15	1835.15
TOTAL	5				9634.75

OFFICE EQUIPMENT & SUPPLIES

TYPE	PRICE/UNIT (RM)	QUANTITY	TOTAL AMOUNT (RM)
EQUIPMENT			
Computer	629.00	2	1258.00
Telephone	31.58	1	31.58
Printer	124.00	1	124.00
Router	746.00	1	746.00
TOTAL			2159.58
SUPPLIES			

A4 Paper	72.06	2	144.12
Pen	5.50	1	5.50
Other Expenditure			100
			249.62

OFFICE FURNITURE

TYPE	PRICE/UNIT (RM)	QUANTITY	TOTAL AMOUNT (RM)
Table & Office Chair	267.99	1	267.99
TOTAL			267.99

ADMINISTRATIVE BUDGET

ITEMS	FIXED ASSETS (RM)	MONTHLY EXPENSES (RM)	OTHER EXPENSES (RM)
Fixed Assets			
Office Equipment	2 159.58		
Furniture	267.99		
Supplies	249.62		

Working Capital			
Rent		4 500	
Utilities		1 100	
Salaries, EPF & SOCSO		9 634.75	
Pre-Operations			
Deposit			5 600
Business Registration			2 000
License			8 000
TOTAL		33 511.94	

3 MARKETING PLAN

3.0 Introduction Of Marketing Plan

An important factor in any business plan is the marketing plan. The marketing process includes finding, understanding, and meeting customer needs, as well as developing community awareness of the brand. The marketing plan sets out the methods that the company will use to achieve this goal. The basic marketing plan also covers the company's purpose to complete these tasks and achieve certain milestones. Essentially, marketing plan outlines are the specific actions to carry out a customer's interest and persuade them to purchase the product that is being offered. Marketing is an important component of a business plan because it requires the most effort to achieve a profitable outcome. A well-prepared marketing plan would assist entrepreneurs in evaluating market acceptance of their product and developing marketing strategies. The four (4) "Ps" of marketing are product, price, place, and promotion. By creating a marketing plan, the resources needed to carry out the marketing strategy are identified.

Gamernet is a business where services including word processing, data processing, accounting, fax machines, internet cafés, photocopying, laminating, typing, scanning, binding, online registrations, digital passports, and instant photo printing are provided. This firm may generate money and profit with the right location. Regular consumers who use the center's services include students and small business owners. By creating effective marketing methods for the modern period, such as conducting promotions and using several platforms and applications to advertise our business, we can leverage the advantages we already have and grow our firm so that it can compete with other computer centres out there. The result would be an increase in the number of people who visit our stores and are interested in our services thanks to an effective and planned marketing plan.

3.1 Marketing Objectives

- Develop a good marketing strategy to make sure the company can compete with others in the market.
- Improving the quality of our services to make customers happy.
- Introducing locals to the best services to the community.
- Ensuring every people satisfied with our service that we give.
- Gains the loyalty of customers to our business so that company sales will increase.

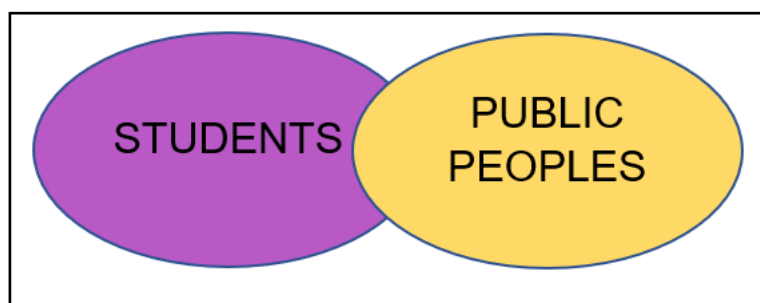
3.2 Product and services Description

- Product

Gamernet computer centre is a computer business centre that offers technical assistance and expertise may be a crucial and significant facility provider. One of the specific services that a computer business centre can offer is the preparation of project materials, binding of reports, data entry for small businesses, faxing, scanning, and emailing as well as the request of specific online services like passport and driving licence applications as well as other government and non-government applications.

We don't need to have much experience to start this business. However, a business owner who has the necessary certifications for computer work will have an edge because s/he may manage the company wholly on his/her own without the need for technical support personnel.

3.3 Target Market



Figures 3.1: Target market of Gamernet

Gamernet computer centre will open its business at Bandar Mahkota Banting since it is the best location to start our business. We chose this place because Pasir Gudang has the most of our target segments, such as education centers, which allocate a huge number of students

and public people around the institution. Besides that, It is near the main road which is we can introduce our new outlet by putting our signboard besides the road. So, we took this opportunity to open our company in this location to grow our business and become the best company in Selangor. The above diagram represents the target market of our business. We use geographic segmentation to segment our target market. This can be explained by the location of our business.

3.4 Market Trend and Market Size

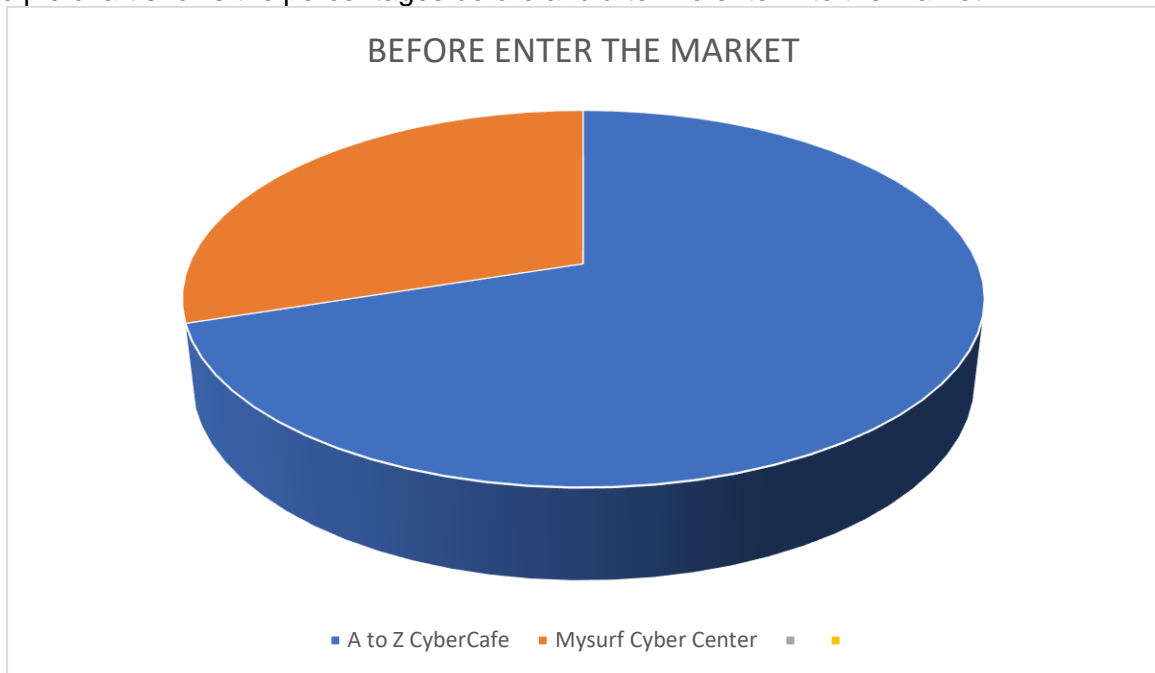
Gamernet computer centre will give the services to everyone without regard to age, gender, and so on. So, to find the market size of our business, we need to identify the population of our target segmentation, which is students and public people who live in Bandar Mahkota Banting. Based on the data, the population of people living in Pasir Gudang will be 35,900 in 2022. We assume that 359 people, or 1%, will become customers and purchase merchandise. From the 1% of people who buy our merchandise, 267 (or 75% of the people) are students, and 90 (or 25% of the people) are public peoples.

3.5 Population in Pasir Gudang

No.	Type of People	Population
1.	Students	359
2.	Public People	90
Total		449

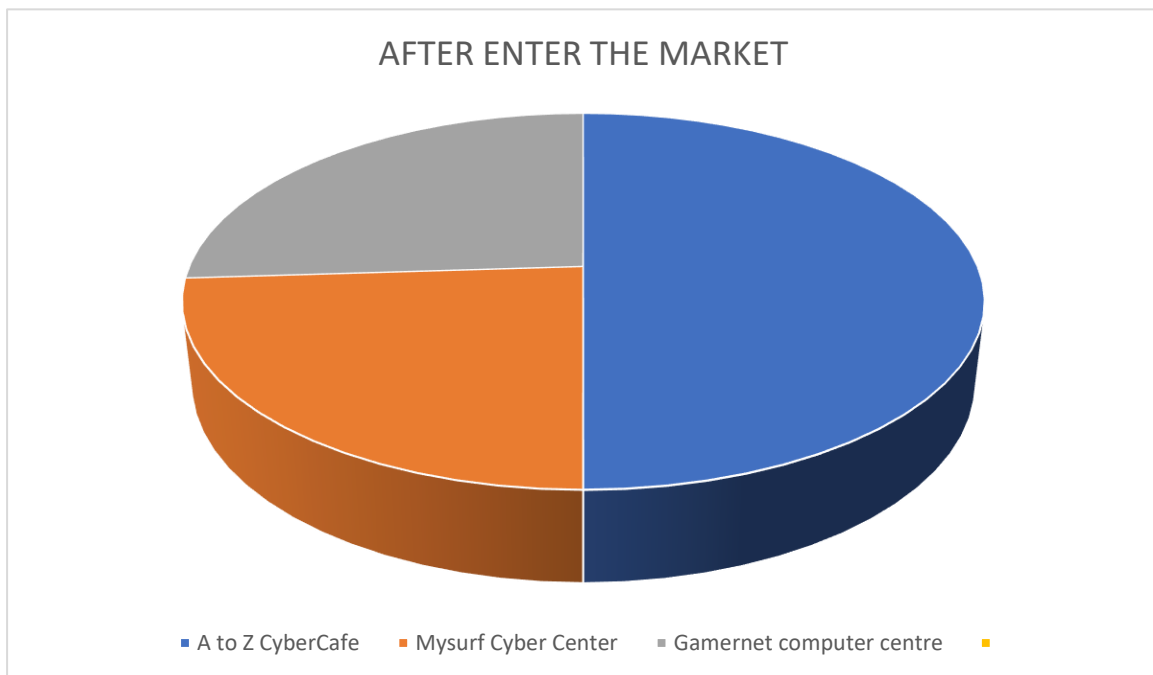
3.8 Market Shares

The pie chart shows the percentages before and after we enter into the market:



Figures 8 : Market Entrance

Before we enter the market was dominated by A to Z CyberCafe with higher percentage market size of 70%. Then, followed by Mysurf Cyber Center 30%.



Figures 9: Market Result

After we enter the market A to Z CyberCafe still dominate the market with 50% of market share.

We will take over 26% of market share. Apart of this come from customers which before this were A to Z CyberCafe's customers. This is due to good service of our business and affordable price that we offer. Our existent also affects Mysurf Cyber Center market share which their market share decreases to 24%.

3.9 Marketing Strategy

- Product / Service Strategy

SWOT analysis determines what may assist the firm in accomplishing its objectives, and obstacles that must be overcome or minimized to achieve desired results. Besides that, this analysis is tool for companies assess the industry and to develop strategies to remain competitive.

This is SWOT analysis for our business:

Strength	<ul style="list-style-type: none"> • We offer the fastest services. • Qualified team • Affordable price for everyone. • Many parking lots for our customer • Near to residential area
Weakness	<ul style="list-style-type: none"> • Limited space and parking for customer • People might not want our services because it is from new company.
Opportunity	<ul style="list-style-type: none"> • We have high potential market to expand because there is less competitors nearby. • Continuing consumer interest to have our services in reasonable price but at the same time has the quality as the customer wants to meet their satisfaction.
Threats	<ul style="list-style-type: none"> • Rising costs of technology devices • Uncertain economic environment • Falling sales

3.0 Place and Distribution Strategy

Place is one of the business strength in the marketing strategies. This refers to how the products or services can be obtained by the customers or the decision made on the location of the business. In other words, place can also be defined by how the environment in which the service is used can affect sales. The choice of location is very important in order to achieve the business goal.

After conducting research, we have decided to operate our business at the Bandar Mahkota Banting, Selangor. The reason we chose the location to start our business was because it was a strategic location that was close to students, and to the housing area. So, we could see there was a bright opportunity for this business to penetrate the market and earn a high return.

3.10 Promotion Strategy

To achieve marketing goals, promotion is any effort taken to boost the product, price, and location strategies. Promotion describes all channels of interaction other than advertising that, by adding additional values to purchase, can attract attention to the goods and services.

Promotion strategy	Descriptions
Direct marketing	<p>Billboards Advertising</p> <ul style="list-style-type: none">• The process of using a large-scale print advertisement to market the product and services that is provided by the company.• Typically placed in high traffic areas, such as along highways and in cities, so the billboards seen by the highest number of drivers and pedestrians. <p>Web page internet (Facebook / Instagram / Tiktok)</p> <ul style="list-style-type: none">• Can deliver a message cheaply and widely to potential customers.• To create customers awareness about the business through social media. <p>Digital Poster and Video</p> <ul style="list-style-type: none">• To inform the target market about the business uniqueness and available services.• To notify customers about business operation and price range of the services.

	<p>Bunting</p> <ul style="list-style-type: none">• To promote widely about the business. <p>Business Card</p> <ul style="list-style-type: none">• To introduce about the business to the public and others.• To make the business look more professional because have a business card to promote.
Sales promotion	<p>Student Discount (10%)</p> <ul style="list-style-type: none">• Give a 10% discount for students by showing their student card.

3.11 Marketing Budget

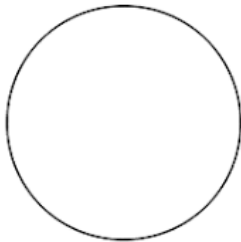
Items	Fixed Asset (RM)	Working Capital (RM)	Other Expenses (RM)
Fixed Assets			
Van	34 800		
Furniture	500		
Working Capital			
Promotion		2 000	
Petrol and Vehicle Maintenance		1 000	
Pre-Operation			
Insurance & Road Tax for Vehicle		3 000	
Total (RM)	35 300	6 000	

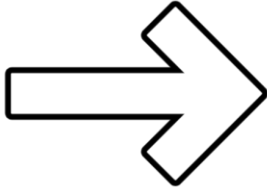
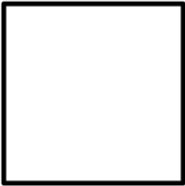
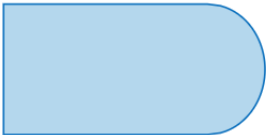
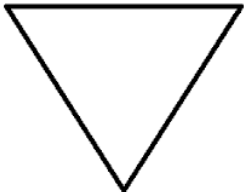
4 OPERATION PLAN

4.0 Operational Plan

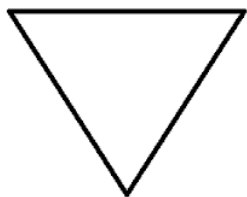
4.1 Process Planning

4.1.1 Symbol of process chart

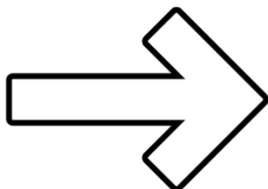
Symbol	Activity	Description
	Operation	Activity that modify, transform or give added value to the input
11	Transportation	Movement of materials or goods from one place to another

		
	Inspection	Activity that measure the standard or quality
	Delay	Process is delayed because in process materials are waiting for next activity
	Factory	Finished product or goods are stored in the factory

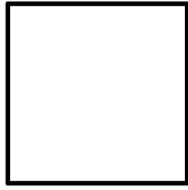
4.1.2 Process flow chart



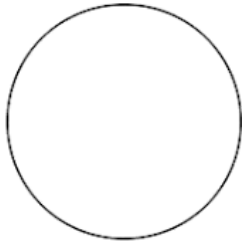
Get the electronic and set up shop material from the factory.



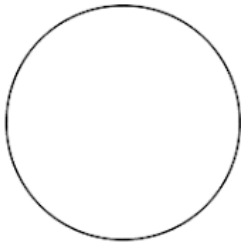
Move the good electronic material and set up material to our cybercafé.



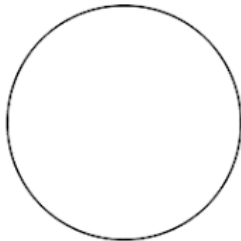
Checking the material that had been receive from the factory and will be return if get the damaged item.



The set up material that arrived such as chair and table will be set up at the café.

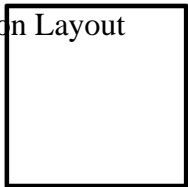


Food and drinks also will be provided for our customer comfort.

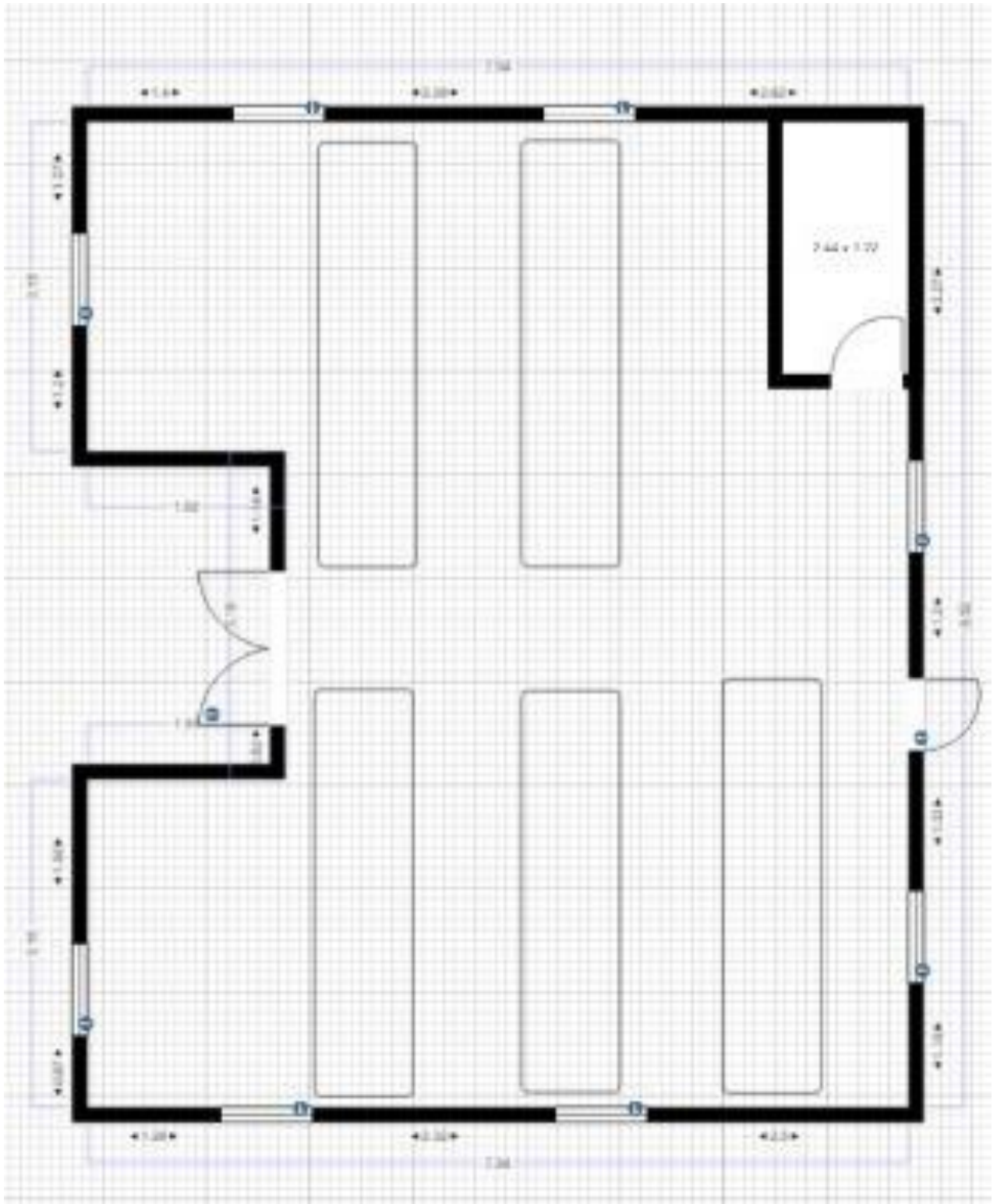


Next, pc and other electronic component will be set up and suitable Wi-Fi network will be installed for each computer.

4.2 Operatidn Layout



Quality check will be performed before start to open the café for everyone.



4.3 Production / Capacity Planning

4.3.1 sales forecast per month

Service	Average sales forecast per month (RM)	Sales Price per service (RM)	Number of customers Per month (unit)
1 hour	450	15.00	30
2 hours	4000	20.00	200
Student package	4200	20.00	210
2 hours with food and drinks	7500	30.00	250
1 hour premium	1100	20.00	55
2 hours premium	3500	35.00	100
Membership	25500	150.00	170
Total	46250		1015

4.3.2 number of customers per day

If the number of working days per month is 24 days (6 days/week)

= No. of output per month / no. working days per month

Products	Number of customers per month (unit)	Number of working days per month (days)	Number of customers per day (units)
1 hour	30	25	1.2 @ 2
2 hours	200	25	8 @ 8
Student package	210	25	8.4 @ 9
2 hours with food and drinks	250	25	10 @ 10
1 hour premium	55	25	2.2 @ 3
2 hours premium	100	25	4 @ 4
Membership	170	25	6.8 @ 7
Total	1015		43

4.3.3 number of unit per hour

Such as daily working hour = 17 hours

= no. of output per day / daily working hours

Products	Number of customers per day (Unit)	Daily Working hours per day (hours)	Number of customers per hours (Unit)
1 hour	2	17	0.12 @ 1
2 hours	8	17	0.47 @ 1
Student package	9	17	0.53 @ 1
2 hours with food and drinks	10	17	0.59 @ 1
1 hour premium	3	17	0.18 @ 1
2 hours premium	4	17	0.24 @ 1
Membership	7	17	0.41 @ 1
Total	43		7

4.4 Material Requirement Planning

PC EQUIPMENT

Product	Quantity
----------------	-----------------

Gaming computer	30
Working computer	10
Mousepad	40
Mouse	40
Monitor	40
Keyboard	40
Headphone	40
Air conditioner	2

FURNITURE

Product	Quantity
Table	89
Chair	118

Other expenditures

Product	Quantity
Ciller	1
Snacks and drinks	

4.5 Location

Business hour = 17 hours per day (10 a.m. until 3 a.m.)

Operating hour = 17 hours per day (10a.m. until 3 a.m.)

Working days = 6 days per week (Tuesday until Sunday)

From Tuesday to Sunday, the theme café will be open six days a week from 10 a.m. to 3 a.m. Since there is two shift each day and night, there will be two shift staff which will work for day and night. The average workday for everyone is roughly 8 to 9 hours. Each employee will start doing their job in accordance with the operation hours.

4.7 Operation Personnel Schedule

Position	No of personnel
/General Manager	1
/ Operational Manager	1
/Marketing Manager	1
Quality checker/Admin	1
Total	4


Position	Task and Responsibilities
Operation Manager	<ul style="list-style-type: none"> ● Make sure the process is systematic and efficient ● To ensure quality the production process from the factory is on par with the standard ● Setting up workstations with all needed material and equipment. ● Check quality of material and equipment.

4.8 Remuneration Schedule

Position	No .	Monthly Salary (RM)	EPF Contribution (13%) (RM)	SOCSSO (1.75%) (RM)	Amount (RM)
Operation manager	1	2000	260	35	2295
TOTAL					2295

4.9 Permits / License requirement

As we know the license are the necessary licenses you will need when you decide to establish a business in Malaysia.

Types of licenses	Logo
Business registration	

4.10 Operation Budget

Equipment

Items	Quantity	Price/unit (RM)	Total Price (RM)
PC Equipment			
Gaming Computer	30	2 800	84 000
Working Computer	10	1 200	12 000
Mousepad	40	19	760
Mouse	40	70	2 800
Monitor	40	839	33 560
Keyboard	40	91	3 640
Headphone	40	27.90	1 116
Air-Conditioner	2	2 099	4 198
Furniture			
Table	40	89	3 560
Chair	40	118	4 720
Other Expenditure			
Chiller	1	1 359	1 359
Snacks And Drinks			259.50
TOTAL			151 972.50

Snacks & Drinks Planning

ITEMS	QUANTITY	PRICE/UNIT (RM)	TOTAL (RM)
SNACKS			
Chips	30	2.57	77.10
Peanuts	20	0.72	14.40
DRINKS			
Carbonated Drink	72	2.00	144
Mineral Water	24	1.00	24
TOTAL			259.50

5 FINANCIAL PLAN

5.1 FINANCIAL OBJECTIVES

Another main activity that is considered to be very important for business and is important to have a good planning is financial plan. The term "finance" refers to matters including the development, management, and study of money and investments. It entails employing future income flows to finance current initiatives through the use of credit and debt, securities, and investment. Finance is strongly tied to the time value of money, interest rates, and other related topics because of its temporal component.

All financial information obtained from the marketing, operations, and administration budgets must be included in the financial plan. Following that, a financial budget will be created from all of the information. The financial plan includes calculating the project's overall cost, selecting financing options like loans, grants, equity financing, venture capital, guarantee schemes, tax incentives, and many others, as well as creating pro forma financial projections that include cash flow, income statement, and balance sheet statements. Depreciation schedules for each fixed cost that is owned, as well as amortization schedules for loan and hire purchase repayments, should also be included to support the financial strategy.

The objective of financial plan:

1. To ensure that the funds are available whenever needed.
2. To set a goal to reach an optimum result.
3. To ensure that there is a reasonable balance between outflow and inflow of funds.
4. To help the company to survive in the long-term run.

It is important to have a financial plan to get clear information about cash flow for the business and trace the money is from and going to.

5.2 PROJECT IMPLEMENTATION COST

- Administrative Budget

Administrative Budget	
Fixed Asset	RM
Office Equipment	2 160
Furniture	268
Supplies	250
Working Capital	
Rent	4 500
Utilities	1 100
Salary, EPF, & SOCSO	9 635
Pre-Operations	
Deposit	5 600
Business Registration & License	2 000
Other Expenditure	8 000
TOTAL	33 512

Total administrative budget: RM 31 512

- Marketing Budget

Marketing Budget	
Fixed Asset	RM
Van	34 800
Furniture	500
Working Capital	
Promotion	2 000
Petrol and Vehicle maintenance	1 000
Pre-Operations	
Insurance & Road Tax for Vehicle	3 000
TOTAL	41 300

Total Marketing Budget: RM 41 300

- Operation Budget

Operation Budget	
Fixed Asset	RM
PC and Equipment	142 074
Operation Equipment	1000
Furniture	8 280
Working Capital	
Snacks & Drinks	260
Other Expenditure	
Other Expenditure	1 359
TOTAL	152 973

Total Operation Budget: RM 152 973

5.3 SOURCES OF FINANCE

- **Overview**

A source of finance is a person or entity that provides money so that a firm can meet its financial obligations. This includes working capital for the short term, fixed assets, and other long-term investments. Finance comes from both internal and external sources. While external sources of financing originate from outside the company, internal sources of financing come from within the company.

There is some of the sources of finance example such as:

1. Capital brought by the owner
2. Retained profit
3. Discount selling
4. Selling of fixed assets

- **GamerNet Sources of Finance**

Project Implementation Cost		Sources of Finance		
Requirements	Cost (RM)	Loan (RM)	Existing Assets (RM)	Own Contribution (RM)
Fixed Assets				
Office Equipment	2 160	160		2 000
Furniture	268	200		68
Supplies	250	200		50
Van	34 800		34 800	
Furniture	500	250		250
PC and Equipment	142 074	100 198		41 876
Operation Equipment	1 000	500		500
Furniture	8 280	4 140		4 140
Working Capital				
Administrative	15 235	10 235		5 000
Marketing	3 000	2 000		1 000
Operations	260	160		100
Pre-Operations & Other Expenditure	19 959	14 059		5 900
Contingencies (10%)	22 778	22 778		

TOTAL	250 563	154 879	34 800	60 884

5.4 DEPRECIATION SCHEDULES

Fixed Asset		Furniture (Administrative)	
Cost (RM)		268	
Method		Declining Balance	
Economic Life (yrs)		3	
<i>Year</i>	<i>Annual Depreciation</i>	<i>Accumulated Depreciation</i>	<i>Book Value</i>
0	-	-	268
1	89	89	179
2	60	149	119
3	40	189	79

Fixed Asset		Supplies	
Cost (RM)		250	
Method		Declining Balance	
Economic Life (yrs)		3	
<i>Year</i>	<i>Annual Depreciation</i>	<i>Accumulated Depreciation</i>	<i>Book Value</i>
0	-	-	250
1	83	83	166
2	55	139	111
3	37	176	74

Fixed Asset		Van	
Cost (RM)		34,800	
Method		Declining Balance	
Economic Life (yrs)		5	
<i>Year</i>	<i>Annual Depreciation</i>	<i>Accumulated Depreciation</i>	<i>Book Value</i>
0	-	-	34,800
1	6,960	6,960	27,840
2	5,568	12,528	22,272
3	4,454	16,982	17,818
4	3,564	20,546	14,254
5	2,851	23,397	11,403

Fixed Asset		Furniture (Marketing)	
Cost (RM)		500	
Method		Declining Balance	
Economic Life (yrs)		3	
<i>Year</i>	<i>Annual Depreciation</i>	<i>Accumulated Depreciation</i>	<i>Book Value</i>
0	-	-	500
1	167	167	333

Fixed Asset		PC and Equipment	
Cost (RM)		142,074	
Method		Declining Balance	
Economic Life (yrs)		5	
<i>Year</i>	<i>Annual Depreciation</i>	<i>Accumulated Depreciation</i>	<i>Book Value</i>
0	-	-	142,074
1	28,415	28,415	113,659
2	22,732	51,147	90,927
3	18,185	69,332	72,742

Fixed Asset		Operation Equipment	
Cost (RM)		1,000	
Method		Declining Balance	
Economic Life (yrs)		5	
<i>Year</i>	<i>Annual Depreciation</i>	<i>Accumulated Depreciation</i>	<i>Book Value</i>
0	-	-	1,000
1	200	200	800

Fixed Asset		Furniture (Operation)	
Cost (RM)		8,280	
Method		Declining Balance	
Economic Life (yrs)		3	
<i>Year</i>	<i>Annual Depreciation</i>	<i>Accumulated Depreciation</i>	<i>Book Value</i>
0	-	-	8,280
1	2,760	2,760	5,520
2	1,840	4,600	3,680
3	1,227	5,827	2,453

5.5 LOAN & HIRE PURCHASE AMMORTISATION SCHEDULES

LOAN REPAYMENT SCHEDULE				
<i>Amount</i>	154,879			
<i>Interest Rate</i>	5%			
<i>Duration (yrs)</i>	5			
<i>Method</i>	Baki Tahunan			
<i>Year</i>	<i>Principal</i>	<i>Interest</i>	<i>Total Payment</i>	<i>Principal Balance</i>
0	-	-		154,879
1	30,976	7,744	38,720	123,903
2	30,976	6,195	37,171	92,927
3	30,976	4,646	35,622	61,952
4	30,976	3,098	34,073	30,976
5	30,976	1,549	32,525	-
6	0	0	-	-
7	0	0	-	-
8	0	0	-	-
9	0	0	-	-
10	0	0	-	0

5.6 CASH FLOW PRO FORMA STATEMENT

GamerNet CASH FLOW PRO FORMA STATEMENT																
MONTH	Pre-Operations	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL YR 1	YEAR 2	YEAR 3
CASH INFLOW																
Capital (Cash)	60,884	0	0	0	0	0	0	0	0	0	0	0	0	60,884	0	0
Loan	154,879	0	0	0	0	0	0	0	0	0	0	0	0	154,879	0	0
Cash Sales		50,000	45,000	52,000	50,000	50,000	60,000	56,000	60,000	54,000	55,000	60,000	75,000	667,000	700,000	750,000
Collection of Accounts Receivable		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CASH INFLOW	215,763	50,000	45,000	52,000	50,000	50,000	60,000	56,000	60,000	54,000	55,000	60,000	75,000	882,763	700,000	750,000
CASH OUTFLOW																
Administrative Expenditure																
Rent		4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	54,000	54,000	54,000
Utilities		1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	13,200	13,200	13,200
Salary, EPF, & SOCSO		9,635	9,635	9,635	9,635	9,635	9,635	9,635	9,635	9,635	9,635	9,635	9,635	115,617	115,617	115,617
Marketing Expenditure																
Promotion		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
Petrol and Vehicle maintenance		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	12,000	12,000
Operations Expenditure																
Cash Purchase		260	260	260	260	260	260	260	260	260	260	260	260	3,114	4,000	5,000
Other Expenditure																
Pre-Operations		1,359												1,359	1,359	1,359
Deposit (rent, utilities, etc.)	5,600	0	0	0	0	0	0	0	0	0	0	0	0	5,600	0	0
Business Registration & Licences	2,000	0	0	0	0	0	0	0	0	0	0	0	0	2,000	0	0
Insurance & Road Tax for Motor Vehicle	3,000	0	0	0	0	0	0	0	0	0	0	0	0	3,000	3,000	3,000
Other Pre-Operations Expenditure	8,000	0	0	0	0	0	0	0	0	0	0	0	0	8,000	0	0
Fixed Assets																
Purchase of Fixed Assets - Land & Building	2,160	0	0	0	0	0	0	0	0	0	0	0	0	2,160	0	0
Purchase of Fixed Assets - Others	152,372	0	0	0	0	0	0	0	0	0	0	0	0	152,372	0	0
Hire-Purchase Down Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hire-Purchase Repayment:																
Principal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loan Repayment:																
Principal	2,581	2,581	2,581	2,581	2,581	2,581	2,581	2,581	2,581	2,581	2,581	2,581	2,581	30,976	30,976	30,976
Interest	645	645	645	645	645	645	645	645	645	645	645	645	645	7,744	6,195	4,646
Tax Payable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CASH OUTFLOW	173,131	23,080	21,721	21,721	21,721	21,721	21,721	21,721	21,721	21,721	21,721	21,721	21,721	435,141	264,347	263,798
CASH SURPLUS (DEFICIT)	42,632	26,920	23,279	30,279	28,279	28,279	38,279	34,279	38,279	32,279	33,279	38,279	53,279	447,622	435,653	486,202
BEGINNING CASH BALANCE		42,632	69,552	92,831	123,110	151,389	179,668	217,947	252,226	290,506	322,785	356,064	394,343	0	447,622	883,275
ENDING CASH BALANCE	42,632	69,552	92,831	123,110	151,389	179,668	217,947	252,226	290,506	322,785	356,064	394,343	447,622	447,622	883,275	1,369,477

5.7 PRO-FORMA INCOME STATEMENT

GamerNet PRO-FORMA INCOME STATEMENT

	Year 1	Year 2	Year 3
Sales	667,000	700,000	750,000
Less: Cost of Sales			
Opening stock			
Purchases	3,114	4,000	5,000
less: Ending Stock			
Carriage Inward & Duty	0	0	0
Gross Profit			
Less: Expenditure			
Administrative Expenditure	182,817	182,817	182,817
Marketing Expenditure	36,000	36,000	36,000
Other Expenditure	1,359	1,359	1,359
Business Registration & Licences	2,000		
Insurance & Road Tax for Motor Vehicle	3,000	3,000	3,000
Other Pre-Operations Expenditure	8,000	0	0
Interest on Hire-Purchase	0	0	0
Interest on Loan	7,744	6,195	4,646
Depreciation of Fixed Assets	0	30,255	23,943
Operations Expenditure	0	0	0
Total Expenditure	244,034	263,626	256,766
Net Profit Before Tax	422,966	436,374	493,234
Tax	0	0	0
Net Profit After Tax	422,966	436,374	493,234
Accumulated Net Profit	422,966	859,340	1,352,574

5.8 PRO-FORMA BALANCE SHEET

GamerNet PRO-FORMA BALANCE SHEET

	Year 1	Year 2	Year 3
ASSETS			
Fixed Assets (Book Value)			
Land & Building	2,160	2,160	2,160
Furniture	179	119	79
Supplies	166	111	74
Van	27,840	22,272	17,818
Furniture	333	333	333
PC and Equipment	113,659	90,927	72,742
Operation Equipment	800	0	0
Furniture	5,520	3,680	2,453
	150,657	119,602	95,659
Current Assets			
Stock of Raw Materials	0	0	0
Stock of Finished Goods	0	0	0
Accounts Receivable	0	0	0
Cash Balance	447,622	883,275	1,369,477
	447,622	883,275	1,369,477
Other Assets			
Deposit	5,600	5,600	5,600
TOTAL ASSETS	603,879	1,008,477	1,470,736
Owners' Equity			
Capital	95,684	95,684	95,684
Accumulated Profit	422,966	859,340	1,352,574
	518,650	955,024	1,448,258
Long Term Liabilities			
Loan Balance	123,903	92,927	61,952
Hire-Purchase Balance	0	0	0
	123,903	92,927	61,952
Current Liabilities			
Accounts Payable	0	0	0
TOTAL EQUITY & LIABILITIES	642,553	1,047,951	1,510,210

5.9 FINANCIAL PERFORMANCE

GamerNet			
FINANCIAL PERFORMANCE			
	Year 1	Year 2	Year 3
<u>PROFITABILITY</u>			
Sales	667,000	700,000	750,000
Gross Profit			
Profit Before Tax	422,966	436,374	493,234
Profit After Tax	422,966	436,374	493,234
Accumulated Profit	422,966	859,340	1,352,574
<u>LIQUIDITY</u>			
Total Cash Inflow	882,763	700,000	750,000
Total Cash Outflow	435,141	264,347	263,798
Surplus (Deficit)	447,622	435,653	486,202
Accumulated Cash	447,622	883,275	1,369,477
<u>SAFETY</u>			
Owners' Equity	518,650	955,024	1,448,258
Fixed Assets	0	119,602	95,659
Current Assets	447,622	883,275	1,369,477
Long Term Liabilities	123,903	92,927	61,952
Current Liabilities	0	0	0
<u>FINANCIAL RATIOS</u>			
<i>Profitability</i>			
Return on Sales	63%	62%	66%
Return on Equity	82%	46%	34%
Return on Investment	0%	43%	34%
<i>Liquidity</i>			
Current Ratio	0.0	0.0	0.0
Quick Ratio (Acid Test)	0.0	0.0	0.0
<i>Safety</i>			
Debt to Equity Ratio	0.2	0.1	0.0
<u>BREAK-EVEN ANALYSIS</u>			
Break-Even Point (Sales)	240,685	259,751	252,087
Break-Even Point (%)	36%	37%	34%

6 BUSINESS MODEL CANVAS

<p>Key Partners</p> <ul style="list-style-type: none"> • Gaming company • Internet company • Government 	<p>Key Activities</p> <ul style="list-style-type: none"> • Provide internet and computer to the customer • Provide gaming experience 	<p>Value Propositions</p> <ul style="list-style-type: none"> • Affordable cost to use the computers. • Place to relax 	<p>Customer Relationship</p> <ul style="list-style-type: none"> • Feedback from customer • Giving benefits through memberships 	<p>Customer Segments</p> <ul style="list-style-type: none"> • Kids • Teenagers • Young Adult
<p>Key Resources</p> <ul style="list-style-type: none"> • Business knowledge • Gaming equipment 			<p>Channels</p> <ul style="list-style-type: none"> • Websites • Email • WhatsApp • Social Media 	
<p>Cost Structures</p> <ul style="list-style-type: none"> • Computer equipment • Snacks and drink • Marketing 			<p>Revenue Streams</p> <ul style="list-style-type: none"> • Customers that use the computer • Selling snacks and drink • Computer services charger RM 2-3 per hours 	

7 CONCLUSION

In conclusion, after studying the business opportunity, we all agreed that the internet café business will be the best decision for us. We are also confident that GamerNet internet café will become one of the most well-known internet cafés in Masai. Other than that, we really like to become part of the gaming industry in Malaysia to increase more protégé in e-Sports in the future and provide an internet to people who really need it. Aside from that, we are confident that we can achieve all our objectives such as increasing the number of more e-Sports players in the future. Finally, we believe that we will not face a loss in 3 years of operation.

To conclude, GamerNet is one of the best projects to help more people to dive into the internet that we offer. We believe that it can help people who have a slow internet or really want to play some of the video games. Lastly, completing this ENT300 business plan has given us experience of creating and set up our own company. Therefore, ENT300 could be one of the reasons some of us want to create a new business in the future.