



اَبُو رَسِيْدِي تَيْكُو لُو كِي مَارَا
UNIVERSITI
TEKNOLOGI
MARA

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Kampus Pasir Gudang

FACULTY:

SCHOOL OF CHEMICAL ENGINEERING, EH110

UiTM JOHOR, PASIR GUDANG CAMPUS

ASSIGNMENT:

BUSINESS PLAN REPORT

LIVING ICE CREAM

SUBJECT:

FUNDAMENTALS OF ENTREPRENEURSHIP (ENT 300)

CLASS:

J4EH1105C

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ACKNOWLEDGEMENT

Bismillahirrahmanirrahim.

Alhamdulillah, first, we would want to express our gratitude to Allah for allowing me to finally complete our work. Even though I was a little pressed for time, I gave this work my best.

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Finally, I would like to express my gratitude to my dear friends who always stick together, put in a lot of effort, and support one another to produce a good assignment given that this is a group assessment. I'm hoping that all the work each of us put into this project will pay off for all of us.



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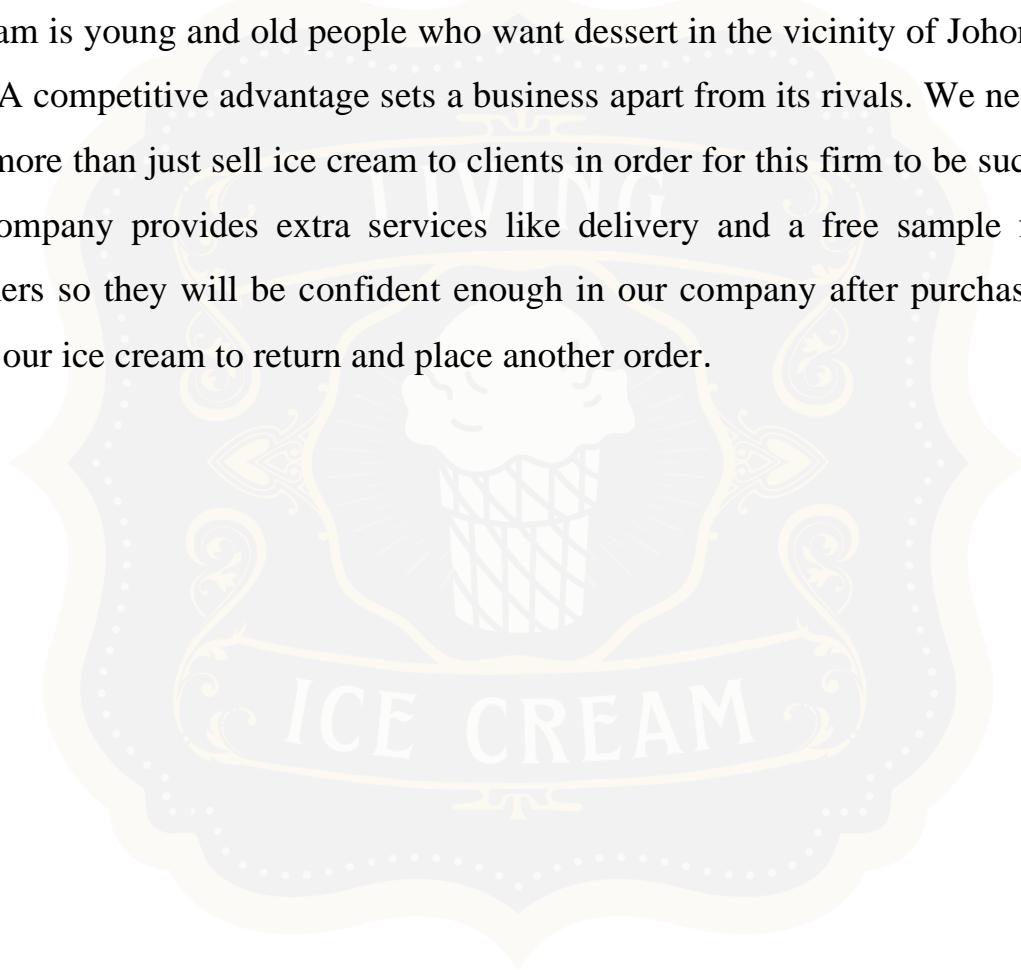
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EXECUTIVE SUMMARY

We decided to sell ice cream as our line of work, and it comes in a variety of flavours like Toasted Hazelnut with Chocolate, Blackberry frozen yoghurt, and Watermelon Sorbet. This allows us to consistently deliver high customer satisfaction by offering flavours that are dependable, enjoyable, and affordable. The target market for this ice cream is young and old people who want dessert in the vicinity of Johor Bahru, Johor. A competitive advantage sets a business apart from its rivals. We need to do much more than just sell ice cream to clients in order for this firm to be successful. This company provides extra services like delivery and a free sample for new customers so they will be confident enough in our company after purchasing and tasting our ice cream to return and place another order.





Purpose of Preparing Business Plan

1. A well-written business plan can be used to attract funding from investors or lending institutions. It provides a detailed overview of the company's financials and strategies, which can help to convince potential investors that the company is a good investment opportunity.
2. It can be used as a tool for ongoing planning and management of the business. It provides a roadmap for achieving the company's goals and objectives and can be used to evaluate the potential success of new business ideas or projects.
3. It can help a company to identify potential risks and obstacles that may need to be addressed. By analyzing the industry and market trends, a company can anticipate challenges and develop strategies to overcome them.
4. It can be used to communicate a company's vision and objectives to stakeholders, including investors, employees, and customers. It provides a clear understanding of the company's goals and how they will be achieved.
5. It can evaluate the potential success of a business idea. It allows a company to project its financial performance and identify any potential risks or obstacles that may need to be addressed. By evaluating the potential success of an idea, the company can decide whether to move forward with it or not.

A large, faint watermark of a vintage-style logo is centered on the page. The logo is shield-shaped with a decorative border and contains the text 'LIVING' at the top and 'ICE CREAM' at the bottom. In the center of the shield is a stylized illustration of a person's face with their hands on their cheeks, suggesting a state of delight or surprise.

1.0 INTRODUCTION



**2.0 BUSINESS
BACKGROUND**

Objectives

1. To offer a unique and high-quality product that sets the ice cream shop apart from other businesses in the area.
2. To establish a strong and recognizable brand that appeals to a wide range of customers.
3. To create a profitable and sustainable business that generates a steady income.

A vision and mission statement are important for a company because it provides direction and purpose for the organization. It communicates to both internal and external stakeholders what the company stands for, what it wants to achieve, and how it plans to achieve it.

Vision

Build the Company into one of Malaysia's best and largest suppliers of ice cream by always prioritizing the satisfaction of our customers.

Mission

To provide our customers with the enjoyment and ultimate ice cream experience.

Organizational Chart

Click or tap here to enter text.

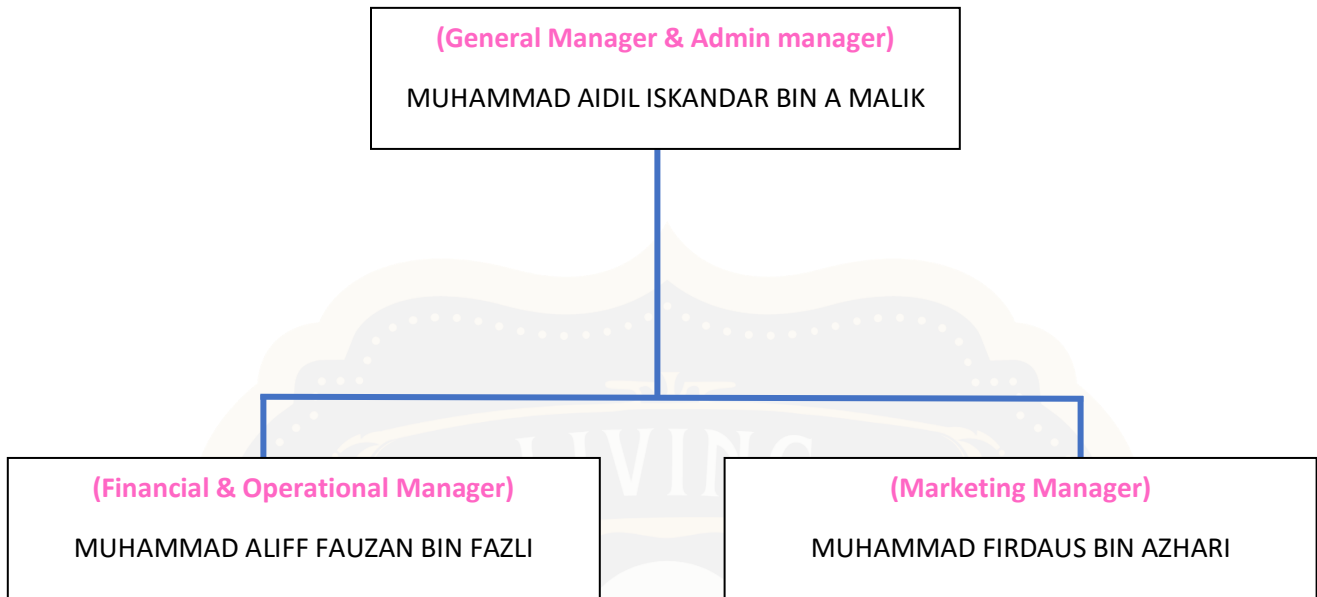


Figure 3.1: Living Ice Cream organizational chart

Logo and Motto



The name of our store is "Living Ice cream." The meaning of each word in the name is unique. Our primary dessert, which is served cold, is referred to as "Ice." Additionally, we chose the phrase "Living" since we utilize palm oil as a natural component in our sweets. Since it suits the concept of our business, the logo's color is blacker and gold.

Moto

Eat it quickly, it's melting. According to this philosophy, every cone of ice cream that clients buy from the ice cream parlor would bring them happiness and enjoyment. It portrays the store in a favorable and welcoming light and suggests that the ice cream is delicious and of a high calibre.



3.0 PARTNERSHIP BACKGROUND



**LOCATION OF THE
BUSINESS**



4.0 ADMINISTRATION PLAN

4.0 Administration Plan

4.1 Introduction

An administration plan for our ice cream business is a document that outlines the specific strategies and procedures that will be used to manage and operate the business on a day-to-day basis. The plan is a crucial component of a business plan and is used to ensure that the company runs efficiently and effectively.

The organizational structure of the ice cream business should have a clear hierarchy with defined roles and responsibilities for key personnel, such as the owner/manager, shift supervisors, and staff. Operations should have detailed procedures in place for managing daily operations, including inventory management, customer service, and financial management. This could include procedures for ordering and receiving ingredients, preparing, and serving ice cream, handling customer complaints, and processing financial transactions.

The business should also have detailed procedures for production of ice cream including recipe development, production process, quality control, and packaging. The business should have a comprehensive sales and marketing plan that details how it will attract and retain customers. This could include strategies for advertising, promotions, and public relations, as well as customer loyalty programs.

The business should have human resources plan those outlines policies and procedures for recruiting, hiring, training, and managing staff. This should include guidelines for performance evaluations, promotions, and disciplinary action. The business should have a plan in place to ensure compliance with all relevant laws and regulations, such as food safety laws, labor laws, and health and safety regulations. The business also need a plan in place to manage its IT infrastructure, including hardware, software, and networking systems. This could include procedures for maintaining and updating systems, as well as backup and recovery plans. Living Ice cream have a risk management plan that identifies and assesses potential risks, such as natural disasters or

pandemics, and outlines strategies for mitigating these risks. The business have a continuity plan in place to ensure that it can continue operations in case of disruptions or emergencies. This could include procedures for maintaining inventory, ensuring customer safety, and communicating with employees and customers.

Overall, an administration plan for an ice cream business should be comprehensive and well-defined, with clear procedures and protocols in place to ensure that the business runs smoothly and efficiently.



4.2 Objectives

1. Managing the budget

The administrative manager must be responsible for creating and managing the company's budget, ensuring that all expenses are kept within budget limits, and identifying areas where costs can be reduced.

2. Maintaining accurate records

The administrative manager should be responsible for maintaining accurate records of all transactions, including financial, inventory, and customer information. This will help the company track performance and make informed decisions.

3. Implementing policies and procedures

The administrative manager supposed to develop and implement policies and procedures for managing the business, including customer service, inventory management, and financial management.

4. Supervising staff

The administrative manager meant to responsible for supervising the staff and ensuring that they are properly trained and motivated to perform their duties.

5. Ensuring Compliance

The administrative manager should ensure adherence to all applicable laws and regulations, including those related to food safety, labor, and health and safety.

4.3 Organizational Chart

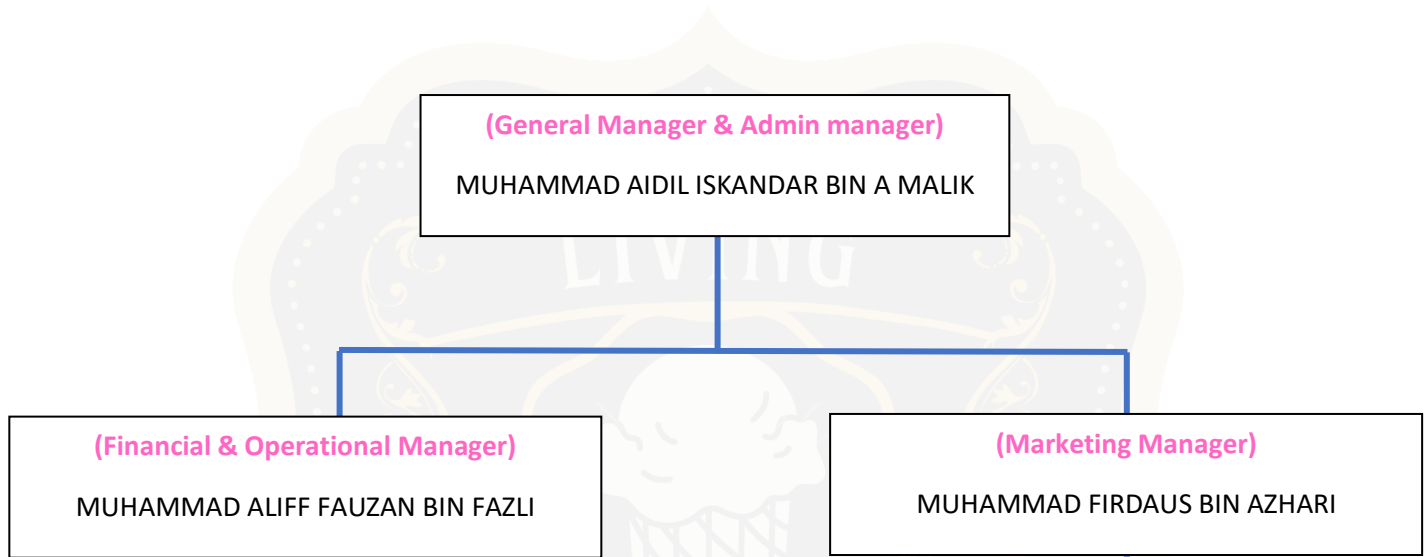


Figure 4.3.1 Organizational Chart of Living Ice Cream

4.4 Manpower Planning

POSITION	NO OF PERSONEL
<ul style="list-style-type: none">• General Manager Administrator	1
<ul style="list-style-type: none">• Marketing	1
<ul style="list-style-type: none">• Financial & Operational	1
Total	3

Table 4.4 Manpower Planning

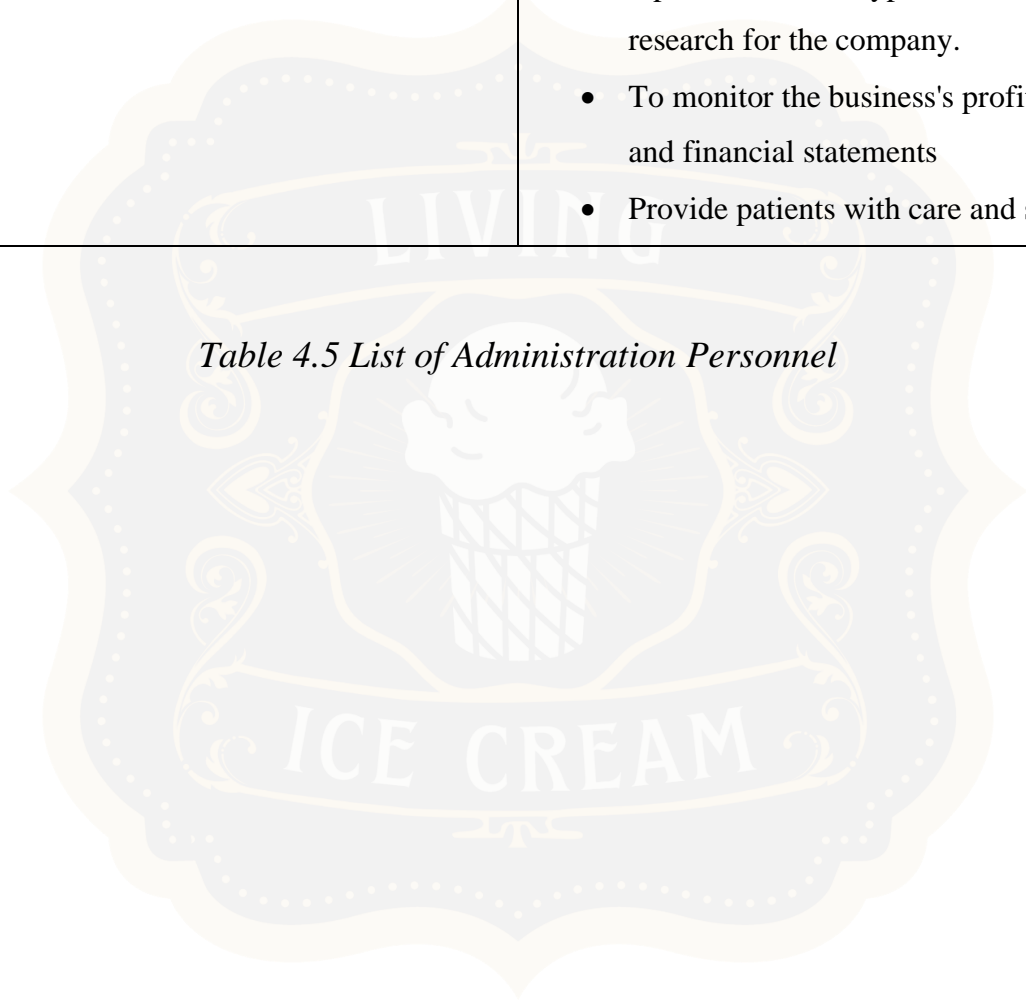
4.5 Schedule of Task & Responsibilities

POSITION	TASK AND RESPONSIBILITIES
<p>General Manager</p>	<ul style="list-style-type: none"> • Setting and achieving business goals and objectives. • Developing and implementing business strategies. • Building and managing a team. • Managing budgets and financial performance. • Developing and maintaining relationships with key stakeholders. • Identifying and capitalizing on business opportunities.
<p>Administrative Manager</p>	<ul style="list-style-type: none"> • Developing and implementing administrative policies and procedures • Managing and maintaining office equipment and supplies • Managing and overseeing office budget • Organizing and maintaining filing systems • Overseeing and managing office projects • Assisting with the preparation of reports and presentation

<p>Marketing Manager</p>	<ul style="list-style-type: none"> • Developing and implementing marketing strategies and plans • Conducting market research and analyzing data to identify trends and insights. • Managing and coordinating marketing campaigns and promotions • Collaborating with internal teams and external partners to develop and execute marketing initiatives. • Developing and managing a marketing budget • Creating and managing content for various marketing channels, including website, social media, email, and print materials
<p>Operation Manager</p>	<ul style="list-style-type: none"> • In charge of ensuring that Living Ice Cream can meet the required standard. • Control all technical aspects of business operations, analyses. • customer needs and comments following therapy and provide patients with care.

<p>Financial Manager</p>	<ul style="list-style-type: none"> • Responsible for managing financial flow. • Creating a budget for the company - Overseeing and managing accounting, investment portfolios, financial reports, and other types of financial research for the company. • To monitor the business's profit or loss and financial statements • Provide patients with care and services
--------------------------	--

Table 4.5 List of Administration Personnel



4.6 Schedule of Remuneration

<i>Position</i>	<i>Quantity</i>	<i>Monthly Salary (RM) (A)</i>	<i>EPF (RM) (13%) (B)</i>	<i>SOCSSO (RM) (1.75%) (C)</i>	<i>Total (RM) (A)+(B)+(C)</i>
<i>General Manager</i>	1	1,500.00	195.00	45.00	1,740.00
<i>Administration Manager</i>	1	1,000.00	130.00	30.00	1,160.00
<i>Marketing Manager</i>	1	1,000.00	130.00	30.00	1,160.00
<i>Operational Manager</i>	1	1,000.00	130.00	30.00	1,160.00
<i>Financial Manager</i>	1	1,000.00	130.00	30.00	1,160.00
TOTAL	5				6,380.00

Table 4.6 Schedule of Remuneration

4.7 Office Furniture, Fitting and Office Supplies

EQUIPMENT			
TYPE	PRICE/UNIT (RM)	QUANTITY	TOTAL AMOUNT (RM)
Computer	1,500.00	2	3,000.00
Telephone	300.00	2	600.00
Printer	200.00	2	400.00
Wireless router (Wi-Fi)	165.00	1	165.00
Air-Conditioning	600.00	4	2,400.00
TOTAL			6,565.00

Table 4.7.1 List of Office Furniture's and Fittings

SUPPLIES			
TYPE	PRICE/UNIT (RM)	QUANTITY	TOTAL AMOUNT (RM)
A4 Paper	60.00	2	120.00
Pen/Box	30.00	1	30.00
Filing	3.00	30	90.00
Printer ink	30.00	10	300.00
Calculator	30.00	2	60.00
Notepads	2.00	10	20.00
Other expenditure			100.00
TOTAL			720.00

Table 4.7.2 List of Office Supplies

4.8 Administration Budget

ITEM	FIXED ASSETS (RM)	MONTHLY EXPENSES (RM)	OTHER EXPENSES (RM)
<i>Fixed Assets</i>			
<i>Equipment</i>	6,565		
<i>Supplies</i>	720		
<i>Furniture & Fittings</i>	4,060		
<i>Renovation</i>	500		
<i>Working Capital</i>			
<i>Rent</i>		2,600	
<i>Utilities (Electricity, Water bill, Internet (Unifi), Promotion (Astro))</i>		2,000	
<i>Salaries, EPF & SOCSO</i>		6,380	
<i>Pre-Operations</i>			
<i>Deposits (rent, utilities, etc)</i>			1,500
<i>Business Registration & License</i>			2,000
<i>Other Expenditure</i>			1,000
TOTAL		26,225	

Table 4.8 Administration Budget



5.0 MARKETING PLAN

5.1 Marketing Objectives

(i) New business

- By using various marketing channels, we may increase the exposure of our store and grow the number of customers we serve.
- to see a 1% increase in sales by 2024
- Use the right distribution method to make the goods available to customers.

(ii) Existing business

- Promote innovative and uncommon flavours for the ice cream industry.
- Give out lots of free ice cream samples to entice clients to make a purchase.
- Create the ideal environment for customers to relax in

5.2 Description of products

Living Ice Cream is an outlet that serves extraordinarily unique palm oil-based ice cream with multiple types of refreshing flavors. Other than that, Living Ice Cream has ice cream with a combination of flavor and fresh ingredients that's make it feels originals sensation when the customers consume it. The ices cream at Living Ice Cream is made using palm oil, which has several advantages for customers, including boosting vitamin A, lowering risk factors for heart disease, and safeguarding brains. This is due to the high levels of carotenoids, vitamin E, and lack of trans fats in palm oil, all of which have powerful antioxidant qualities. Next, the ingredients used in the ice cream are fat from palm oil, milk powder substitute, emulsifier and stabilizer, flavor, sugar, and glucose syrup. The special thing about this ice cream was the fresh ingredients such as the blackberry pieces that are contained in the ice cream gives a melt into happiness taste and deliver smiles in consumer days.

Without a doubt, our clients will enjoy from fresh experiences and satisfaction from our distinctive product, the only one offered on the Malaysian market. In addition, our store will provide a range of flavors of ice cream that will change people's lives for dessert lovers and hunters of all ages, especially those who like ice cream. Additionally, our life-changing product has a fair and reasonable price because of the superior components utilized to make it. Since our company's

motto is "scooping happiness to life," we will always offer the greatest food to satisfy our clients' palates.

Because of our strength and distinctiveness, Living Ice Cream will also become the top ice cream-selling location in Johor. Our first goal will always be serving our customers. Before being offered to our devoted consumers, all our life-changing ice cream is made with the finest and most expensive ingredients and has previously undergone various research and development (R&D) procedures. After that, the location of our store is beneficial since it's close to a residential area, which makes it easier for people to stop by and taste our products. We will also provide a home delivery service utilizing the food delivery apps 'Foodpanda' and 'Grabfood', as well as our own rider service. Therefore, even those with transportation limitations will be able to experience our product. Additionally, we are open from Saturday through Thursday from 10 am to 10 pm, giving us the opportunity to achieve both our short-term and long-term objectives. In conclusion, client happiness is our first concern, and their comments will help us to do better in the future.

Product description

Product	Description
Features	<ul style="list-style-type: none"> • Fresh ingredients that can be add more • tub that can reduce heat absorption
Materials	<ul style="list-style-type: none"> • fat from palm oil • milk powder substitute • emulsifier and stabilizer • flavor (chocolate, blackberry and etc) • sugar • glucose syrup • anthocyanins
Benefits	<ul style="list-style-type: none"> • improve vitamin A • reduce heart disease risk factors • protect brains • free trans fats

Product illustration

Figure 5.2.1 Watermelon Sorbet Flavor from Living Ice Cream stall

5.3 Target market

Market segmentation is the process of dividing or classifying a market of potential buyers based on several factors. The segments are made up of consumers who have characteristics in common, such as shared hobbies, requirements, or geography, and who react to marketing efforts similarly. Its objective is to make sure businesses can segment their customers to promote their goods and services more effectively.

3 types of segmentation:

- a) Geographic segmentation
- b) Demographic segmentation
- c) Psychographic segmentation

Geographic Segmentation

Geographic segmentation refers to the split of a company's market depending on geography. Geographic segmentation for a market might include cities, counties, regions, nations, and foreign territories. Markets are classified into three types: urban, suburban, and rural. Using this segmentation, we may determine the product that the consumer requires in a certain region.

No. 7 Jalan Kenari 21, Taman Scientex, Pasir Gudang, Johor, had been chosen as our company site for Living Ice Cream. It's safe to conclude that the rural region is developing. Our shop is strategically located near shopping centers and in residential areas, making it easy for customers to visit and purchase our ice cream. Because there are no other adjacent ice cream shops from the residential neighborhood, our store is ideally suited to opening there. This is going to be our great chance to open an ice cream business.

Demographic segmentation

Demographic segmentation refers to market segmentation based on age, race, gender, employment, income, cultural background, and family status. A corporation can split demographics into a variety of markets to target its clients more accurately. As a result, our product is marketed to people of all ages and genders since we only utilize natural ingredients to make all the flavors for this life-changing ice cream. Because we sell all our items at a low and acceptable price. As a result, consumers with various economic levels, from low to high, will be able to buy our goods without concern.

Psychographic segmentation

Psychographic segmentation separates the market into distinct segments based on the customer's lifestyle. One type of lifestyle measuring instrument is AIO surveys, which evaluate activities, interests, and views. It investigates a few factors that may have an impact on customer attitudes, expectations, and behavior. Psychographic segmentation is a research strategy that is used to examine, and categories customers based on psychological qualities such as personality, lifestyle, social status, activities, interests, views, and attitudes.

From our research, most Malaysian wants to have healthy and affordable food, but affordable food or desserts can be expensive because healthy lifestyle nowadays was not cheap. Because of this, our product can be one attractive dessert as our product has a healthy ingredient that creates an original and authentic taste. We also gathered the data through customer feedback and rating on the grand opening's day.

5.4 Market trend and market size

5.4.1 Market Trend

People nowadays are more willing to try something new and different, especially in the food business. Furthermore, we know that Malaysians enjoy eating sweets such as ice cream because the weather is hot and humid. Aside from that, people of all ages like eating numerous varieties of ice cream. As a result, demand is strong, and we see this as a chance to build an ice cream shop.

5.4.2 Market size

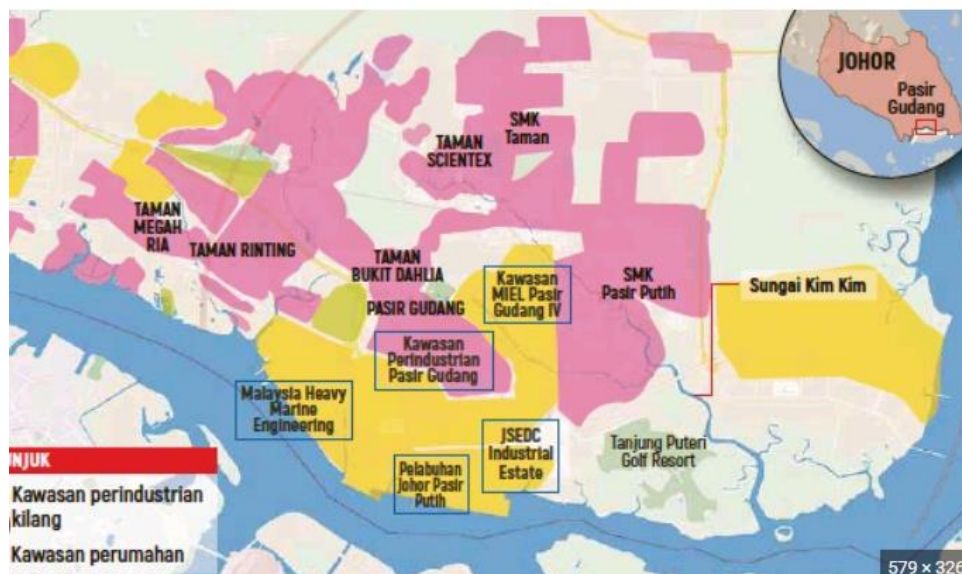


Figure 5.4 Population 1 – Pasir Gudang

312 499 persons make up the target market in Pasir Gudang, Johor.

- Males: 53.9%
- Women: 46.1%

Gender	Population
Male	168,437
Female	144,062

5.5 Competitors

5.5.1 Identifying competitors.

Competitors	Strengths	Weaknesses
Baskin Robbins	<ul style="list-style-type: none"> • Global ice cream chains • Always keep the products following the trends. • First ice cream cake provider. 	<ul style="list-style-type: none"> • Expensive price • Less Vegan Option • Involve in legal issues that affected the brand image
La Cremeria	<ul style="list-style-type: none"> • well-known Malaysian corporation • the most liked local ice cream 	<ul style="list-style-type: none"> •The price more than quality
Wall's	<ul style="list-style-type: none"> • Global ice cream chains 	<ul style="list-style-type: none"> • Expensive price

Table 6.5.1 Competitive analysis

5.6 Market Share

5.6.1 Market share before the entry of our business.

Competitor	Before entrance (%)	Amount (RM)
Baskin Robbins	50	4,062,474
La Cremeria	30	1,349,985
Wall's	20	999,984

Table 5.6.1 Market share before the entry of our business

5.6.2 Adjusted market share after the entry of our business.

Competitor	After entrance (%)	Amount (RM)	Percentage loss (%)
Baskin Robbins	45	3,656,224	5
La Cremeria	25	1,124,855	5
Wall's	15	749,984	5
Living Ice Cream	15	437,520	–

Table 5.6.2 Market share after the entry of our business

5.7 Sales forecast

5.7.1 Sales forecasting for monthly

Population \times Price (single scoop) = Market Size $312,499 \times 10 = \text{RM (market size)}$

The sales forecast is 15% of the market size $\text{RM } 3,124,990 \times 15\% = 437,520(\text{per year})$

Per month: $437,520/12$ month: $\text{RM } 36,460$

SALES FORECASTING	
Month 1	36,460
Month 2	36,560
Month 3	36,660
Month 4	36,760
Month 5	36,860
Month 6	36,960
Month 7	37,060
Month 8	37,160
Month 9	37,260
Month 10	37,360
Month 11	37,460
Month 12	37,560
Total Year 1	437,520

Table 6.7.2 Sales forecasting for year

5.8 Market strategy

5.8.1 Product

A new and improved product line called Living Ice Cream was created to offer a product that would appeal to customers with a moderate to low budget. Customers who prefer sweet meals and sweets may find this product appealing since it boosts hormones and enhances emotions. Since they can just pick, pay, and eat, customers may easily enjoy it anywhere. Living Ice Cream is a practical product since it requires less work and costs less money. Given that the user buys these goods to satisfy their needs, it is a consumer good.

In addition, the trademark is an essential component to include in the product since it serves as a distinguishing feature for the business that has legally registered its brand name or trademark, making it impossible for anyone to use it without authorization. Additionally, a feature that distinguishes the business or brand must be included. To highlight the usefulness and potential of Living Ice Cream products, we use a new slogan. Beyond that, Living Ice Cream may be distinguished from competing products thanks to its brand name and emblem.

5.8.2 Price

Living Ice Cream made the decision to keep its price objectives the same. The current pricing is the same as that of the rival. Competition has a big impact on how well a marketing campaign functions. Every company needs to adapt to the competition. To do this, a company will lower its prices as low as it can to make the product less profitable. This strategy could help keep rivalry at a distance. In some cases, a company must go on the attack by selling products at a loss in order to keep rivals from entering the market. If we charge more, we run the risk of not getting enough customers for this novel product.

Pricing strategy based on competitors' prices (starting price)

Competitors	Price/Tub (RM)
Baskin Robbin	26.00
La Cremeria	14.40
Wall's	16.00
Living Ice Cream	10.00

5.8.3 Place

We provide a direct service to our customers. This is because of our desire to maintain the greatest calibre of services. Our company's location is highly crucial since it makes it simple for clients to come because our restaurants are adjacent to shopping centers and residential areas. In addition, we will provide takeout, which will simplify and improve the experience for our clients.

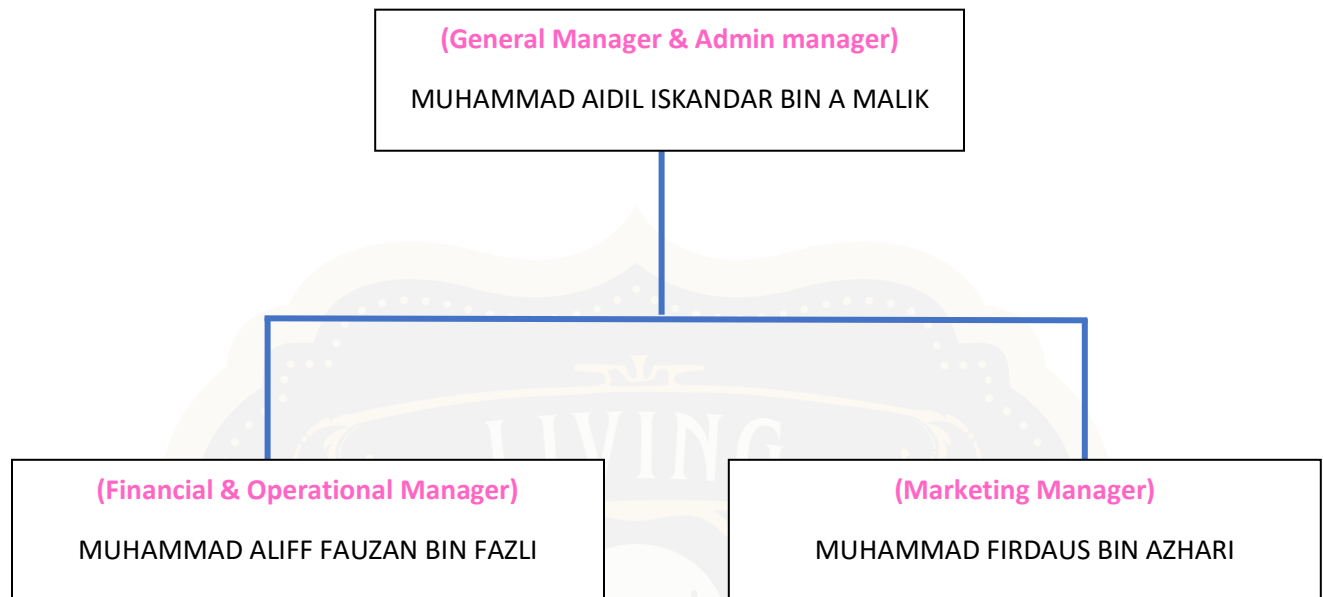
5.8.4 Promotion

- *Opening day*: 20% off each purchase, valid for just one day (to introduce our ice cream)
- For 3 days only, during *Chinese New Year*, receive 15% off on all purchases when you dress in traditional Chinese attire.
- On February 14th, come to our store and take a selfie with your significant other for 10% off all purchases.
- During the week of *Hari Raya Aidilfitri*, all purchases will be discounted by 30% if you visit with family and wear traditional clothing for just three days.
- *Wesak Day*: Buy 2 get 1 free.
- *Independence Day*: 35% discount when screaming "MERDEKA" and waving the national flag.
- *Malaysia Day*: Buy 2 and receive RM3 discount for just one day.
- For two days only on *Deepavali Day*, 20% discount when customers post a photo of themselves in our store and tag us.
- *Christmas Day*: Buy three receive three days of free presents.

Advertising

The implementation and testing we employ to promote or advertise Living Ice Cream is advertising. We utilize advertising to inform consumers about the advantages of our product so that they have a thorough understanding of it and are informed about it. The internet is a channel via which we might advertise our goods. Most of the individuals in our target market have access to the internet since it now makes it possible for them to search for all of their favorite brands. The website is an easy and affordable way to promote our goods.

5.9 Organizational Chart for Marketing Department



5.10 Manpower Planning

Position	No of Personnel
Marketing Manager	1

Table 5.10 List of Marketing Personnel

5.11 Schedule of Task and Responsibilities

Position	Task and Responsibilities
Marketing Manager	<ul style="list-style-type: none"> • planning marketing tactics to maximize profit is responsible. • examining the marketing's scale, aims, and shares. • examining information about products and services from rival companies. • provide them with top-notch service

Table 5.11 Task and Responsibilities of Marketing Personnel

5.12 Schedule of Remuneration

<i>Position</i>	<i>Quantity</i>	<i>Monthly Salary (RM) (A)</i>	<i>EPF (RM) (13%) (B)</i>	<i>SOCSSO (RM) (1.75%) (C)</i>	<i>Total (RM) (A)+(B)+(C)</i>
<i>General Manager</i>	1	1,500.00	195.00	45.00	1,740.00
<i>Administration Manager</i>	1	1,000.00	130.00	30.00	1,160.00
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<i>Operational Manager</i>	1	1,000.00	130.00	30.00	1,160.00
<i>Financial Manager</i>	1	1,000.00	130.00	30.00	1,160.00
TOTAL	5				6,380.00

Table 5.12 Schedule of Remuneration plan of Marketing Personnel

5.13 Marketing Budget

<i>Item</i>	<i>Fixed Assets</i>	<i>Monthly Expenses (RM)</i>	<i>Other Expenses (RM)</i>
<i>Fixed Asset</i>			
<i>Signboard</i>	2,500		
<i>Blackboard</i>	150		
<i>Working capital</i>			
<i>Promotion Banner</i>			
<i>Social media advertising</i>		100 1,000	
<i>Other Expenses</i>			
<i>Business Card</i>			70
TOTAL	5,690	1,100	70

Table 5.13 Marketing Budget



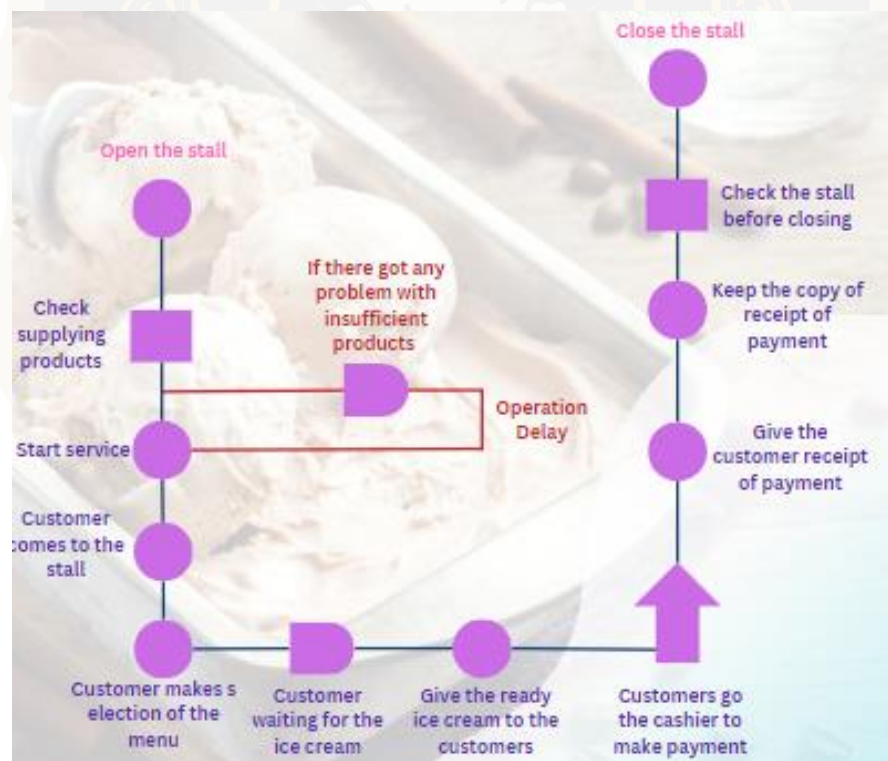
6.0 OPERATIONAL PLAN

6.0 Operational Plan

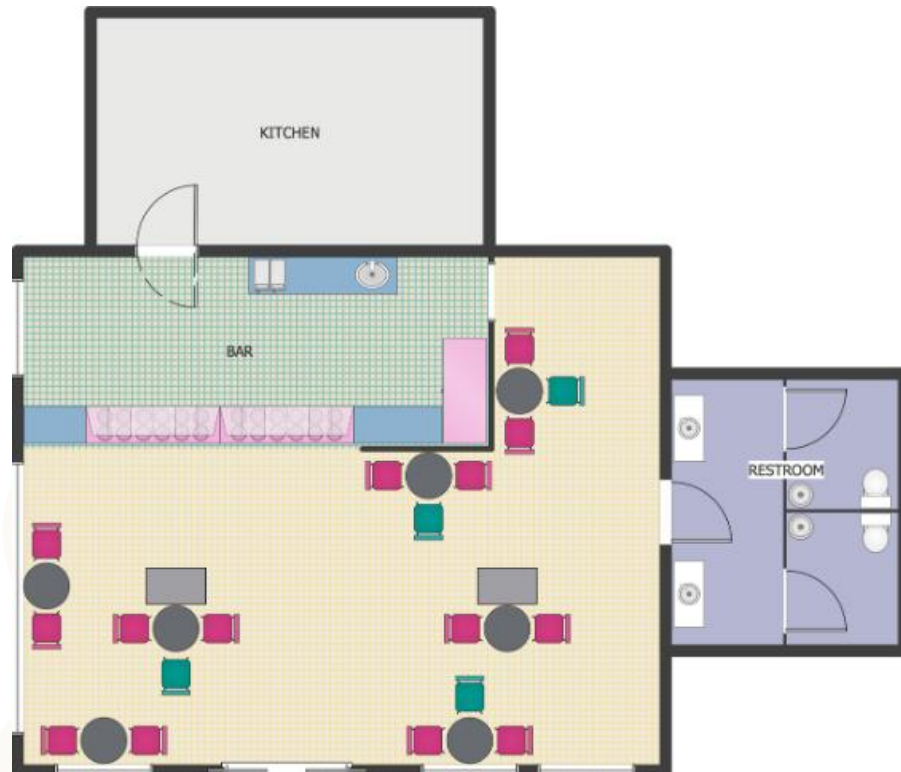
6.1.1 Component of Operating

- to design processes that are time and money efficient.
- having the finest operating procedures for ice cream production that pose less risk while being carried out.
- To ensure that sanitation and hygiene are in place and that the product is both clean and safe.
- Produce ice cream in large quantities while maintaining excellent standards.
- By 2025, the business should have grown by 25% while using a warehouse and premium raw materials.

6.1.2 Process Planning



6.2 Operations Layout



6.2.1 Layout based on the product

6.3 Production Planning.

6.3.1 Sales forecast per month

Output per month Average sales forecast per month = RM 36,460

The sales price = RM 10

number of output per month = Average sales forecast/Sale price per unit
 $\text{RM } 36,460 / \text{RM } 10 = 3,646$ unit per month

6.3.2 Number of outputs per day

If the number of working days per month is 28 days (7 days/week) = No. of output per month /
no. working days per month = 3646 unit per month / 28 days

= 130 unit per day

6.3.3 Number of units per hour

Such as daily working hour = 12 hours

= No. of output per day / daily working hours = 130-unit per day / 12 hours

= 11 unit per hour

6.4 Material Planning

6.4.1 Material Requirement Planning

<i>Materials</i>	<i>No of material</i>	<i>Price (RM)</i>
Ice cream from supplier	3700	10,000
Total	3700	10,000

6.4.2 Identify supplier.

<i>Materials</i>	<i>Materials supplier</i>
Ice cream in tubs	Admiral Industries Sdn.Bhd. 15, Jalan Mutiara Emas 5/16, Taman Mount Austin, 81100 Johor Bahru, Johor

6.5 Machine and Equipment Planning

6.5.1 Amount of machine & equipment required (Calculated for every machine usage)

<i>Machine</i>	<i>No of Machine</i>
Ice cream display freezer	1
Freezer 250 L	1
Casher Machine	1
<i>Total</i>	3

6.5.2 List of machine supplier

<i>Machine</i>	<i>Machine supplier</i>
Ice cream display freezer	Soonly Refrigeration Trading 8, Jalan Seroja 54, Johor Jaya, 81100 Johor Bahru, Johor
Freezer 250 L	Soonly Refrigeration Trading 8, Jalan Seroja 54, Johor Jaya, 81100 Johor Bahru, Johor
Casher Machine	Leda Technology Enterprise 34, Jalan Dedap 17, Johor Jaya, 81100 Johor Bahru, Johor

6.5.4 Machine and equipment (rental or purchase)

Machine	Quantity	Price/Unit (RM)	Total Cost Monthly (RM)
Ice cream display freezer	1	4000	-
Freezer 250 L	1	2380	-
Casher Machine	1	1600	-
		7980	

6.6 Manpower Planning

6.5.1 Amount of direct labour required (Calculate for every man power)

$$\frac{\text{Planned Rate of Production per day} \times \text{Standard production time}}{\text{Machine productive time per day}}$$

- Example: operation executive

130 X 1.5 min /240 min (5 hours x 60 minutes)

= 0.84 @ 1 operator

Schedule of remuneration

<i>Position</i>	<i>No.</i>	<i>Monthly Salary (RM)</i>	<i>EPF Contribution (12%) (RM)</i>	<i>SOCSSO (2.5%) (RM)</i>	<i>Amount (RM)</i>
Manager	1	2000	240	50	2290
Staffs	3	1300	156	32.50	4465.5
Total					6755.5

6.6.1 Organizational Chart for Operational Department

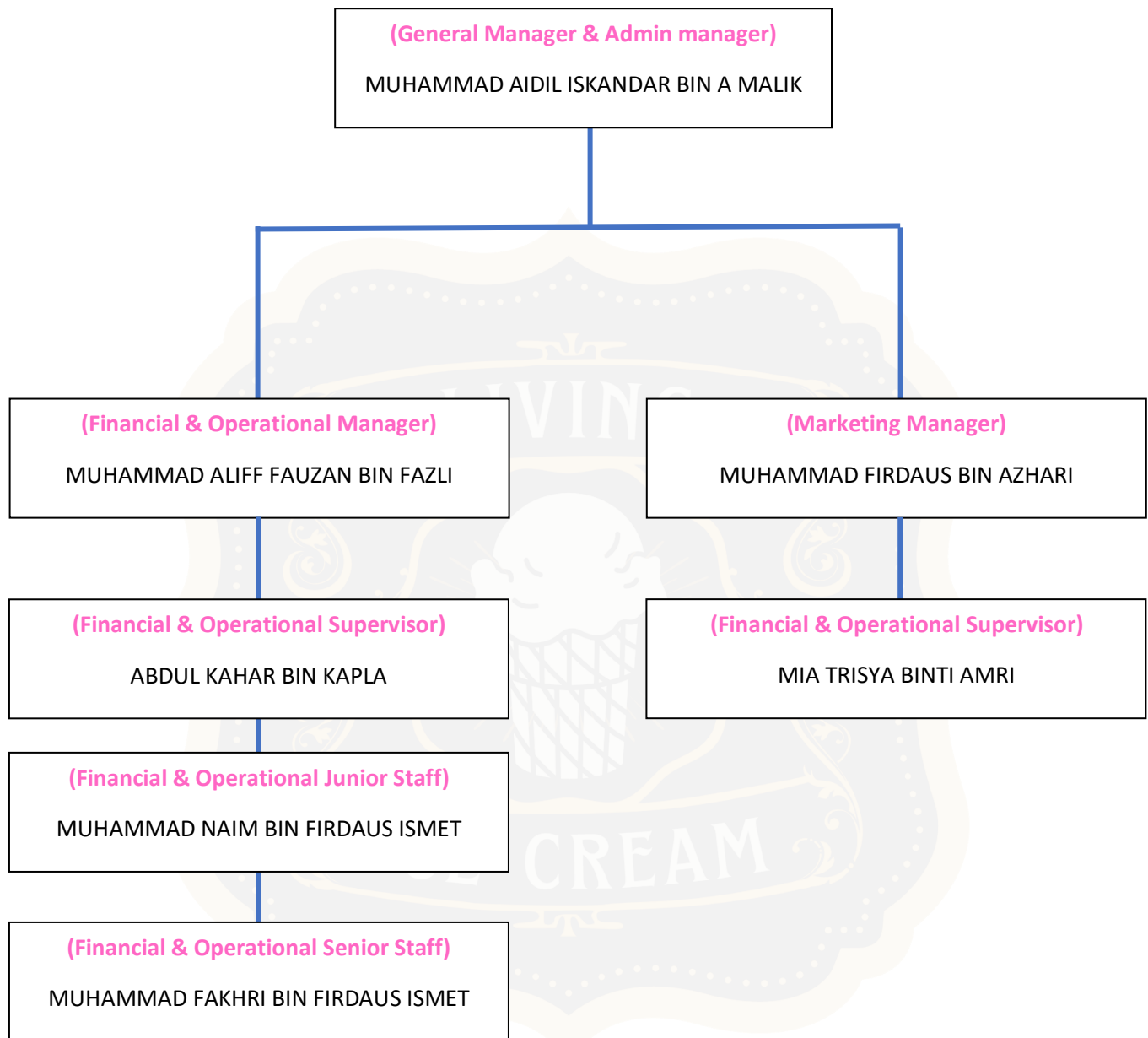


Figure 6.6.1 Organizational Chart (Head of Department + worker)

6.7 Overhead requirement

6.7.1 Operations Overhead (indirect labour/ indirect material/ insurance/ maintenance and utilities)

No	Types of Overhead	Monthly Cost (RM)
1	Rental	2600
2	Electricity	1600
3	Water	600
4	Machine maintenance	1000
5	Internet	200
6	Cleaner	300
7	Telephone	300

6.8 Total Operations Cost

Total Operation Cost = Direct Material Cost (total raw material) + Direct Labor Cost (total remuneration) + Overhead Cost (total operations overhead)

$$= \text{RM } 10000 + \text{RM } 6755.5 + \text{RM } 6600 = \text{RM } 23,355.5$$

6.9 Cost per unit

Cost per unit = Total Operations Cost (RM) / Total number of Output (Output per month) = RM 23,355.5 / 3646 = RM 6.4 per unit

6.10 Productivity Index (PI)

Productivity Index = Total value of Output (Sales forecast per month) / Total Value of input (Total Operation Cost) = RM36 460 / RM 23,355.5 = 1.56

6.11 Business and operation hours

Business hour = 12 hours per day (10.00 a.m. until 10.00 p.m.)

Operating hour = 13 hours per day (9.00 a.m. until 10.00 p.m.)

Rest = 30 minutes (morning shift = 1.00p.m-1. 30p.m) (evening shift = 7.00p.m-7. 30p.m)

Shift = 6 hours (morning shift = 9.00a.m-4. 00p.m) (evening shift = 4.00p.m-10p.m)

Working days = 7 days per week (Monday – Sunday)

6.12 License, permits and regulations required.

We must first acquire a legitimate business license to launch a business in Malaysia. All the following are crucial: licenses, registrations, permits, and approvals. Depending on the establishment's location and type of business, the 'Pihak Berkuasa Melesen' (PBM) may issue a business license.

6.12.1 Business license

- Legal requirement to operate business in location.
- Certificate of registration of business (form D)

E-SSM business profile.

- Photos of your business premises (front and interior)
- Sample signboard indicating design and color.
- Photos showing location of signboard.

6.13 Implemation schedule

Activities	Deadlines	Duration
Incorporation in business	June – August 2022	3 months
Application for permits and related license	June – August 2022	3 months
Searching for premise	July – August 2022	2 months
Premis renovation	September 2022	1 month

Procurement for machines	October – December 2022	2 months
Staff's recruitment	October 2022	1 month
Machines installation	December 2022	1 month



7.0 FINANCIAL PLAN

7.0 Financial Plan

7.1 Operating Budget

ADMINISTRATIVE BUDGET				
Particulars	F.Assets	Monthly Exp.	Others	Total
<i>Fixed Assets</i>				
Land & Building	-			-
Office Furniture & Fittings	4,060			4,060
Shop Equipment	6,565			6,565
Renovation	500			500
Supply	720			720
<i>Working Capital</i>				
		-		-
Rent		2,600		2,600
		-		-
		-		-
		-		-
		-		-
<i>Pre-Operations & Other Expenditure</i>				
Other Expenditure			500	
Deposit (rent, utilities, etc.)			5,200	5,200
Business Registration & Licences			60	60
Insurance & Road Tax for Motor Vehicle			-	-
Other Pre-Operations Expenditure			-	-
Total	11,845	2,600	5,760	19,705

7.1.1 Administrative Department

MARKETING BUDGET				
Particulars	F.Assets	Monthly Exp.	Others	Total
Fixed Assets				
Signboard	2,500			2,500
Banner	150			150
Blackboard	150			150
	-			-
Working Capital				
Social media advertising		1,000		1,000
Promotion banner		150		150
Influencer platform		1,000		1,000
		-		-
		-		-
		-		-
		-		-
Pre-Operations & Other Expenditure				
Other Expenditure			70	
Deposit (rent, utilities, etc.)			-	-
Business Registration & Licences			-	-
Insurance & Road Tax for Motor Vehicle			-	-
Other Pre-Operations Expenditure			-	-
Total	2,800	2,150	70	4,950

7.1.2 Marketing Department

OPERATIONS BUDGET				
Particulars	F.Assets	Monthly Exp.	Others	Total
Fixed Assets				
Ice cream display freezer	4000			4,000
Freezer 250L	2380			2,380
Cashier machine	1600			1,600
				-
Working Capital				
Raw Materials & Packaging		10,000		10,000
Carriage Inward & Duty		700		700
Salaries, EPF & SOCSO		6,380		6,380
Utilities		3,000		3,000
		-		-
		-		-
		-		-
Pre-Operations & Other Expenditure				
Other Expenditure			60	
Deposit (rent, utilities, etc.)			-	-
Business Registration & Licences			-	-
Insurance & Road Tax for Motor Vehicle			-	-
Other Pre-Operations Expenditure			210	210
Total	7,980	20,080	270	28,270

7.1.3 Operations Department

7.2 Project Implementation Cost and Sources of Finance

LIVING ICE CREAM PROJECT IMPLEMENTATION COST & SOURCES OF FINANCE						
Project Implementation Cost			Sources of Finance			
Requirements		Cost	Loan	Hire-Purchase	Own Contribution	
					Cash	Existing F. Assets
Fixed Assets						
Land & Building						
Office Furniture & Fittings		4,060	4,060			
Shop Equipment		6,565	6,565			
Renovation		500	500			
Supply		720	720			
Signboard		2,500	2,500			
Banner		150	150			
Blackboard		150	150			
Ice cream display freezer		4,000	4,000			
Freezer 250L		2,380	2,380			
Cashier machine		1,600	1,600			
Working Capital		1 months				
Administrative		2,600	2,600			
Marketing		2,150	2,150			
Operations		20,080	20,080			
Pre-Operations & Other Expenditure		6,100	6,100			
Contingencies		10%	5,356	5,356		
TOTAL		58,911	58,911			

7.3 Fixed Asset Department Schedule

Fixed Asset Office Furniture & Fittings				Fixed Asset Shop Equipment			
Cost (RM) 4,060				Cost (RM) 6,565			
Method Straight Line				Method Straight Line			
Economic Life (yrs) 5				Economic Life (yrs) 5			
Year	Annual Depreciation	Accumulated Depreciation	Book Value	Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	4,060		-	-	6,565
1	812	812	3,248	1	1,313	1,313	5,252
2	812	1,624	2,436	2	1,313	2,626	3,939
3	812	2,436	1,624	3	1,313	3,939	2,626
4	812	3,248	812	4	1,313	5,252	1,313
5	812	4,060	-	5	1,313	6,565	-
6	0	0	-	6	0	0	-
7	0	0	-	7	0	0	-
8	0	0	-	8	0	0	-
9	0	0	-	9	0	0	-
10	0	0	-	10	0	0	-

Fixed Asset Renovation Cost (RM) 500 Method Straight Line Economic Life (yrs) 5			
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	500
1	100	100	400
2	100	200	300
3	100	300	200
4	100	400	100
5	100	500	-
6	0	0	-
7	0	0	-
8	0	0	-
9	0	0	-
10	0	0	-

Fixed Asset Supply Cost (RM) 720 Method Straight Line Economic Life (yrs) 5			
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	720
1	144	144	576
2	144	288	432
3	144	432	288
4	144	576	144
5	144	720	-
6	0	0	-
7	0	0	-
8	0	0	-
9	0	0	-
10	0	0	-

Fixed Asset Signboard Cost (RM) 2,500 Method Straight Line Economic Life (yrs) 5			
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	2,500
1	500	500	2,000
2	500	1,000	1,500
3	500	1,500	1,000
4	500	2,000	500
5	500	2,500	-
6	0	0	-
7	0	0	-
8	0	0	-
9	0	0	-
10	0	0	-

Fixed Asset Banner Cost (RM) 150 Method Straight Line Economic Life (yrs) 5			
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	150
1	30	30	120
2	30	60	90
3	30	90	60
4	30	120	30
5	30	150	-
6	0	0	-
7	0	0	-
8	0	0	-
9	0	0	-
10	0	0	-

Fixed Asset		Blackboard	
Cost (RM)		150	
Method		Straight Line	
Economic Life (yrs)		5	
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	150
1	30	30	120
2	30	60	90
3	30	90	60
4	30	120	30
5	30	150	-
6	0	0	-
7	0	0	-
8	0	0	-
9	0	0	-
10	0	0	-

Fixed Asset		Blackboard	
Cost (RM)		150	
Method		Straight Line	
Economic Life (yrs)		5	
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	-
1	-	-	-
2	-	-	-
3	-	-	-
4	-	-	-
5	-	-	-
6	-	-	-
7	-	-	-
8	-	-	-
9	-	-	-
10	-	-	-

Fixed Asset		Ice cream display freezer	
Cost (RM)		4,000	
Method		Straight Line	
Economic Life (yrs)		5	
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	4,000
1	800	800	3,200
2	800	1,600	2,400
3	800	2,400	1,600
4	800	3,200	800
5	800	4,000	-
6	0	0	-
7	0	0	-
8	0	0	-
9	0	0	-
10	0	0	-

Fixed Asset		Freezer 250L	
Cost (RM)		2,380	
Method		Straight Line	
Economic Life (yrs)		5	
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	2,380
1	476	476	1,904
2	476	952	1,428
3	476	1,428	952
4	476	1,904	476
5	476	2,380	-
6	0	0	-
7	0	0	-
8	0	0	-
9	0	0	-
10	0	0	-

Fixed Asset	Cashier machine		
Cost (RM)	1,600		
Method	Straight Line		
Economic Life (yrs)	5		
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	1,600
1	320	320	1,280
2	320	640	960
3	320	960	640
4	320	1,280	320
5	320	1,600	-
6	0	0	-
7	0	0	-
8	0	0	-
9	0	0	-
10	0	0	-

Fixed Asset	Cashier machine		
Cost (RM)	1,600		
Method	Straight Line		
Economic Life (yrs)	5		
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	-
1	-	-	-
2	-	-	-
3	-	-	-
4	-	-	-
5	-	-	-
6	-	-	-
7	-	-	-
8	-	-	-
9	-	-	-
10	-	-	-

7.4 Loan and Hire Purchase Depreciation Schedule

7.5 Proforma Cashflow Statement

LIVING ICE CREAM 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)														58,911		
Loan	58,911															
Cash Sales		14,584	14,584	14,584	14,584	14,584	14,584	14,584	14,584	14,584	14,584	14,584	14,584	175,008	178,500	180,258
Collection of Accounts Receivable		14,584	21,876	21,876	21,876	21,876	21,876	21,876	21,876	21,876	21,876	21,876	21,876	233,344	267,176	270,086
TOTAL CASH INFLOW	58,911	14,584	29,168	36,460	36,460	36,460	36,460	36,460	36,460	36,460	36,460	36,460	36,460	487,583	445,887	450,354
CASH OUTFLOW																
Administrative Expenditure																
Rent		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	31,200	31,512	31,827
Marketing Expenditure																
Social media advertising		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	12,100	12,211
Promotion banner		150	150	150	150	150	150	150	150	150	150	150	150	1,800	1,818	1,836
Influencer platform		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	12,100	12,211
Operations Expenditure																
Cash Purchase		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000	61,200	61,800
Payment of Account Payable		3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	33,000	33,000	33,000
Carriage Inward & Duty		700	700	700	700	700	700	700	700	700	700	700	700	8,400	8,484	8,568
Salaries, EPF & SOCSO		6,380	6,380	6,380	6,380	6,380	6,380	6,380	6,380	6,380	6,380	6,380	6,380	76,560	77,326	78,099
Utilities		3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000	36,300	36,724
Other Expenditure																
Pre-Operations																
Deposit (rent, utilities, etc.)		5,300												5,300		
Business Registration & Licences		60												60		
Insurance & Road Tax for Motor Vehicle																
Other Pre-Operations Expenditure		210												210		
Fixed Assets																
Purchase of Fixed Assets - Land & Building																
Purchase of Fixed Assets - Others		22,625												22,625		
Non-Purchase Down Payment																
Non-Purchase Repayment:																
Principal																
Interest																
Loan Repayment:																
Principal		1,636	1,636	1,636	1,636	1,636	1,636	1,636	1,636	1,636	1,636	1,636	1,636	19,637	19,637	19,637
Interest		147	147	147	147	147	147	147	147	147	147	147	147	1,767	1,776	1,785
Tax Payment																
TOTAL CASH OUTFLOW	28,286	22,944	24,814	26,814	26,814	26,814	26,814	26,814	26,814	26,814	26,814	26,814	26,814	341,289	322,391	325,400
CASH SURPLUS (DEFICIT)	30,618	(7,360)	4,354	9,646	9,646	9,646	9,646	9,646	9,646	9,646	9,646	9,646	9,646	126,173	123,296	124,948
BEGINNING CASH BALANCE	30,618	23,158	27,715	37,361	47,007	57,249	67,595	77,941	88,287	98,634	108,980	119,327	129,673	126,173	249,469	249,469
ENDING CASH BALANCE	30,618	23,158	27,715	37,361	47,007	57,249	67,595	77,941	88,287	98,634	108,980	119,327	129,673	126,173	249,469	374,418

7.6 Proforma Income Statement

LIVING ICE CREAM PRO-FORMA INCOME STATEMENT

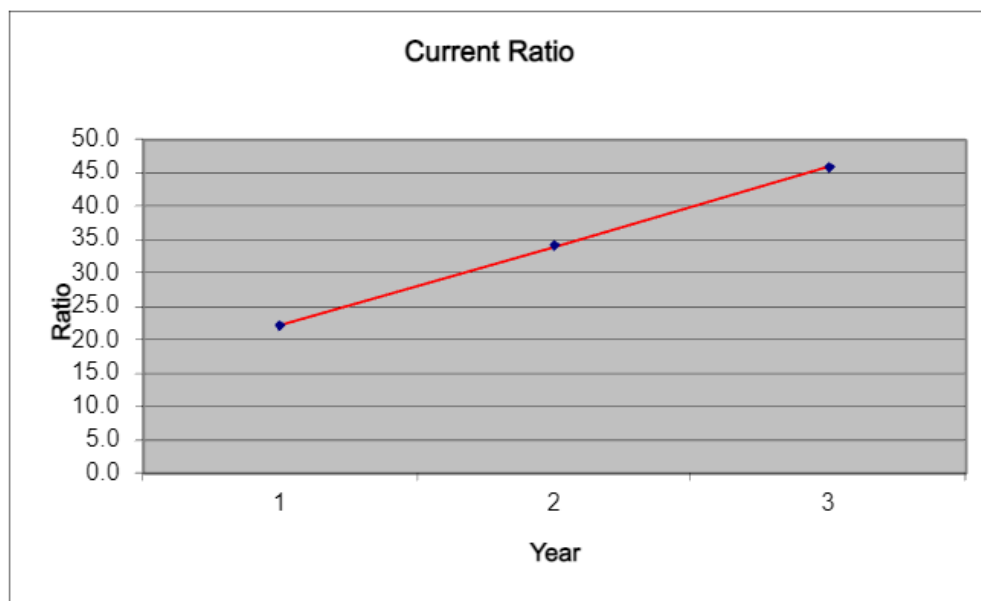
	Year 1	Year 2	Year 3
Sales	437,520	446,270	450,646
Less: Cost of Sales			
Opening stock			
Purchases	120,000	122,400	123,600
less: Ending Stock			
Carriage Inward & Duty	8,400	8,484	8,569
Gross Profit			
Less: Expenditure			
Administrative Expenditure	31,200	31,512	31,827
Marketing Expenditure	25,800	26,058	26,319
Other Expenditure	630	636	643
Business Registration & Licences	60		
Insurance & Road Tax for Motor Vehicle			
Other Pre-Operations Expenditure	210		
Interest on Hire-Purchase			
Interest on Loan	1,767	1,178	589
Depreciation of Fixed Assets	4,525	4,525	4,525
Operations Expenditure	112,560	113,686	114,822
Total Expenditure	305,152	308,479	310,894
Net Profit Before Tax	132,368	137,791	139,752
Tax	0	0	0
Net Profit After Tax	132,368	137,791	139,752
Accumulated Net Profit	132,368	270,159	409,911

7.7 Proforma Balance Sheet

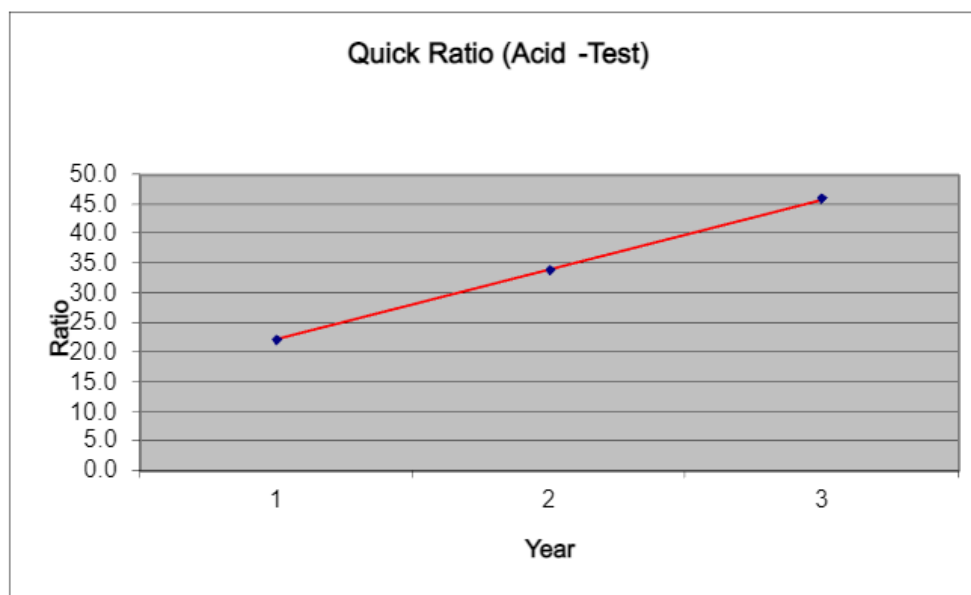
LIVING ICE CREAM PRO-FORMA BALANCE SHEET			
	Year 1	Year 2	Year 3
ASSETS			
Fixed Assets (Book Value)			
Land & Building			
Office Furniture & Fittings	3,248	2,438	1,624
Shop Equipment	5,252	3,939	2,628
Renovation	400	300	200
Supply	578	432	288
Signboard	2,000	1,500	1,000
Banner	120	90	60
Blackboard	120	90	60
Ice cream display freezer	3,200	2,400	1,600
Freezer 250L	1,904	1,428	952
Cashier machine	1,280	960	640
	18,100	13,575	9,050
Current Assets			
Stock of Raw Materials	0	0	0
Stock of Finished Goods	0	0	0
Accounts Receivable	29,168	29,751	30,043
Cash Balance	126,173	249,469	374,418
	155,341	279,221	404,461
Other Assets			
Deposit	5,200	5,200	5,200
TOTAL ASSETS	178,641	297,996	418,711
Owners' Equity			
Capital			
Accumulated Profit	132,368	270,159	409,911
	132,368	270,159	409,911
Long Term Liabilities			
Loan Balance	39,274	19,637	
Hire-Purchase Balance			
	39,274	19,637	
Current Liabilities			
Accounts Payable	7,000	8,200	8,800
TOTAL EQUITY & LIABILITIES	178,641	297,996	418,711

7.8 Financial Ratio Analysis

7.8.1 Liquidity Ratios

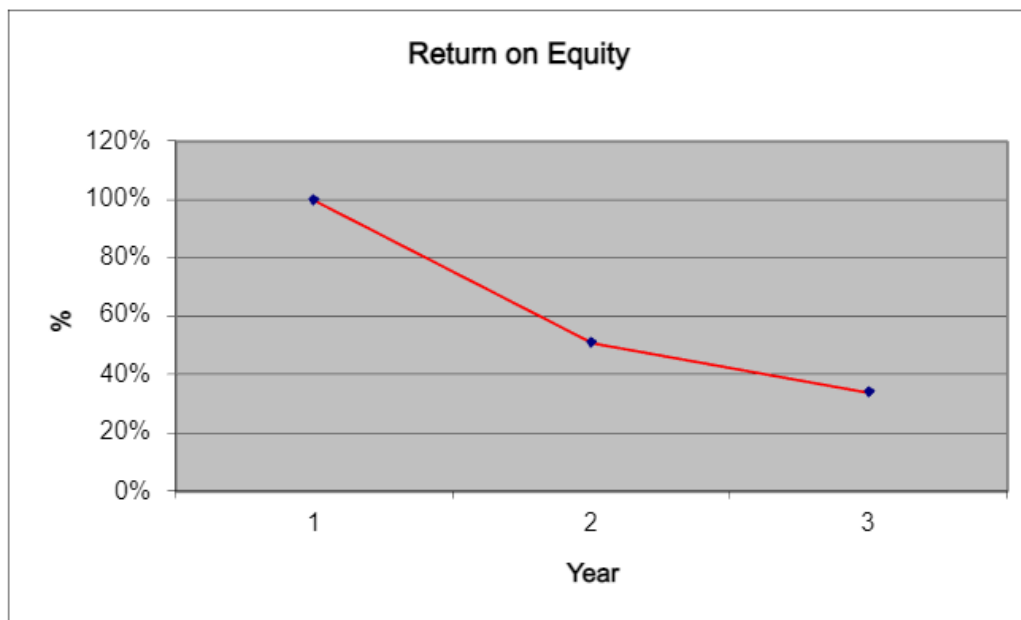


7.7.1.1 Current Ratios

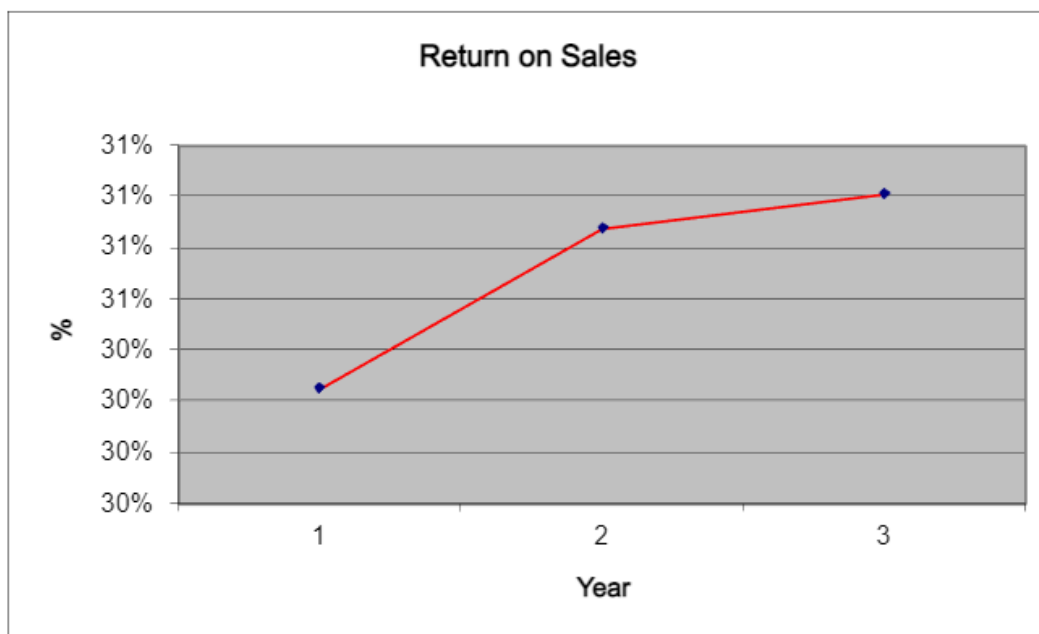


7.8.1.2 Quick Ratios

7.8.2 Profitability Ratios

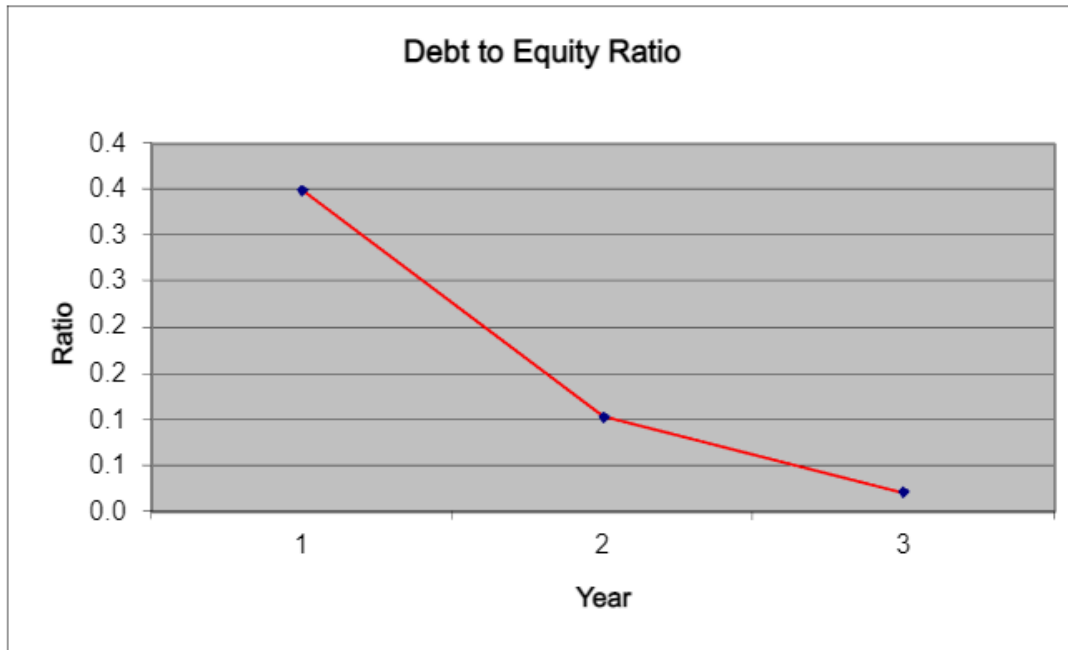


7.8.2.1 Return on Equity

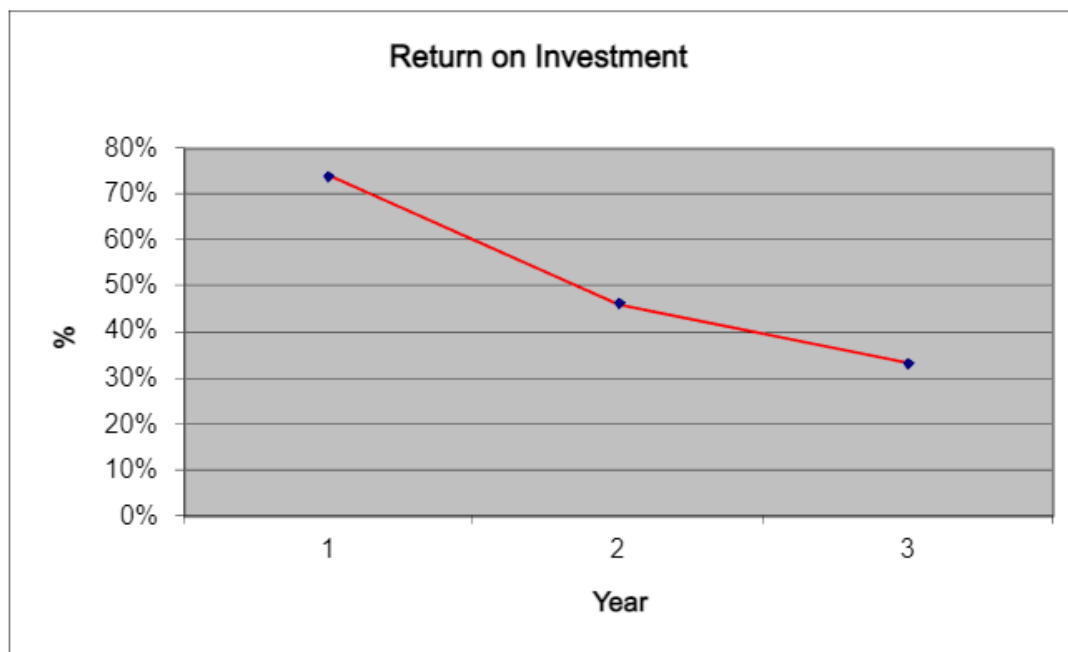


7.8.2.2 Return on Sales

7.8.3 Solvency Ratios



7.8.3.1 Debt to Equity



7.8.3.2 Return on Investment



BUSINESS MODEL
CANVAS

Business Model Canvas (BMC) Living Ice Cream





CONCLUSION

We concluded that starting our own business would be the best course of action for us after researching business opportunities and the economic outlook. We have no doubt that Living Ice Cream will become well-known and respected in our neighborhood. Additionally, Living Ice Cream operates in the food industry, and consumers are drawn to it by its distinctiveness and exceptional traits. This is one of the advantages for our company in using the possibility to promote ice cream development. Apart from that, we are certain that we will be able to accomplish all of our goals, including keeping our customers happy by making sure that our items live up to their expectations. A lucrative and pleasurable business idea is starting a "Living Ice Cream" ice cream store. The company may draw in and keep consumers by carefully planning and studying the market, defining a target demographic, and creating a distinctive and alluring product offering. Additionally, this "Living Ice Cream" ice cream store may continue to expand and thrive by putting in place efficient marketing methods, handling funds wisely, and consistently collecting feedback and making changes.



Competitors



Product packaging



Watermelon sobert flavour



Blackberry Frozen Yogurt



Toasted Hazelnut with Chocolate