

Your Business Plan is Ready

Courtesy of Qabam (Pvt) Ltd

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1.0 Executive Summary

The purpose of this business plan is to secure R117 143 in order to fund the purchase, marketing, and staffing requirements for Munchies' Food Truck in Free State, South Africa. Munchies' Food Truck was founded by Chef Veetkok, in 2022. The funds invested will help launch the business and continue operations until the business is self sustainable

The Market

Food trucks have been prevalent in the food industry since the mid-1900s, with increasing popularity as time goes on. There are currently over 20,000 food trucks operating nationwide, and that number is expected to increase by 20% over the next 3 years. Furthermore, it is predicted that the food truck component of the food industry will be worth R6.2 billion within the next 5 years. At this time, there are 30 food trucks operating in Free State and surrounding cities. These food trucks offer limited food products at inflated prices and are open during limited business hours.

Our market research has revealed to us that consumers in Free State want more affordable food options, larger portion sizes, and a wider variety of food offerings at a single establishment. Being able to satisfy those factors, in conjunction with the flexibility of our business hours, will help set us apart from the competition

The Company

After working in the food service industry for 10 years each, Veetkok decided he was ready to take on a new venture providing quality food service to broader segments of the community. Building off his expertise, he intends to start a food truck business in Ventersburg, South Africa.

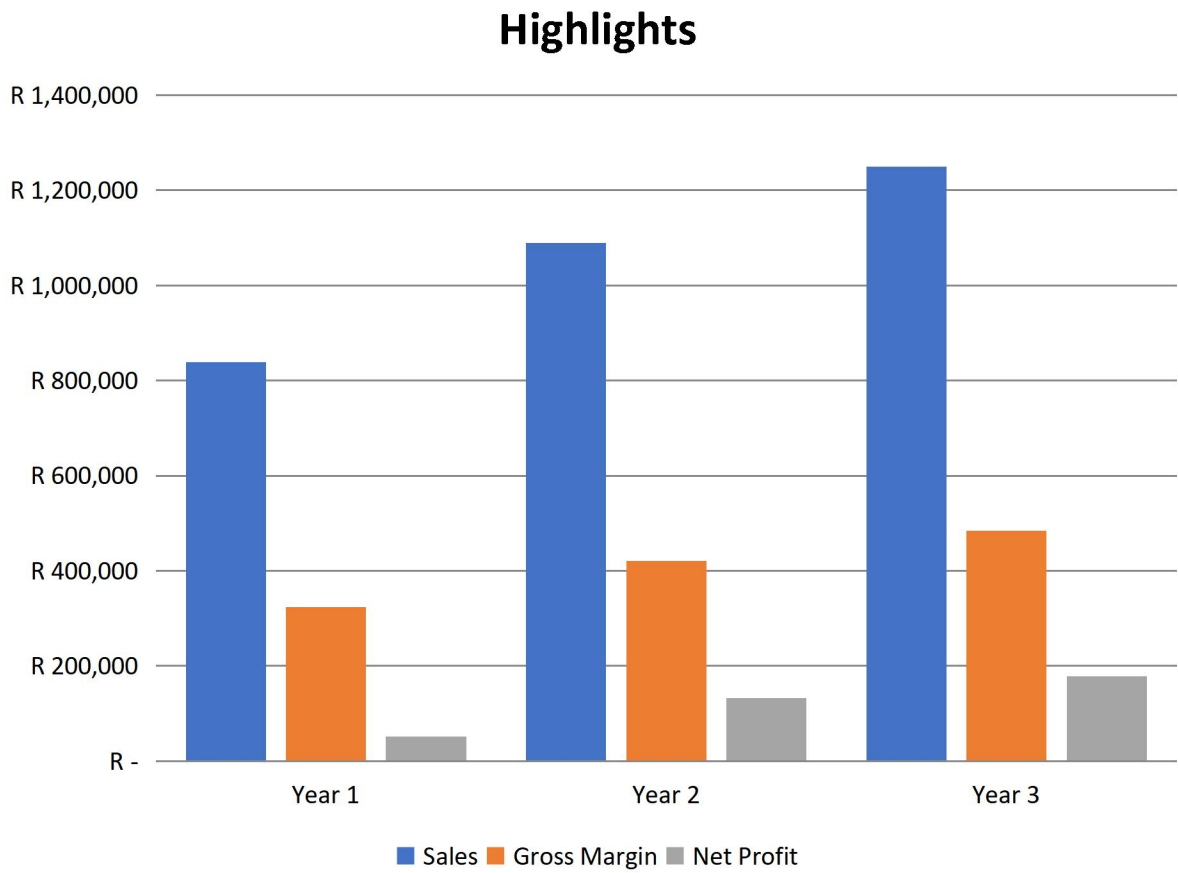
Upon starting operations, Munchies' Food Truck will sell a wide range of food offerings. We will provide high quality food and outstanding customer service. What will set Munchies' Food Truck apart from the competition is our commitment to providing our food and services in multiple locations for the convenience of our customers

Munchies' Food Truck will follow three concise strategies to achieve the desired growth:

- Develop a strong branding campaign to build awareness, positive perception and sales of our products within our target markets.
- Continue to develop new products to satisfy an ever growing set of markets.

Based on detailed financial projections, Munchies Food Truck will require **R132 493** in start-up capital and will generate positive cash flow in its first month of operation of Year 1. By the end of Year 3 the company will be generating **R104 396** in sales with sizeable net profit. Munchies Food Truck offers investors a company with substantial growth potential, cushioned by revenue generating stability.

Chart: Highlights



1.1 Mission

Our mission is to provide quality and authentic food to our community in a convenient and affordable way enhancing the quality of our customers' lives.

1.2 Key(s) to Success

Our customers reside, shop, and work in the cities of Ventersburg, Free State, and surrounding areas within a 1.5km radius. Our food truck will be in these various locations throughout the week on a rotating schedule and will adjust the scheduling according to high traffic and high demand.

1.3 Objectives

- Acquire all equipment needed to begin operations by August 30th.
- Become the specialty on the go fast provider of choice for restaurants and fast food joints across the Free State by December of Year 1.
- Achieve sales of R1 million by the end of Year 5.

2.0 Company Summary

Munchies, Pvt Ltd was founded by chef Veetkok, in 2022. It operates in Free State, Ventersburg, and was created as a Limited Liability Company. Munchies' food truck offers fast food on the go.

2.1 Company Ownership

The founder **Veetkok MaRoodt** will retain 100% of the equity in the company.

2.2 Start-up Summary

The start-up capital obtained through investments and loans will be used for equipment, kitchen supplies, food purchases, and associated permits and licensing. Equipment will amount to approximately R44 214, and remaining costs are estimated to be around R72 928. Veetkok will also invest R15 000 for cash-on-hand at starting date.

The key elements in the start-up plan for the company are:

- Acquiring of equipment / assets
- Funding of working capital requirements and promotional materials for the principal operating activities of the company.
- Establishing a strong brand image early to position ourselves in the market.

Chart: Start-up

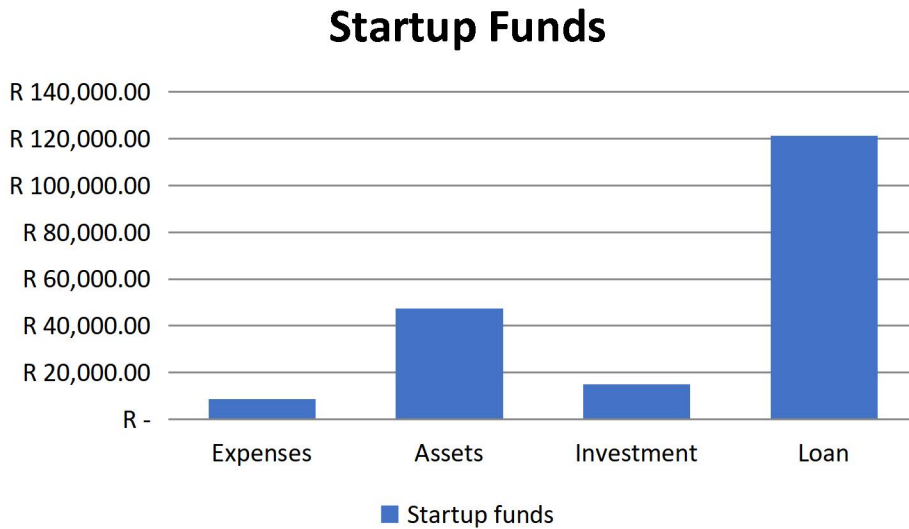


Table: Start-up

<i>Start-up</i>	
Requirements	
Start-up Expenses	
Certification	R175
Marketing	R350
Licenses	R3500
Other	R5150
Total Start-up Expenses	R9175
Start-up Assets	
Cash Required	R15000
Start-up Inventory	R64104
Other Current Assets	R0
Long-term Assets	R44214
Total Assets	R123318
Total Requirements	R132493

Table: Start-up Funding

<i>Start-up Funding</i>	
Start-up Expenses to Fund	R9175
Start-up Assets to Fund	R123318
Total Funding Required	R132493
Assets	
Non-cash Assets from Start-up	R108318
Cash Requirements from Start-up	R15000
Additional Cash Raised	R0
Cash Balance on Starting Date	R15000
Total Assets	R123318
Liabilities and Capital	
Liabilities	
Current Borrowing	R0
Long-term Liabilities	R117493
Accounts Payable (Outstanding Bills)	R0
Other Current Liabilities (interest-free)	R0
Total Liabilities	R117493
Capital	
Planned Investment	
Veetkok MaRoodt	R15000
Other Investor(s)	R0
Additional Investment Requirement	R0
Total Planned Investment	R15000
Loss at Start-up (Start-up Expenses)	(R9175)
Total Capital	R5825
Total Capital and Liabilities	R123284
Total Funding	R132493

2.3 Company Locations and Facilities

Munchies Food Truck will have a rotating schedule targeting busy areas when they have a lot of traffic. Munchies' food truck will operate in Ventersburg, Free State Province in South Africa.

3.0 Products

Upon starting operations, Munchies' Food Truck will sell a wide range of food offerings. We will provide high quality food and outstanding customer service. What will set Munchies' Food Truck apart from the competition is our commitment to providing our food and services in multiple locations for the convenience of our customers.

3.1 Product Description

Munchies' Food Truck will offer a wide range of food options, which include:

- Burgers
- Shawarmas
- Kotas
- Russian Sausages
- French fries
- Beverages

3.2 Competitive Comparison

- Munchies' food truck offerings will be in bigger portions compared to other food trucks
- Prices will be fair
- Quality and tasty food courtesy of the founder's experience working as chef for more than 10 years in the restaurant business

3.3 Sales Literature

In order to sell our product while creating familiarity and a positive brand image, it will be necessary to develop fliers and run social media ads to build brand awareness and highlight the beneficial attributes of customers purchasing our products. These will be delivered in person, to street hawkers and via social media.

3.4 Sourcing

The key in our success will lay in acquiring organic inputs to enhance flavor at a cheap price. Munchies' Food Truck plans to source its ingredients from local farmers markets and small businesses in the Ventersburg area. We will also use ingredients grown in a private garden maintained by Veetkok containing organically grown vegetables and herbs. We will ensure that the ingredients we use are of the highest quality in order to provide delectable food offerings.

We plan to establish and foster positive working relationships with local vendors that we partner with in the area to help ensure our inventory needs are met in a cost-efficient manner. With the experience Veetkok gained working in Restaurant in his 10 years career as a Chef combined with market research, we can ensure that the amount of ingredients needed are accurately projected from week-to-week.

3.5 Future Products

Additional products, will be added as the business grows responding to the market needs.

4.0 Market Analysis Summary

At this time, there are 30 food trucks operating in the Free State Province and surrounding cities. These food trucks offer limited food products at inflated prices and are open during limited business hours.

4.1 Market Segmentation

In a survey conducted and distributed to local food vendors, we found that those who go out to eat spend roughly R3000 a month. Of that, approximately R1200 each month is spent at food trucks.

We anticipate that 19- to 35-year old patrons will make up 80% of our revenue. These will be business professionals making an income ranging from R10 000 to R50 000. The average amount spent at our food truck will be approximately R65 000 a month for the first year.

4.2 Industry Analysis

Our market research has revealed to us that consumers in Ventersburg want more affordable food options, larger portion sizes, and a wider variety of food offerings at a single establishment. Being able to satisfy those factors, in conjunction with the flexibility of our business hours, will help set us apart from the competition.

4.2.2 Competition and Buying Patterns

Customers select products based on price and quality and familiarity. They typically select a product based on price, availability, and convenience. We will carry out our marketing approach to highlight the advantages of our food in a friendly and casual manner.

4.2.3 Main Competitors

Currently, there are food trucks locally that offer similar food products. However, the portion sizes are smaller, and the prices are higher.

Here are our direct competitors in Small Town:

- Khust's Pizza, specializing in pizza
- Jelly Kunger, specializing in burgers and chips
- Howie's Hamburgers, specializing in hamburgers

4.2.4 Industry Participants

The food truck business is highly fragmented. There are more than twenty food trucks that compete in the market with new entrants springing up everywhere.

4.3 Target Market Segment Strategy

Our initial market will consist of working professional between the ages of 19 – to – 35 years.

4.3.1 SWOT Analysis

- **Strengths**

- o Location
- o Easy access
- o Fast service
- o Large portions
- o Wide variety of offerings
- o High quality
- o Fresh ingredients

- **Weaknesses**

- o No dedicated seating area
- o Lack of brand recognition
- o Colder weather during the winter months

- **Opportunities**

- o High-traffic area for business professionals
- o Partner with local vendors offering products that complement ours
- o Leverage existing relationships with local farmers markets

- **Threats**

- o Existing food trucks adopting our business model
- o New food trucks entering the market and increasing competition

6.0 Management Team

The owner will handle financial responsibilities of the business. He will be responsible for making direct sales, marketing, and all other operational tasks involved with making the business successful and will oversee all company decisions.

Founder Profile:

Veetkok MaRoodt:

Veetkok MaRoodt is the founder and head chef at Munchies' Food Truck restaurant. He received a master's degree in Culinary Arts from Culinary University in 2010. Veetkok has a desire to connect with his customers out in the community, which Munchies' Food Truck gives him the opportunity to do.

Board of Advisors:

Qabam Digital Agency South Africa: With over ten years as business consultants, Qabam Digital Agency will avail some of its best consultants to help provide insight on the best decisions to take. Qabam Digital Agency uses a quantitative approach to business management and will recommend decisions based on collected data.

6.1 Personnel Plan

At this time, the personnel plan calls for a minimum of one cook and one assistant who will greet customers, take orders, and assist the chef. Currently, **Veetkok MaRoodt** will operate as the head chef (or cook), while an assistant takes orders and payment, and assists Veetkok where needed.

In the first year, assumptions are that there will only be two workers in the food truck to execute and manage operations. As demand increases, we will purchase another food truck and hire an additional assistant to support the head chef.

Table: Personnel

<i>Personnel Plan</i>	Year 1	Year 2	Year 3
Veetkok MaRoodt	R42 000	R54 000	R60 000
Employee #1	R42 000	R48 000	R54 000
Total People	1	1	1
Total Payroll	R84 000	R102 000	R114 000

7.0 Financial Plan

Based on market research, we expect the business to begin growing at 3% per month for the first 12 months, then at a yearly rate of 33% for the next two years. We expect the highest performance during the months of November and December in our sales forecast, due to the summer season and high rate of foot traffic.

In addition, our business will almost immediately have a positive cash flow, allowing us the flexibility to cover any unforeseen expenses. To provide an exhibition of a worst-case scenario, sales projections are deliberately calculated low.

7.1 Important Assumptions

Sales

- Sales will be made on a cash and carry basis, the industry standard
- To be flexible in meeting the customer demand, we plan to maintain a minimal stock of product at all times

Market

- Initial target markets include busy spots in the Free State Province.
- Projections related to consumer acceptance were estimated using market surveys.

7.2 Key Financial Indicators

Sales - Our sales are projected to grow at a consistent rate of 33% yearly, and we believe this accurately reflects the realistic growth our product would be capable of attaining if we can properly execute our sales and marketing strategies.

Gross Margin - As we grow, become more efficient, and gain economies of scale we begin to see a slight growth in our margins.

Operating Expenses - In 2023 and 2024 we see an increase in the number of operating expenses that we will incur. We begin incurring larger costs involving advertising, promotion, marketing, and payroll expenses.

Inventory Turnover - We will begin operations with a preliminary purchase of R13 238 raw materials. Our preliminary forecast suggests that for us to be flexible in meeting customer demand we will need to maintain a minimal inventory stock. We estimate that, on average, we will keep a weeks' worth of inventory on hand.

7.4 Projected Cash Flow

Overall, our business is expected to generate sufficient cash flows. Our cash balance will, among other things, depend on the level of inventory we decide to keep. At the moment, our

projections in this respect are preliminary and we expect to fine-tune them as the demand for our products grows

Chart: Cash

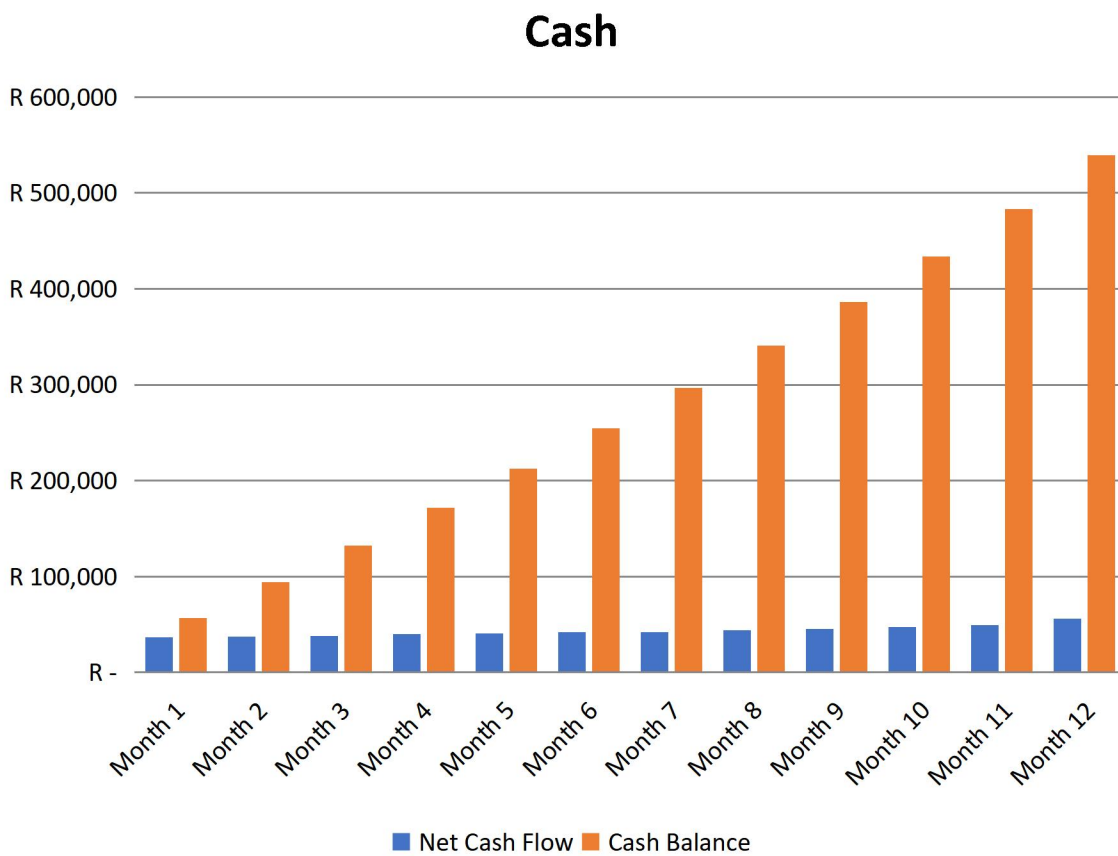


Table: Cash Flow

<i>Pro Forma Cash Flow</i>	Year 1	Year 2	Year 3
Cash Received			
Cash from Operations			
Cash Sales	R838,303	R1,088,854	R1,249,289
Cash from Receivables	R0	R0	R0
Subtotal Cash from Operations	R838,303	R1,088,854	R1,249,289
Additional Cash Received			
Sales Tax, VAT, HST/GST Received	R0	R0	R0
New Current Borrowing	R0	R0	R0
New Other Liabilities (interest-free)	R0	R0	R0
New Long-term Liabilities	R0	R0	R0
Sales of Other Current Assets	R0	R0	R0
Sales of Long-term Assets	R0	R0	R0
New Investment Received	R0	R0	R0
Subtotal Cash Received	R838,303	R1,088,854	R1,249,289
Expenditures	Year 1	Year 2	Year 3
Expenditures from Operations			
Cash Spending	R84,000	R102,000	R114,000
Bill Payments	R17,581	R287,977	#####
Subtotal Spent on Operations	R259,081	R389,977	#####
Additional Cash Spent			
Sales Tax, VAT, HST/GST Paid Out	R0	R0	R0
Principal Repayment of Current Borrowing	R0	R0	R0
Other Liabilities Principal Repayment	R0	R0	R0
Long-term Liabilities Principal Repayment	R60,000	R120,000	R120,000
Purchase Other Current Assets	R0	R0	R0
Purchase Long-term Assets	R0	R0	R0
Dividends	R0	R0	R0
Subtotal Cash Spent	R319,081	R528,147	#####
Net Cash Flow	R56,259	R70,706	R69,834
Cash Balance	R539,222	R1,118,099	R1,839,241

7.5 Projected Profit and Loss

Our profit and loss projections reflect our expectation that monthly fixed costs will remain constant over the course of the first year.

Chart: Profit Monthly

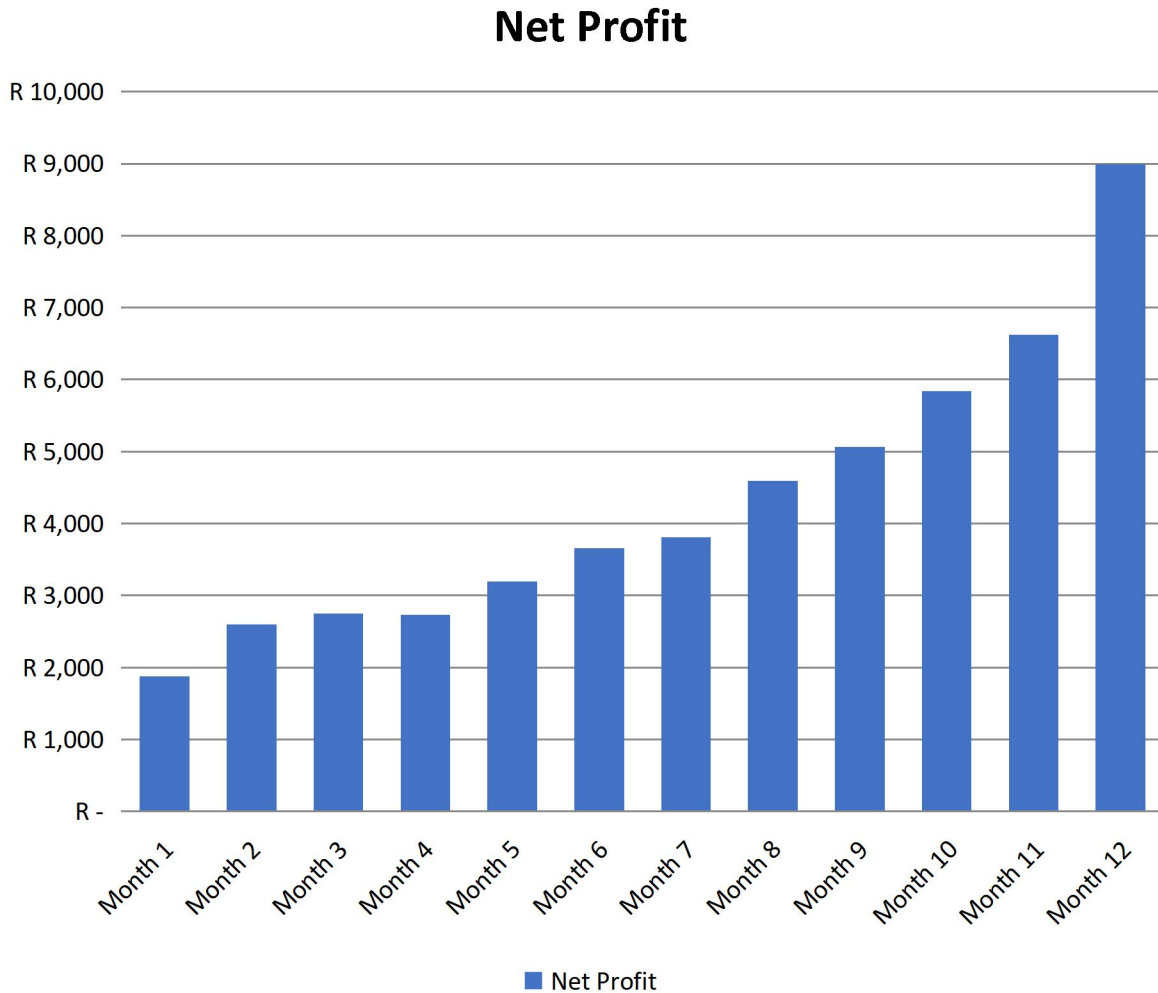


Chart: Profit Yearly

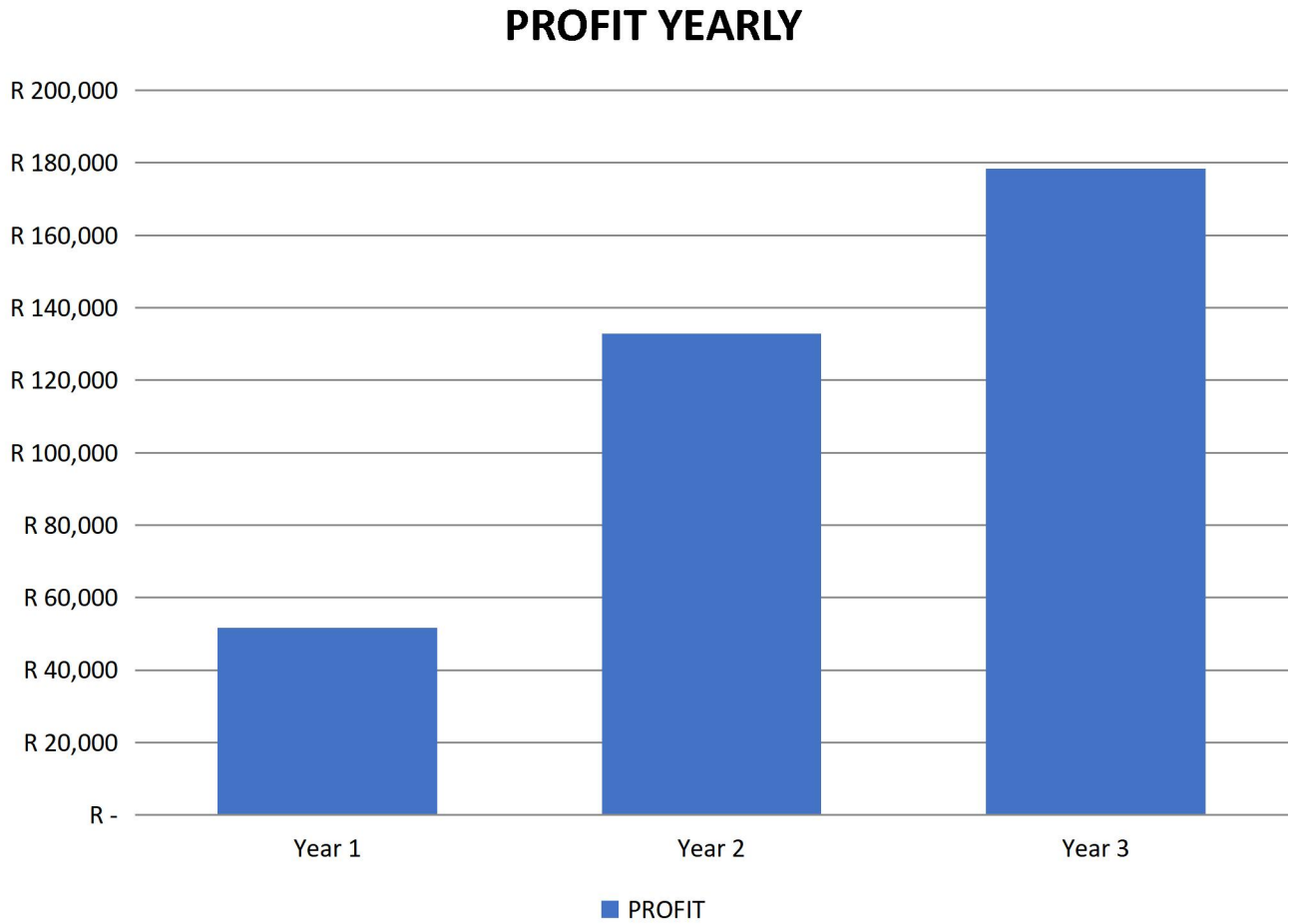


Chart: Gross Margin Monthly

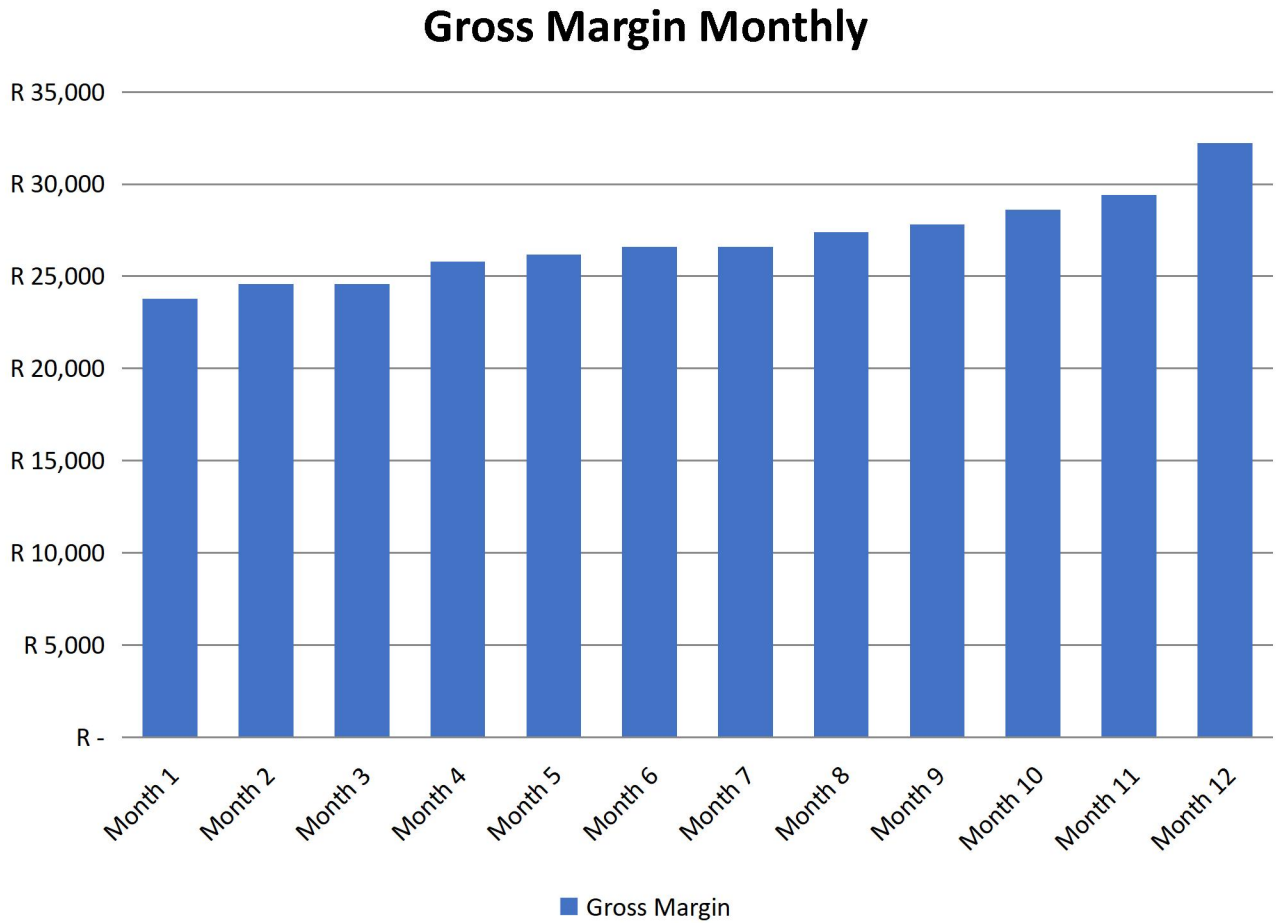


Chart: Gross Margin Yearly

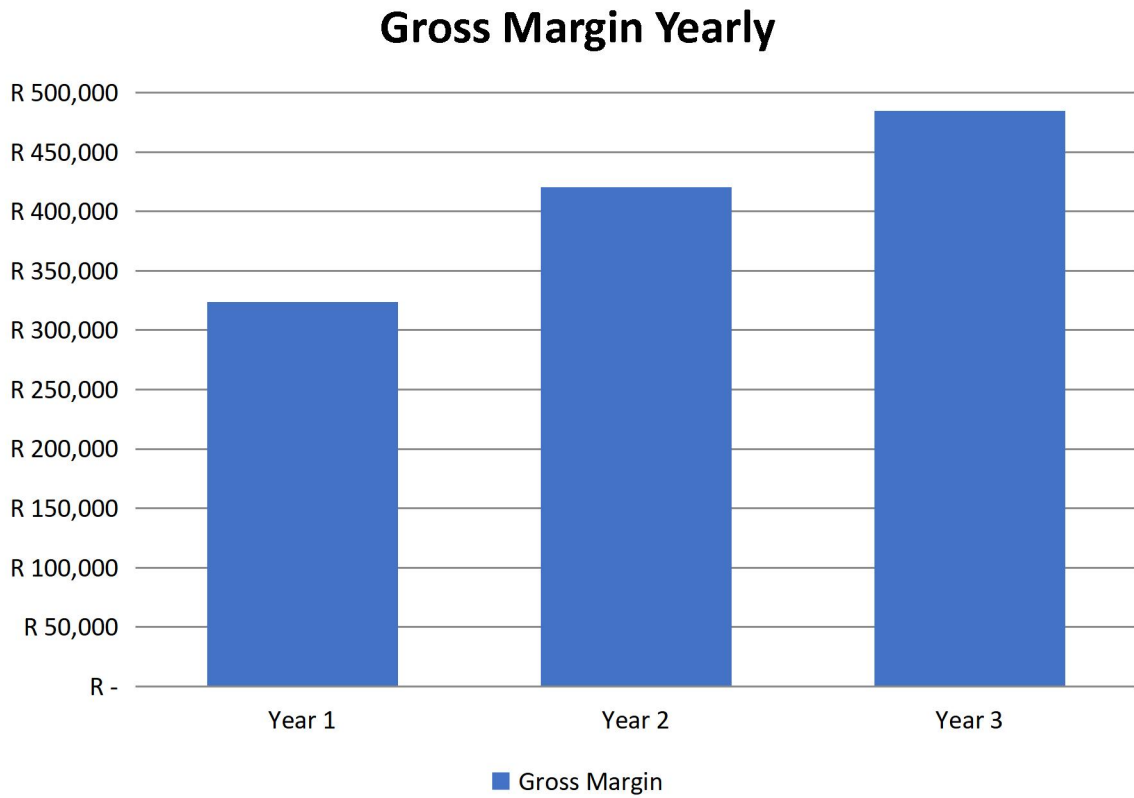


Table: Profit and Loss

<i>Pro Forma Profit and Loss</i>	Year 1	Year 2	Year 3
Sales	R838,303	R108,8854	R1,249,289
Direct Cost of Sales	R514,757	R668,607	R764,763
Other	R0	R0	R0
Total Cost of Sales	R514,757	R668,607	R764,763
Gross Margin	R323,546	R420,248	484,526
Gross Margin %	38.6%	38.6%	38.6%
Expenses			
Payroll	R84,000	R102,000	R114,000
Payroll Taxes	R0	R0	R0
Depreciation	R11,844	R11,844	R11,844
Marketing	R4,200	R4,200	R4,200
Insurance	R3,192	R3,192	R3,192
Utilities	R53,864	R52,318	R57,079
Other	R22,990	R26,247	R28,283
Total Operating Expenses	R180,087	R199,801	R218,598
Profit Before Interest and Taxes	R143,460	R220446	R265928
EBITDA	R155,301	R232,290	R277,772
Interest Expense	R33,044	R11,444	R0
Taxes Incurred	R58,681	R76,220	R87,450
Net Profit	R51,734	R132,782	R178,477
Net Profit/Sales	6.2%	12.2%	14.3%

7.6 Projected Balance Sheet

As sales increase we expect that inventory turnover rate to increase.

Our only significant Accounts Payable will be Inventory, which are a direct reflection of the level of inventory on hand. We will be paying off our Accounts Payable in accordance with sale of inventory. Therefore, as we begin to sell more fast food, we will be increasingly capable of meeting our obligations in a timelier manner, ensuring that we have enough cash on hand to cover our short term liabilities.

Table: Balance Sheet

<i>Pro Forma Balance Sheet</i>			
	Year 1	Year 2	Year 3
Assets			
Current Assets			
Cash	R539,222	R1,118,099	R1,839,241
Other Current Assets	R65,000	R65,000	R65,000
Total Current Assets	R604,222	R1,183,099	R1,904,241
Long-term Assets			
Long-term Assets	R44,214	R44,214	R44,214
Accumulated Depreciation	R29,180	R58,360	R87,540
Total Long-term Assets	R15,034	(R14,146)	(43,326)
Total Assets	R619,256	R1,168,953	R1,860,915
Liabilities and Capital	Year 1	Year 2	Year 3
Current Liabilities			
Accounts Payable	R540,153	R1,143,255	R1,840,347
Current Borrowing	R0	R0	R0
Other Current Liabilities	R0	R0	R0
Subtotal Current Liabilities	R540,153	R1,143,255	R1,840,347
Long-term Liabilities	R64,289	R4,289	R0
Total Liabilities	R604,442	R1,147,514	R1,840,347
Paid-in Capital	R15,000	R15,000	R15,000
Retained Earnings	(9,175)	(9,175)	(9,175)
Earnings	R8,989	R15,615	R14,743
Total Capital	R14,814	R21,440	R20,568
Total Liabilities and Capital	R619,256	R1,168,953	R1,860,915
Net Worth	R14,814	R21,440	R20,568

Appendix

Table: Sales Forecast

<i>Sales Forecast</i>												
Sales	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Chicken + Chips	R8,496	R 8,784	R 8,784	R 9,216	R 9,360	R9,504	R9,504	R9,792	R9,936	R10,224	R10,512	R11,520
Plain Chips	R4,248	R4,392	R4,392	R 4,608	R 4,680	R4,752	R4,752	R4,896	R4,968	R5,112	R5,256	R5,760
Standard Burger	R4,673	R4,831	R4,831	R5,069	R5,148	R5,227	R5,227	R5,386	R5,465	R5,623	R5,782	R6,336
Standard Burger + chips	R10,618	R10,978	R10,978	R11,518	R11,698	R11,878	R11,878	R12,238	R12,418	R12,777	R13,137	R14,397
Double Burger	R5,664	R5,856	R5,856	R6,144	R6,240	R6,336	R6,336	R6,528	R6,624	R6,816	R7,008	R7,680
Kota	R2,549	R2,635	R2,635	R2,765	R2,808	R2,851	R2,851	R2,938	R2,981	R3,067	R3,154	R3,456
Shawarma	R3,398	R3,514	R3,514	R3,686	R3,744	R3,802	R3,802	R3,917	R3,974	R4,090	R4,205	R4,608
Russian + chips	R3,894	R4,026	R4,026	R4,224	R4,290	R4,356	R4,356	R4,488	R4,554	R4,686	R4,818	R5,280
Hot Dogs	R3,186	R3,294	R3,294	R3,456	R3,510	R3,564	R3,564	R3,672	R3,726	R3,834	R3,942	R4,320
400 ml Can	R14,868	R15,372	R15,372	R16,128	R16,380	R16,632	R16,632	R17,136	R17,388	R17,892	R18,396	R20,160
Sales	R61,594	R63,682	R63,682	R66,814	R67,858	R68,902	R68,902	R70,990	R72,034	R74,121	R76,209	R83,517
Total Sales	R 61,594	R63,682	R63,682	R 66,814	R67,858	R 68,902	R68,902	R70,990	R72,034	R74,121	R76,209	R83,517
Cost of Sales	R37,821	R39,104	R39,104	R41,027	R41,668	R42,309	R42,309	R43,591	R44,232	R45,514	R46,796	R51,283
Income Tax	R4,312	R4,458	R4,458	R4,677	R4,750	R4,823	R4,823	R4,969	R5,042	R5,189	R5,335	R5,846

Appendix

Table: Personnel

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Owner	R 3,500	R 3,500	R 3,500	R 3,500	R 3,500	R 3,500	R 3,500	R 3,500	R 3,500	R 3,500	R 3,500	R 3,500
Employee#1	R 3,500	R 3,500	R 3,500	R 3,500	R 3,500	R 3,500	R 3,500	R 3,500	R 3,500	R 3,500	R 3,500	R 3,500
Total Payroll	R 7,000	R 7,000	R 7,000	R 7,000	R 7,000	R 7,000	R 7,000	R 7,000	R 7,000	R 7,000	R 7,000	R 7,000

Appendix

Table: Profit and Loss

<i>Pro Forma Profit and Loss</i>	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Sales	R 61,594	R 63,682	R 63,682	R 66,814	R 67,858	R 68,902	R 68,902	R 70,990	R 72,034	R 74,121	R 76,209	R 83,517
Direct Cost of Sales	R 37,821	R 39,104	R 39,104	R 41,027	R 41,668	R 42,309	R 42,309	R 43,591	R 44,232	R 45,514	R 46,796	R 51,283
Other Costs of Sales	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0
Total Cost of Sales	R 37,821	R 39,104	R 39,104	R 41,027	R 41,668	R 42,309	R 42,309	R 43,591	R 44,232	R 45,514	R46,796	R 51,283
Gross Margin	R 23,772	R 24,578	R24,578	R 25,787	R 26,190	R 26,593	R 26,593	R 27,399	R27,802	R28,607	R29,413	R32,234
Gross Margin %	38.60%	38.60%	38.60%	38.60%	38.60%	38.60%	38.60%	38.60%	38.60%	38.60%	38.60%	38.60%
Expenses												
Payroll	R 7,000	R 7,000	R7,000	R7,000	R7,000	R7,000	R7,000	R7,000	R7,000	R7,000	R7,000	R7,000
Marketing/Promotion	R 350	R 350	R 350	R 350	R 350	R 350	R 350	R 350	R 350	R 350	R 350	R 350
Depreciation	R 987	R 987	R 987	R 987	R 987	R987	R987	R 987	R987	R987	R987	R987
Utilities	R3,596	R3,654	R3,654	R4,773	R4,773	R4,773	R4,773	R4,773	R4,773	R4,773	R4,773	R4,773
Insurance	R266	R266	R266	R266	R266	R266	R266	R266	R266	R266	R266	R266
Payroll Taxes	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0
Other	R1,808	R1,836	R1,836	R1,876	R1,890	R1,903	R1,903	R1,931	R 1,944	R1,971	R 1,998	R 2,093
Total Operating Expenses	R14,007	R14,092	R14,092	R15,252	R15,266	R15,280	R15,280	R15,307	R15,320	R15,347	R15,375	R15,470
Profit Before Interest and Taxes EBITDA	R 9,765	R 10,486	R 10,486	R 10,535	R 10,924	R 11,313	R 11,313	R 12,092	R 12,481	R 13,260	R14,039	R16,764
	R10,752	R11,473	R11,473	R11,521	R11,911	R12,300	R12,300	R13,079	R13,468	R14,247	R15,026	R17,751
Interest Expense	R3,579	R3,429	R3,279	R3,129	R2,979	R2,829	R2,679	R2,529	R2,379	R 2,229	R2,079	R1,929
Taxes Incurred	R4,312	R4,458	R4,458	R4,677	R4,750	R4,823	R4,823	R4,969	R5,042	R5,189	R5,335	R5,846
Net Profit	R1,875	R2,600	R2,750	R2,729	R3,195	R3,662	R3,812	R4,594	R5,060	R5,843	R6,625	R8,989
Net Profit/Sales	3.0%	4.1%	4.3%	4.1%	4.7%	5.3%	5.5%	6.5%	7.0%	7.9%	8.7%	10.8%

Appendix

Table: Cash Flow

<i>Pro Forma Cash Flow</i>												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Cash Received												
Cash from Operations												
Cash Sales	R 61,594	R 63,682	R63,682	R66,814	R67,858	R68,902	R68,902	R70,990	R72,034	R74,121	R76,209	R83,517
Subtotal Cash from Operations	R61,594	R63,682	R63,682	R66,814	R67,858	R68,902	R68,902	R70,990	R72,034	R74,121	R76,209	R83,517
Additional Cash Received												
Sales Tax, VAT, HST/GST Received	R-	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
New Current Borrowing	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
New Other Liabilities (interest-free)	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
New Long-term Liabilities	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
Sales of Other Current Assets	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
Sales of Long-term Assets	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
New Investment Received	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
Subtotal Cash Received	R61,594	R 63,682	R63,682	R 66,814	R 67,858	R 68,902	R 68,902	R70,990	R 72,034	R 74,121	R76,209	R83,517
Expenditures												
Expenditures from Operations												
Cash Spending	R7,000	R7,000	R7,000	R7,000	R7,000	R7,000	R7,000	R7,000	R7,000	R7,000	R7,000	R7,000
Bill Payments	R13,021	R13,992	R13,842	R15,071	R15,008	R14,945	R14,795	R14,818	R14,755	R14,778	R14,801	R15,258
Subtotal Spent on Operations	R20,021	R20,992	R20,842	R22,071	R22,008	R21,945	R21,795	R21,818	R21,755	R21,778	R21,801	R22,258
Additional Cash Spent												
Sales Tax, VAT, HST/GST Paid Out	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
Principal Repayment of Current Borrowing	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
Other Liabilities Principal Repayment	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
Long-term Liabilities Principal Repayment	R 5,000	R 5,000	R 5,000	R 5,000	R 5,000	R 5,000	R 5,000	R 5,000	R 5,000	R5,000	R5,000	R5,000
Purchase Other Current Assets	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
Purchase Long-term Assets	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
Dividends	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
Subtotal Cash Spent	R25,021	R25,992	R25,842	R27,071	R27,008	R26,945	R26,795	R26,818	R26,755	R26,778	R26,801	R27,258
Net Cash Flow												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
	R36,573	R37,690	R37,840	R39,742	R40,850	R41,957	R42,107	R44,172	R45,279	R47,344	R49,408	R56,259

Appendix

Cash Balance	R56,573	R94,263	R132,104	R171,846	R212,696	R254,653	R296,760	R340,932	R386,211	R433,554	R482,963	R539,222
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Table: Balance Sheet

<i>Pro Forma Balance Sheet</i>		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Assets	Starting Balances												
Current Assets													
Cash	R 15,000	R 56,573	R94,263	R 132,104	R 171,846	R212,696	R254,653	R296,760	R340,932	R386,211	R433,554	R 482,963	R539,222
Other Current Assets	R64,104	R65,000	R65,000	R65,000	R65,000	R65,000	R65,000	R65,000	R65,000	R65,000	R65,000	R 65,000	R65,000
Total Current Assets	R79,104	R121,573	R 159,263	R197,104	R236,846	R277,696	R 319,653	R 361,760	R405,932	R451,211	R498,554	R547,963	R604,222
Long-term Assets													
Long-term Assets	R44,214	R 44,214	R44,214	R44,214	R 44,214	R44,214	R44,214	R44,214	R 44,214	R44,214	R44,214	R44,214	R44,214
Accumulated Depreciation	R -	R 987	R 3,550	R 6,113	R8,676	R 11,239	R13,802	R16,365	R18,928	R21,491	R24,054	R26,617	R 29,180
Total Long-term Assets	R44,214	R 43,227	R 40,664	R38,101	R35,538	R32,975	R30,412	R 27,849	R25,286	R22,723	R20,160	R17,597	R15,034
Total Assets	R123,318	R164,800	R199,927	R235,205	R272,384	R310,671	R350,065	R389,609	R431,218	R473,934	R518,714	R565,560	R619,256
Liabilities and Capital		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Current Liabilities													
Accounts Payable	R0	R 37,811	R77,214	R 117,341	R 159,541	R 202,362	R246,289	R290,684	R336,510	R383,759	R432,757	R483,820	R540,153
Current Borrowing	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0
Other Current Liabilities	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0
Subtotal Current Liabilities	R0	R 37,811	R77,214	R117,341	R159,541	R202,362	R246,289	R290,684	R336,510	R383,759	R432,757	R483,820	R540,153
Long-term Liabilities	R117,493	R119,289	R114,289	R109,289	R104,289	R 99,289	R 94,289	R 89,289	R 84,289	R 79,289	R74,289	R69,289	R64,289
Total Liabilities	R117,493	R157,100	R191,503	R226,630	R 263,830	R 301,651	R340,578	R379,973	R420,799	R463,048	R507,046	R553,109	R604,442
Paid-in Capital	R 15,000	R15,000	R15,000	R15,000	R15,000	R15,000	R15,000	R15,000	R15,000	R15,000	R15,000	R15,000	R15,000
Retained Earnings	R -9,175	R -9,175	R -9,175	R -9,175	R -9,175	R -9,175	R -9,1755	R -9,175	R -9,175	R -9,175	R -9,1755	R -9,175	R -9,175
Earnings	R -	R1,875	R2,600	R2,750	R2,729	R3,195	R3,662	R3,812	R4,594	R 5,060	R5,843	R 6,625	R8,989
Total Capital	R5,825	R7,700	R8,425	R8,575	R8,554	R9,020	R9,487	R9,637	R10,419	R10,885	R11,668	R12,450	R14,814
Total Liabilities and Capital	R123,318	R164,800	R199,927	R235,205	R272,384	R310,671	R350,065	R389,609	R 431,218	R473,934	R518,714	R 565,560	R619,256

Appendix

Net Worth	R5,825	R7,700	R8,425	R8,575	R8,554	R9,020	R9,487	R9,637	R10,419	R10,885	R11,668	R12,450	R14,814
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