

# BUSINESS PLAN

[15 December 2020]

**ELECTRIC FITTING  
LIMITED**

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## **Executive Summary;**

The purpose of this organization strategy is to start manufacturing of electrical equipments with expected investment of TZS 5,775,000,000 for the starting of the business while presenting the predicted financial records and functions over the next five years. Electrical fitting, is organization that will provide income of electrical insulator and surge arrestor to customers in its focused industry. The Company was established by Electrical Fitting Limited.

The Electrical Fitting Limited will be owned by Investors 51% Shenzhen Intersky, 23% will be owned by Mufindi, 23% will be owned by Usangu Logistic and remaining 3% via Fuad Salehe Mohamed.

### **1.1 Products and Services;**

Our factory has the ability to produce 1 million, Electrical Insulator per year, and 1 million Surge Arrestor per year.

As stated above, the primary income flow for the organization will come from the sale of electrical insulator and surge arrestor to customer within the target audience. The Company anticipates that both products will generate approximately TZS 1.8 trillion over five consecutive years of income for the organization.

### **1.2 The Financing;**

Electrical Fitting Ltd is seeking to start with TZS 5,775,000,000 as a capital from the directors and investors. The attention amount and investment agreement are to be further discussed during discussion. This organization strategy represents that the organization will receive a capital from Directors through taking 5 years season loan with an 8% interest set. The funding will be used for the following:

- Development of the Business Factory location.
- Financing for the first twelve months of operation.
- Capital to purchase the equipment.

### **1.3 Key to success**

The demand and growth potential are so overwhelming that success in selling Electrical and arrestor are virtually assured provided a few key aspects are kept in mind

- i. There is no problem in contract manufacturing the devices, provided a ready stock of components is available. Careful planning in ordering sensitive components is essential, and sufficient financing must be in place to support long inventory periods.
- ii. Move quickly to build brand awareness for cutting-edge reliability.

## 1.4 Objective Statement;

The Electrical Fitting Firm's mission is to become the recognized leader in its focused industry for income of electrical insulator and surge arrestor.

## 1.5 Management Team;

The Company was established with estimated 120 employees. About 5 key management personnel with more than 3 years of experience in the electrical industry. Through their expertise, they will be able to bring the functions of the organization to success within its first season of functions.

## 1.6 Sales Forecasts;

The sales forecast has been developed as a forecast and tracking tool to provide the company with realistic sales goals as well as a way to verify progress. The forecast has been developed as a conservative estimate, not an aggressive sales promise.

Electrical Fitting Ltd desires a strong amount of growth at the start of functions. Below are the predicted financial records over the next three decades.

**Table1: Sales Forecast (Yearly) - Amount in Million.**

Sales Forecast					
Sales	2021	2022	2023	2024	2025
Surge Arrestor	98,000	122,500	153,125	191,406	239,258
Electrical Insulator	126,000	157,500	196,875	246,094	307,617
<b>Total Sales</b>	<b>224,000</b>	<b>280,000</b>	<b>350,000</b>	<b>437,500</b>	<b>546,875</b>
Direct Cost of Sales					
Fittings	7,500	8,625	9,919	11,407	13,118
Insulator shed	16,200	18,630	21,425	24,638	28,334
Coupling Agent	10,200	11,730	13,490	15,513	17,840
Connection spindles	4,050	4,658	5,356	6,160	7,083
Prestressed lighting device	3,000	3,450	3,968	4,563	5,247
Washer	300	345	397	456	525
Ring claming device	900	1,035	1,190	1,369	1,574
<b>Subtotal Direct Cost of Sales</b>	<b>42,150</b>	<b>48,473</b>	<b>55,743</b>	<b>64,105</b>	<b>73,721</b>

## **1.7 Expansion Plan;**

The Creator desires that the business will strongly increase during the first three years of function. Electrical Fitting Ltd plans to apply marketing strategies that will successfully focus on plants within the focus on audience.

## **Company Summary and Funding Summary;**

### **2.1 Authorized Name and Business Structure;**

The Organization is registered as Electrical Fitting Limited. Electrical Fittings Ltd will presently operate from one large office located in Dar Es Salaam, Tanzania.

### **2.2 Company overview:**

Company Name: Electrical Fittings Ltd

Incorporation Number: 144522729

Licence Type: Temporary licence

Location: Tabata Matumbi, Mandela Road Plot Number 248

Telephone: 0782 999 333

Email: [gm@eftz.co.tz](mailto:gm@eftz.co.tz)

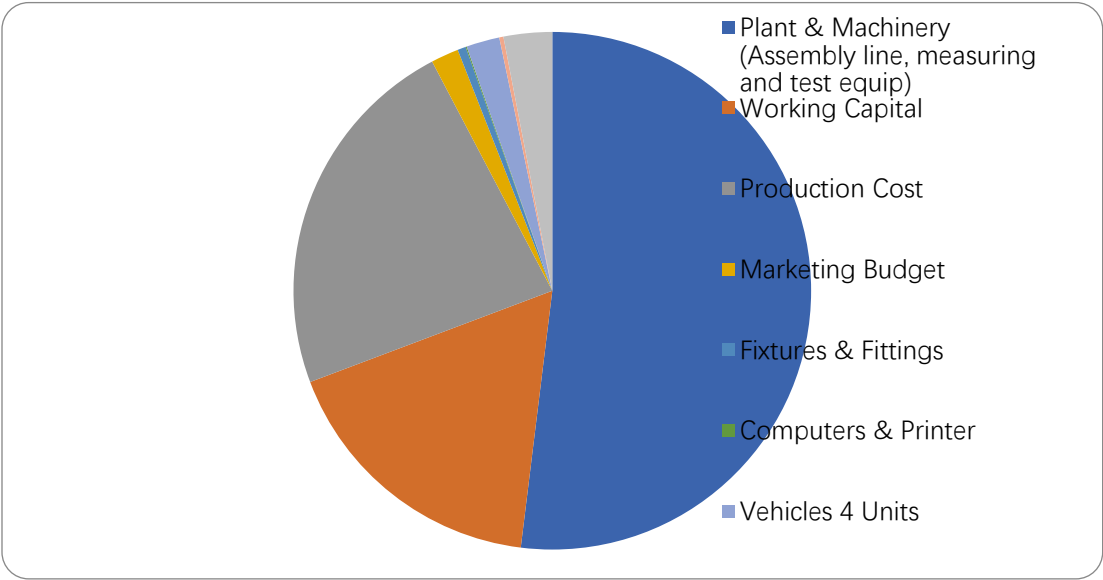
### **2.3 Needed Funds;**

At this time, the Electrical Fitting Ltd needs TZS 5,775,000,000 of capital resources. Below is a malfunction of how these resources will be used:

**Table 2: Projected Startup Cost**

Projected Startup Cost	
Plant & Machinery (Assembly line, measuring and test equip)	3,000,000,000
Working Capital	1,000,000,000
Production Cost	1,331,000,000
Marketing Budget	100,000,000
Fixtures & Fittings	30,000,000
Computers & Printer	4,000,000
Vehicles 4 Units	120,000,000
Generator	15,000,000
Unforeseen Cost	175,000,000
Total Start up Cost	5,775,000,000

**Figure 1: Projected startup Cost**



## **2.4 Investor Equity;**

The company will be owned by 51% with Shenzhen Intersky.

## **2.5 Management Equity;**

Usangu, Mufindi and Fuad will own remaining 49% of the Electrical Fitting Limited.

## **Market Analysis summary;**

### **3.1 Competitors:**

There will be comparable product currently available in the local market place. We have located a number of somewhat similar products in the import market but none are suitable for use in the same manner as Electrical Fittings Ltd. Since this move the following companies have already entered the market and deemed as competitors;

a. INHEMETER (T) LTD

INHEMETER (T) LTD is the subsidiary unit of SHENZHEN INHEMETER CO., LTD, which is a leading energy management expert with comprehensive knowledge and vast experience on utility energy management from China. The company provides various solutions like smart and prepaid metering solutions to commercial and residential customers, LPU solutions to industrial users (low voltage) and for substation metering (medium voltage). So far Inhemeter has supplied more than 5,000,000 smart meters to over 30 countries in Africa. The African customers include TANESCO/Tanzania, KPLC/Kenya, ESKOM/South Africa, CIE/Ivory Coast, ONE/Morocco, etc. Inhemeter has as well constructed three other factories in Africa, one in Kenya, one in South Africa and the other in Sudan.

Established in TanzaTanzania:

Capacity: 1mil meters p.a

Estimated Headcount: 100 employees

b. AFRICABLE LTD

Africab Group is the leading manufacturer of wide range of electrical products like wires and cables, transformers, switch gears, pvc conduit pipes and trunking etc

Africab Group is committed to provide extensive range of low, medium and high voltage electrical products, services, and solutions of reliable quality with no compromise under single roof. The Company has two manufacturing facilities located in Dar es Salaam, Tanzania. and through a channel of widespread distribution network we are presented throughout Tanzania. Established in Tanzania: 2001

c. INTERBEST ELECTRIC CO. LTD

### **3.2 Target customers:**

#### **a. TANZANIA ELECTRIC SUPPLY CO. LTD (TANESCO)**

TANESCO is a state-owned integrated monopoly for electricity supply in Tanzania and is in principle controlled under the Electricity Act of 2008 and the Energy and Water Utilities Regulatory Authority Act, 2001. It is a public organization under the Ministry of Energy and Minerals (MEM); Board of Directors is appointed by the government, which exercises control through MEM.

MEM is mainly responsible for formulation of energy and electricity policy, and management of TANESCO. The Energy and Water Utilities Authority (EWURA) created in 2005 by the Energy and Water Utilities Regulatory Act is mandated to oversee and regulate the operations of TANESCO granting following licenses:

- Electricity Generation License
- Electricity Transmission Cross Border Trading License
- Electricity Distribution and Cross Border Trading License
- Electricity Supply License

#### **b. ZANZIBAR ELECTRICITY CORPORATION (ZECO)**

ZECO is 100% owned by the Government through the Ministry of Land, Housing, Water and Energy, which assumes a supervisory role to the Corporation. The Corporation is governed by the board of directors, appointed by the Government who supervise the ZECO management and ensure the implementation of the Government's policies. ZECO is expected to provide reliable and affordable electricity in Zanzibar, as an important input in boosting economic growth and social development in the isles

The main functions of ZECO according to the Zanzibar Electricity Corporation Act No.3 of 2006 are:

- The establishment, acquisition maintenance and operation of works and undertakings for the generation, transmission, transformation, distribution and supply of electricity to consumers in Zanzibar;

- The investigation of new or additional facilities for the generation and supply of electricity within Zanzibar;
- To construct or erect and to maintain or alter machinery and plant, electrical distribution lines and any other works;
- To exchange, let or sell any of the property or plant acquired or constructed by the Corporation;
- To enter into contracts with any public, local authority or any person for the purchase and supply of electricity or for any other purpose;
- To enter into agreements for purchase of electricity in bulk from independent power producers within or outside Zanzibar for resale to consumers; and
- To carry on all such other activities as it may appear to the Corporation to be requisite, advantageous or in connection with the exercise of its functions.

#### **c. NEIGHBOURING COUNTRIES**

Some of our neighboring countries are still importing prepaid meters directly from afar, hence higher costs. Since Electric Fitting Ltd will be assembling at a lower cost in Tanzania, supplying outside to neighboring countries at a lower cost may be a solid market. Some of the countries are Kenya, Uganda, Rwanda, Burundi, Mozambique, and DRC.

### **3.3 Industry Analysis;**

Within the Dar Es Salaam and nearby region, there are roughly not less than 10 suppliers that specialize in the electrical insulator and arrestor manufacturing. Each year, these companies produce almost TZS 85 billion of income and offer jobs to more than 50,000 people. This is a mature market, and the predicted future rate of growth is predicted to equal that of the common economic system. The requirement for electrical equipment has continued to remain powerful due to improvement of Tanzania economic.

## **Strategy implementation summary**

### **4.1 Marketing Strategy**

The business will provide quality and superior service at a fair price to the customers on time. Promotional measures therefore will be quality recreational activities availability at the right place and time.

The most important marketing strategies will be

#### **a. Product strategy**

In response to the customers' needs the business shall strive to lead with innovations both in product design and services which are unequalled in this specific market and industry.

b. Pricing strategy

The business will have a mark-up policy of 20%-30% which will be affordable by the target market. The market place dictates our pricing and the approval of loans for customers is a proof that our pricing structure is acceptable in the market. It means a fair price lead by demand and supply.

c. Promotion strategy

The business will be engaged in direct marketing. The products will be market by means of word of mouth and house visits. The owner plans to mount a demonstration model on his four-wheel drive vehicle for promotion purposes.

d. Distribution strategy Products (panels) will be distributed by technicians to the site.

## 4.2 Pricing Strategy

The selling price for the business products will be cost plus method e.g. cost price of product plus indirect cost charge % plus mark-up. (Materials + Indirect costs + mark-up %)

## Marketing Plan;

The Electrical Fittings plans to maintain an extensive technique that will ensure maximum visibility for the organization in its focused market. Below is an overview of the marketing techniques and goals of the Company.

### 5.1 Promotion Objectives;

- Bills: Implement a regional technique with the Business focused market via the use of flyers, regional newspaper ads, and testimonials advertising.
- Website: Electric Fitting will have a website which will be comprehensive in describing the different product offerings as well as allowing the customer to order directly from the site.
- Direct Mail: This allows Electric Fitting to generate a targeted list of customers that they can send product information too.

### 5.2 Promotion Strategies;

Electrical Fitting's marketing strategy will seek to communicate the idea that the products that they offer are in effect cheap insurance against large electric and electronic appliance damage or losses.

By proactively purchasing Electrical Fitting's products, customers are able to protect against loss and damage of all of their expensive appliances. While many homeowners probably have some sort of insurance, deductibles are often prohibitively high, making a claim for damage to one or a couple appliances not worth the money. Electrical Fitting will use several forms of communication for this marketing campaign:

## **General Situational Analysis: (SWOT Analysis)**

### **6.1 Strengths**

- Technical expertise from our Partners.
- Huge capacity to produce.
- Strong and experienced leadership.

### **6.2 Weakness**

- New company hence will take time to stabilize.
- Maintaining cost of production.

### **6.3 Opportunity**

- Increasing demand for the services
- Demand for electrical equipments in Tanzania is still unfulfilled

### **6.4 Threats**

- Competitors
- Uncertain market conditions

## **Management & Organizational Plan and Personnel Summary;**

### **7.1 Corporate Organization**

The organization will be having 120 employees. Some of them will be sales staff reporting to a sales manager

### **7.2 Management Team**

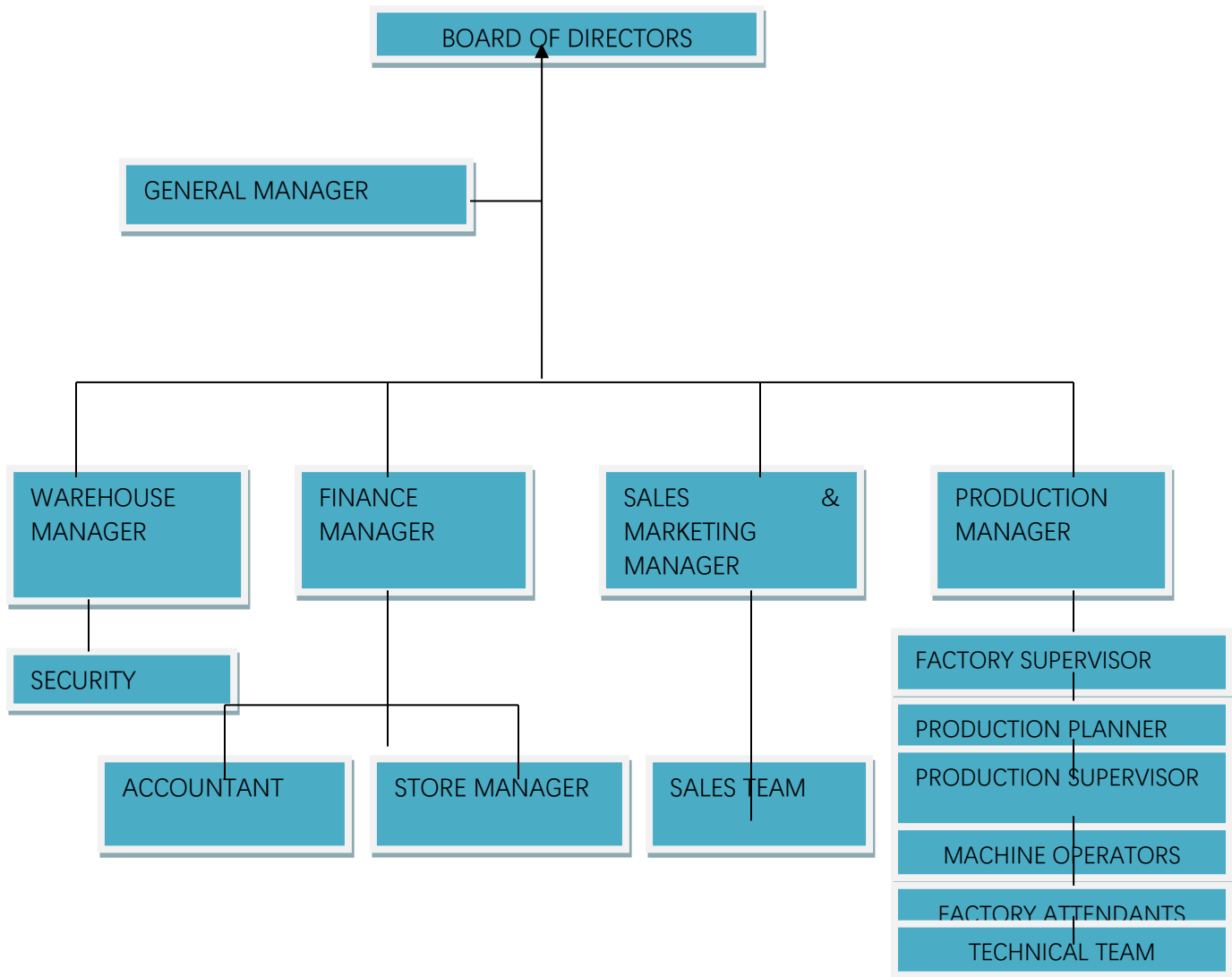
The management will only consist of five Key management personnel that have the vision of directing the business to be a profitable enterprise.

- a. Managing Director
- b. Finance Manager
- c. Warehouse Manager
- d. Production Manager
- e. Sales and Marketing Manager

### **7.3 Organization structure:**

The Company at initial stage shall adopt a lean structure however as operations grow then a full functional structure shall be adopted.

## ORGANIZATION CHART



### Operational Plan:

#### 8.1 Production work flow

The total numbers of workers expected to be 120 working 8 hours per day. The workers will work 6 days per week. Starting for work will be 8:00 am to 1:00 pm having one-hour break then again from 2:00 pm to 5:00 p.m.

The production capacity per day for pre-assembling lines will be around 2900 electrical insulators per day and also 2,900 arrestors per day. This will make annually to have production around one million (1,000,000) each product with an average of 345 working days.

in a year.

## **8.2 Quality Control**

In order to make sure that our product will be in high quality each assembling will have quality control line (Q.C.L) that will be responsible for checking others workers work. If there will be any wrong to the work, he will report to the assembling line supervisor who will take responsible to return the products item and performed the work again

## **8.3 Materials**

The following are some materials will be used for production, fitting, core rod, insulator shed, coupling agent, connection spindles, prestressed lighting device, washer and Ring clamping etc. the factory will have agreement with Investor partner which they will provide all necessary material as mentioned for production

## **Financial Plan;**

### **9.1 Actual Assumptions;**

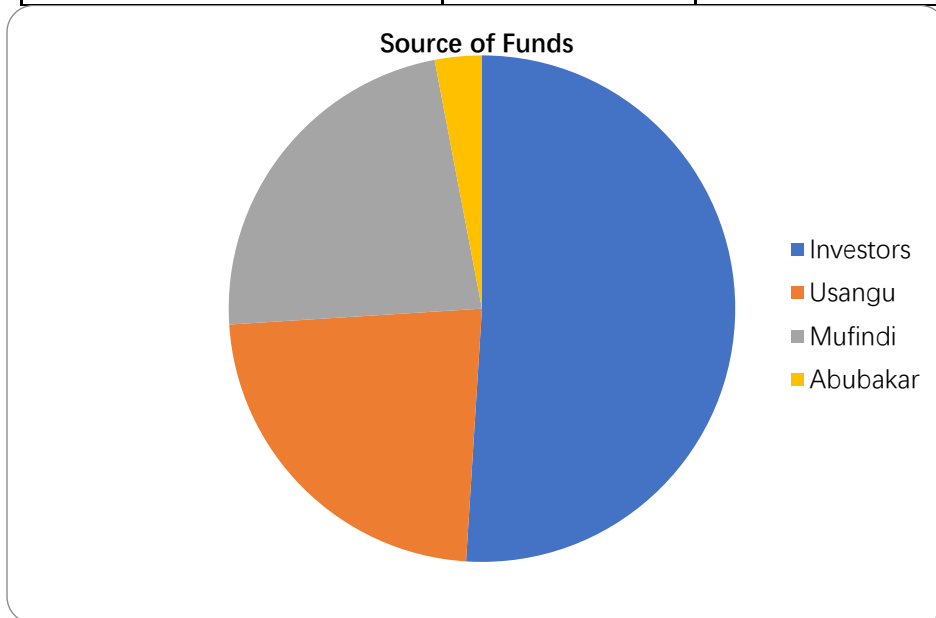
- The Electrical Fitting Ltd will have a yearly income amount of growth of 25% per season.
- The Owner will obtain 51% of capital from Investors.
- Income tax rate will be 30%
- Purchases of raw material will increase at 15% yearly basis.

### **9.2 Understanding Analysis;**

During times of financial slowdown or a gradual economic system, the Organization may have issues with top line income as ranchers' range down their buying activities and farm owners cut back on capital expenses. However, the census focuses on by the Organization have remarkable financial endurance, and as such, decreases in general financial efficiency should have only an average effect on the Business earnings.

### 9.3 Source of Funds;

Financing		
Equity Contributions		
*Management Investment:		
- Usangu Logistic	1,328,250,000.00	23%
- Mufindi	1,328,250,000.00	23%
- Fuad Salehe Mohamed	173,250,000.00	3%
*External Investment:		
- Shenzhen Intersky	2,945,250,000.00	51%
<b>Total Equity Financing</b>	<b>5,775,000,000.00</b>	<b>100%</b>
Bank Loan	-	
Total Debt Financing	-	
<b>Total Financing</b>	<b>5,775,000,000.00</b>	

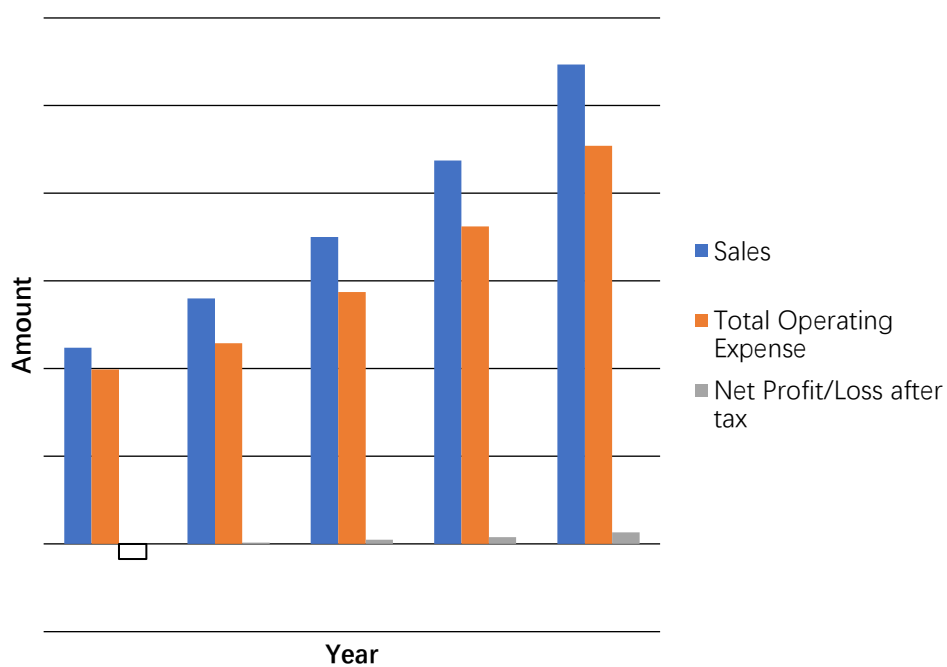


### 9.4 Profit and Loss Statements;

Proforma Profit and Loss (Yearly) - Amount in Million					
Year	2021	2022	2023	2024	2025
Sales	224,000	280,000	350,000	437,500	546,875
Cost of Sales	42,150	48,473	55,743	64,105	73,721
Gross Profit	181,850	231,528	294,257	373,395	473,154
<i>Operating Expenses</i>					
<i>Payroll</i>	2,000	2,500	3,000	3,500	4,000

<i>General Administrative</i>	90,000	100,000	150,000	185,000	250,000
<i>Marketing Expenses</i>	100,000	120,000	130,000	160,000	180,500
<i>Audit Fees</i>	30	30	35	35	40
<i>Insurance Cost</i>	105	105	105	105	105
<i>Travel</i>	6,000	5,500	3,500	12,500	18,500
<i>Rent office</i>	281	281	294	353	367
Depreciation Expenses	600	600	600	600	600
<i>Total Operating Expense</i>	<b>199,016</b>	<b>229,016</b>	<b>287,534</b>	<b>362,093</b>	<b>454,112</b>
EBIT	<b>(17,166)</b>	<b>2,512</b>	<b>6,723</b>	<b>11,302</b>	<b>19,042</b>
Interest	-	-	-	-	-
EAIT	(17,166)	2,512	6,723	11,302	19,042
Taxes 30% of EAIT	-	754	2,017	3,391	5,713
Net Profit/Loss after tax	<b>(17,166)</b>	<b>1,758</b>	<b>4,706</b>	<b>7,912</b>	<b>13,330</b>

Sales, Operating Expenses & Net Profit/Loss Forecast



## 9.5 Cash Flow Analysis;

Projected Cash Flows Analysis - Yearly					
Year	2021	2022	2023	2024	2025
Cash flows from Operations	224,000	280,000	350,000	437,500	546,875
<i>Operating Cash Inflows</i>	<i>224,000</i>	<i>280,000</i>	<i>350,000</i>	<i>437,500</i>	<i>546,875</i>
<i>Other Cash Inflows</i>					
Equity Investment	5,775				
Assets/Payable Increases		(1,120)	(2,100)	875	1,094
Total other Cash Inflows	15,000	-	-		
<i>Total Cash Inflows</i>	<i>244,775</i>	<i>278,880</i>	<i>347,900</i>	<i>438,375</i>	<i>547,969</i>
Cash outflows					
Assets/Payable decrease	1,000	(8,115)	605	3,336	9,340
Material Purchases	42,150	48,473	55,743	64,105	73,721
Operating Expenses	198,416	228,416	286,934	361,493	453,512
Assets purchases	3,000				
Total Cash outflows	244,566	268,773	343,282	428,933	536,573
Net Cash Flows	209	10,107	4,618	9,442	11,396
<i>Cash Balance</i>	<i>209</i>	<i>10,317</i>	<i>14,935</i>	<i>24,376</i>	<i>35,772</i>

## 9.6 Balance Sheet;

Year	2021	2022	2023	2024	2025
Projected Balance Sheet for 5 years					
ASSETS					
Cash	209.32	10,316.62	14,934.75	24,376.29	35,772.21
Expansion Cost	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
Acc Depreciation	(600.00)	(1,200.00)	(1,800.00)	(2,400.00)	(3,000.00)
Account Receivable	6,720.00	5,600.00	3,500.00	4,375.00	5,468.75
Inventory	511.00	2,932.17	4,566.11	1,391.12	4,259.38
<i>Total Assets</i>	<i>9,840.32</i>	<i>20,648.79</i>	<i>24,200.86</i>	<i>30,742.41</i>	<i>45,500.34</i>
Liabilities and Equity:					
Account Payable	14,405.71	12,477.39	13,720.02	16,495.79	25,184.81
Long term Loan	-	-	-	-	-
Other Liabilities	6,825.29	638.13	-	560.00	1,211.00

<i>Total Liabilities</i>	<i>21,231.00</i>	<i>13,115.52</i>	<i>13,720.02</i>	<i>17,055.79</i>	<i>26,395.81</i>
Capital Stock	5,775.00	5,775.00	5,775.00	5,775.00	5,775.00
Retaining Profit	(17,165.68)	1,758.27	4,705.84	7,911.62	13,329.53
<i>Total Liabilities and Equity</i>	<i>9,840.32</i>	<i>20,648.79</i>	<i>24,200.86</i>	<i>30,742.41</i>	<i>45,500.34</i>

### 9.7 Break Even Analysis;

The Break-even Analysis indicates what will be needed in monthly revenue to reach the breakeven point.

BREAK-EVEN ANALYSIS	ELECTRICAL INSULATOR	SURGE ARRESTOR
Monthly Units Break-even	142,045	111,607
Monthly Revenue Break-even	13,920,454,545	14,062,500,000
Assumptions:		
Average Per-Unit Revenue	98,000	126,000
Average Per-Unit Variable Cost	10,000	14,000
Contribution Margin	88,000	112,000
Estimated Monthly Fixed Cost	12,500,000,000	12,500,000,000



Appendices

**9.8 Appendix I - Expanded Profit and Loss Statements – Monthly 2021**

YEAR 2021													
	January	February	March	April	May	June	July	August	September	October	November	December	Total
Sales	18,667	18,667	18,667	18,667	18,667	18,667	18,667	18,667	18,667	18,667	18,667	18,667	224,000
Cost of Sales	3,513	3,513	3,513	3,513	3,513	3,513	3,513	3,513	3,513	3,513	3,513	3,513	42,150
Gross Profit	15,154	15,154	15,154	15,154	15,154	15,154	15,154	15,154	15,154	15,154	15,154	15,154	181,850
<i>Operating Expenses</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Payroll</i>	167	167	167	167	167	167	167	167	167	167	167	167	2,000
<i>General Administrative</i>	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
<i>Marketing Expenses</i>	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	100,000
<i>Audit Fees</i>	3	3	3	3	3	3	3	3	3	3	3	3	30
<i>Insurance Cost</i>	9	9	9	9	9	9	9	9	9	9	9	9	105
<i>Travel</i>	500	500	500	500	500	500	500	500	500	500	500	500	6,000
<i>Rent office</i>	23	23	23	23	23	23	23	23	23	23	23	23	281
<i>Depreciation Expenses</i>	50	50	50	50	50	50	50	50	50	50	50	50	600
<i>Total Operating Expense</i>	16,585	16,585	16,585	16,585	16,585	16,585	16,585	16,585	16,585	16,585	16,585	16,585	199,016
EBIT	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(17,166)
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-



EAIT	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(17,166)
Taxes 30% of EAIT	-	-	-	-	-	-	-	-	-	-	-	-	-
Net P/L after tax	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(1,430)	(17,166)



## 9.9 Appendix II - Expanded Profit and Loss Statements – Monthly 2022

YEAR 2022													
	January	February	March	April	May	June	July	August	September	October	November	December	Total
Sales	23,333	23,333	23,333	23,333	23,333	23,333	23,333	23,333	23,333	23,333	23,333	23,333	280,000
Cost of Sales	4,039	4,039	4,039	4,039	4,039	4,039	4,039	4,039	4,039	4,039	4,039	4,039	48,473
Gross Profit	19,294	19,294	19,294	19,294	19,294	19,294	19,294	19,294	19,294	19,294	19,294	19,294	231,528
<i>Operating Expenses</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
Payroll	208	208	208	208	208	208	208	208	208	208	208	208	2,500
General Administrative	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	100,000
Marketing Expenses	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Audit Fees	3	3	3	3	3	3	3	3	3	3	3	3	30
Insurance Cost	9	9	9	9	9	9	9	9	9	9	9	9	105
Travel	458	458	458	458	458	458	458	458	458	458	458	458	5,500
Rent office	23	23	23	23	23	23	23	23	23	23	23	23	281
Depreciation Expenses	50	50	50	50	50	50	50	50	50	50	50	50	600
<i>Total Operating Expense</i>	<i>19,085</i>	<i>19,085</i>	<i>19,085</i>	<i>19,085</i>	<i>19,085</i>	<i>19,085</i>	<i>19,085</i>	<i>19,085</i>	<i>19,085</i>	<i>19,085</i>	<i>19,085</i>	<i>19,085</i>	<i>229,016</i>
EBIT	209	209	209	209	209	209	209	209	209	209	209	209	2,512
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
EAIT	209	209	209	209	209	209	209	209	209	209	209	209	2,512
Taxes 30% of EAIT	63	63	63	63	63	63	63	63	63	63	63	63	754
Net P/L after tax	147	147	147	147	147	147	147	147	147	147	147	147	1,758



**9.10 Appendix II - Expanded Profit and Loss Statements – Monthly 2023**

**YEAR 2023**

	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>Sales</b>	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	350,000
<b>Cost of Sales</b>	4,645	4,645	4,645	4,645	4,645	4,645	4,645	4,645	4,645	4,645	4,645	4,645	55,743
<b>Gross Profit</b>	24,521	24,521	24,521	24,521	24,521	24,521	24,521	24,521	24,521	24,521	24,521	24,521	294,257
<i>Operating Expenses</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Payroll</i>	250	250	250	250	250	250	250	250	250	250	250	250	3,000
<i>General</i>													
<i>Administrative</i>	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
<i>Marketing Expenses</i>	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	130,000
<i>Audit Fees</i>	3	3	3	3	3	3	3	3	3	3	3	3	35
<i>Insurance Cost</i>	9	9	9	9	9	9	9	9	9	9	9	9	105
<i>Travel</i>	292	292	292	292	292	292	292	292	292	292	292	292	3,500
<i>Rent office</i>	25	25	25	25	25	25	25	25	25	25	25	25	294
<b>Depreciation Expenses</b>	50	50	50	50	50	50	50	50	50	50	50	50	600
<i>Total Operating Expense</i>	23,961	23,961	23,961	23,961	23,961	23,961	23,961	23,961	23,961	23,961	23,961	23,961	287,534
<b>EBIT</b>	560	560	560	560	560	560	560	560	560	560	560	560	6,723
<b>Interest</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>EAIT</b>	560	560	560	560	560	560	560	560	560	560	560	560	6,723
<b>Taxes 30% of EAIT</b>	168	168	168	168	168	168	168	168	168	168	168	168	2,017
<b>Net P/L after tax</b>	392	392	392	392	392	392	392	392	392	392	392	392	4,706