



# GOLDEN KRUST BAKES

BUSINESS PLAN

FOR

MODERN BAKERY AND COFFEE SHOP  
AT PLOT NO. 15 BLOCK 5 HOUSE NO. 26 MKWAWA ROAD,  
OYSTERBAY, KINONDONI MUNICIPAL, DAR ES SALAAM

DAR ES SALAAM, TANZANIA

AUGUST, 2024

## **GOLDEN KRUST BAKES**

### **Business Entity Data:**

**Golden Krust Bakes** (hereinafter referred to as GKB) is owned by MACTAN ENTERPRISES COMPANY LIMITED of P.O. Box 3757, Dar es Salaam. The headquarter is located at Plot 5/15 Mkwawa Road, Oysterbay, Kinondoni Municipal, Dar es Salaam, registered on 6<sup>th</sup> day of February, 2024 with Certificate of Registration number 564715 given by the Business Registration and Licensing Agency (BRELA).

### **Operations:**

The primary activity of GKB is to produce high-quality baked products and confectioneries of international standards and serve assorted types of coffee with the finest taste and aroma.

### **Management:**

Operations of GKB are managed with commitment by its directors with the help of competent support staff and engaging skilled workers. The success in the activities is attributable to the experience of the directors.

### **Market for Confectioneries and Baked Products:**

Of recent, there has been a downturn for the demand of high-quality baked products in Dar es Salaam.

Oysterbay and Msasani Peninsula are the prime areas of Dar es Salaam preferred by diplomats, non-governmental organizations, executives of local, regional, tourists and multi-national organizations as well as top-ranking officials in the government also prefer to these areas will be our target market.

### **Products:**

GKB produces a wide range of high-quality cakes, cookies, breads, pastries and treats whereby each item is made from scratch using all natural ingredients sourced largely from local suppliers. These supplies involve no preservatives to provide high-end and divine flavor and taste. It is important that our items not only taste delicious but also look appealing and attractive to the eye

because we add extra care and a little touch to every product. Whether it a sprinkling sugar daisy on a chocolate cupcakes or buttery flaky croissants. Our location is designed in a way that customers will be able to locate.

## **MARKETING PLAN**

GKB expects to use a variety of marketing tools including web advertising, social media platform like Instagram and Facebook, public relations and key strategic alliances to drive the traffic. GKB believes that it is extremely important to use word-of-mouth marketing campaigns, especially in the early stage of the launch. GKB will also be placing banners and ads with major portal sites to increase awareness, whereby it automatically serves when someone enters any keyword during a web search. This effort will focus on both online and print media.

## **COMPETITION**

Supermarket chains dominate the baked goods market in Dar es Salaam. These grocery stores are locally operated and their products are of poor quality. The ingredients are processed thus lowering the quality and taste of the products so they can sell the item at a lower cost. GKB is set apart from the competition in four main ways:

- Each of our product contain extra detail to set it apart from the competition. We ensure that our products appeal to the eye as well as to the stomach.
- The sky is the limit when developing a pastry design and we cater to the demands and needs of our customer in every way possible.
- Customers' service is our number one priority where we ensure that each customer is treated with kindness respect and warm welcome on each visit.
- Our products are freshly baked every day.

## **PRICING STRATEGY:**

The initial markup of the bakery products based on the cost of goods sold depends on the detail of the products.

## **DISTRIBUTION STRATEGY:**

We have developed a number of ways of distributing our products; so if it is for retail products, may be picked up at the retail location by the customers or

delivered for a nominal fee depending on the distance. We also accept catering services, whereby we deliver depending on the volume order.

**PERSONNEL NUMBER AND RENUMERATION:**

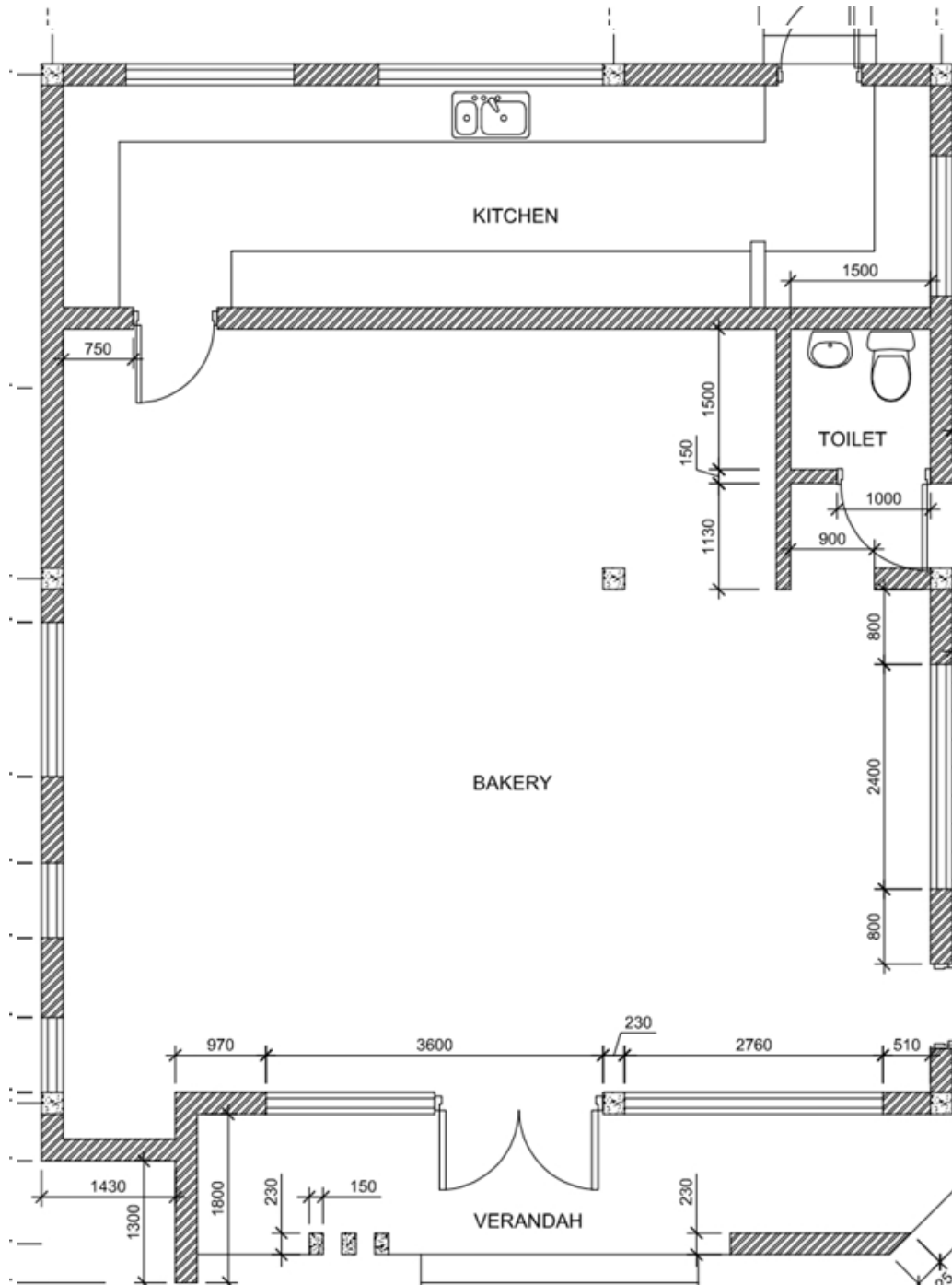
HEAD COUNT	JOB TITLE	MONTHLY SALARY
1	SHOP MANAGER	TZS 1,000,000/=
1	HEAD BAKER	1,000,000/=
1	ASSISTANT BAKER	900,000/=
3	KITCHEN HELPERS	350,000/=
1	CASHIER	400,000/=
8	SERVERS	300,000/=
2	CLEANERS	300,000/=
2	DRIVERS	350,000/=
<b>Total</b>		<b>TZS 4,600,000/=</b>

**PRODUCTION EQUIPMENT:**

We use quality equipment to produce high quality good products using advanced technology reliable with no side effects to the customers. We will procure modern machines with new technology, efficient in performing the task more effectively.

EQUIPMENT	NUMBER	TOTAL
OVENS	4	TZS 19,250,000
PROOFERS	2	4,100,000
DOUGH DIVIDER	1	10,340,000
DOUGH SHEETERS	2	16,320,000
MIXERS	4	16,141,200
COLD DISPLAY	2	11,780,000
BREAD SLICER	1	1,900,000
FREEZERS	4	7,200,000
REFRIGERATORS	2	5,800,000
CROISSANT MAKER	2	10,920,000
WAFFLE MAKER	2	8,565,000
DEEP FRYERS	2	1,120,000
COFFEE MACHINE	1	10,803,000
VEHICLE	1	20,000,000
FURNITURE		62,000,000
<b>TOTAL</b>		<b>TZS 206,239,200</b>

**FLOOR PLAN:**



**PRODUCTION PLAN:**

We use self-mixed ingredients to ensure the quality of our products. The raw materials are always available in the whole year. Following is the estimate cost of the ingredients:

<b>DESCRIPTION</b>	<b>FREQUENCY</b>	<b>QUANTITY</b>	<b>TOTAL AMOUNT</b>
Flour	Weekly	150 kilograms	Tzs 315,000
Yeast	Weekly	135 sachets	81,000
Milk	Weekly	50 liters	150,000
Salt	Weekly	1000 grams	1,000
Sugar	Weekly	50 kilograms	175,000
Water	Weekly	40 liters	15,000
Cooking Oil	Weekly	20 liters	180,000
Eggs	Weekly	20 trays	240,000
Butter	Weekly	50 kilogram	2,100,000
Imported Nuts	Weekly	5 kilogram	200,000
Baking Soda	Weekly	1700 grams	8,500
Baking Powder	Weekly	1700 grams	14,500
<b>TOTAL</b>			<b>Tzs 3,165,000</b>

**FINANCIAL PLAN:** *Please refer to Appendix 1 to 6*

**DEVELOPMENT COSTS***(Amounts in TShs. '000)*

<b>ITEM</b>	<b>Already Expended</b>	<b>Required</b>	<b>Total Cost</b>
Long Term Lease	50,000.0		50,000.0
Preliminaries	31,000.0	14,000.0	45,000.0
Main Building- Kitchen	-	126,148.8	126,148.8
External Works	-	100,000.0	100,000.0
Prime Cost and Provisional Sums	-	5,000.0	5,000.0
Preliminaries and Insurance Clauses	-	12,000.0	12,000.0
<b>Sub Total</b>	<b>81,000.0</b>	<b>257,148.8</b>	<b>338,148.8</b>
Furniture & Equipment		62,000.0	62,000.0
Accessories		7,500.0	7,500.0
IT Requirements		7,560.0	7,560.0
Motor Vehicles		25,000.0	25,000.0
Generator		30,000.0	30,000.0
<b>Sub Total</b>	<b>-</b>	<b>132,060.0</b>	<b>132,060.0</b>
<b>TOTAL INVESTMENT COSTS</b>	<b>81,000.0</b>	<b>389,208.8</b>	<b>470,208.8</b>

**CAPITAL EXPENDITURE**

ITEM	Unit Cost TShs.'000	2024 No.	2024 TShs. '000	2024 No.	2024 TShs. '000	2025 No.	2025 TShs. '000	2026 No.	2026 TShs. '000	2027 No.	2027 TShs. '000
<b>FURNITURE</b>											
Office Tables	600	2	1,200								
Office Chairs	250	4	1,000	2	500						
Kitchen Chairs	250	4	1,000								
<b>Sub-Total</b>			<b>3,200</b>		<b>500</b>						
<b>PRODUCTION EQUIPMENT</b>											
Ovens	4,900	4	19,600								
Proofers	2,400	2	4,800								
Dough Divider	11,000	1	11,000								
Dough Sheeters	9,000	2	18,000								
Mixers	3,500	4	14,000								
Cold Display	4,000	2	8,000								
Bread Slicer	3,500	1	3,500								
Freezers	3,500	4	14,000								
Refrigerator	4,300	2	8,600			10	43,000			20	86,000
Crossisant	4,500	2	9,000			50	225,000			50	225,000
Waffle Maker	3,800	2	7,600								
Deep Fryres	1,500	2	3,000								
Cofee machine	10,000	1	10,000								
Vehicles	20,000	1	20,000								
Accessories	62000	1	62,000								
<b>Sub-Total</b>			<b>213,100</b>				<b>268,000</b>				<b>311,000</b>
<b>ACCESSORIES</b>											
Spoons & Folks	75	50	3,750			10	750			20	1,500
Covers	65	50	3,250			10	650			20	1,300
Curtains	200	125	25,000			25	5,000			50	10,000
Carpets	60	325	19,500			25	1,500			50	3,000
<b>Sub-Total</b>			<b>51,500</b>				<b>7,900</b>				<b>15,800</b>
<b>IT REQUIREMENTS</b>											
Personal Computers	1,440	4	5,760					4	6,336		
UPS	300	4	1,200					4	1,320		
Laser Printer	600	1	600					1	660		
<b>Sub-Total</b>			<b>7,560</b>		<b>-</b>		<b>-</b>		<b>8,316</b>		
<b>OTHERS</b>											
Motor Vehicles	25,000	1	25,000					1	27,500	2	55,000
Generator	30,000	1	30,000								
<b>Sub-Total</b>			<b>55,000</b>						<b>27,500</b>		<b>55,000</b>
<b>TOTAL CAPITAL EXP.</b>			<b>330,360</b>		<b>500</b>		<b>275,900</b>		<b>35,816</b>		<b>381,800</b>

<i>Depreciation</i>	(%)						
Land & Buildings	5	-	152,977.8	145,328.9	138,062.4	131,159.3	
Furniture & Equip	20	43,260.0	34,708.0	81,366.4	65,093.1	114,274.5	
Accessories	25	12,875.0	9,656.3	9,217.2	6,912.9	9,134.7	
IT	33.3	2,517.5	1,679.2	1,120.0	3,516.3	2,345.4	
MV	25	6,250.0	4,687.5	3,515.6	9,511.7	20,883.8	
Generator	20	6,000.0	4,800.0	3,840.0	3,072.0	2,457.6	
<b>Total</b>		<b>70,902.5</b>	<b>208,508.7</b>	<b>244,388.1</b>	<b>226,168.4</b>	<b>280,255.2</b>	

**MANPOWER PLAN**

*Salaries in TShs. equivalent (1US\$=TShs. 2,700)*

	2024	2024	2024	2025	2025	2025	2026	2026	2027	2027
<b>Title</b>	<b>No.</b>	<b>Salary p.m. (TShs.'000)</b>	<b>No.</b>	<b>Salary p.m. (TShs.'000)</b>	<b>No.</b>	<b>Salary p.m. (TShs.'000)</b>	<b>No.</b>	<b>Salary p.m. (TShs.'000)</b>	<b>No.</b>	<b>Salary p.m. (TShs.'000)</b>
1 Shop Manager	1	1,000	1	1,050	1	1,103	1	1,158	1	1,216
2 Head Baker	1	1,000	1	1,050	1	1,103	1	1,158	1	1,216
3 Assistant Baker	1	900	1	945	1	992	1	1,042	1	1,094
4 Kitchen Helpers	1	350	1	368	1	386	1	405	1	425
5 Cashier	1	400	1	420	1	441	1	463	1	486
6 Servers	1	300	1	715	1	751	1	788	1	828
7 Cleaners	1	300	1	715	1	751	1	788	1	828
8 Driver/Messenger	1	350	1	368	1	386	1	405	1	425
<b>TOTAL</b>	<b>8</b>	<b>4,600</b>	<b>8</b>	<b>5,630</b>	<b>8</b>	<b>5,912</b>	<b>8</b>	<b>6,207</b>	<b>8</b>	<b>6,517</b>
<b>Salaries p.a.</b>		<b>55,200</b>		<b>67,560</b>		<b>70,938</b>		<b>74,485</b>		<b>78,209</b>

**PROJECTED BALANCE SHEET***(Amounts in TShs. million)*

Item/Year	2024	2025	2026	2027	2028
<b>ASSETS</b>					
Cash	5,213.0	5,838.6	6,539.2	7,323.9	8,056.3
Balances with Banks	200,000.0	224,000.0	250,880.0	275,968.0	303,564.8
Investment in Fixed Deposits	-	513,497.0	798,276.2	1,144,632.1	1,614,433.5
Premises & Other Fixed Assets	77,303.2	75,757.1	74,242.0	72,757.2	2,835.2
Stocks	1,237.4	1,348.5	2,360.4	3,465.9	3,472.5
Other Assets		2,314.0	17.8	19.6	14.9
<b>TOTAL ASSETS</b>	<b>283,753.6</b>	<b>822,755.2</b>	<b>1,132,315.5</b>	<b>1,504,166.6</b>	<b>1,932,377.2</b>
<b>LIABILITIES</b>					
Dividends Payable		-	-	-	-
Other Liabilities	75.7	83.3	93.3	104.5	117.0
<b>Total Liabilities</b>	<b>75.7</b>	<b>83.3</b>	<b>93.3</b>	<b>104.5</b>	<b>117.0</b>
<b>CAPITAL</b>					
Owners Equity	50,000.0	50,000.0	50,000.0	50,000.0	50,000.0
Profit & Loss	233,677.9	269,497.0	289,523.7	330,681.8	379,439.9
Retained Earnings	-	503,174.9	792,698.6	1,123,380.4	1,502,820.3
<b>Total Equity</b>	<b>283,677.9</b>	<b>822,671.9</b>	<b>1,132,222.2</b>	<b>1,504,062.2</b>	<b>1,932,260.1</b>
<b>TOTAL LIABILITIES &amp; CAPITAL</b>	<b>283,753.6</b>	<b>822,755.2</b>	<b>1,132,315.5</b>	<b>1,504,166.6</b>	<b>1,932,377.1</b>

## PROJECTED INCOME STATEMENT

(Amounts in TShs. '000)

ITEM/YEAR	2024	2025	2026	2027	2028
<b>INCOME</b>					
Sales - breads	756,000	869,400	956,340	1,051,974	1,209,770
Other Income	3,000	3,300	3,630	3,993	5,990
<b>TOTAL INCOME</b>	<b>759,000</b>	<b>872,700</b>	<b>959,970</b>	<b>1,055,967</b>	<b>1,215,760</b>
<b>COST OF GOODS SOLD</b>					
Bakery inputs	343,827	395,333	434,866	478,353	550,739
Other Ingredients	35,040	42,048	50,458	60,549	72,659
<b>Total Cost of Goods Sold</b>	<b>378,867</b>	<b>437,381</b>	<b>485,324</b>	<b>538,902</b>	<b>623,398</b>
<b>OPERATING COSTS</b>					
<b>Staff Costs</b>					
Salaries and Wages	4,600	5,060	5,566	6,123	6,735
Social Security (NPF/NSSF)	460	506	557	612	673
Medical Expenses	500	550	605	666	732
Skills & Development Levy	161	177	195	214	236
Other Staff Costs	572	629	692	761	838
<b>Total Staff Costs</b>	<b>6,293</b>	<b>6,922</b>	<b>7,615</b>	<b>8,376</b>	<b>9,214</b>
<b>Other Operating Costs</b>					
Electricity & Water	1,825	2,008	2,208	2,429	2,672
Telephones/Fax	730	803	883	972	1,069
Maintenance & Repairs	500	600	720	864	1,037
Fuel & Oils	2,464	2,710	2,981	3,279	3,607
Advertising	6,000	5,400	4,860	4,374	3,062
Printing & Stationery	2,000	2,200	2,222	2,266	2,334
Depreciation	25,820	28,994	38,858	21,393	26,621
Other Office Expenses	676	686	694	709	689
<b>Total Other Operating Costs</b>	<b>40,014</b>	<b>43,401</b>	<b>53,426</b>	<b>36,286</b>	<b>41,091</b>
<b>TOTAL OPERATING COSTS</b>	<b>46,307</b>	<b>50,323</b>	<b>61,041</b>	<b>44,662</b>	<b>50,305</b>
<b>TOTAL EXPENDITURE</b>	<b>425,174</b>	<b>487,704</b>	<b>546,365</b>	<b>583,564</b>	<b>673,703</b>
<b>Net Income/(Loss) Before Tax</b>	<b>333,826</b>	<b>384,996</b>	<b>413,605</b>	<b>472,403</b>	<b>542,057</b>
Income Tax	100,148	115,499	124,082	141,721	162,617
<b>Net Income/(Loss) After Tax</b>	<b>233,678</b>	<b>269,497</b>	<b>289,524</b>	<b>330,682</b>	<b>379,440</b>

Summary					
Income	759.0	872.7	960.0	1,056.0	1,215.8
Expenditure	425.2	487.7	546.4	583.6	673.7
Profit/(Loss)	333.8	385.0	413.6	472.4	542.1
Net Profit After Tax	233.7	269.5	289.5	330.7	379.4
Reserves	<b>233.7</b>	<b>503.2</b>	<b>792.7</b>	<b>1,123.4</b>	<b>1,502.8</b>
Operating Profit Margin (%)	44.0	44.1	43.1	44.7	44.6
Return on Average Assets (%)	(8.8)	5.4	17.0	20.3	24.4

## PROJECTED CASH FLOW

(Amounts in TShs. '000)

Item	Base	2024	2025	2026	2027	2028
Breads to be sold	18	25	30	30	30	30
Average Sales Price/unit (TShs)	TShs	60	60	60	60	60
Sales Capacity	%	80	90	90	95	95
<b>Sales</b>						
Breads to be sold	No.	20	27	27	29	29
Value of Bread sold	TShs.	438,000.0	591,300.0	591,300.0	624,150.0	624,150.0
Bread to be sold (Outsiders)	TShs.	87,600.0	105,120.0	126,144.0	151,372.8	181,647.4
Coffee sales	TShs.	58,400.0	70,080.0	84,096.0	100,915.2	121,098.2
Other	TShs.	3,000.0	5,488.5	13,807.5	11,898.0	15,668.1
<b>Total Sales</b>		<b>587,000.0</b>	<b>771,988.5</b>	<b>815,347.5</b>	<b>888,336.0</b>	<b>942,563.7</b>
<b>Cost of Sales</b>						
Purchases of raw materials	TShs.	157,132.5	210,157.9	213,311.5	227,895.2	232,436.4
Food Stocks	TShs.	35,040.0	42,048.0	50,457.6	60,549.1	72,658.9
<b>Total Cost of Sales</b>		<b>192,172.5</b>	<b>252,205.9</b>	<b>263,769.1</b>	<b>288,444.4</b>	<b>305,095.4</b>
<b>Operating Costs</b>						
Administration		86,281.9	99,224.2	114,107.9	131,224.0	150,907.6
Electricity & Water		7,300.0	8,030.0	8,833.0	9,716.3	10,687.9
Maintenance & Repairs		4,500.0	5,400.0	6,480.0	7,776.0	9,331.2
Bank Charges		36,250.0	80,000.0	56,000.0	32,000.0	108,000.0
<b>Total Operating Costs</b>		<b>134,331.9</b>	<b>192,654.2</b>	<b>185,420.9</b>	<b>180,716.3</b>	<b>278,926.8</b>
<b>Net Revenue</b>		<b>260,495.6</b>	<b>327,128.4</b>	<b>366,157.6</b>	<b>419,175.3</b>	<b>358,541.6</b>