***SUBJECT: BUSINESS STUDIES***

***CLASS: JSS3***

***TOPIC: SAMPLE OF A SIMPLE SINGLE BUSINESS PLAN***

***Study this note and answer the questions.***

This business plan is for Royal Fashion.

Royal Fashion produces female and children's wears.

ADDRESS: No. 16 Dita Rd Portharcourt.

TELEPHONE: 00700729881

***OBJECTIVE***: To produce quality female and childrens' outfits. To generate revenue, give employment to people and contribute towards the development of the country's economy.

***MARKET STRATEGY AND IMPLEMENTATION***: Royal Fashion will target cities like Enugu, Aba, Onitsha. Our main focus will be on high class and middle class women and children from such parents. Sales representatives will be engaged for the marketing.

***COMPETITION***: From research, we found out that few fashion houses in our target market use low quality fabric to sew female clothes and sell at exorbitant rates. This is because of lack of competitors. Royal Fashion intends to check this by producing and supplying high quality women and children outfits at a very cheap rate.

***MANAGEMENT***: Royal Fashion will require twelve staff. A good manager, a book-keeper with good accounting skill, seven well trained tailors, one receptionist and two sales representatives.

***ORGANIZATIONAL STRUCTURE OF THE ROYAL FASHION***: The manager will have the ability and experience to see to the day to day affairs of the business. He will be buying the sewing materials, supervise the tailors, handle repairs and other services.

***PRODUCTION PREMISES AND CAPITAL GOODS***: Royal Fashion will be located in a very big building. Inside this building there will be manager's office, general office, dressing room and showroom. Royal Fashion intends to acquire the following capital goods-

Sewing machine - 10

Weaving machine - 2

Giant generating set - 1

Computer - 2

Ironing machine - 3

Button-hole machine - 1

Embroider - 2

***FINANACIAL PLAN***: About ten million naira (#10,000,000) will be needed for commencement. The Director will pay 2-year rent for the building and the remaining capital will be obtained from the bank as loan. The Director has landed property to serve as collateral security.

***HOW CAPITAL WILL BE USED***:

Fabrics, buttons, thread, elastic and other materials------- #2,000,000

Sewing machines------- #300,000

Generating set-------- #500,000

Computer and ironing machine------- #500,000

Rent for 2 years-------- #8,000,000

Office fitting, chairs and tables------- #200,000

Embroider machine and button-hole machine----- #1,200,000

Staff salaries for one year------- #1,000,000

Weaving machine------- 400,000

***EXPECTED INCOME***

Year 1----- #13,000,000

Year 2------ #20,000,000

Year 3------ #26,000,000

 ***Advantages Of A Business Plan***

1. It makes it possible for ideas in mind to be written down.

2. A good business plan attracts investors and also helps them to get loan.

3. It helps staff to know their roles.

4. It helps employees know who they are answerable to.

5. A good business plan helps the entrepreneur to spend his money wisely, saves cost and reduces waste.

6. It gives investors opportunity to check if the business will be profitable.

 ***Assignment***

1, In this business plan, what is the name of the business?

2, How much was proposed to start this business?

3, What kind of business does this firm want to set up?

4, how much did the business intend to use to buy generating set?

***Submit at the school’s security post***