

**CHRISTAIN SERVICE UNIVERSITY COLLEGE-KUMASI**

**DEPARTMENT OF BUSINESS STUDIES**

**BARCHELOR OF BUSINESS ADMINISTRATION**

**DENNIS AND DENNICE BRICK COMPANY LIMITED**

**BUSINESS PLAN**

**BY**

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**DENNIS NII ADDY**

**PATIENCE AHENGUAH**

**MOFFAT OPPONG DABANKA**

**DENNICE OPOKU BAMFO**

**DECEMBER, 2011**

**CHRISTAIN SERVICE UNIVERSITY COLLEGE-KUMASI**

**DEPARTMENT OF BUSINESS STUDIES**

**BARCHELOR OF BUSINESS ADMINISTRATION**

**DENNIS AND DENNICE BRICK COMPANY LIMITED**

**BUSINESS PLAN**

**A BUSINESS PLAN SUBMITTED TO THE DEPARTMENT OF BUSINESS STUDIES  
OF CHRISTIAN SERVICE UNIVERSITY COLLEGE, KUMASI IN PARTIAL  
FULFILLMENT OF THE REQUIREMENT FOR THE COURSE CSAD 443 TEAM  
BUSINESS PROPOSAL.**

**BY**

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**DECEMBER, 2011**

I have read the Christian Service College’s regulations relating to plagiarism and certify that this Business Plan is all my work and do not contain any unacknowledged work from any other source. I also declare that I have been under supervision for this Business Plan herein submitted.

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## **EXECUTIVE SUMMARY**

### **NAME OF THE COMPANY**

Dennis and Dennice Brick Company Limited.

### **LOCATION**

Mfensi, 24 Km from Kumasi in the Ashanti Region.

### **COMPANY OWNERSHIP**

The Company is owned by Fosu Frank Mensah, Dennis Nii Addy, Moffat Oppong Dabanka, Dennice Opoku Bamfo and Patience Ahenguah own 90% and Sukwai Traditional Area also owns 10%.

### **PRODUCT**

Bricks can be classified according to their varieties, qualities and classes as common bricks, factory bricks, Load Bearing Bricks, Engineering Bricks as well as Special Clay products for landscaping and general Decoration of Building. They are attractive and superior in properties such as high compressive strength and durability, excellent fire and weather resistance, good thermal and sound insulation.

The demand for clay bricks in Ghana has been increasing steadily over the past thirty years. Clay bricks demand is broadly determined by the demand for housing.

Given that an average 3 bedroom house require about 20,000 bricks size 230 x 110 x 73mm, and the demand for clay bricks are currently estimated at about 7% of the total bricks demand, the demand for clay bricks is estimated at about 75 million pieces per annum. .

Vicalex brick is our main competitor and the company limited is located in Kumasi. The main problem of Vicalex brick and tile is the fact that its factory is located in the heart of Kumasi and does not have nearby clay deposit and thus has to win clay from long distance for its use. Whilst Dennis and Dennice Brick Company Ltd. can pursue this strategy successfully because of the fact that it is located on its own clay deposit, which makes the winning and transportation of raw day

relatively cheaper than other producer, also it is located in a rural setting where labour is relatively cheaper.

## **PROJECT PROPOSAL**

To implement the project, the Company is seeking a cedi denominated loan of GH¢75,000.00 equivalent to United States dollars of fifty thousand (us \$ 50,000). The loan is to have duration of five years, including a one year moratorium of principal repayment, and maximum interest rate per annum of 12% from MASLOC. The final payment of automated brick moulding machine will promote the company installed the machine with production capacity of 8 million brick per annum. The estimated cost of completion of the factory Shed structure is GH¢10,000.00. The estimated cost of the kiln construction is GH¢15,000.00. The company would therefore purchase a Pale loader and Truck to ensure efficient handling of both raw clay and finished products in the plant. Finishing of the administration block will enhance and improve information processing capabilities especially with regard to accounting, production and marketing information management.

## **PROJECT COST**

The total cost of the project, including Working Capital, has been estimated at GH¢150,000.00 equivalent to United States U.S \$100,000.00.

## **FINANCING SOUGHT**

The Promoters are seeking a Cedi Denominated loan of GH¢75,000.00 to finance the completion and launching of the Company. The loan has duration of five years and one year grace period on principal repayment; interest rate is estimated at a maximum of 12% from MASLOC in addition to the existing investment of GH¢75,000.00.

## **SOCIO- ECONOMIC BENEFIT**

Creating of 29 new jobs. Several other benefit in terms of income suppliers and foreign exchange savings.

## **RETURN ON INVESTMENT**

The analysis on the project returns on investments reveals that the project is viable and worth supporting. It shows IRR of 84.5% and NPV of Gh¢372,454.57 at 12% and (Gh¢28,498.93) at 90% as show in Appendix 8. Similarly, the return on investment is 38% in year one (2012) and this is higher than the MASLOC loan of 12% Per Annum as show in Appendix 10.

## **PROJECT RISK**

Failure to attain sales targets is minimized in so far as excess demand is estimated at 75 million bricks, and will expand its distribution channels and improve its marketing effort. Two isolated sensitivity analysis (5% reduction in sales while other costs remain the same and 5% increase in cost of sales while other parameters remain the same). The Technical risk is not significant as the management team has over 10 years experience in production equipment

## **PROJECT VIABILITY**

The project is technically and financially viable, given that IRR of 84.5% and NPV of GH¢372,454.57 at 12% and (GH¢28,498.93) at 90% as show in Appendix 8. Similarly, the return on investment is 38% in year. (2012) and this is higher than the MASLOC loan 12% Per Annum.



### **MISSION OF THE COMPANY**

The mission is to produce clay products (burnt brick) for mainly housing industry in Ghana.

### **THE COMPANY VISION**

Its vision is to become the leading producer of clay products (burnt brick) for the housing industry in Ghana.

### **DENNIS AND DENNICE BRICK COMPANY LIMITED MAIN OBJECTIVES UNDER THIS PROJECT ARE TO:**

- Secure financing for purchasing Brick molding machine and construction of a kiln.
- Finish the construction of factory shed for dry space for bricks and administrative blocks
- Acquire a pale loader machine for the company's productivity and delivery.
- Improve its management structure, quality of its products for customer satisfaction
- Launch and promote Dennis and Dennice Brick Factory in mid 2012
- Enhance the firm production capacity to meet demand.
- Produce quality standard burnt brick for housing industries in Ghana and West Africa.
- promote the use of burnt bricks in housing industries in Ghana, mostly government projects like School buildings, Hospitals
- Forge close collaboration with BRRI and Ministry of Housing to educate Ghanaians the benefits of the uses of bricks

## **1.0 ORGANISATION**

### **1.1 BACKGROUND:**

Dennis and Dennice Brick Company is a limited liability company incorporated in 2<sup>nd</sup> September, 2011 in Kumasi to start business in a manufacturing of burnt bricks mainly for housing industry in Ghana. The Building and Road Research Institute (BRRI) of the Council for Scientific research and the Ceramic Department of KNUST are offering technical Assistance for setting up the Dennis and Dennice Brick Factory.

Dennis and Dennice Brick Company will remain a privately owned business. Fosu Frank Mensah, Dennis Nii Addy, Oppong Moffat Dabanka, Dennice Opoku Bamfo and Patience Ahenguah own 90% of the company with each having equal shares and the remaining 10% is owned by Sukwai Traditional Council, the Landlord's of the Dennis and Dennice Brick Company Limited land and clay deposit.

In order to finish the construction of the Dennis and Dennice Brick Factory, the owners have decided to prepare this business plan to explore the possibility of securing a loan facility to inject into the operations as total cost of the project, including working capital.

The 5 shareholders have contributed an amount of GH¢67,500.00 (90%) and Sukwai Traditional Council also provided land and clay deposit valued at GH¢ 7,500.00(10%) which is half of the project cost. The total cost of the project, including working capital has been estimated at GH¢150,000.00 equivalent to U.S Dollars 100,000.00. The promoters of Dennis and Dennice Brick Company Limited is seeking a cedi denominated loan of GH¢75,000.00 to finance the company new fixed Asset to be acquired for completion of the factory. The loan is to have duration of five years and a year grace period on principal repayment. The interest rate is estimated at a maximum of 12%.

Dennis and Dennice Brick Company limited will start full operation and manufacturing of burnt bricks in mid 2012.

## 2.0 PRODUCT IDEA AND RELISATION OF SCHEDULE

### 2.1.1 PRODUCT IDEA

Clay brick production began in Ghana in the 1920's. By the early 1970's the industry was still small. The then Acheampong led Government implemented an expansion programme to revive the industry and established about 16 Brick producing companies. Currently there are about 8 producers of clay bricks in the country, producing a total about 11 million brick annually. Demand exceeds supply by more than 75 million brick per year (BRRI 2008 annual report). There is therefore the need and good market opportunity for creation of Dennis and Dennice Brick Company limited to increase outputs of clay bricks. According to ministry of works and housing estimates, of these groups, individual home builders account for an estimated 73% of demand and the real estate developers 20% and Government institutions about 7%. Clay bricks can be classified according to their varieties, qualities and classes as common bricks, factory bricks, Load Bearing Bricks, Engineering Bricks as well as Special Clay products for landscaping and general Decoration of Building.

They are attractive and superior in properties such as high compressive strength and durability, excellent fire and weather resistance, good thermal and sound insulation. Brick is widely used for building, civil engineering work and landscape design.

Clay bricks are comparative choice to other materials in construction. As a result of the positive outcomes of research by the CSIR – Building and Road Research Institute, the following could be scientifically established with respect to burnt clay bricks;

- **Strength** – Bricks are molded from clay burnt at high temperatures. The action of heat causes the clay particles to fuse and become very strong. As a result, bricks can withstand severe weather conditions and are not attached easily by normal chemicals.
- **Cost saving and Aesthetic Appeals:** Brick possesses the achieved during the fire process. Clay bricks as are laid during construction, will act as finishing material, thus requiring no plastering and painting. Brick colour is permanent and will not fade during weathering process. Besides its richness in colour, bricks can be made into various texture. It is the combination of colour and texture that give bricks such distinctive features which is everlasting and mellow with age. In view of this high cost maintain the appearance of

the building; the unique features of brick become an unparalleled advantage to housing design. If BRRI Construction techniques are adopted, cost savings between 10-20 percent could be achieved.

- **Fire Resistance:** Bricks is incombustible and so has excellent fire resistance up to about 1000<sup>0</sup>C and can support considerable load in contrast to concrete wall which will stand up to only 450<sup>0</sup>C due to loss of water.
- **Sand Insulation:** Brick wall shows good insulation property due to its dense structure.
- **Thermal Insulation and Thermal Comfort:** Brick generally exhibits better thermal insulation property than other building materials such as concrete. Perforation can improve the thermal insulation property of bricks to some extent.

### 2.1.2 PRODUCTION PROCESS

Once the raw clay is winded from the nearby deposit, brick production at Dennis and Dennice Brick Company involves a relatively simple Six-stage automated production process to obtain wet bricks; and a five-stage manual process involving drying, seething into clamp and firing, cooling and dismantling.

Brick production at Dennis and Dennice Brick factory will start with manual winning of raw clay at the factory's on-site clay deposit.

The clay is loaded into tipper trucks and transported to the plant, where it is manually fed into a box feeder. By means of a conveyor belt system the clay is transported to a crusher, where it is reduced to smaller size pieces.

In the next stage, the clay goes into roller mill and it is reduced to finer particles. It is next mixed with water in a mixer and sent into a de-airing chamber or extruder, where all trapped air particles are removed. After this stage, the mixture passes through a mould and is shaped and sized as required and cut into individual Bricks.

The bricks are then loaded manually into pallets and dried for 3 weeks. The dried bricks arranged into a clamp kiln over a period of two days. After firing the clamp is allowed to cool for another two days and then the clamp is dismantled over a period of one day to obtain the finished products.

The suitability of the clay deposit for brick has been evaluated by the building and Road Research Institute (BRRI). The drying shrinkage ranged between 6% and 8% which are within acceptable limits. The brick maintained their shape and square.

The BRRI study concluded that:

- All the clay samples are suitable for brick production.
- A gradual air drying period of about 2 to 3 weeks would be appropriate
- Firing should be in the temperature range 900°C and 1000°C.

### **2.1.3 QUALITY CONTROL.**

Quality control will be a major focus of Dennis and Dennice Brick company Ltd management activities. To ensure that finished products are top quality and reach customers in good condition, Dennis and Dennice Brick Company Ltd will manage quality throughout the entire operational chain, production, shipment and delivery. Raw material quality is easy to control because the clay deposit has been evaluated and samples are examined for quality before large quantities are mined. During production, quality control will continue to be rigorously enforced by testing the properties of sample of the finished bricks. Delivery will also be subject to stringent quality assurance from transporting.

### **2.1.4 SAFETY AND ENVIRONMENT ISSUES**

Dennis and Dennice bricks company ltd will guarantee the safety of the employers and the health of the peoples living in the community in which the factory is located. Experience gained so far will be utilized to the company's advantage in ensuring that all environmental regulations and standards are complied with Dennis and Dennice brick company ltd will operate according to the tenets of the factories, offices and shops Acts, 1970. The main environment threat will come from the creators that will be created by excavation of clay. This problem is always addressed through a landfill programme

### **2.1.5 OCCUPATIONAL HEALTH AND SAFETY**

To ensure worker safety the company will provide all employees with the necessary safety clothing in the form of masks, gloves and overalls.

Also the company will continue to train employees in safe handling and operation of tool and equipment. The management will also make a policy to register its entire staff with Health insurance scheme.

## **2.2 REALISATION OF SCHEDULE**

### **2.2.1 PROJECT LAUNCHING AND ATTRACTION**

To attract more patronage and public attention, both launching and the operation of the Dennis and Dennice brick factory will be organized in collaboration with B.R.R.I and KNUST ceramic dept. Key personalities like Otumfour Osei Tutu II, the Asantehene, minister of works and housing and regional minister, The Board Chairman of Dennis and Dennice Bricks, Head of B.R.R.I. and KNUST ceramic depts. and estate developers and other stakeholders will be invited to the launching of Dennis and Dennice Brick factory.

### **2.2.2 PROJECTION IMPLEMENTATION**

The company's projected operational and financial performance will depend on the timely implementation of the project. If project financing can be confirmed by end of December, 2011, disbursement could be affected in January 2012. Orders for the purchase of the new assets and materials could then be made commencing in January.

It is expected that new facilities could be ready by June, 2012 and new production system would be full operational by end of June 2012.

### 3.0 MANAGEMENT TEAM

#### 3.1 BOARD OF DIRECTORS

The board of directors of the company comprises five shareholders of the company , one person from Sukwai Traditional Council and another person from BRRI. They will effectively steer the affairs of the company and they have a vision of transforming the company into industrial enterprise.

##### EXHIBIT 1

#### **BOARD OF DIRECTORS OF DENNIS AND DENNICE BRICK COMPANY LTD.**

<b>BOARD OF DIRECTORS</b>	<b>PROFESSION</b>
1. <b>Dr. Jonas Boadi</b> (Chairman)	BRRI – Ceramics Expert
2. Fosu Frank Mensah(M.D)	Accountant / Brick Expert
3. Patience Ahenguah ( Secretary)	Human Resource
4. Moffat Dabanka	Accountant
5. Dennis Nii Addy	Accountant
6. Dennice Opoku Bamfo	Banker
7. Nana Addo Kwabo ( Sukwai Chief)	Marketing

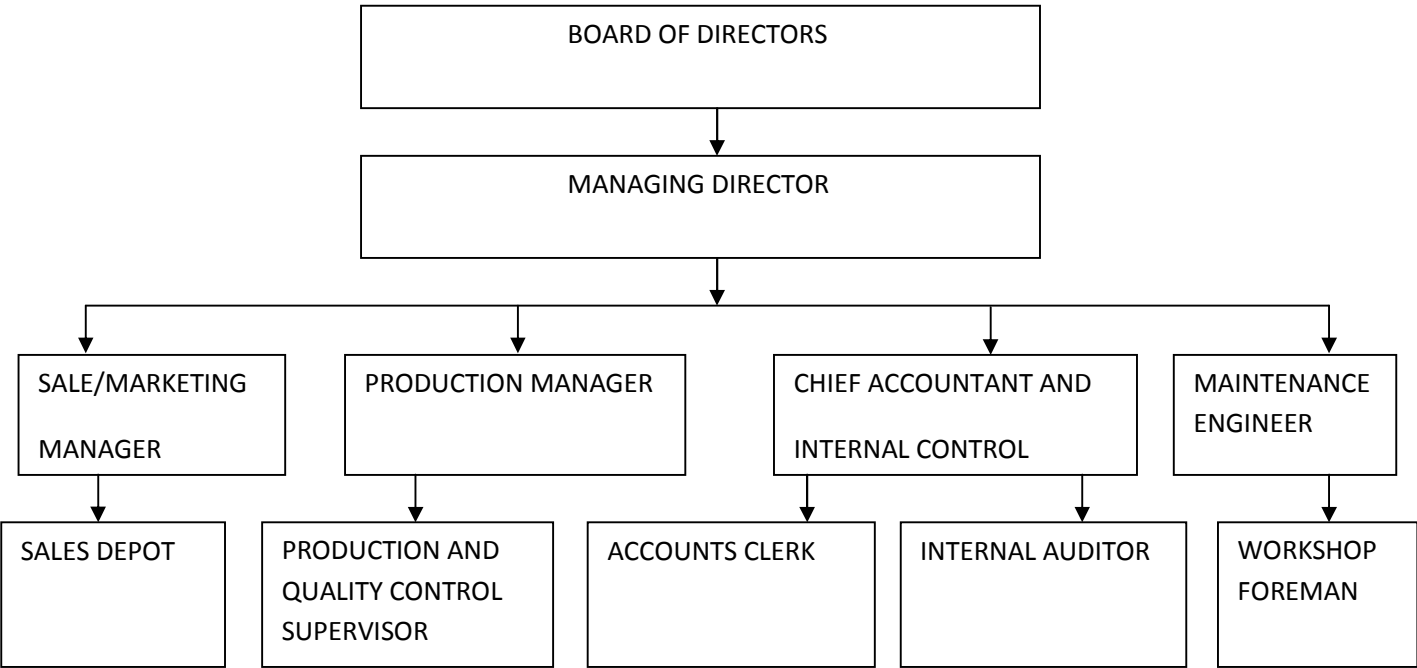
#### 3.2.1 MANAGING DIRECTOR AND MANAGEMENT TEAM

The managing Director of Dennis and Dennice Brick Company Mr. Fosu Frank Mensah, HND holder and level 400 BBA student at the Christain Service University College, Kumasi and brick expert with 12 years experience in the Ghanaian brick and tile industry. Mr. Fosu was the production Clerk of Clay Products Ghana Ltd a subsidiary Company of the Bank of Ghana and also formal General Manager of Vicalex Brick and Tile Company Ltd, the current market leader in the industry. Mr. Fosu will currently head the management team and directly oversees the production and marketing functions of the company.

The substantive production marketing & sales manager, Accountant, maintenance managers will be recruited to start operations. All managers are expected to posses professional qualification with the relevant experience in their respective fields. Top management team comprises the managing Director, Accountant, Sales and Marketing manager, Production Manager and

Maintenance manager. Supervisory Functions would also be beefed up with additional staff. The key production department positions are clay willing and winning and Molding, dry and setting, firing and drying and loading/delivery. The Exhibit 2 Shows the Company organization Structure.

EXHIBIT 2  
**DENNIS & DENNICE BRICK COMPANY LIMITED ORGANIZATIONAL STRUCTURE.**



**3.2.2 MARKETING/SALES MANAGER**

Miss Harriet Adtwumwaa holds HND in marketing from Kumasi Polytechnic and level 2 in C.I.M-U.K. She is twenty eight (28) years of age. She has five years working experience in manufacturing industry. She will be responsible for design new product, marketing research, sales promotion, packages of bricks. The sales depot will report directly to her.



**3.2.3 PRODUCTION MANAGER**

Stephen Ofosuhene is 35 years old man and a product from KNUST Ceramic department (BSc- Integrated Rural Art). He has ten (10) years working experience in Brick industry. He was production manager at Adantia brick factory located at Sunyani. He will in charge of brick production, total quality management. The production and quality control supervisor will report directly to him.

**3.2.4 CHIEF ACCOUNTANT AND INTERNAL CONTROL**

Kwadwo Adu is 35 years of age and married man. He holds BBA- Accounting from Christian Service University College, HND from Koforidua Polytechnic and ICA-Ghana part three. He has eight years working experience in the field of manufacturing firm. He will head the department and both the internal Auditor and Accounts Clerk will report directly to him. The department will responsible for preparation of financial report to the management and advice the management on possible investment opportunities.

**3.2.5 MAINTENANCE ENGINEER**

Dennis Osardu is 30 years old and an HND Electric Engineer from Ho Polytechnic with 5 years working experience in Store and Quarry industry. He will manage production molding machine and other Plant and Equipment in the company. Also he will be in charge of overhauling of the machines and will report to management about the current statues of all the Plants, Equipment and machinery.

**3.3 EMPLOYMENT AND INCOME;**

Dennis and Dennice Brick Company Ltd will provide employment for an estimated total number of 29 persons as follows:

- Direct production Labour 16
- Administration/Supervisors 8
- General Management 5

The production supervisors and a service staff will be employed from mainly Kumasi which bounds with experienced brick workers.

## **4.0 MARKETING ANALYSIS**

### **4.1 BUSINESS SYSTEMS & OPERATION**

The demand for clay bricks in Ghana has been increasing steadily over the past thirty years. Clay bricks demand is broadly determined by the demand for housing. Housing demand is estimated at about 60,000 pieces for 3-bedroom units per annum and grows about 2 to 3% per annum. There is also a backlog of unsatisfied demand of over 140,000 housing units because demand has consistently exceeded supply.

Given that an average 3 bedroom house require about 20,000 bricks size 230 x 110 x 73mm, and the demand for clay bricks are currently estimated at about 7% of the total bricks demand, the demand for clay bricks is estimated at about 75 million pieces per annum. .

### **4.2 ENVIRONMENTAL ANALYSIS - SWOT ANALYSIS**

#### **4.2.1 STRENGTH**

The company will sell its bricks at ex-factory quantity price of 40Gp per brick exclusive of VAT sale and delivery charges. The company aims to be a lower cost producer and lower price competitor. The company can pursue this strategy successfully because of the fact that it is located on its own clay deposit, which makes the winning and transportation of raw clay relatively cheaper than other producer, also it is located in a rural setting where labour is relatively cheaper. A sales/marketing manager will be recruited to beef up the sales and marketing functions. They will report directly to the managing director.

Strong relationship with suppliers that offer credit arrangements, flexibility and response to special product requirement. Excellent and stable staff offering personalized customer service. Strong merchandising and product presentation. High customer loyalty among repeat and higher than industry margins due to production efficiencies and also effective distribution systems.

#### **4.2.2WEAKNESS:**

The company is faced inadequate finance for investment to complete the factory and that of the working capital to start operation in mid 2012. The company projected operational and financial performance will depend on the timely implementation of the project. It is expected that the company will start its operation on mid 2012.

#### **4.2.3 OPPORTUNITIES:**

Demand for clay bricks exceeds current production by 75,000,000 a situation that calls for rapid creation of brick factories. The company would then supply to its customers on time without further delay and also the quantity that will be demanded. The company aims to increase its market share in Accra since selling price per brick at Accra with carriage outwards (T &T) will be less than Accra products of current selling price of GH¢1.00.

Continuing opportunity through strategic alliance for referrals and marketing activities. Increasing sales opportunities beyond our target area. Internet potential for selling products to other market.

The company also has the opportunity to increase government revenue and also create employment for 29 Ghanaians.

#### **4.2.4 THREAT**

Competition from cement blocks producers with greater financing or product resources in the market serve as a threat. Company such as Naa Achia Blocks and Quarry and Adom Super Blocks are the main threat in the Block industry because they are producing for most of the housing Projects for both Government and Individual building and construction.

It is however expected that when the loan is acquired the company will become the leader in clay bricks and common household name in Ghanaian market.

### **4.3 MARKET SEGMENTATION**

Dennis and Dennice Brick Company Ltd is located at Mfensi about 24km from Kumasi, on the Kumasi – Sunyani highway, in the Atwima – Nwabiagya Constituency of Ashanti Region, Ghana. The location provides easy access to both the southern and northern part of Ghana as well as the Western and Brong Ahafo regions Western part of Ghana.

The factory is situated on a large clay deposit owned by the company. Raw materials transportation is therefore at a lower cost as compared to some of its competitors.

The Kumasi – Sunyani Highway is a first class asphalt road and is the major road linking the Ashanti region and Brong Ahafo Regions. In view of the factory proximity to Kumasi, the major road linking Accra (in the southern part of Ghana) and Tamale (in the Northern part of Ghana) can be accessed easily within 45 minutes by road.

### **4.4 TARGET MARKET**

Dennis and Dennice Bricks Company Ltd has been targeting mainly the individual home builder and real estate developer. The government's current housing policy to increase affordable housing substantially over the next decade with a backlog of over 140,000 housing units, the ministry of works and housing has embarked on a number of housing development schemes to increase the supply of housing over 100,000 units are to be built under ministry scheme in the next five years.

Another significant factor in the growth of housing demand is the burgeoning private real estate development. This sector derives most of its demand from non – residential Ghanaian living abroad. A significant percentage of the over ₵ 500 million in individual foreign remittances to Ghana goes to the housing sector and real estate developer receive a good portion of those funds. In response to the increasing demand for housing, the banking and financial service industry has introduced a number of mortgage finance scheme. This has further accelerated the expansion of the private housing market and will continue to do so in the coming years

## **4.5 MARKETING MIX**

### **4.5.1 PRICING AND POSITIONING**

Dennis and Dennice brick company Ltd will sell its brick at an ex – factory price of ¢0.40 per brick exclusive of VAT charge. The company aims to be a lower cost producer and lower price competitor. The company can pursue this strategy successfully because of the fact that it is located on its own clay deposit, which makes the winning and transportation of raw clay relatively cheaper than other producers.

The company will also position itself as; flexible, High quality brick producer, reliable and professional.

### **4.5.2 PROMOTION**

To make Dennis and Dennice Brick Company Ltd household name and its service the management team intends pursue the following:

- a) To attract more patronage and public attention launching will be organized by inviting stakeholders in the building industry.
- b) Participation in trade fairs to deepen our presence in the market
- c) Posters and billboards shall be placed at vantage points to conspicuously display useful information about the company and its products and service
- d) The company will also do both radio and TV advert
- e) The company will launch its web – site on internet for Ghanaian abroad to get access to it.

### **4.5.3 DISTRIBUTION**

A major factor inhibiting the growth of the clay brick industry is that the producers rarely have stocks for immediate supply so buyers always have to place advanced orders and pay also in

advance, but this reduces demand. Dennis and Dennice bricks company ltd aims to reverse these practices by establishing stocking arrangement with authorized dealers in the Greater Accra, Ashanti, Western, Central and Eastern regions. Though most sales will be done on callobatis it is expected that large buyers such as estate developed and building contractors will be given 30 days credit. In addition, sales agents till be appointed. The company would also sell through its own sales staff and also sell directly at the factory premises. These marketing improvement are expected to enable the company achieve its target sales levels.

## **5.0 FINANCIAL ANALYSIS**

### **5.1 IMPORTANT ASSUMPTIONS:**

- i. Revenues are projected to increase in accordance with increase in quantity sold as shown in Appendix 2
- ii. Depreciation is calculated on straight line basis. The actual rates used for charging against non – current assets are shown in appendix 7.
- iii. Cash flows are discounted over a period of 5 years along the cost of Capitals of 12% and 90%.
- iv. Repayment period of 5 years is applied to the loan facility, with a grace period of one (1) year.
- v. Interest rate is assumed at 12% per annum on term loan.
- vi. Loan payment has been calculated using the reducing balance method.
- vii. The Company would pay 22% corporate Tax because of business location.
- viii. Steady economy without a major recession.

### **5.2 CAPITAL INVESTMENTS**

The total investment after the injection of the additional funds is established at GH¢150,000. This consist of shareholders equity of GH¢75,000 and additional loan facility of GH¢75,000.

### **5.3 PRICING AND REVENUE:**

The Company derives its revenue from the sales of burnt bricks. Average prices of 0.40Gp per brick exclusive VAT. Sales revenue will increase from GH¢1,200.00 to GH¢1,400,000 in 2013 and will remain GH¢1,600,000.00 up to 2016 as shown in Appendix 2.

## **5.4 PROFITABILITY:**

### **5.4.1 BUDGETED INCOME STATEMENT**

The firms projected income statement for the period ending 31<sup>st</sup> December, 2012 – 2016 has been deduced and analyzed. The analysis shows a steady growth of net profit after tax increasing from GH¢58,359.60 to GH¢174,761.34.

This shows in Appendix 2.

### **5.4.2 CASH FLOW**

The projected cash flow for year one to year five is presented in Appendix 3. The analysis indicates that the firm would generate sufficient cash balance to fund its operations in the course of production within the planed period.

### **5.4.3 RETURN ON INVESTMENT**

The analysis on the project returns on investments reveals that the project is viable and worth supporting. It shows IRR of 88.45% and NPV of GH¢372,454.57 at 12% and (GH¢28,498.93) at 90% as show in Appendix 8. Similarly, the return on investment is 38% in year one (2012) and this is higher than the MASLOC loan 12% Per Annum as show in Appendix 10. The return on investment in the subsequent years are all favorable and hence the project is viable and worth supporting.

### **5.4.4 PROJECTED FINANCIAL POSITION**

The projected financial position in Appendix 1 shows that the net assets of the company would increase from GH¢240,486.60 in year 1 (2012) to GH¢861,916.64 in year 5 (2016). Current ratio for the period would range between 4.0 in year one (2012) and 102.0 in year five (2016).

### **5.4.5 MARGINS**

The profit margin percentage for the project would increase from 6.90% in 2012 to 15.32% in 2016. For other details refer to Appendix 12.



## **5.5 RISK ANALYSIS**

### **5.5.1 SENSITIVITY ANALYSIS**

Failure to attain sales targets is minimized in so far as excess demand is estimated at 75 million bricks, and will expand its distribution channels and improve its marketing effort. Two isolated sensitivity analysis (5% reduction in sales while other costs remain the same and 5% increase in cost of sales while other parameters remain the same).

### **5.5.2 INSURANCE**

This is based on 2% rate on book value of Non-Current Assets as shown in Appendix 11

### **5.5.3 ENVIRONMENTAL HAZARD**

Provision would be made for clay winning as Raw materials for a period of six months to cater for future continuous rain fall. The company would operate according to the tenet of the factories, office and shop Act, 1970. The main environment treat would come from the creators that would be created by clay winning. This problem would be addressed through a land fill programme.

### **5.5.4 TECHNICAL RISK**

The Technical risk is not significant as the management team has over 10 years experience in production equipment. The maintenance and engineering department would maintain and the Moulding Machine and Factory Shed to improve Total Quality Management (TQM).

### **5.5.5 VARIABILITY OF INPUT PRICE**

The profit after tax shown in Appendix 9, can cater for any increment in Cost of Sale without adjust the price in a period of one year.

### **5.5.6 BREAK EVEN ANALYSIS**

This is the point at the production of which the firm makes no profit or loss. If the company produces, 2,527,500 units it will make no profit or loss. Detailed in appendix 13.

### **5.5.7 EVALUATION**

The project will create employment opportunities, generate income and improve upon the living standard of many Ghanaians. The company would create about 29 employment to young Ghanaians.

### **5.5.8 RECOMMENDATION**

The financial analysis indicated a strong case for the Company to be financially assisted. The results support a viable venture over the period under consideration. The approval of the loan being requested would enable the company manufacture to meet the demand of its product.

### **5.5.9 CONCLUSION**

On the basis of the analysis presented in this study the financial analysis indicate a strong case for the company to be financially assisted. The result supports a viable venture over a period under consideration.

On the whole the business is considered viable and is therefore recommended for GH¢75,000.00 under the MASLOC loan.

## APPENDIX 1.

### **DENNIS & DENNICE BRICK COMPANY LTD.** **PROJECTED FINANCIAL POSITION AS AT 2012 - 2016**

<b><u>DETAILS</u></b>	<b><u>NOTE</u></b>	<b><u>2012</u></b> <b><u>GH¢</u></b>	<b><u>2013</u></b> <b><u>GH¢</u></b>	<b><u>2014</u></b> <b><u>GH¢</u></b>	<b><u>2015</u></b> <b><u>GH¢</u></b>	<b><u>2016</u></b> <b><u>GH¢</u></b>
<b><u>NON-CURRENT ASSETS:</u></b>						
Property, Plant and Equipment		<b><u>122,375.00</u></b>	<b><u>111,125.00</u></b>	<b><u>99,875.00</u></b>	<b><u>88,625.00</u></b>	<b><u>77,375.00</u></b>
<b><u>CURRENT ASSETS</u></b>						
Inventories		45,157.00	55,689.00	87,318.00	107,943.00	101,461.00
Cash and Cash Equivalent		63,984.60	127,310.52	222,756.78	173,600.40	167,261.34
Accounts Receivable		<u>8,970.00</u>	<u>39,974.60</u>	<u>131,393.12</u>	<u>334,395.90</u>	<u>515,819.30</u>
		<b><u>118,111.00</u></b>	<b><u>222,974.12</u></b>	<b><u>441,467.90</u></b>	<b><u>615,939.30</u></b>	<b><u>784,541.64</u></b>
<b>NET ASSETS</b>		<b><u>240,486.60</u></b>	<b><u>334,099.12</u></b>	<b><u>541,342.90</u></b>	<b><u>704,564.30</u></b>	<b><u>861,916.64</u></b>
<b><u>EQUITY AND LIABILITIES:</u></b>						
Stated Capital (Equity)		75,000.00	75,000.00	75,000.00	75,000.00	75,000.00
Income Surplus		<u>58,359.60</u>	<u>193,170.12</u>	<u>423,426.90</u>	<u>604,527.30</u>	<u>779,288.64</u>
		<b>133,359.60</b>	<b>268,170.12</b>	<b>498,426.90</b>	<b>679,527.30</b>	<b>854,288.64</b>
<b><u>NON- CURRENT LIABILITIES</u></b>						
Loans		75,000.00	56,250.00	37,500.00	18,750.00	----
<b><u>CURRENT LIABILITIES</u></b>						
Accounts Payables		<u>32,127.00</u>	<u>9,679.00</u>	<u>5,416.00</u>	<u>6,287.00</u>	<u>7,628.00</u>
		<b><u>240,486.60</u></b>	<b><u>334,099.12</u></b>	<b><u>541,342.90</u></b>	<b><u>704,564.30</u></b>	<b><u>861,916.64</u></b>

## APPENDIX 2.

**FINANCIAL PERFORMANCE OF DENNIS & DENNICE CO. LTD.**  
**PROJECTED INCOME STATEMENT FOR FIVE (5) YEARS, 2012 – 2016**

<b><u>DETAILS</u></b>	<b><u>2012</u></b> <b><u>GH¢</u></b>	<b><u>2013</u></b> <b><u>GH¢</u></b>	<b><u>2014</u></b> <b><u>GH¢</u></b>	<b><u>2015</u></b> <b><u>GH¢</u></b>	<b><u>2016</u></b> <b><u>GH¢</u></b>
Sales Revenue	1,200,000.00	1,400,000.00	1,600,000.00	1,600,000.00	1,600,000.00
Cost of Sales	1,022,400.00	1,086,880.00	1,144,256.00	1,150,108.00	1,151,729.00
<b>Gross Profit</b>	<b>177,600.00</b>	<b>313,120.00</b>	<b>455,744.00</b>	<b>449,892.00</b>	<b>448,271.00</b>
Administration Exp.	93,780.00	112,536.00	135,043.00	194,462.00	203,218.00
<b>Profit Before;</b>	<b>83,820.00</b>	<b>200,584.00</b>	<b>320,701.00</b>	<b>255,430.00</b>	<b>245,061.00</b>
Loan Principal Repayment	--	18,750.00	18,750.00	18,750.00	18,750.00
Loan Interest Payment (fixed cost)	9,000.00	9,000.00	6,750.00	4,500.00	2,250.00
<b>Profit Before Tax</b>	<b>74,820.00</b>	<b>172,834.00</b>	<b>295,201.00</b>	<b>232,180.00</b>	<b>224,053.00</b>
Tax Provision (22%)	16,460.40	38,023.48	64,944.22	57,079.60	49,291.66
<b>Profit after Tax</b>	<b>58,359.60</b>	<b>134,810.52</b>	<b>230,256.78</b>	<b>181,100.40</b>	<b>174,767.58</b>

## APPENDIX 3.

### **DENNIS & DENNICE BRICK COMPANY LTD.** **PROJECTED CASH FLOW STATEMENT ( 2012-2016)**

<b><u>YEARS</u></b>	<b><u>YEAR 0</u></b>	<b><u>2012</u></b> <b><u>GH¢</u></b>	<b><u>2013</u></b> <b><u>GH¢</u></b>	<b><u>2014</u></b> <b><u>GH¢</u></b>	<b><u>2015</u></b> <b><u>GH¢</u></b>	<b><u>2016</u></b> <b><u>GH¢</u></b>
<b><u>CASH INFLOWS</u></b>						
Equity	75,000.00					
Loan	75,000.00					
Net Profit	-----	58,359.60	134,810.52	230,256.78	181,100.40	174,761.34
Loan Interest		9,000.00	9,000.00	6,750.00	4,500.00	2,250.00
Depreciation		5,625.00	11,250.00	11,250.00	11,250.00	11,250.00
<b>Total inflow</b>	<b>150,000.00</b>	<b>72,984.60</b>	<b>155,060.52</b>	<b>248,256.78</b>	<b>196,850.40</b>	<b>188,261.34</b>
<b><u>CASH OUTFLOWS</u></b>						
Investment	150,000.00					
Loan Repayment		-----	18,750.00	18,750.00	18,750.00	18,750.00
Loan Interest		9,000.00	9,000.00	6,750.00	4,500.00	2,250.00
<b>Total outflow</b>	<b>150,000.00</b>	<b>9,000.00</b>	<b>27,750.00</b>	<b>25,500.00</b>	<b>23,250.00</b>	<b>21,000.00</b>
<b>Net Cash Flow</b>	<b>----</b>	<b>63,984.60</b>	<b>127,310.52</b>	<b>222,756.78</b>	<b>173,600.40</b>	<b>167,261.34</b>
<b>Commulative cash Balance</b>	<b>----</b>	<b>63,984.60</b>	<b>191,295.12</b>	<b>414,051.90</b>	<b>587,652.30</b>	<b>754,913.64</b>

## APPENDIX 4.

### PROJECTED COST OF SALES

	2012	2013	2014	2015	2016
Clay Winning	503,297.00	513,302.00	575,775.00	554,583.00	514,097.00
Fuel An Lubricant	8,250.00	9,250.00	10,250.00	11,250.00	12,250.00
Salaries And Wages	50,000.00	60,000.00	70,000.00	80,000.00	90,000.00
Repairs And Maintenance	4,360.00	4,360.00	4,360.00	5,400.00	5,400.00
Firing Cost	480,000.00	480,000.00	480,000.00	480,000.00	480,000.00
Electricity and Water	10,000.00	12,000.00	14,000.00	16,000.00	18,000.00
<b>FIXED COST</b>					
Depreciation	4,850.00	9,700.00	9,700.00	9,700.00	9,700.00
Insurance	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00
Royalties (Clay Site)	5,000.00	7,000.00	10,000.00	12,000.00	14,000.00
<b><u>INVENTORIES</u></b>					
Raw Clay (1/1/....)	-	12,059.00	143,000.00	9,456.00	11,600.00
Raw Clay (31/12/....)	-12,059.00	-14,300.00	-9,456.00	-11,600.00	-14,289.00
Work - In - Progress (1/1/....)		21,098.00	28,340.00	47,862.00	36,343.00
Work - In - Progress (31/12/....)	-21,098.00	-28,340.00	-47,862.00	-36,343.00	-47,180.00
Finished Goods (1/1/.....)		12,000.00	13,049.00	30,000.00	60,000.00
Finished Goods (31/12/.....)	-12,000.00	-13,049.00	-30,000.00	-60,000.00	-40,000.00
	<b><u>1,022,400</u></b>	<b><u>1,086,880</u></b>	<b><u>1,144,256</u></b>	<b><u>1,150,108</u></b>	<b><u>1,151,729</u></b>

## APPENDIX 5

### PROJECTED ADMINISTRATION AND GENERAL EXPENSES

	2012	2013	2014	2015	2016
<b>FIXED COST</b>					
Directors Emoluments	37,461.00	44,953.00	53,943.00	89,232.00	93,573.00
Salaries and wages	41,004.00	49,204.00	59,045.00	80,853.00	85,025.00
Insurance	560.00	560.00	560.00	560.00	560.00
property rate	500.00	500.00	500.00	500.00	500.00
Depreciation	775.00	1,550.00	1,550.00	1,550.00	1,550.00
Factory inspectorate fees	150.00	200.00	200.00	200.00	200.00
<b>VARIABLE COST</b>					
Electricity and water	4,000.00	4,500.00	6,525.00	8,277.00	8,500.00
Promotion and advert	6,000.00	7,000.00	7,000.00	6,500.00	6,500.00
staff medical and welfare	2,000.00	2,500.00	3,500.00	3,500.00	3,500.00
Bank charges	180.00	200.00	220.00	240.00	260.00
General expenses	<u>1,150.00</u>	<u>1,368.00</u>	<u>2,000.00</u>	<u>3,000.00</u>	<u>3,000.00</u>
	<b><u>93,780.00</u></b>	<b><u>112,536.00</u></b>	<b><u>135,043.00</u></b>	<b><u>194,462.00</u></b>	<b><u>203,218.00</u></b>

**APPENDIX 6.**

**DENNIS & DENNICE BRICK COMPANY LTD.**  
**SCHEDULE OF LOAN REPAYMENT**

<b><u>YEAR</u></b>	<b><u>PRINCIPAL LOAN</u></b>	<b><u>INTEREST PAYMENT 12%</u></b>	<b><u>PRINCIPAL PAYMENT</u></b>	<b><u>AMOUNT</u></b>
1	75,000.00	9,000.00		9,000.00
2	75,000.00	9,000.00	18,750.00	27,750.00
3	56,250.00	6,750.00	18,750.00	25,500.00
4	37,500.00	4,500.00	18,750.00	23,250.00
5	18,750.00	2,250.00	18,750.00	21,000.00

**APPENDIX 7**

**PROJECTED PROVISION FOR DEPRECIATION**

<b><u>ASSETS</u></b>	<b><u>BOOK VALUE</u></b>	<b><u>RATE OF DEPRECIATION</u></b>	<b><u>DEPRECIATION</u></b>	<b><u>DEPRECIATION</u></b>
	<b><u>GH¢</u></b>	<b><u>%</u></b>	<b><u>6 MONTHS (MID 2012)</u></b>	<b><u>PER ANNUAL (2013-2016)</u></b>
Land and Claysite	10000.00	-	-	-
Factory Shed	28,000.00	5	700.00	1,400.00
Moulding Machine	35,000.00	10	1,750.00	3,500.00
Kiln	12,000.00	15	900.00	1,800.00
Building-Administration	22,000.00	5	550.00	1,100.00
Furniture & Fitting	6,000.00	7.5	225.00	450.00
Pale Loader	15,000.00	20	1,500.00	3,000.00
	<b><u>128,000.00</u></b>		<b><u>5,625.00</u></b>	<b><u>11,250.00</u></b>

Depreciation – Straight line method



## APPENDIX 8

### PRESENT VALUE AND INTERNAL RATE OF RETURN.

YEAR	NET CASHFLOW	DISCOUNT FACTOR	PRESENT VALUE	DISCOUNT FACTOR	PRESENT VALUE
		12%		90%	
0	(150,000)	1	(150,000.00)	1	(150,000.00)
1	63,984.60	0.893	57,138.24	0.526	33,655.89
2	127,310.52	0.797	101,466.48	0.277	35,265.01
3	222,756.78	0.712	158,602.82	0.146	32,522.49
4	173,600.40	0.636	110,409.85	0.077	13,367.23
5	167,261.34	0.567	<u>94,837.18</u>	0.040	<u>6,690.45</u>
			<b><u>522,454.57</u></b>		<b><u>121,501.07</u></b>

### ANALYSIS

	12%	90%
PRESENT VALUE	522,454.57	121,501.07
LESS CASHFLOW	<u>150,000.00</u>	<u>150,000.00</u>
NET PRESENT VALUE	<b><u>372,454.57</u></b>	<b><u>(28,498.93)</u></b>

$$IRR = A + \frac{P}{(P+N)}(B-A)$$

Where,

A= is the lower rate of return with positive NPV

B= is the higher rate of return with negative NPV

P= is the amount of positive NPV

N= is the amount of negative NPV

$$IRR = 12\% + \frac{372,454.5}{(372,454.5 + 28,498.93)}(90 - 12)\%$$

$$= 84.5\%$$

## APPENDIX 9

### SENSITIVITY ANALYSIS

- The effect of decrease 5% in sale while other costs remain the same.
- The increase cost of sale by 5% while other parameter remain the same

DETAILS	100%	95%	105%
Sale Revenue	1,200,000.00	1,140,000.00	12,000.00
Cost of Sale	1,022,400.00	1, 022, 40000	10,735.20
<b>Gross Profit</b>	<b>177,600.00</b>	<b>117,600.00</b>	<b>1,264.80</b>
Administrative Exp	93,780.00	93,780.00	93,780.00
Profit before financial cha	83,820.00	23,820.00	32,700.00
Loan interest	9,000.00	9,000.00	9,000.00
Profit before tax	7 4,820.00	14,820.00	23,700.00
Tax Provision (22%)	<u>16,460.00</u>	<u>3,260.00</u>	<u>5,214.00</u>
<b>Profit after Tax</b>	<b><u>58,360.00</u></b>	<b><u>11,560.00</u></b>	<b><u>18,486.00</u></b>

## APPENDIX 10

### RETURN ON INVESTMENT

<u>YEAR</u>	PROFIT	INVESTMENT RETURN	LENDING RATE	AVERAGE PROFIT
1	58,359.60	38%	12%	11,671.92
2	134,810.52	89.87%	12 %	26,962.10
3	230,256.78	153.5%	12%	46,051.36
4	181,100.34	120.7%	12%	36,220.08
5	174,761.34	116.5%	12%	34,952.27

$$\frac{\text{NET PROFIT}}{\text{TOTAL INVESTMENT}} \%$$

$$\text{AVERAGE PROFIT} = \frac{\text{TOTAL PROFIT}}{\text{PROFIT YEARS}}$$

## APPENDIX 11

### PROJECTED INSURANCE

ASSET	BOOK VALUE	RATE	PREMIUM
FACTORY SHED	28,000.00		
MOULDING MACHINE	35,000.00		
KILN	12,000.00		
BUILDING –ADMINISTRATION	22,000.00		
FURNITURE & FITTING	6,000.00		
PALE LOADER	<u>15,000.00</u>		
	<u>118,000.00</u>	2%	<u>2,360.00</u>

## APPENDIX 12

### FINANCIAL RATIO:

RATIOS	2012	2013	2014	2015	2016
--------	------	------	------	------	------

#### 1) profitability ratios

##### a) return on capital

employed (ROCE)

ROCE = operatory

profit

÷ × 100

capital employed

83,820	200,584	320,701	255,430	345,053
150,000	131,250	112,500	93,750	75,000
0.56%	1.53	2.85	2.72	3.67
56%	153%	285%	272.46%	368%

##### b) profit margin % =

<u>Operation profit</u>	× 100	83820 ×	200584 ×	320701 ×	252430 ×	245053 ×
sales		100	100	100	100	100
		1,200,000	1,400,000	1,600.00	1,600,00	1,600.00
		6.90%	14.33%	20.04%	15.96%	15.32%

##### c) Gross Profit %

<u>Gross Profit</u>	× 100	177,600	313,120	455,744	449,892	448,271
sales		1,200,00	1,400,000	1,600,000	1,600,000	1,600,000
		14.80%	22.37%	28.48%	28.12%	28.02%

### LIQUIDITY RATIOS:

#### a) Current ratio

Currunt Assets

Currunt Liabilities

118,111	222,974.12	441,467.90	615,939.30	784,541.64
32,127	9,679	5,416	6,287	7,628.00
4		82	98	102

#### b) Acid Test Ratio

Current Assets - Inventory

72,954	167,285.12	354,149.90	507,996.30	683,080.00
32,127	9,679.00	5,416.00	6,287.00	7,628.00

Current Liabilities	2	17	65	80	89
<b>ASSET TURNOVER</b>					
<u>SALE</u>	1,200,000	1,400,000	1,600,000	1,600,000	1,600,000
CAPITAL					
EMPLOYED	150,000	131,250	112,500	93,750	75,000
	8 Times	10.67 times	14.22 times	17 times	21.33 times
<b>GEARING RATIO</b>					
<u>Long term debt</u>	75,000	56,250	37,500	18,750	
(long term debt +Shareholders fund)	150,000	131,250	112,500	93,750	
	1;2	1;2.3	1;3	1;5	
<b>CASHFLOW%</b>					
<u>cashflow%</u>	63,984.52	127,310.52	222,756.78	178,600.40	167,261.34
sales	1,200,000	1,400,000	1,600,000	1,600,000	1,600,000
	5.30%	9.09%	13.92%	11.16%	10.45%

**APENDIX 13****BREAK EVEN ANALYSIS****FIXED COST****2012  
GH¢**

LOAN INTEREST	9,000.00
DEPRECIATION	5,625.00
INSURANCE	2,360.00
ROYALTIES	5,000.00
DIRECTORS EMOLUMENTS	37,461.00
SALARIES AND WAGES	41,004.00
PROPERTY RATE	500.00
FACTORY INSPECTORY FEES	150.00
	<hr/>
	101,100.00
	<hr/>

**VARIABLE COST**

CLAY WINNING	503,297.00
FUEL AND LUBRICANT	8,250.00
SALARIES AND WAGES	50,000.00
REPAIRS AND MAINTENANCE	4,360.00
FIRING COST	480,000.00
ADVERT AND PROMOTION	6,000.00
ELECTRICITY AND WATER	

	14,000.00
STAFF MEDICAL AND INSURANCE	2,000.00
BANK	
CHARGES	180.00
GENERAL EXPENSES	<u>1,150.00</u>
	<u><u>1,069,237.00</u></u>
QUANTITY (2012) = 3000000 UNITS	
PRICE PER UNIT = 40GP.	

AVC =	<u>1,069,237.00</u>	BE(UNITS)	=	<u>101,100.00</u>
	3,000,000.00			0.40-0.36
	0.36			2,527,500 UNITS

#### **APPENDIX 14**

#### **VALUE OF ASSETS**

The net book of the company's assets as at 1<sup>st</sup> September 2011 is amounted at GH¢75000.00as summarized below;

#### **NET BOOK VALUE OF ASSETS AS AT 1<sup>ST</sup> SEPTEMBER, 2011.**

<b>CATEGORY</b>	<b>¢</b>
Land and clay deposit	10,000.00
Plant and machinery (Part Payment)	20,000.00
Factory shed (W.I.P)	18,000.00
Administrator Block	22,000.00
Net Current Assets	<u>5,000.00</u>

**TOTAL**

**75,000.00**

**APPENDIX 15**

**PROJECTED SALE (2012 – 2016)**

YEAR	2012	2013	2014	2015	2016
QTY OF BRICK ('000)	3,000	3,500	4,000	4,000	4,000
SALE REVENUE ('000.00)	1,200	1,400	1,600	1,600	1,600

**APPENDIX 16**

**NEW INVESTMENT IN DENNIS AND DENNICE COMPANY LTD**

	¢
FACTORY SHED (Completion)	10,000.00
MOULDING MACHINE & HANDING CHARGES	15,000.00
FURNITURE & FITTING	6,000.00
KILN	12,000.00
PALE LOADER (2 <sup>nd</sup> Hand)	15,000.00
LAUNCHING	4,000.00
Sub – Totals	62,000.00
Additional working capital	13,000.00
<b>Total</b>	<b>75,000.00</b>



## APPENDIX 17

### FINANCING PLAN

DETAIL S	EQUITY	LOAN	TOTAL
Fixed Asset	70,000.00	58,000.00	128,000.00
Working Capital	5,000.00	13,000.00	18,000.00
Launching		4,000.00	4,000.00
<b>TOTAL</b>	<b>75,000.00</b>	<b>75,000.00</b>	<b>150,000.00</b>

## APENDIX 18

### FIXED ASSETS SCHEDULE 2012

	LAND & CLAY	FACTORY SHED	PLANT & MAC. MOULDING	KILN	BUILDING ADMIN	FUR. & FITTINGS	PALE LOADER	TOTAL
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
NBV AS AT 01/09/2011	10000.00	18000.00	20000.00		22000.00			70000.00
ADDITIONS		10000.00	15000.00	12,000.00		6000.00	15000.00	58000.00
	10000.00	28000.00	35000.00	12,000.00	22000.00	6000.00	15000.00	128000.00
LESS DEPRECIATHION		700.00	1750.00	900.00	550.00	225.00	1500.00	5625.00
NBV 2012	10000.00	27300.00	33250.00	11,100.00	21450.00	5775.00	13500.00	122375.00

