

1.0 ORGANIZATION

Day Spring Organic Paradise is limited liability Company which would be registered under the companies' code of Ghana 1963 (Act 179) on 30th November 2012. The company plans to commence operations on 21st January 2012 at Ahodwo in Kumasi. The company is owned and managed by five directors. This proposed company will be a small scale enterprise.

2.0 PRODUCT IDEA AND REALIZATION OF SCHEDULE

2.1 PRODUCT IDEA

Day Spring Organic Paradise is into farming thus, the growing of oyster mushrooms, varieties of vegetables such as carrots, lettuce, sweet pepper, cabbage and spring onions and a restaurant where there will be the preparation of healthy and nutritious dishes with these mushrooms alongside the vegetables to serve our market.

Oyster mushrooms are especially beneficial for:

1. For people with hypertension, obesity and diabetes, oyster mushroom can form part of diet for it is low in sodium, potassium, starch, fat and calorific value.
2. For those who suffer from hyperacidity and constipation, the alkaline ash and high fiber content oyster mushroom is the favored food.
3. Oyster mushrooms help reduce cholesterol level.
4. Oyster mushroom with its antibiotic property has varied health benefits for all.

Vegetables are also beneficial for the following

1. Low in fat
2. Low in calories
3. Less water retention-low in sodium
4. Fills stomach quickly due to its fiber
5. Increased vitality due to high nutrient content

Reports show that vegetable production in Africa is often associated with indiscriminate use of chemical pesticides a potential health risk which builds up in the human body and causes

diseases. The Ghana Health Service in their 2009 Annual Report stated that ‘the goal of the Poison Control Programme is to reduce morbidity and mortality attributable to poisoning from chemical and biological agents’.

Day Spring Organic Paradise will be formed to help support the Ghana Health Service achieve its goals thus reducing the high rate of morbidity and mortality rate by growing healthy and hygienic vegetables under strict organic conditions which will be free from chemicals.

Day Spring Organic Paradise intends to set up a restaurant where dishes will be prepared under hygienic conditions from produce grown in our own farm to serve our customers and the public as a whole.

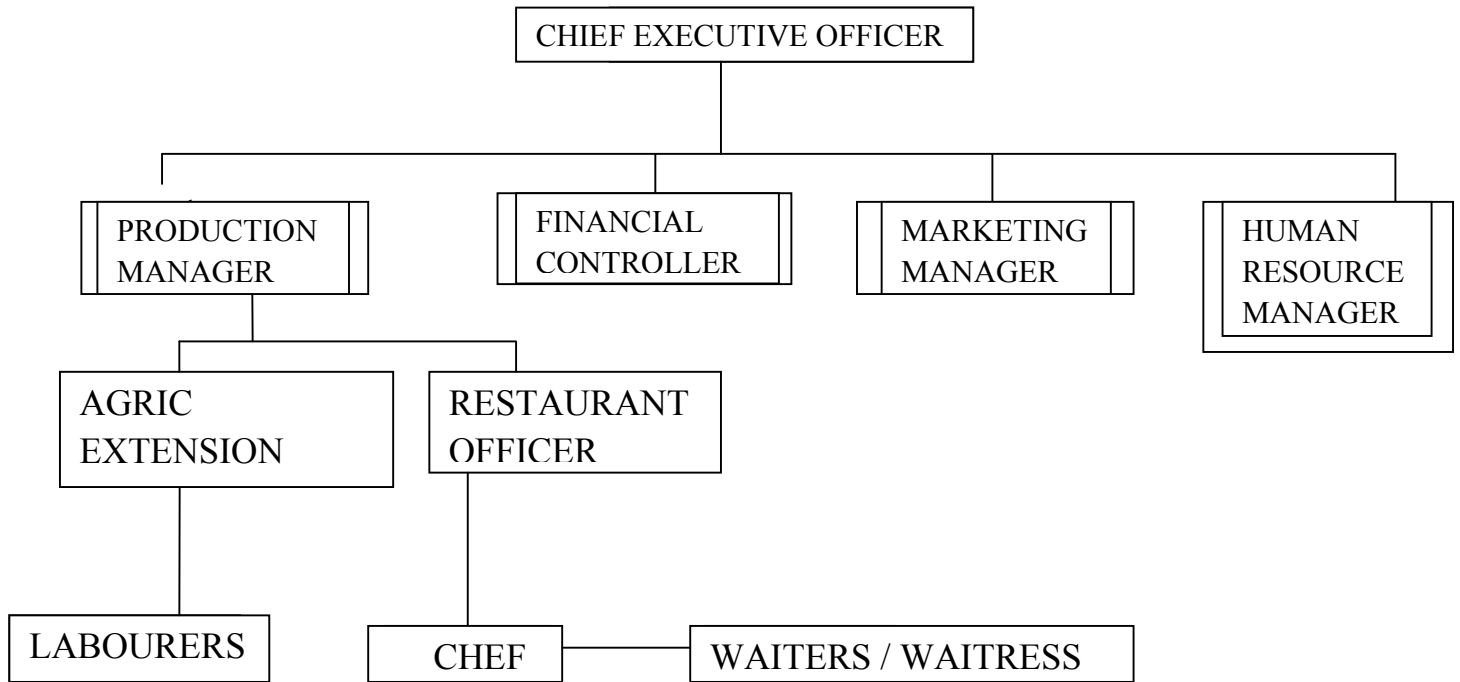
Our plan is to make sure that most Ghanaians will understand the hazards associated with the vegetables that are grown with chemicals.

2.2 REALIZATION OF SCHEDULE

SCHEDULE NUMBER AND ACTIVITIES	M O N T H											
	J	F	M	A	M	J	J	A	S	O	N	D
1. Funding	*	*										
2. Office location			*								*	
3. Company Registration				*								
4. Acquisition of machinery and Equipment				*								
5. Purchase of raw materials					*							
6. Market testing					*							
7. Product launching and advertisement						*						

3.0 MANAGEMENT TEAM

3.1 ORGANOGRAM



3.2 PROFILE OF DIRECTORS

MR. ISAAC AKUOKO BOATENG

POSITION: CHIEF EXECUTIVE OFFICER

QUALIFICATION: He owns and manages a flourishing printing press at Ahodwo-Nhyiaeso. He has also served as a team leader in various positions from different denominations. He holds an

H.N.D in Business studies, a diploma in general nursing from the health sector and is presently undertaking a course in Business Administration at Christian Service University College.

FUNCTIONS

The CEO is the administrative head of the company, his key responsibilities include:

- i. The CEO has overall responsibility for creating, planning, implementing, and integrating the strategic direction of the organization.
- ii. Leading, guiding, directing, and evaluating the work of other directors.

MR. EDWARD ADDAI

POSITION: FINANCIAL MANAGER

QUALIFICATION:

He has worked as accounts assistance at M.Y Ventures and is currently undertaking a Bachelor of Business Administration course at Christian Service University College.

FUNCTIONS

His key responsibilities include:

- i. To manage the financial transactions of the company.
- ii. To prepare financial statements.

MR. SAMUEL TUAH FORDJOUR

POSITION: MARKETING MANAGER

QUALIFICATION:

He does a part time work as sales and marketing consultant to Charles Hans Enterprise, a distributor of pharmaceutical products base in Accra. He is currently undertaking a Bachelor of Business Administration in Marketing at Christian Service University College.

FUNCTIONS

The Marketing manager will be the head of the marketing team. His key responsibilities include:

- i. To provide leadership on serving the client better and also to manage client relationship.
- ii. To research and report on external opportunities.

MISS YAA SERWAA NIMAKO

POSITION: PRODUCTION MANAGER

QUALIFICATION: She holds a diploma in Information Technology from NIIT and has worked at Angel Herbal Industry as a production assistant. She is presently undergoing a course in Administration (Banking and Finance option) at Christian Service University College.

FUNCTIONS

The Production manager will manage the farms, the various sales points and the restaurant. His key responsibilities include:

- i. The production manager's job description mainly involves planning strategies to increase the productivity of the company with available machines and equipment.
- ii. To ensure that products are delivered to clients on time.

MR. MICHEAL KOKWAH

POSITION: HUMAN RESOURCE MANAGER

QUALIFICATION:

He has worked as a Human Resource assistant at COCOBOD Company Limited. He is currently undertaking a Bachelor of Business Administration course in Human Resource at Christian Service University College.

FUNCTIONS

The Human Resource Manager will manage the staff of the company and recruit staff. His key responsibilities include:

- i. To manage and organize multiple functional areas as well as conducting interviews.
- ii. To provide training and evaluation of staff.

4.0 MARKETING ANALYSIS

4.1 BUSINESS SYSTEMS AND OPERATIONS

Day Spring Organic Paradise is concerned with two main activities thus managing a farm and a restaurant. These are the activities that can be found on the farm, we will have an agric extension officer who will coordinate the following activities;

1. Construction of beds
2. Nursing of the vegetable seeds
3. Transplanting
4. Application of the organic manure and the neem tree solution
5. Removal of unwanted weeds
6. Irrigation
7. Constructing, maintaining and disinfecting of mushroom house.
8. Harvesting

The agric extension officer will make sure he directs the labourers to construct the beds on which the vegetable seedlings will be planted on appropriately both for nursery and transplanting. The seeds will be nursed for about three weeks to one month, then they will be transplanted, these vegetables have the duration of three (3) months apart from the lettuce which takes barely a month to sprout. After the seedlings have been transplanted for about a week , then we move on with the application of the organic manure which is specifically chicken droppings which will purchased from Akate farms and other poultry farms. After the application of organic manure we the move on with the application of the neem tree solution prepared from the leaves from a neem tree. Research revealed that the leaves of the neem tree is very effective in the controlling of pest

and insects and this is also not harmful to human consumption due to its medicinal values to humans. There will also be regular irrigation; there will be a well constructed irrigation system on the farm since the site is just beside a river.

With the mushrooms, Day Spring Organic Paradise intends to buy the mushroom substrates from Kenyase-Abore from one Mr. Arthur, who sells the substrates to us at 50 pesewas per substrate. The substrate is a combination of saw dust, lime, rice bran, rice husk and the mushroom spawn (seeds). We will then send the substrate to the mushroom house which has been disinfected by detol, the condition of the room will be maintained at 18 to 20 degree Celsius and then we will open the substrate and allow the mushroom to come out. After the substrates are opened the mushrooms will start to come out after three days then it will mature after a week.

Below are also the activities that will take place in the restaurant

1. Receiving of orders
2. Confirmation of orders
3. Preparation of food
4. Serving and distribution of food

We will make sure that meals are served within a time frame of 10 minutes after orders are made customers will be served with fruits or fruit juices and listen to good tunes while they wait for their meals. We will employ qualified, experienced and well trained chefs to handle the kitchen activities thus preparing nutritious and hygienic diets and needs of meals. We will also employ nice looking and well mannered waiters and waitresses who will approach and interact with our customers. Dishes will be prepared under hygienic conditions which will help promote our utmost priority thus ensuring the healthy and well being of our customers.

Distribution of our products to customers will be well organized through our various sales points at Adum, Asuoeyeboa and also our delivery van. Products will be delivered immediately to our customers in time prior to their demand.

We will make a prompt delivery of products at the door steps of customers.

4.2 ENVIRONMENTAL ANALYSIS

Political: The stable political environment that Ghana has seen employing since its introduction of the multi-party governance in 1992 has attracted many business and companies to start operations in the country. The government is now encouraging and promoting small and medium scale business. Day Spring Organic Paradise is motivated by this current decision of the government in the country to operate.

Economic: The economic factors that influence the marketing operation include Prime Rate, Base Rate, Average Bank Rate, Inflation Rate, and Exchange Rate.

Our prices on both the vegetables and the dishes will be based on the above economic factors because they influence the purchasing power of consumers therefore they will be constantly reviewed.

Social: The society is now is now becoming more concerned about their health especially the elite due to the high morbidity and mortality rate which comes as a result of intake of various vegetables grown under chemical conditions and the intake of fatty food, such as meat. Most people can't cook due to their workload or busy schedules.

Technological: In order to be competitive and work effectively in the farming and restaurant industry the company should be abreast with new technology that enhances a speed up production. Most especially when producing on a large scale. Examples include; plough, combine harvesters, multi-purpose cookers, and other related gadgets

4.3 SWOT ANALYSIS

STRENGTH: The following analysis shows the strengths and weaknesses within the context of the company.

First of all, it will identify competent staff and their reliability. We will ensure innovative, well trained and skillful employees who have been on top of related jobs concerning the farming industry. This includes health personnel who at regular intervals will help us in the tit bits of the environment.

Finally, we will ensure of fast, reliable delivery system. We will procure a van which will enable us to supply our customers with products at their door step.

WEAKNESSES: It will be a challenge for Day Spring Organic Paradise to acquire machineries such as the plough, cultivator, etc; but hope to purchase them in the subsequent years since these machines are rented.

OPPORTUNITIES: These include the concern for preparing healthy diets and dishes in the Ghanaian society, the rate at which people are becoming health conscious; the concern in providing organic vegetables in the Ghanaian society; and probably government policies concerning the restaurants and farming industries as well as its location.

THREATS: government and regulatory policies.

COMPETITION

Day Spring Organic Paradise has one direct competitor in the organic farming industry in Ashanti Region as far as the Gyenyasi Organic Growers Association is concerned, this is in terms of growing vegetables and selling them to the public. The association is a government sponsored one, therefore they have acquired numerous land and produce on a large scale, this can be considered as their strength, they also have some constraints that restricts their effectiveness, some of these weaknesses are leadership problems, cooperation among members and also support from policy makers. In the restaurant industry a conducted came out with royal park restaurant which is located at Ahodwo , they are mainly into the serving of continental dishes , they have an appealing environment which can be considered as their strength , they charge exorbitant prices on food which can also be considered as their weakness. The survey also brought out Abusua restaurant which is located at Danyame, they also offer a variety of local dishes, they have the good will in terms of customer trust and also the brand name which can be considered as their strength but on the other side they have a very poor customer service and a long customer waiting time which can also be considered as their weakness.

4.4 TARGET MARKET

Day Spring Organic Paradise will target those who are anemic, those suffering from hyperacidity and constipation, people with hypertension, obesity, diabetes, patients with high blood pressure, vegetarians as well as hotels and restaurants.

4.5 MARKET SEGMENTATION

DEMOGRAPHIC PROFILE

The market is divided into groups based on variables such as age, gender, family sizes, income, occupation, education, race and nationality. These demographic factors are the most popular basis for segmenting customer groups, customer needs, wants and usage. The targeted market has a people aged from 30-70 which make up about 70% of the population. Family types are slowly evolving into the nuclear ones. Presently people spend more time at offices than they do at home. This is making the eating out culture gain more important since married women who work at the same time do not often get time to cook at home.

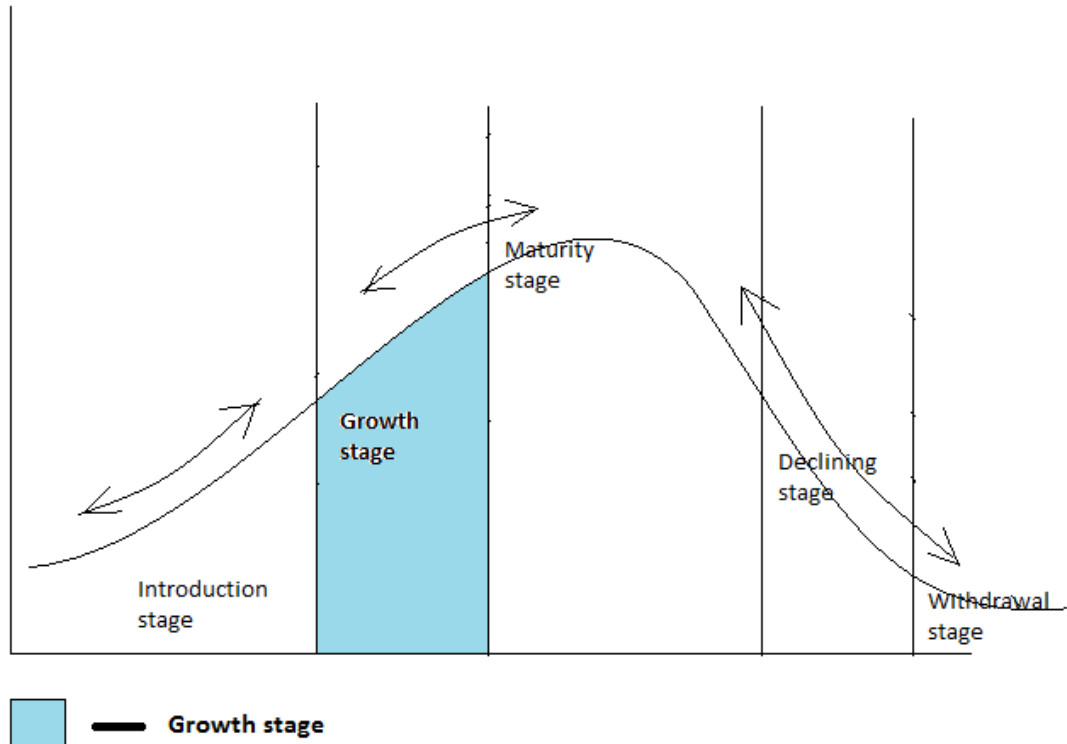
SIGNIFICANT CUSTOMER CHARACTERISTICS

People eat various kinds of food for a variety of reasons: to satisfy hunger, health reasons, religious reasons and self-fulfillment needs. As soon as one's need is satisfied, another appears to take its place, motivating from the need for safety or security up the scale through social, and self-fulfillment. People purchase and consume various foods not only to satisfy hunger but also self-esteem, self-respect, self-confidence, prestige needs and health reasons. They select a restaurant because of particular psychological needs at the moment, by the way they are feeling about the money they have to spend, the prices of a restaurant, its service, how the restaurant is perceived in terms of its aesthetics, social status.

MARKET TREND

The outlook of this kind of business is positive as confirmed by some operators. The diagram below indicates the business life cycle. The trend of this cycle shows that the restaurant industry is at the growth stage.

THE BUSINESS LIFE CYCLE



The growth stage is the stage where the product's sales start climbing quickly. Earlier adapters start buying and later buyers will follow their lead. New competitors may enter the market and introduce new product features. The market expands. Prices remain where they are or fall slightly. Educating the market remains a goal and yet the company profit increases.

4.6 MARKETING MIX

Day Spring Organic Paradise plan to adopt the following marketing mix to market and distribute its products and services;

Product

Our service and product are designed and produced in such a way that customers satisfaction is strictly provided and adhered to. We will offer free health advice to our customers.

Promotion

Promotion will be through radio and television advertisement and also flyers, handbills, flexes that will be given to the public to create awareness.

Place

The location of our business is strategic because it is located in the center of a business and a residential area. Thus Ahodwo which will conveniently suit our customers with the physical evidence being a conducive and an appealing one. We will keep a clean and hygienic environment so that customers will know the values we place on hygiene.

Pricing

Our product and service will be priced using the price of our competitors as a yardstick.

Penetration pricing system will be adopted. This system uses low price to stimulate and capture demand.

4.7 MARKETING STRATEGIES

The marketing strategy of Day Spring Organic Paradise will be built on the following

- 1) Healthy vegetables and dishes. Day Spring Organic Paradise intends to serve its customers with healthy goods that will satisfy their health needs.

- 2) Delivery. Day Spring Organic Paradise intends to ensure that orders are delivered on time at the convenience to our customers, in order to satisfy their breakfast, lunch and supper since our utmost priority is to ensure that they will eat and stay healthy.
- 3) Customer Relationship: Day Spring intends to build a reputable relationship with its customers by paying the necessary attention to the complaints and advices of customers. On every three months there will also be a healthy talk shows organized for our customers where will invite health personnel to enlighten them on their health issues.
- 4) Cost effective and focus approach, this strategy will be used by setting our price moderately as compared to our competitors prices and also our market will be focused on from the ages of 30-65 and above who are more conscious about their health.

5.0 FINANCIAL ANALYSIS

5.1 ASSUMPTIONS AND RISK ANALYSIS

With opportunities however, come risks and at general level, risk is used to describe any uncertainty about what outcome will occur and a typical example is a toss of a coin.

Business risk is concerned with reduction in business value which is reflected in the firm's common stock, expected size, timing and risk associated with the future net cash flows (cash inflows less outflows). The major business risks that will be faced by Day Spring Organic Paradise are as follows:

PRICE RISK

It refers to uncertainty over the magnitude of cash flows due to possible changes in the prices in output and input prices. For example when prices of inputs fertilizers of growing mushroom and vegetables goes up, it will reflect in the unit price which may not be affordable for buyers. This situation can also be called commodity price risk.

MANAGEMENT

Price risk is an inevitable situation because the individual has no control over it but rather such as inflation causes it. So the only way we deem it fit is to set up strategies to maintain a normal profit during unfavorable situations when they occur.

Dayspring farm has decided to go on contractual agreement with its customers on the quantity they are willing to buy at a time period (annually) at particular periods. This will help eradicate

the production of excess goods which will be left to go bad if not purchased within its life span since the vegetables for instance are perishable goods.

CREDIT RISK

This is a likelihood risk that debtors of Day Spring Organic will delay or fail to make promised payments. Such an event is called default and a typical situation is when a customer buys goods on credit and refused to make payment on the promised date.

MANAGEMENT

Dayspring farm will attach some conditions before goods are given out on credit and this is by collecting 70% of the total amount before goods are delivered. Also customers will be considered to collect goods on credit only after they have done business with the farm for atleast a year to assess their credit worthiness.

PURE RISK

The major types of pure risk that is likely to affect the business include:

The risk of reduction in value of business assets due to theft and physical damage which will either be caused by natural or artificial means and the consequences as a result of this risk may lead to indirect loss such as:

1. Loss of customers to competitors which will in turn reduce normal profit
2. Financial distress which could lead to bankruptcy

The risk of legal liability for damages and harm to consumers and as a result of food poisoning which may occur as a result an improperly processed food.

The risk associated with paying benefits to injured workers under worker's compensation laws and risk of legal liability for injuries or other harms to employees not governed by worker's compensation laws.

MANAGEMENT

The company will manage the property loss risk by using the loss financing methods to obtain funds to offset losses that may occur and this will be done by obtaining insurance policy on all company assets against all natural and artificial disasters to safeguard the interest of the company. The company would also use reducing or loss reduction method which involves steps to reduce the severity of the loss. For example by installing fire sprinklers and extinguishers in our premises and invite the fire service personnel to educate the staff on precautionary measures to avoid fire outbreak.

The food we will be producing will be taken to the food and drug board for thorough check before releasing it to the market for consumption to avoid food poisoning and legal liabilities for damages caused to consumers.

Diversification

Employment of security guards

PRODUCTION RISK

Disease, pest and insects are the major operational risk in mushroom production;

People are not the only ones who enjoy fresh mushroom; insects and animal pests can become serious pests for mushroom farmers, especially with outdoor operations. And it is critical to control because some insect pests, such as fungus gnats, flourish under the same conditions that favor mushrooms. These insects include sacred flies, pharid flies which are found to be attracted to mushroom; they lay eggs on the straw and the lava emerging from the damage of the crop. Pests that may attack the mushroom crops include rodents who eat the grain spawn and make holes inside the cubes.

MANAGEMENT

Prevention is better than cure is the motto of the business since it is a very delicate crop and curative measures are often difficult.

The mushroom being a fungus itself makes it more prone to fungal diseases which are difficult to control as the chemicals used against the disease may affect the mushroom itself.

Thus we will be producing our mushrooms and vegetables in a built structure (indoor production) and infinite care will be exercised from the very start to discourage the entry of any foreign germs or contamination and the following precautions will be taken:

At the entry of every room, there would be a trough filled with 2% formalin solutions, where in the shoes or feet will be dipped before entering the room. We will be using fly- trap or repellent and rat poison bait in mushroom house to control insects and pests attack.

5.2 DAY SPRING ORGANIC PARADISE-PROJECTED INCOME
STATEMENT FOR THE YEARS ENDED 2012, 2013, 2014.

	<u>GH ¢</u>	<u>GH ¢</u>	<u>GH ¢</u>
Sales (Note 2)	101400	157820	297440
Less cost of production	<u>53380</u>	<u>83273</u>	<u>156553</u>
	48020	74547	140887
Less expense:			
Directors allowance	4800	6000	6000
Salary (Note 9)	13200	15000	18600
Allowance for Board of Directors	400	800	1000
Utility	200	300	350
Advertising	1000	1500	2500
Rent	1200	1200	1200
Legal Fees	500	700	1000
Fuel	<u>1200</u>	<u>2500</u>	<u>3500</u>
	22500	28000	34150
Net Profit before tax	25520	46547	106737
Tax (0.25* Net Profit)	<u>(6380)</u>	<u>(11637)</u>	<u>(26684)</u>

Net Profit after tax	<u>19140</u>	<u>34910</u>	<u>80053</u>
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5.3 BREAK-EVEN ANALYSIS

Breakeven output = $\frac{\text{Fixed}}{\text{Contribution per unit} - (\text{Sales} - \text{Variable Cost})}$

Total sales variable cost = 101400

VARIABLE COST

Directors allowance	=	4800	
Salary		13200	
Allowance		400	
Utility		200	
Legal fees		1200	
Advertising		1000	
Fuel		1200	<u>22000</u>
			79400

Contribution per sales $\frac{79400}{101400} * 100 = 78.303\%$

Breakeven value = $\frac{\text{Fixed cost}}{\text{Contribution per sales}}$

FIXED COST

Non current asset = 22550
 Rent = 1200
 23750
 = 23750
 0.78303

Breakeven value = 30330.89

Break even period = $\frac{\text{Breakeven value}}{\text{Sales}} * 12$ months

$$= \frac{30330.89}{101400} * 12 = 3.58 \text{ or } 3 \text{ years, } 6 \text{ months.}$$

This means that the company will breakeven at the sixth month after the third year.

5.4 PROJECTED CASH FLOW

	<u>GH ¢</u>	<u>GH ¢</u>	<u>GH</u>
Initial Capital	50000	-	-
Sales (Note 2)	<u>101400</u>	<u>157820</u>	<u>29744</u>
	151400	157820	29744
Less outflows:			
Fixed assets purchased	22550	-	-
Production cost	53380	83273	156553
Directors allowance	4800	6000	6000
Salary (Note 9)	13200	15000	
18600			
Allowance for Board of Directors	400	800	1000
Utility	200	300	350
Advertising	1000	1500	2500
Rent	1200	1200	1200

Legal fees	500	700	1000
Fuel	1200	2500	3500
Tax	<u>6380</u>	<u>11637</u>	<u>26684</u>
	104818	122910	217387
Net cash flow	46590	34910	80053
Add opening balance	<u>-</u>	<u>46590</u>	<u>81500</u>
Closing Balance	<u>46590</u>	<u>81500</u>	<u>161553</u>

5.5 PROJECTED BALANCE SHEET

	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>
Non- current assets	22550	22550	22550
Current Asset:			
Cash	<u>46590</u>	<u>81500</u>	<u>16155</u>
	69140	104050	184103
Stated Capital	50000	50000	50000
Income surplus	<u>19140</u>	<u>54050</u>	<u>134103</u>
	<u>69140</u>	<u>104050</u>	<u>184103</u>

APPENDIX
BASIS OF COSTING

Note 1: **COST OF SALES**

YEAR	RAW MATERIALS	DESCRIPTION	UNIT PRICE	AMOUNT GH ¢
2012	Mushroom	180 packs per week. 180*52=9360	1.0	9360
	Vegetables	270 packs per week. 270*52=14040	1.50	21060
	Restaurant	40 dishes per week. 40*52=2080	2.00	4160
	Manure	100 bags	5.00	500
				<u>35080</u>

Direct wages:	GH ¢
5 labourers * 200 per month * 12months =	12000
2chefs * 200per month * 12months=	<u>4800</u>
PRIME COST	51880
Overheads:	
Utility	<u>1500</u>

PRODUCTION COST

53380

It should be noted that production cost will be increased by 56% percent in the second year and 88% in the third year.

The company has well decided not to depreciate its assets for the next three years in its business operation.

Note 2: SALES COMPUTATION

YEAR	PRODUCT TYPE	QUANTITY	SELLING PRICE	AMOUNT GH ¢
2012	Mushroom	180 pack per week. $180 * 52 = 9360$	3.5	32760
	Vegetable variety	$270 * 52 = 14040$	4.0	56160
	Restaurant	40 clients per week $40 * 52 = 2080$	6.0	12480
Total Sales				101400
2013	Mushroom	250 pack per week. $250 * 52 = 9360$	3.5	45500
	Vegetable variety	$360 * 52 = 14040$	4.0	74880
	Restaurant	60 clients per week $60 * 52 = 2080$	6.0	18720
Total Sales				157820

2014	Mushroom	400 pack per week. 400 * 52 = 20800	3.5	72800
	Vegetable variety	900 * 52 = 46800	4.0	187200
	Restaurant	120 clients per week 120* 52 = 6240	6.0	37440
Total Sales				297440

Note 3: **ASSETS OF THE COMPANY**

Cost of tractors	2500
Farming equipment	1500
Kitchen and cooking equipment	2500
Fixtures and fittings	1500
Computer and accessories	2000
Furniture	5000
Mushroom house (Wooden structure)	1000
Generator	6000
Prepaid meter	250
Delivery van	<u>1800</u>
Total	<u>22550</u>

Note 4: **INCOME SURPLUS SCHEDULE**

Balance b/d	-	19140	54050
Net profit after tax	<u>19140</u>	<u>34910</u>	<u>80053</u>
	<u>19140</u>	<u>54050</u>	<u>134103</u>

Note 5: **DISCOUNTED CASH FLOW**

Year	Cash flow	Discount factor	Net Present Value
0	-	20%	(50000)
1	46590	0.833	38809
2	34910	0.6944	24242
3	80053	0.578	<u>46279</u>
			<u>59330</u>

Note 6: **CALCULATION OF THE INTERNAL RATE OF RETURN**

Year	Cash flow	Discount factor	Net Present Value
		90%	(50000)
0			
1	46590	0.526	24506
2	34910	0.277	967.067

$$\text{Net Profit Margin} = \frac{\text{Net Profit}}{\text{Sales}} * 100$$

Sales

<u>2012</u>	<u>2013</u>	<u>2014</u>
<u>19140</u> * 100	<u>34910</u> * 100	<u>80053</u> * 100
101400	157820	297440
= 18.9%	= 22.1%	= 26.9%

Note 8: **APPRAISAL ANALYSIS**

Gross Profit Margin	<u>2012</u>	<u>2013</u>	<u>2014</u>
	47.4%	47.2%	47.4%
Net Profit Margin	18.9%	22.1%	26.9%

SALARY

YEAR	POSITION	NUMBER OF EMPLOYEES	RATE PER HEAD	ANNUAL SALARY
2012	Waiter	2	150	3600
	Sales representative	2	200	4800
	Extension officer	1	300	3600
	Cleaners	1	100	1200
Total				13200
2013	Waiter	2	150	3600
	Sales representative	2	250	6000
	Extension officer	1	350	4200
	Cleaners	1	100	1200
Total				15000
2014	Waiter	2	200	4800
	Sales representative	2	250	6000

	Extension officer	1	350	4200
	Cleaners	1	150	3600
Total				18600

Allowance for Directors = $80 * 5 * 12 = 4800$

Allowance for Board of Directors = $200 * 2 = 400$

CHRISTIAN SERVICE UNIVERSITY COLLEGE - KUMASI

DEPARTMENT OF BUSINESS STUDIES

BACHELOR OF BUSINESS ADMINISTRATION

DAY SPRING ORGANIC PARADISE

BUSINESS PLAN

A BUSINESS PLAN SUBMITTED TO THE DEPARTMENT OF BUSINESS

STUDIES OF CHRISTIAN SERVICE UNIVERSITY COLLEGE, KUMASI IN

PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE COURSE

CSAD 443 TEAM BUSINESS PROPOSAL

BY

MICHAEL KOKWAH

YAA SERWAA NIMAKO

ISAAC AKUOKO BOATENG

EDWARD ADDAI

TUAH FORDJOUR SAMUEL

DECEMBER, 2011

STATEMENT OF AUTHENTICITY

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

Name of Student	Index Number	Signature	Date
1
2
3
4
5

Certified by:

.....

(Supervisor)

Signature

Date

Certified by:

.....

(Head of Business Studies Department)

Signature

Date

EXECUTIVE SUMMARY

Our Mission

The mission of the company is to produce hygienic, healthy and affordable organic products for individuals, household and businesses at our various sales points and also to offer prompt delivery services at their door steps.

Our Vision

The vision of the company is to become the most preferred company for the provision of healthy organic products in Ghana.

Our Objective

The operating objectives of Day Spring Organic Paradise are to:

- 1) Maintain and increase sales so as to attain a high market share.
- 2) To expand the company's activities by establishing a gym and other health activities that will give an economic benefit to our customers. By doing so will attract more customers.
- 3) To open four branches in Koforidua, Takoradi, Accra and Sunyani by the third year of operation.

Business Description

Day Spring Organic Paradise are into both farming and restaurant which aims at providing healthy and nutritious oyster mushroom and vegetables and a variety of healthy and nutritious

dishes to various households especially to vegetarians, diabetic patients, obese patients and those with hypertension.

PROFILE OF THE COMPANY

DAY SPRING ORGANIC PARADISE

Address: P. O. Box 343, Ahodwo-Kumasi.

Tel: 0241736442

Website: www.dayspringorganicparadise.org

Email address: dayspringorganicparadise@yahoo.com

Bankers: Ecobank, Barclays Bank and Ghana Commercial Bank.

Problem to solve

We exist to reduce morbidity and mortality rate attributable to poisoning from chemical and biological agents.

Strategies to Succeed

In order to compete favourably in the restaurant and the farming industry the following critical issues are to be addressed,

- 1) Pricing of its products and services
- 2) The ability to respond to increase in tariffs

- 3) The ability to handle deliveries so as to suit customers prior to their demand

Target Market

Our target market will include the following group of people:

1. Those who are anemic as oyster mushrooms help improve homeopathic factors.
2. For people with hypertension, obesity and diabetes, oyster mushroom can form part of diet for it is low in sodium, potassium, starch, fat and calorific value.
3. For those who suffer from hyperacidity and constipation, the alkaline ash and high fiber content oyster mushroom is the favored food..

Financial Plan

It was estimated that a start-up amount of GH¢50000 would be used. This amount will be used for all purchases. The Net Present value, Internal Rate of Return and cost of product amounted to GH¢59330, 85.41% and GH¢ 53380 respectively. In regards to the cost of production, there will be a percentage increase of 56% charge and that of year three will be 88% increase. On the contrary, depreciation will not be charge by Day Spring Organic Paradise for the first three years of its business operation.

MISSION

The mission of the company is to produce hygienic, healthy and affordable organic products for individuals, household and businesses at our various sales points and also to offer prompt delivery services at their door steps.

VISION

The vision of the company is to become the most preferred company for the provision of healthy organic products in Ghana.

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