

UNIVERSITY OF NIGERIA NSUKKA

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TOPIC:

HEPZIBAH COMPUTERS AND INTERNET SERVICES

A BUSINESS PLAN:

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HEPZIBAH COMPUTERS AND INTERNET SERVICES

Part 1

1.0 Executive Summary

- 1.1 The following report and recommendation relate to the proposal by Hepzibah Computer Internet Services located in UNN in Enugu state.
- 1.2 The project would require a start-up capital of N801000, made up of N701000 for fixed assets and N500000 for working capital.
- 1.3 The enterprises vision is to be the most outstanding leader in the market arena.
- 1.4 The project is located at University of Nigeria Nsukka where quick access will be made by the students, non-students and staff members of the institute.
- 1.5 There is a huge market for this business plan
- 1.6 The financial projections show that the business is bound to succeeded. The

sales figure stands at N158058000 for the first year, N2500970000 for the second year while the third year has N2813300000, these market sales is very encouraging so also the cash flow position.

- 1.7 The competitive edge of the enterprise lies on quality serving rendering coupled With promo give away.

1.8 The profitability measures are as shown below

	Year 1	Year 2	Year 3
Turnover	1.55958749	1.78349236	1.75591709
Profit before Inc& tax	56267000	1099710000	1211161000
Profit after tax	56267000	109967151500	1211116000
Return on sales	158038000	2500970000	2813270000
Return on equity	11.346	2199.42	2422.322
Return on investment	18.6943522	17.6943522	16.6985

From the point of view, the analysis of the findings is proposed projected is found to be technically feasible, financially viable, and economically desirable. Thus, the project offers good investment benefits, and is therefore highly recommended for implementation.

Part II

2.0 Introduction

the planned HephzibahComputer Internet Services Project is the result of strong industry and needs assessment studies undertaken in south eastern zone of Nigeria particularly in Nsukka. The study reveal that the demand for computer and internet services is high and service providers are fewer in number to meet up with the high demand. This increase is due to the institution desire togo global, to add to it surrounding secondary schools, WEAC and

JAMB exams and registrations are done via internet thereby increasing the lucrativeness of the business.

2.1 Vision of

to be the easiest and fastest computer internet service provider in Nsukka.

2.2 Mission

to make available to students a reliable easy going internet services using improve modern facilities.

2.3 Key Success Factors

The key success factors for are:

- a. To use improve modern computer facilities.
- b. To improve modern computer facilities is fast and easy going.
- C. The main promoter has undergone entrepreneurship training.
- d. The existence of reliable market outlets.

2.4 Inherent Risks

- a. There is a current lean resource to contain the expansion that is normal with internet services.
- b. The lucrative tendency of the business will lean to more entrance as there are no restrictions.
- c. The issue of power, inadequate supply of electricity.
- d. Adequate plan is put in place to checkmate the above mention risks.

2.5 Business Ownership

The business is under sole proprietorship, to be wholly own and manager by me.

2.6 Location Factors

HepzibahComputer Internet Services is willed to be located in Nsukka Enugu.

What informed the choices of this location are:

1. It nearness to targeted market
2. The possibility of expansion due to large market demand

3. Easy access by customers
4. Fast and reliable labour

2.5 Availability Market

Information from survey shows that 100000 computer internet services is demanded yearly in Nsukka while the total population that constitute market targeted is about 200000 and demand keeps increasing as present number leaves and greater number is added yearly. From this it's clear that about 100000 which is 50 of market demand is left out thereby enough space for new entrance.

PART III

3.0 Products

Hepzibah Computer Internet Service will provide the following service

- ❖ Internet services
- ❖ Type and printing of documents
- ❖ Photocopying and Lamination of I.D Cards, Certificates, documents etc.
- ❖ Enlarge and scanning document
- ❖ Spiral bind document

3.1 Service Description

❖ internet services

the basic aim is to provide internet services, like payment of bills, school fees, hostels and other internet related fees.

❖ print and type document

Many students now have access to laptop, so many of the do their typing by themselves but have no means of printing them out therefore the need to patronize computer internet services.

enlarge and scan documents.

- ❖ Enlarging and scanning of documents: projects and other related materials will be carried out.

- ❖ Spiral bind document.

Spiral Binding Services: will be rendered as well.

3.2 Costing

The costing of internet services is based on the paper cost. The paper is almost everything in internet services not minding that paper cost is least among computer internet facilities but it goes along away in determining current prizes of internet charges

3.3 Market Demand

Hepzibah Computer Internet Services is located at Nsukka (UNN) which makes it accessible to both students, staffs and non-students. Market survey indicates that about 100000 clients make use of internet services within the school environment and there is high tendency of increase in demand as the number that constitute market size is double of actual number and there are greater possibility of increase as almost all the activities done in the school and its environs are via internet.

3.4 Projected Annual Demand of Computer Internet Services in Nsukka and its Environs (2012-2016)

as earlier stated, about 100000 Computer Internet Services is demanded on a yearly basis, and for five years the number has continue with variable increase, judging from population growth and the school polices a greater increase is expected and can be seen in table one.

Table (1) Projected Annual Demand for Computer Internet Services in Nsukka

s/n	Years	Annual growth rate	Projected demand	
0	Base year (o) (2011)	0.5%	100000	
1	2012	0.5	100200	
2	2013	0.5	100400	
3	2014	0.5	100600	
4	2015	0.5	100800	
5	2016	0.5	100000	
	Total	30%	602000	
	Average	0.5%	12000	

The projected annual demand for computer internet service is 12000 and there is expected increase in demand level in subsequent years.

3.5 Projected Demand-Supply Gap of Computer Internet Service in Nsukka it has been stated that computer internet demand is 200000 but only about 100000 is met, thus the demand-supply gap of computer internet services in Nsukka is seen in table 2.

Table (2) projected demand supply gap of computer internet services

Adjustment	Demand-supply gap
Estimated average annual demand	12000
Less than 50% computer internet providers in the area	6000
Less than 30% expansion of existing computer internet services	1800
Less than 5% estimate error	210
Estimated demand-supply gap	3990
Anticipated annual computer internet services	1500

The plan is to provide 1500 computer internet services on yearly bases, this figure is less than actual computer internet service demand and therefore leaves a gap of 1.5% of total demand supply gap whereby new entrances do not constitute threat to existing ones.

Part IV

4.0 Market, Customers and Competitors

Hepzibah Computer Internet Services has an exciting business opportunity because there are enough room and demand of internet services in Nsukka and its environs. The increase in the population growth or admission list and the school police of networking the whole student and staffs of the institute a high

demand is sure to be placed in the use and services of computer internet services.

4.1 Customer's/ Market Segmentation

The following are the classes of computer internet services customers.

- a. The main customers are students of University of Nigeria Nsukka, who needs it to pay their school fees, create invoice, pay hostels allocation fee, register course, print and do assignments, including other things.
- b. Non-Student of the above named institution, especially secondary schools that are preparing for either WACE, NECO, GCE, JAMB, the need it to register for their exams and check results.
- c. University staffs and non-staffs that might not have system non know how to operate it. Some of them need it for payment and online transactions.

Part V

5.0 Marketing Plan

there are few Computer Services in Nsukka, but the point remains that demand is far greater than supplierstherefore enough room for new entrances, besides this Hepzibah computer internet services is well equipped and can do much better than the existing ones when it commences operation.

5.1 Promotion Strategy

Hepzibah Computer Internet Services will create massive awareness promo tagged student-staff payee, a situation was by students and staffs will have count down pay on their printings.

5.2 Market Strategy

Hepzibah Computer Internet Services has decided to use her count down pay to attract majority of the students and staffs to her services provision,

everybody especially the students like deduction, they can travel mails to go to service providers that will deduct even if its 50kobo from the actual amount so Hepzibah is using this as a bite to catch students which constitute the larger population.

Quality, majority of the staff members will go for quality no matter it cost, Hepzibah is good in quality services tied to qualitative experience gain through train and personal research, therefore well equipped for qualitative service provision.

To drive home quest for success Hepzibal will create training center and opportunity for both students and non-students where by at the end participates will have numerous reward, the best among them will have taken home package while the first twenty to register has their package surprise.

5.3 Market Positioning

Hepzibah Computer Internet Services will position herself in the heart of the school premises and that of the student making herself to be seen and reckon with by both customers, competitors and the general public as a whole. How these great feet will be achieved and listed below:

- ❖ The best quality service deliver.
- ❖ The fastest easy going cymbal.
- ❖ The most affordable reliable cymbal.

5.3 Projected Sales

Table (3) Projected Sales

No. of year	Income from internet services (N)	Income from printing and typing (N)	Income from enlargement and scanning (N)	Income from spiral binding (N)	Total income (N)
1	150,000000	800,000	50000	80000	158058000
2	1700000000	800000000	850000	120000	2500970000
3	1900000000	900000000	9800000	3500000	2813300000

Technical Analysis, Management and Organization

6.0 Technical Analysis

Computer internet services are lucrative business especially within the school environs, and given by number of population that gain admission on yearly bases and the school emphasis on internet connective there is high demand for the business even though there will be new entrance and high competition Hepzibah has a well-structured plan to handle any challenge that throwsup.

6.1 Schedule of Operation

FiveLaptopsand two multipurpose ink jack machine are set in place for Hepzibah Computer Internet Services.

It is planed that one laptop will be server while others connect through it, this will reduce data expanses, three is lay in progress for customer's usage while the remaining one will be controlled be the assistant.

The reason for the two multipurpose ink jack machine is that one will be active and for confidential documents and direct printing of files while the second takes up the photocopying, scanning and printing of customers' that are not from the direct source.

Reason for this is to avoid time waiting and contacting of virus and malware from non-authenticated source more also to boost leave of confidence and promote sense of quality for customers.

6.2 Management and Organization

Owner/Manager

Hepzibah Computer Services is a Sole Proprietorship. It is owned by Aki Eucharia, the concept Hepzibah is a form of Charitable Work, therefore the Organizational vision of creating a countdown pay for customer's, for easy and smooth running of the business extra hand will be hired.

Table 4 Management and Labour Compliments

S/N	No. of staff N	Annual salary per staff N	Total
Proprietor	1	480000	480000
Assistant	1	180000	180000
Grand total			660000

6.3 External Support

Hepzibah Computer Internet Services is discussing with the University management to give her a strong and supportive platform this she tends to do by getting the school to sign and assign some school fees payment to her web address.

6.4 Value and Norms of the Company

Hepzibah Computer Internet Services will adopt the following norms and values;

- a. Be the best for customer's
- b. The company that have the interest of the customers
- c. To value and promote the interest of employee
- d. To work with both students, staff and non-students of the institute.

PART VII

Legal, Environmental, Social and Regulatory Issues.

7.0 Legal Issues

Hepzibah Computer Internet Services plan to commence commercial operations as a sole proprietorship as such it is just enough to register the business name with the appropriate department at the Local Government Headquarters and obtain all necessary permit and license.

7.1 Environmental

Computer internet services constitute no environment problem as such draft no space for handling environmental issues.

7.2 Social

The implementation of Hepzibah Computer Services is liable to provide job opportunities and increase standard of living through high income pay.

7.3 Regulatory.

Hepzibah computer internet will abide by all school rules and regulations

PART VIII

8.0 Risk Analysis

This project has been subjected to risk analysis and some inherent risks identified and appropriate measure taken to avoid the business going into excision.

8.1 SWOT Analysis

A SWOT analysis carried out on the project reveals the following; strengths

- ❖ The location of the cymbal café that makes it easy for student to access it
- ❖ The two multipurpose printer together with the five laptops to makes works fast and easy
- ❖ The giveaway package that will attract more and more customers

8.1.2 Weakness

- ❖ The initial problems are based on rising money to finance this business idea
- ❖ The technical knowhow of the business

The following weakness has been looked into and appropriate measures are put in place to tactual them.

8.1.3 Opportunities

Internet services are currently in place but demand supersede available service providers therefore enough space for new entre Internet services is fast going and the school polices is promoting its use. Hepzibah computer internet services hopes to exploit these opportunities

8.1.4 Threats

Threats to internet business might arise from declaim in the school polices Threats also can arise from much new entrance.

To mark and stand out in the business line Hepzibahcomputer internet services have plans to checkmate these threats.

8.2 Exit Strategy

Hepzibah computer internet services has no plan for exit but plan to diversified.

PART IX

Company Financial

9.1 Summary of Project Cost

S/N	Materia	Quantity	Unit price N	Total Amount N
1	Laptop	5	80000	400000
2	Multipurpose printer	2	75000	150000

3	Spiral binding machine	1	20000	20000
4	Table	3	10000	10000
5	Chairs	7	3000	21000
6	Stabilizer	1	5000	50000
7	Plasma TV	1	35000	35000
8	Satellite	1	10000	10000
9	Generator set	1	50000	50000
Grand total				7010000

The total cost of the business plan is 801000, this is made up of 701000 of fixed capital and 100000 working capital

Table 5: Fixed Capital Investments

9.2 Fixed Capital Investments

Hepzibah Computer Internet is located at University of Nigeria Nsukka, this place is very vital for the business as it is the citadel of learning and promotes internet services.

9.3 Utilities

Computer internet Services is a business that requires network connection thereby purchasing of network lines and credit card.

Table 6: Operating Expenses

Type	Year 1	Year 2	Year 3
Paper	100000000	1400000000	1600000000
Tonal	120000	140000	160000
Fuel	240000	260000	280000
Electricity	60000	80000	100000
Salary	660000	720000	800000
Package gifts	20000	25000	30000
Maintenance	30000	35000	38000
Total	101070000	1401260000	1601408000

9.4 Total start-up capital required

Table 7: Start-up Capital

S/N	Capital items	Amount N
1	Machinery,	701000

	equipment and others	
2	Working capital requirement	100000
	Total	801000

9.5 Financing Plan

Table 8: Financial Plan

Source	Amount N
Equity contribution	500000
Bank loan	301000
Total	801000

9.6 Forecast of Profit and Loss

Table9:Forecast of Profit and Loss

Particulars	Year of 1 N	Year 2 N	Year 3 N
Expected sales	158058000	2500970000	2813300000
less 1% discount	20000	25000	30000
Net sales	158038000	2500970000	2813270000
Expenses			
Fixed cost	701000		
Working cost	101070000	1401260000	1601408000
Total expenses	101771000	1401260000	1602109000
Tax pay	38000	38500	45000
Profit before tax	56267000	1099710000	1211161000
Profit after tax	56229000	1099671500	1211116000
Less depreciation	25000	50000	75000
Net profit	56204000	1099621500	1211041000
Retained earnings	56204000	1099621500	1211041000

9.7 Cash Flow Projection

Table 10:Cash Flow Projection

Cash in:	Year 0 N	Year 1 N	Year 2 N	Year 3 N
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Equity	500000			
Bank loan	301000			
Net profits		158058000	2500970000	2813300000
Depreciation		25000	50000	75000
Total cash in	801000	158033000	2500920000	2813225000
Cash out				
Equipment's	701000			
Working capital	101130000	101130000	1401260000	1602109000
Loan repayment		200000	1000000	31000
Increase and decrease in cash				
Total cash out		101330000	1402260000	1602140000
Opening balance	Nil	Nil	56703000	1098660000
Increase/decrease in cash				
Closing balance	Nil	56703000	1098660000	1211085000

	Year 0 N	Year 1 N	Year 2 N	Year 3 N
Fixed assets: Machinery, equity and others Less Com. Dep.	701000	701000 25000	701000 50000	701000 75000
Net fixed assets	701000	676000	651000	626000
Current assets Stock of Material Operating bal. B/F Debtors Cash in and/bank	100000	101130000 56703000	1401260000 1098660000	1602109000 1211085000
Total of current assets		157833000	2499920000	2813194000
Total assets		158509000	2500571000	2813820000
Long term liabilities: Capital (equity) Retained earnings Bank loan	500000	500000 56204000	500000 1099621500	500000 1211041000
	301000	311000	321000	331000
Total of long term liabilities	801000	57015000	1100442500	1211541000
Current liabilities Loan repayment Creditors Dividend	301000	200000	100000	31000
Total of current liabilities	301000	200000	100000	31000
Total liabilities	301000	200000	100000	31000

9.8 Balance Sheet Projection

Table 11: Balance Sheet please (see above page)

10. 0 financial analysis

Hepzibah computer services is expected to commence operation and make profit in that same year as it is a service rendering organization, its expected of having a turnover of 156204000 in the first year, 1099621500 in the second year and 1211041000 in the third year.

10.1 Profitable Analysis

	Year 1	Year 2	Year 3
Profit after tax	5627000	1099710000	1211161000
% return on turn over	1.55958749	1.78349236	1.75591709
% return on equity	11.346	2199.42	2422.322
% return on investment	18.6943522	17.6943522	16.6985

This indicates that the business has the capabilities to meet up with the demand of the business in subsequent years.

10.2 Projected Balance Sheet.

From the three years' period, it was shown that share on the average of the figures to be seen in the table below

Years of operation	Year 1 N	Year 2 N	Year 3 N
Shareholders fund	55902000	1098660000	12110850000

11.0 Other Considerations and Conclusion

11.1 Economic Justification From

The view point of our study and analysis of the findings made, the project offers good benefits to the promoter and the economy. Wealth will be created as well as labor. These are consistent with the federal and states government policy on entrepreneurship on wealth and job creation.

11.2 Commercial Viability

The commercial viability of the project is very clear; the project has been found to be commercially viable through projections.

11.3 Conclusion

With the analysis drawn is highly recommended this project wouldn't be a failure but draw source offund and improvement in the school system.