

# Business plan; financial section

[Business](#)



Section VI: The Financial Plan The financial department will be under the supervision of the chief financial officer. The benefits and the wages/salaries are will total to an approximated amount of one billion dollars per annum. For marketing activities, the receipt master will engage outside services. For the first year, the cost is approximated to add up to \$1.2 million, which is 5 percent of the total sales. The advertising cost will be included in the marketing expenses. The health insurance, the liability insurance and the property insurance add up to premiums worth \$10,000 per annum. In approximation, the occupancy expenses add up to \$100,000. These expenses are expected to increase as the business grows. However, the company will purchase its own premises as soon as it can.

The estimated fixed assets by the receipt master are \$200,000. This is because they are not expected to be very many in the business' first year of operation. These few assets will just be enough to keep the business operating before it makes enough profit to fund its other assets (Friend and Stefan 38). The growth expenses add up to \$2.5 million but there is no debt incurred by the receipt master. The growth expenses are expected to increase as the business progresses. Due to the uncertainties that come with the beginning of a new business, the miscellaneous expenses add up to \$100,000. However, these expenses are expected to amount to a smaller amount than this due to the extensive research and precise calculations done prior to the actual planning. The figures have been put to the higher side of the probability or the figure.

#### Work Cited

Friend, Graham and Stefan, Zehle. Guide to Business Planning. New York: Bloomberg Press, 2009. Print.

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