

Rice tradin

[Economics](#), [Tax](#)



DESCRIPTION OF BUSINESS

LOCATION OF THE OFFICE

The location of my business is in Mandalay Marikina City because the owner of the business is a resident of Mandalay Marikina City. I am currently renting a place in Mandalay to put up my rice business.

COMPANY HISTORICAL BACKGROUND

SM's Rice Trading is a newly business

LEGAL STRUCTURE AND OWNERSHIP

SOLE PROPRIETORSHIP

The sole proprietorship is the simplest business form under which one can operate a business. The sole proprietorship is not a legal entity. It simply refers to a person who owns the business and is personally responsible for its debts. A sole proprietorship can operate under the name of its owner or it can do business under a fictitious name, such as Nancy's Nail Salon. The fictitious name is simply a trade name--it does not create a legal entity separate from the sole proprietor owner. The sole proprietorship is a popular business form due to its simplicity, ease of setup, and nominal cost. A sole proprietor need only register his or her name and secure local licenses, and the sole proprietor is ready for business. A distinct disadvantage, however, is that the owner of a sole proprietorship remains personally liable for all the business's debts. So, if a sole proprietor business runs into financial trouble, creditors can bring lawsuits against the business owner. If such suits are successful, the owner will have to pay the business debts with his or her own money.

<https://assignbuster.com/rice-tradin/>

COMPANY EXISTING FACILITIES

Electricity, water and telephone are all important in operating a business. It helps in the serviceability of the business. MERALCO (Manila Electric Railroad and Light Company) will provide the power supply in the warehouse and the office. MAYNILAD (Maynilad Water Services, Inc.) will be the one responsible for the water system that will be used also in warehouse, office and the pond. The telephone line to be used in communicating and transacting with customers, as well as handling the company affairs, will be provided by PLDT (Philippine Long-Distance Telephone). •Rice boxes, 6 pcs – 12, 622. 50

•Scooper	-	250.	00
•Pushcart	-	600.	00
•Weighing scale	-	900.	00
•Sub-Total – P4,		250.	00

MISSION

Never stop searching for ways to better serve and satisfy our clients. At the same time, we aim to create a balance-work atmosphere above and beyond personal gain.

VISION

Out of the box rice trade and agriculture with dignity and socialresponsibilityGOALD AND OBJECTIVES

- To create a sustainable competitive advantage
- To raise the best quality of rice
- To expand to a new market
- To increase the company's market share
- To fully return the investment made by partners in establishing the firm

PRODUCT

Rice is an important primary staplefoodin many Asian countries especially in the Philippines. Indicating the high demand for this commodity, planning to put up a rice dealership business in your area is a wise choice. There is already an assurance that this business will succeed because buyers are already there. Of course, in any kind of business, conducting a feasibility study is always a crucial step to take. This will assess the economic viability of your proposed business. We can offer: Thailand Rice, Vietnam Rice, Pakistan Rice, Indian Rice, Brazilian Rice and Philippine Rice (Philippine Rice is for local consumption/delivery only due to government regulation) I simply intend to establish a profitable wholesale-retail Rice Trading firm, in collaboration with our Rice Miller partners in Bulacan, Cagayan-Isabela, Nueva Ecija and Laguna. We are not exclusive to one supplier to be very sure on price competitiveness and standards. We can also facilitate imported rice, based on below broken percentage (e. g. Thailand, China Rice, etc.):

HOW TO ATTRACT CUSTOMERS

Flyers are given to passerby and somehow the BANNER of the newlyn put up business is also seen in tarpaulin.

HOW TO MEET DEMAND

We can offer Rice in accordance to local demands and corresponding quality requirement (e. g. restaurant/hotel quality, retailer's quality, supermarket standard, etc.). We can supply both new and " laon." GROWTH OPPORTUNITY

- To create a sustainable competitive advantage
- To raise the best quality of rice
- To expand to a new market

- To increase the company's market share
- To fully return the investment made by partners in establishing the firm

MARKETING PLAN

MARKET ANALYSIS

TARGET MARKET

- Restaurants
- Hotels
- Rice Retailers
- Resorts
- Distributors
- Retail buyers within our scope area

GEOGRAPHIC AREA

Marikina was given the title Shoe Capital of the Philippines because of its notable shoe industry, being the biggest manufacturer of shoes in the Philippines, producing almost 70% of shoe production in the country. Marikina currently holds the World's Largest Pair of Shoes and recognized by the Guinness World Records, also, the Shoe Museum houses part of the famous shoe collection of the former First Lady Imelda Marcos, shoes of the world leaders, celebrities and shoes of different countries, making it the largest collection of pair of shoes in the world. MARKET DEMOGRAPHICS

Public markets in Marikina are often divided into two, the dry goods section and the wet goods section. Commerce in these public markets are in full swing, especially in the early morning. Under the urban renewal program of the city, some of the public markets had been refurbished and given a fresher look, like the " Marikina Public Market" also known as " Marikina

Market Mall", or locally called the " Pamilihang Bayan", the biggest and cleanest market in Metro Manila. COMPETITION

Modern shopping malls dot the city especially in the southern portion of Marikina. SM City Marikina, Blue Wave Mall at Marquinton, Robinsons Place, are some of Metro Manila's major shopping and commercial centers stands along Marcos Highway. The popular commercial center that lies in Marikina is the Riverbanks Center. For the adventurous shoppers, you may venture beyond the hotel or shopping complex package and combine other interesting destinations for cheap buys such as in Marikina Market Mall. Bargaining is the major part of your shopping experience when you pass by that area, as it sells goods at rock-bottom prices. Riverbanks Center gives a comfort to the shoppers as it offers air-conditioned mall, but the price of the goods here is still very similar to the goods bought outside. Some of goods are cheap electronic products, toys and other cheap equipments needed into your homes.

MARKET

STRATEGIES

IMAGE

PACKAGING

Sando	Bags,	3000	pcs	-	P450.	00
Estimated	total	investment	cost	-	P72,	360. 00

PRICING

PRICE

LIST

Sinandomeng,	450	kilos	@P28.	05/kg	-	P12,	622. 50
Dinurado,	400	kilos	@34.	00/kg	-13,	600. 00	
Wag-wag,	350	kilos	@25.	50/kg	-8,	925. 00	

Milagrosa,	250	kilos	@25.	05/kg	-7,	012.	50
Long Grain,	350	kilos	@25.	50/kg	-8.	925.	00
NFA Rice.	700	kilos	@21.	25/kg	-14,	875.	00
MalagkH,	50	kilos	@34,	00/kg	-1,	700.	00
Sub-Total	-		P67,	660.		00	

NEW PRICE LIST WITH TAX

RICE

NFA, Well milled ---27. 0027. 0028. 00--

NFA, Premium ----30. 0032. 00--

Commercial, Regular milled 30. 4026. 4031. 0032. 0028. 0035. 0039. 25-

Commercial, Well milled 32. 8030. 8033. 8035. 0033. 0037. 0043. 30-

Commercial, Premium 33. 6032. 6034. 4040. 0036. 0045. 0048. 00-

Commercial, Special (Fancy) 36. 0034. 4044. 0045. 0040. 0065. 0059. 00

ADVERTISING AND PROMOTIONS

Discounts. Customers buying 200 kgs.- 300 kgs. of rice will be given 5% discount on their total purchases. For every 100 kgs. purchase above the 200 kgs. margin will be entitled to a 1% increase in their discounts. On the other hand, the facility supervisor shall be the one in charge in supervising the use of equipment, the delivery of the mud crabs to the wholesalers as well as to the all transactions made by the company. The store would hold a banner in tarpaulin in front and will give away flyers to compare prices to other competitors. MANAGEMENT, ORGANIZATIOsN AND PERSONNEL

ORGANIZATIONAL CHART

PRINCIPAL

STOCKHOLDER

The Principal Stockholder is Femie Dina B. Sonido, the sole proprietor of The

<https://assignbuster.com/rice-tradin/>

Best Rice Quality and Price.

EXECUTIVE

COMMITTEE

Executive Committee is Femie Dina B. Sonido, the sole proprietor of The Best

Rice Quality and Price. FUNCTIONS AND RESPONSIBILITIES / THE

MANAGEMENT TEAM

Proprietress – Responsible in the over – all operation of the business from

Marketing to Book keeping to Management operation.

Server – Responsible for sales remittance.

Do assigned tasks and assignment given by the manager

Do the end line jobs in the operations

BACKGROUND

Opportunities in the rice business. To illustrate the rice business, let us analyze the case of a typical Filipino rice farmer and private sector processing enterprise. Rice farms in the Philippines are covered by the agrarian reform law, and the law has effectively dismantled the feudal landlord and tenant relationship, where the landlord owns the land and the farmer is a sharecropper. The average land holding is about 3 hectares, and the average scale of rice farming for most of Southeast Asia. The farm gate price of freshly harvested wet paddy ranges from \$0. 17 per kilo to \$0. 31 per kg depending supply and demand of rice in the market. Paddy pricing is very speculative, and when business intelligence indicates a shortage, prices of paddy at harvest shoot up. The farm yields of farmers also varies widely, but a farmer planting the high yielding variety and following recommended practice can easily produce 4 tons per hectare. The gross value of his production at an assumed \$0. 21/kg is therefore (4 tons/ha x 3 ha. x \$0.

21/kg x 1000) \$2520. It is estimated that it costs the farmer \$359 per hectare to grow rice, or \$1077 for the 3 hectares.

The farmer therefore nets \$1443 in a cropping season of 4 months. A local trader assembles the harvest of farmers in an area and delivers the same to the processor. For his effort, the trader charges \$0. 013 per kg, or \$156 for the 12 tons of paddy. The price therefore of wet and dirty paddy delivered to the processor increases to \$0. 223 per kg, or \$2676. The average moisture of wet paddy during the wet season is 24% wb and has a purity of 95%. A kilogram of paddy at 24% wb weighs 0. 868 kg at 14% wb after removing the 5% impurities, there is only 0. 825 kg of clean and dry paddy out of one ton wet paddy. The effective price of paddy to the processor is therefore ($\$0. 223/0. 825$) or \$0. 27 per kg of clean and dry paddy. On the average a good commercial mill working with good HYV paddy will yield 65% rice of which 80% is head rice, 17% is brokers, 8% is rice bran, and the remainder is the hull. From 0. 825 ton of clean and dry paddy, a miller will yield 536 kg of ungraded milled rice, and 66 kg of bran. The average wholesale price of HYV ungraded rice is estimated at \$0. 46 per kg. Rice bran sells at \$0. 09 per kg. Rice hull has no commercial value, although some processors use it as a source of thermal energy. The processor therefore grosses ($536 \text{ kg} \times 0. 46$) + ($66 \text{ kg} \times 0. 09$) or \$252. 50 per ton of paddy bought. If he bought all of the 12 tons of the farmer, he makes gross of \$3030. The cost of paddy was \$0. 223 per kg., \$223 per ton, or for the 12 tons \$2676. Add to this the cost of processing and marketing estimated at \$0. 025 per kg of paddy bought, or \$25 per ton of paddy bought, or \$300 for the 12 tons of paddy. The processors' net before taxes is therefore ($252. 50 - 223 - 25$) or \$4. 50 per

ton of paddy bought, or \$54 for the 12 tons. A small processor with a 1 ton per hour mill, operating 8 hours a day for 200 days a year can process 1600 tons of paddy. His net sale if he operates at 100% capacity on an 8 hour day, would therefore be \$7, 200. Many mills operate 12 hours daily.

FINANCIAL		PLAN			
BUDGETARY		REQUIREMENTS			
Note	1:	Pre-Operating		Expenses	
Feasibility	Study	15,	000.	00	
Consultation		10,	000.	00	
Recruitment	and Training	Costs	5,	000.	00
Marketing	Costs	40,	000.	00	
Utilities		25,	000.	00	
Uniform	Costs	44,	500.	00	
Farm	Tools	2,	925.	00	
Identification	Card	Costs	2,	300.	00
Total Pre-Operating Costs 144, 725. 00					

Note 2: Organizational Costs

SEC	Registration	Fee	2,	660.	00
DTI	Registration	Fee	2,	000.	00
Notarial		Fee	300.	00	
DENR	Registration	Fee	500.	00	
BIR	Registration			Fee:	
Documentary		Stamps	15.	00	
Print	Receipt	Fee	4,	000.	00
BIR	Registration	Certificate Fee	500. 00	4, 515. 00	Mayor's Permit:

Sanitary	Fee	900.	00		
Permit	Fee	2,	000.	00	
Signboard	Application Fee	1,	150.	00	
HealthCertificate		700.	00		
Occupational	Fee	1,	400.	00	
Zonal	Application Fee	545.	00	6,	695. 00
Barangay	Clearance	800.	00		
Total	Taxes and Licenses	17,	470.	00	
Quickbooks	Pro Software	12,	500.	00	
Total Organization Costs 29, 970. 00					

SOURCE OF FINANCING

The initial capital investment by the partners will reach Php 500, 000. 00 where the proprietor shall withdraw from her own personal savings so she wont be worried on paying the bank.

PROJECTED FINANCIAL STATEMENTS

INCOME STATEMENT

Income Statement

For the Years Ended, Dec. 31, 2014- 2018

Note 2014 2015 2016 2017 2018

Sales	1 7, 616, 160. 00	12, 136, 820. 00	13, 328, 280. 00	14, 523, 840. 00	15, 718, 580. 00
Cost of Goods Sold	2 (4, 210, 667. 80)	(4, 046, 312. 10)	(4, 163, 411. 42)	(4, 280, 968. 06)	(4, 398, 512. 62)
Gross Profit	3, 405, 492. 20	8, 090, 507. 90	9, 164, 868. 58	10, 242, 871. 94	11, 320, 067. 38
Less:					

Selling Expenses³ (688, 466. 00) (692, 994. 00) (697, 612. 56) (702, 323. 49)
 (707, 128. 64) Operatng Income 2, 717, 026. 20 7, 397, 513. 90 8, 467, 256.
 02 9, 540, 548. 45 10, 612, 938. 74 Less:

Administrative Expenses⁴ (564, 780. 33) (570, 393. 23) (574, 421. 60) (578,
 534. 27) (582, 731. 04) Income before tax 2, 152, 245. 87 6, 827, 120. 67 7,
 892, 834. 42 8, 962, 014. 18 10, 030, 207. 70 Less:

Income Tax Expense⁵ (645, 673. 76) (2, 048, 136. 20) (2, 367, 850. 33) (2,
 688, 604. 25) (3, 009, 062. 31) Net Income 1, 506, 572. 11 4, 778, 984. 47 5,
 524, 984. 09 6, 273, 409. 92 7, 021, 145. 39

CASH FLOW

December 31, 2014- 2018

Current	Assets	Note	Pre-	Operating	2014	2015	2016	2017	2018			
Cash in Bank ¹	2, 041, 016. 75	3, 461, 077. 28	8, 244, 471. 41	13, 714, 135. 21	19, 779, 461. 75	26, 422, 020. 19	Petty Cash Fund	50, 000. 00	50, 000. 00			
Accounts Receivable ²	- 380, 808. 00	610, 649. 08	676, 290. 49	742, 732. 63	809, 731. 55	Allowance for Bad Debts ³	- (3, 808. 08)	(9, 876. 49)	(16, 540. 63)	(23, 802. 55)	(31, 661. 84)	
Office Supplies ⁴	11, 568. 25	- - - -	TOTAL CURRENT ASSETS	2, 102, 585. 00	3, 888, 077. 20	8, 895, 244. 00	14, 423, 885. 07	20, 548, 391. 83	27, 250, 089. 90			
Non-Current Assets												
Office Furniture and Fixtures ⁵	43, 500. 00	43, 500. 00	43, 500. 00	43, 500. 00	43, 500. 00	43, 500. 00	Accumulated Depreciation Office Furniture and Fixtures -	6 (5, 350. 00)	(10, 700. 00)	(16, 050. 00)	(21, 400. 00)	(26, 750. 00)
Delivery Equipment ⁷	2, 044, 000. 00	2, 044, 000. 00	2, 044, 000. 00	2, 044, 000. 00	2, 044, 000. 00	2, 044, 000. 00	2, 044, 000. 00	2, 044, 000. 00	2, 044, 000. 00			

044, 000. 00 2, 044, 000. 00 2, 044, 000. 00 Accumulated Depreciation
 Delivery Equipment-8 (205, 200. 00) (410, 400. 00) (615, 600. 00) (820, 800.
 00) (1, 026, 000. 00)

Office

Equipment

9 64, 020. 00 64, 020. 00 64, 020. 00 64, 020. 00 64, 020. 00 64, 020. 00

Accumulated

Depreciation Office Equipment - 10 (11, 654. 00) (23, 308. 00) (34, 962. 00)

(46, 616. 00) (58, 270. 00) Farm Equipment11 399, 800. 00 399, 800. 00

399, 800. 00 399, 800. 00 399, 800. 00 399, 800. 00 Accumulated

Depreciation Farm Equipment - 12 (75, 260. 00) (150, 520. 00) (225, 780.

00) (301, 040. 00) (376, 300. 00) Farm Furniture And Fixtures13 8, 000. 00 8,

000. 00 8, 000. 00 8, 000. 00 8, 000. 00 8, 000. 00 Accumulated

Depreciation Farm Furniture And Fixtures - 14 (800. 00) (1, 600. 00) (2, 400.

00) (3, 200. 00) (4, 000. 00) Office Building15 788, 400. 00 788, 400. 00 788,

400. 00 788, 400. 00 788, 400. 00 788, 400. 00 Accumulated Depreciation

Office Building - 16 (39, 420. 00) (78, 840. 00) (118, 260. 00) (157, 680. 00)

(197, 100. 00) Warehouse17 1, 500, 000. 00 1, 500, 000. 00 1, 500, 000. 00

1, 500, 000. 00 1, 500, 000. 00 1, 500, 000. 00 Accumulated Depreciation

Warehouse - 18 (75, 000. 00) (150, 000. 00) (225, 000. 00) (300, 000. 00)

(375, 000. 00) Land19 1, 875, 000. 00 1, 875, 000. 00 1, 875, 000. 00 1, 875,

000. 00 1, 875, 000. 00 1, 875, 000. 00 TOTAL NON- CURRENT ASSETS 6,

722, 720. 00 6, 310, 036. 00 5, 897, 352. 00 5, 484, 668. 00 5, 071, 984. 00

4, 659, 300. 00

TOTAL ASSETS 8, 825, 305. 00 10, 198, 113. 20 14, 792, 596. 00 19, 908,

553. 07 25, 620, 375. 83 31, 909, 389. 90

BALANCE

SHEET

Total Liabilities 79, 930. 26 167, 116. 25 186, 469. 99 205, 830. 81 225, 107.

60 Total Assets 8, 717, 228. 97 11, 045, 336. 42 13, 762, 010. 50 16, 921, 230. 85 20, 506, 904. 61

0. 0091692280. 0151300280. 0135496190. 0121640570. 010977161

Total Liabilities 79, 930. 26 167, 116. 25

186, 469. 99 205, 830. 81 225, 107. 60 Total Equity 8, 637, 298. 71 10, 878, 220. 18 13, 575, 540. 51 16, 715, 400. 04 20, 281, 797. 01

0. 0092540810. 0153624620. 0137357330. 0123138430. 011098997

Net Income 76, 752. 86 2, 500, 040. 43 3, 023, 666. 94 3, 547, 125. 75 4,

067, 858. 97 Net Sales 5, 572, 500. 00 8, 879, 400. 00 9, 753, 300. 00 10, 627, 200. 00 11, 496, 900. 00

0. 0137735050. 2815551080. 3100147580. 3337780180. 353822245

Net Income 76, 752. 86 2, 500, 040. 43 3, 023, 666. 94 3, 547, 125. 75 4,

067, 858. 97 Total Assets 8, 717, 228. 97 11, 045, 336. 42 13, 762, 010. 50 16, 921, 230. 85 20, 506, 904. 61

0. 0088047310. 2263435290. 2197111340. 2096257520. 198365333

Net Income 76, 752. 86 2, 500, 040. 43 3, 023, 666. 94 3, 547, 125. 75 4,

067, 858. 97 Total Equity 8, 637, 298. 71 10, 878, 220. 18 13, 575, 540. 51 16, 715, 400. 04 20, 281, 797. 01

0. 0088862110. 2298207230. 2227290280. 2122070510. 20056699

FINANCIAL

ANALYSIS

•The financial statements are prepared and presented in accordance with

<https://assignbuster.com/rice-tradin/>

Financial Reporting Standards Council (FRSC) Philippine Accounting Standards (PAS1). •All projections are made for five years, from 2014-2018.

•Organizational Costs and Pre- Operating Expenses will be deducted from the capital of the partners in their initial Investment. •Crabs are priced based on market price.

•Accounts receivables are estimated to be 5% of sales. 99% of the accounts receivable will be collected next year. •Allowance for Bad Debts will be established based on 1% of Credit Sales. •All purchases to be made on cash basis.

•Office supplies expense and Indirect Materials will increase based on inflation rate (4. 5).

Year	Inflation Rate
2008	3
2009	2
2010	8
2011	6
2012	2
2013	9
Total	27
Divided	by 6

Average Inflation Rate 4. 5

•Electricity bill shall be divided into 35% factory overhead and 30% selling and 35% administrative expenses. •The budgeted costs annually will be Php24, 000 for Repairs and Maintenance, Php104, 000 for Fuel, Php240, 000

for Electricity, Php120, 000 for Water, and Php24, 000 for Telephone.

- Repairs and Maintenance of location and fixed assets increase 2% every year. Repairs and Maintenance of location and fixed assets shall be divided into 30% selling and 30% administrative and 40% factory overhead.
- Fuel expense, water expense, electricity expense, and telephone expense will increase by 2% annually.
- Taxes and licenses will be computed based on existing laws.
- SSS, HDMF, PhilHealth and Employer’s contribution will be based on the rules provided by the concerned institutions.
- 91. 67% of SSS Premiums Payable, HDMF Premiums Payable, PhilHealth Premiums Payable, EC Premiums Payable, Utilities Payable and Income Tax Payable will be paid during the year and the remaining will be paid next year.
- The company will maintain a petty cash fund of Php 50, 000.
- Income tax of 30% is used even if there are no provisions that will arise as regard the changes in the said taxes.
- Fixed assets shall be continuously maintained and improved.
- Withdrawals of the partners will be 3% of their beginning Capital Balances, starting December 31, 2014
- Office Supplies are purchased every beginning of the year except for the first year which will be purchased on the pre-operating period.
- Property taxes will be based on Philippines applicable Real Estate tax rate that varies depending on actual and zoning value of the property.

OVERALL FIRM LIQUIDITY / DEGREE OF INDEBTNESS / PROFITABILITY

2014 2015 2016 2017 2018

January - 2, 427. 00 2, 669. 00 2, 912. 00 3, 155. 00 February - 2, 427. 00 2, 669. 00 2, 912. 00 3, 155. 00 March - 2, 427. 00 2, 669. 00 2, 912. 00 3, 155. 00 April

- 2, 427. 00 2, 669. 00 2, 912. 00 3, 155. 00 May* 2, 287. 00 2, 426. 00 2, 668. 00 2, 911. 00 3, 154. 00 June 2, 287. 00 2, 426. 00 2, 668. 00 2, 911. 00 3, 154. 00

July 2, 287. 00 2, 426. 00 2, 668. 00 2, 911. 00 3, 154. 00 August 2, 287. 00 2, 426. 00 2, 668. 00 2, 911. 00 3, 154. 00 September 2, 287. 00 2, 426. 00 2, 668. 00 2, 911. 00 3, 154. 00 October 2, 287. 00 2, 426. 00 2, 668. 00 2, 911. 00 3, 154. 00 November 2, 427. 00 2, 669. 00 2, 912. 00 3, 155. 00 3, 397. 00 December 2, 427. 00 2, 669. 00 2, 912. 00 3, 155. 00 3, 397. 00
Total Production 18, 576. 00 29, 602. 00 32, 508. 00 35, 424. 00 38, 338. 00

ROI

The computation shows an average of 35. 6% which means that the business is maximizing its assets throughout the operation. ROI – Net Income/ Total Assets

YEAR	NET	INCOME	ASSETS	ROI	
2014	76,	735253,	22830.	30%	
2015	126,	237338,	85137.	25%	
2016	195,	142495,	25739.	40%	
2017	280,	122736,	05838.	86%	
2018	382,	7851,	128,	15533.	93%

35. 79%

2014 2015 2016 2017 2018

Current Assets 2, 407, 192. 97 5, 147, 984. 42 8, 277, 342. 50 11, 849, 246. 85 15, 847, 604. 61 Current Liabilities 79, 930. 26 167, 116. 25 186, 469. 99 205, 830. 81 225, 107. 60

30. 1161645930. 8048108944. 3896751757. 5678973370. 40013239

Quick Assets 2, 407, 192. 97 5, 147, 984. 42 8, 277, 342. 50 11, 849, 246. 85
15, 847, 604. 61 Current Liabilities 79, 930. 26 167, 116. 25 186, 469. 99
205, 830. 81 225, 107. 60

30. 1161645930. 8048108944. 3896751757. 5678973370. 40013239

Working Capital 8, 637, 298. 71 10, 878, 220. 18 13, 575, 540. 51 16, 715,
400. 04 20, 281, 797. 01 Total Assets 2, 407, 192. 97 5, 147, 984. 42 8, 277,
342. 50 11, 849, 246. 85 15, 847, 604. 61

3. 588120612. 1131027761. 6400844241. 410671941. 279802059

RETURN OF EQUITY
Statement Changes in Equity

For the Years Ended, December 31, 2014- 2018

Pre- OperatingTotal
Beginning Capital 3, 000, 000. 00 3, 000, 000. 00 3, 000, 000. 00 9, 000,
000. 00 Less:

Organizational Costs (9, 990. 00) (9, 990. 00) (9, 990. 00) (29, 970. 00) Pre-
Operating Expenses (48, 241. 67) (48, 241. 67) (48, 241. 67) (144, 725. 00)

Add:

Share in Net Income
Total Capital 2, 941, 768. 33 2, 941, 768. 33 2, 941, 768. 33 8, 825, 305. 00
Less: Withdrawals - - - Ending Capital 2, 941, 768. 33 2, 941, 768. 33 2,
941, 768. 33 8, 825, 305. 00

RATIO OF OPERATING EXPENSES TO SALES

2014 2015 2016 2017 2018

Repairs and Maintenance Monthly 2, 000. 00 2, 040. 00 2, 080. 80 2, 122. 42

2, 164. 86 Operating Months 12 12 12 12 12

Annual Repairs and Maintenance 24, 000. 00 24, 480. 00 24, 969. 60 25,

468. 99 25, 978. 37 Share of Administrative 0. 30 0. 30 0. 30 0. 30 0. 30

Repairs and Maintenance for Admin. 7, 200. 00 7, 344. 00 7, 490. 88 7, 640.

70 7, 793. 51

2014 2015 2016 2017

Net Income before tax 2, 152, 245. 87 6, 827, 120. 67 7, 892, 834. 42 8, 962,

014. 18 Percentage 30% 30% 30% 30%

Income tax Expense 645, 673. 76 2, 048, 136. 20 2, 367, 850. 33

2, 688, 604. 25

TABLE 1 AGE OF THE RESPONDENTS

AGERESPONDENTS%

15-20 330%

21-30 440%

31- above 330%

TOTAL 10 100

TABLE 2 GENDER OF THE RESPONDENTS

GENDERRESPONDENTS%

MALE 770%

FEMALE 330%

TOTAL 10 100

TABLE 3 OCCUPATION OF THE RESPONDENTS

OCCUPATIONRESPONDENTS%

STUDENT330%

SELF EMPLOYED440%

EMPLOYED330%

UNEMPLOYED00%

TOTAL10100

TABLE 4 DO YOU AGREE THAT THIS KIND OF BUSINESS IS PROFITABLE

ANSWERSRESPONDENTS%

YES880%

NO220%

TOTAL10100

The respondents agrees that this kind of busines is profitable because rice is the main meal that Filipinos had everyday and every meal. And with the lowest price that would be available in Marikina, people will be delightful to buy in this kind of store where their budget can fit and that it offers the lowest price in town. TABLE 5 IF THIS RICE BUSINESS WOULD BE AVAILABLE

IN THE MARKET WILL YOU GO AND BUY? ANSWERSRESPONDENTS%

YES990%

NO110%

TOTAL10100

The respondents agrees that they will buy in this new store because of the lowest price they offer.

FOUR P'S

PRODUCT

Discounts. Customers buying 200 kgs.- 300 kgs. of rice will be given 5% discount on their total purchases. For every 100 kgs. purchase above the 200 kgs. margin will be entitled to a 1% increase in their discounts. On the other hand, the facility supervisor shall be the one in charge in supervising the use of equipment, the delivery of the mud crabs to the wholesalers as well as to the all transactions made by the company. The store would hold a banner in tarpaulin in front and will give away flyers to compare prices to other competitors. PRICING

Sinandomeng,	450	kilos	@P28.	05/kg	-	P12,	622.	50
Dinurado,	400	kilos	@34.	00/kg	-13,	600.	00	
Wag-wag,	350	kilos	@25.	50/kg	-8,	925.	00	
Milagrosa,	250	kilos	@25.	05/kg	-7,	012.	50	
Long Grain,	350	kilos	@25.	50/kg	-8.	925.	00	
NFA Rice.	700	kilos	@21.	25/kg	-14,	875.	00	
MalagkH,	50	kilos	@34,	00/kg	-1,	700.	00	
Sub-Total	-		P67,		660.		00	

PROMOTION

Promotion is one of the major components of the company total marketing mixture. The proposed business establishment will be promoted not only personally and verbally, but it will also be promoted through flyers or brochures its advantage to us to promote our restaurant because the nearby mall also located in our vicinity.

The establishment will concentrate on producing high quality rice and providing excellent services to make sure that the customers will get a delightful eating the rice that they bought in the establishment, from the

word of mouth of patrons, there would be new customers that would like to try it out and wants to have the same experience. PLACE

The business shall be located in Marikina City. Because the site is busy and it is nearby a supermarket wherein there are many walk-in customers and all walks of life and different classes of people would come to shop and stop at the supermarket that's why there is a great possibility that our proposed business would click and that it would become a successful one. It is probable for one hundred percentage of profitability most especially that this is restaurant and at the same time a unique touch of different menu is served.