

Technical aspect essay



**ASSIGN
BUSTER**

TECHNICAL ASPECT In the technical aspect it identifies whether the services rendered could be the highest possible quality level with minimum cost. In this aspect we will discuss the equipment and other computer application we use in the business. We purchase the equipment as packages in order to lessen our expenses. Hardware and Software is our much focus aspects. We did researching on how much the Hardware and Software will cost us, through net surfing. The internet connection we used is a package plan PLDT DSL with telefax phone amounting to P2, 799. 0 with the capacity of 10 computers and have a speed of 2 Mbps (megabytes per second). In hardware aspect, our target number of PC is 10 (monitor-flat screen, keyboard, mouse, webcam), 3 in 1Printer, Scanner & Photocopier. In Software, we will be installing original Operating System of Windows 7 as the latest operating system and MS Office Professional 2007 likes MS Word, Excel, Power point, Access, Desktop Publishing and installing the popular on line games such World of warcraft , CounterStrike, Battle Realms, Dance Audition, Auto Jam, and we will be installing Norton 360 version 3. premium for our anti-virus and anti-spyware. We offer other service to customers likes printing in black and white and colored prints, DVD/CD burning, photocopying. telefax, scanning and payphone.

List of Hardware	Brand name	Amount	Package
PC's	intel athlon	Php. 17, 500. 00	3 in 1 PSC
	HP Officejet 2610	Print/Scan/Copy	Php. 14, 500. 00
Computer application software	Amount	OS MS Office 2007	Php. 19, 200. 00
Game software:	Warcraft (dota)	Php. 1, 450. 00	Counterstrikes
	Php. 350. 00	Battle Realms	Php. 720. 00
	Dance Audition	Php. 1, 968. 00	Autojam
	Php. 1, 968. 00	Anti-virus and anti spy ware	Php. 10, 800. 00
	MANPOWER		

Manpower requirements are very important to any business in order for them to have an intelligent and accurate people who will manipulate inside the firm. Requirements will serve as basis on personal and general background of an employee enable for the company to know the capacity of their skills and ability to do the work that is assign to them. Business owner will be in charge in human resource. The personnel of the Internet cafe will be the industrial partner who works by shift, 8 hours a day, the first shift is from 7: 00 am to 3: 00 pm while the second shift is from 2: 00 pm to 10: 00 pm and the 3rd shift will be 10: 00 pm to 7: 00 am.

A walk in technician will be called in case if computer malfunctions and he will visit then the shop/cafe twice a month. Walking Technician P 1, 000. 00/visit twice a month ESTIMATED ANNUAL COST FOR MANPOWER For Walking Technician— P24, 000. 00/year (2000*12) Additional budget allocation for computer troubleshooting Php. 500 (500*12) (Just incase our technician is not available.) MANAGER Ms. Ma. Normita Cava Ms. Jacquelyn B. Santos ACCOUNTANT Ms. Evelyn Macabodbod CASHIER/COMPUTER ASSISTANT Ms. Angelica Aquino Ms. Katherine Trinidad I. T. Mr. Tomy Alejandro OPERATION OF A BUSINESS

Factors that we consider while putting up our own Internet cafe o Location- Picking a good spot and we'll hit us a gold mine. o Competition- Most business-minded people think of competition as a race to charge the lowest prices in order to win customers. While it's good for the customers, exceeding the lower boundaries can drive you and your competitors to bankruptcy. One cannot expect to recover a Php500, 000 investments if hourly rentals go down to as low as Php10. It goes without saying that in this

industry, there are no customer loyalty; just cheaper rentals. Software Licensing-it's really important to have an original operating system, because pirated OS can eventually damage the system. o Expected ROI- investing money in a business is a risk in our case the well tabulated if financial statement is our major concern. Cafe opens at 7: 00 am until 10: 00 pm. Ahead of other competitors, this will lead us of being known. Our goal is to give the needs of the students and others in an early manner of time. It will also include the completion all legal requirements before the operation of business.

In operational procedure we keep in minds all the legal aspects of establishing a business such as Business permit & the following requirements are: LEGAL REQUIREMENTS Registration with BIR (Bureau of Internal Revenue) Registration of business name with DTI (Department of Trade and Industry) Barangay Clearance and Business Permit Mayors Permit BARANGAY CLEARANCE The proposal business will secure Barangay permit that is our responsibilities. It would make the immediate community to be aware of the business that would give satisfaction and promote community involvement. REGISTRATION OF NAME WITH DTI JOB FUNCTIONS POSITION FUNCTION MANAGER - Establishes store policies and procedure for strict implementation - Execute final decisions on all matters pertaining to the operation and the management functions of the business - Audit individual computers to check for proper system - Visit the shop alternate everyday ACCOUNTANT - Check the book of accounts and financial statement in daily basis - Handles license renewals, facilities preparation and payment of annual tax generated by the business. - Visit the shop every other day.

COMPUTER ASSISTANT / CASHIER – Accept payment – Maintains inventory of supplies in the shop – To assist customers in their needs Maintain cleanliness and orderliness. – Help conserve Utilities consumption – Logging the customers hours consumed I. T. – Incharge in computer maintenance * I. T. Expert – Provide information and/ or technical aspect 12 [pic]OPERATION OF A BUSINESS Factors that we consider while putting up our own Internet cafe

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It would be based on the reported business entity to be put up; we secured barangay clearance as a requirement for an application. Bureau of Internal Revenue The proposed business should register with BIR and secured TIN (Tax Identification Number) which will be used as simplifying the record control producers relating to taxation and securing VAT (Value Added Tax) MAYOR'S PERMIT Mayor's permit must acquired before the operation of the business Steps in processing permits STEP 1 1. Business Name Registration Certificate Validity: 5 years Requirements: o Accomplished Business Name Registration Form [Single Proprietorship/Partnership] o

Tax Identification Number (TIN) o Registration fee of P 300. 00 STEP 2 Mayor's / Business Permit Local Municipality where the business is located Validity: 1 year Requirements: 14 [pic][pic] o Accomplished Business Permit

Application Form o DTI-Business Name Certificate o Sketch of he business location o Barangay Clearance o Lease Contract STEP 3 o Bureau of Internal Revenue (BIR) National Office STEP 4 Securities and Exchange Commission (SEC) Certificate Requirements: o Verification Slip Form (re: proposed name) o Accomplished Registration Data Sheet LEGAL REQUIREMENTS COST

Barangay Clearance —150. 00 Mayor's Permit —9, 514. 00 - Business Tax 1, 400. 00 - Mayor's Permit 2, 096. 00 - Business Plate 350. 00 - Refuse Fee 2, 384. 00 - Sanitary Permit 2, 064. 00 - Health Certificate 200. 00 - Occupational Tax 200. 00 - Inspection Fee 200. 00 - Filing 100. 00 - Processing 120. 00 - Zoning 400. 00 BIR — 300. 00 DTI — 500. 00 Total — P 10, 464. 00 15 [pic]* The mayor's permit computation was computed

by Ms. Lorna Torres at Business Permits and Licensing Office, City of Caloocan Signage Permit 5ft Length 2ft Width * According to Mr. Bong Reyes of Engineer's Office of Caloocan City Hall signage permit is 35. 00 per square ft.

Computation: $10\text{sq. ft.} \times 35. 00 = 350. 00$ Additional Inspection fee 150. 00 Filing fee 50. 00 Total Cost Php550. 00 The amount of signage is Php. 4, 000. 00 The store will be open Monday through Sunday. Ahead from other Internet shop along the area, the mall opens at 8: 30 am; we always believe that the early bird catches the worm. The place is good for group, good for kids, attire- casual. Assumptions: ? Business Year will start at June 2009 ? Prepaid Rent is Php. 10, 000. 00 monthly, Payment will first month of the business year. ? Payable must paid before the division of income ? Division of income will be at the end of business year Salaries for Other technician will be Php. 500. 00 per visit, estimated once a month ? Air condition

maintenance will for Php. 450. 00 every year ? Water expense is Php. 117. 50 minimum bill every month. ? Bill of telephone was included in DSL ? Cleaning Expense is Php. 1, 735. 00 for the whole year ? Anti virus is package purchase that good for 5 computers amounting Php. 3, 600. 00 each ? 2010 purchase another Norton Anti virus for the additional computer 16 [pic]? Padlock and other cleaning materials considered as expense at the end of the year ? Membership card is good for 1 year ? All lightings materials are included in lease of contract ?

Membership card, small tarpaulins & fliers will purchased twice a year LIST OF SUPPLIES The materials needed for the operation of the business Bond Paper 150. 00 (500pcs. /rim) CD w/ Case 13. 00/set Ballpen – 48. 00/box of 12pcs. Stapler – 100. 00 Stapler Wire – 30. 00 HP 96 Black Ink – 800. 00 HP 97 Tri-Color – 850. 00 Record Book – 25. 00 Fire Extinguisher 10lbs. (Danwell)- 3, 950. 00 Other Equipment Air-condition (Condura) 14, 500. 00 Furniture & Fixture

Quantity	Unit Price	Total Price
14	Computer Table	1, 300. 00
18	Table for Server	18, 200. 00
1	Monoblock Chair	1, 500. 00
15	Chair	249. 75
4	Tool Chair	4, 995. 00
5	Chair	89. 00
1	Cabinet	1, 000. 00
1	Cabinet	1, 000. 00
Total		26, 140. 00

Additional Expense 17 [pic] The proposed business should be registered with DTI to assure that any organization of individual for their business proposal for future use would not copy the name of our business. It acquires 15 days period of processing before the name of the business registered certificate can be issued by the said government agency.

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Local Municipality where the business is located Validity: 1 year

Requirements Accomplished Business Permit Application Form DTI-Business

Name Certificate Sketch of he business location Barangay Clearance Lease

Contract STEP 3 Bureau of Internal Revenue (BIR) National Office STEP 4

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be Php. 1, 000. 00 per visit (twice a month) Air condition maintenance will for

Php. 50. 00 every year Water expense is Php. 117. 50 minimum bill every

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735. 00 for the whole year Anti virus is package purchase that good for 5

computers amounting Php. 3, 600. 00 each 2010 purchase another Norton

Anti virus for the additional computer Padlock and other cleaning materials

considered as expense at the end of the year Membership card is good for 1

year All lightings materials are included in lease of contract Membership

card, small tarpaulins & fliers will purchased twice a year LIST OF SUPPLIES

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00 Record Book - 25. 00 Fire Extinguisher 10lbs. (Danwell)- 3, 950. 00 Other

Equipment Air-condition (Condura) 14, 500. 00 Furniture & Fixture Quantity

Unit Price Total Price Computer Table 14 1, 300. 00 18, 200. 00 Table for

Server 1 1, 500. 00 1, 500. 00 Monoblock Chair 15 249. 75 4, 995. 00 Tool
 Chair 5 89. 00 445. 00 Cabinet 1 1, 000. 00 1, 000. 00 Total 26, 140. 00

Additional Expenses:

Pad Lock (Abloy) P1, 800. 00/ unit) Quantity Unit Price Amount 2 1, 800. 00
 3, 600. 00 Waste Disposal The proper disposal of the garbage is very
 important. Since our business is a computer cafe we usually used bond
 paper, so it is not hard for us to think how it will be disposed. To maintain the
 cleanliness inside the cafe there are trash basket at one corner. Cleaning
 Materials : Broom 60. 00 (replace every 6 months) Dust Pan Plastic 45. 00
 Trash Basket 100. 00 Feather Dust 50. 00 (25. 00/ pc.) Mop 250. 00 Powder
 Soap 20. 00 (6pcs. Good for 2 mos.) Air Freshener 175. 00 (replace every 2
 months)

Guidelines of Business 1. All Malicious site are blocked 2. Were not allowing
 inserting flash drive or any storage device without the consent of the shop
 manager 3. Eating and drinking inside the premises is not allowed 4.

Students whose wearing school uniform especially from 8am to 12pm are not
 allowed to play games 5. One person for one pc to maintain orderliness

AMBIANCE -Not too dark not too bright because we want the shop more
 conducive to work and play - Our computer table have a board between user
 for privacy purposes * All furniture are fully furnished and labor included.

[pic]

Project Cost As a part of the business, it's more concerned is in financing and
 financial feasibility that perform activities. The total project cost we will able
 to determine how much money consumed from the start. Total Project

Composed of the following: Legal Requirements Equipments Furniture and Fixture Prepaid Supplies Prepaid Rent Computer Application Software & Game Software Other Expense Working Capital The cash flow it indicates the total cost before the operation. For the prepaid supplies and prepaid rent it will covered for one year. The improvement is composed of paint and labor, which is the cost for labor is 800. 0(400. 00 each person). It also include the payment of purchases such as Equipment, software, furniture and fixture and signage. Payment for legal requirements, marketing and other expenses which other expense composed of padlock and cleaning materials. Payment for Legal Requirement 11, 014. 00 Payment for Equipment 328, 250. 00 Payment for Other Equipment 2, 000. 00 Payment for Furniture and Fixture 26, 140. 00 Payment for Supplies 89, 819. 00 Payment for Prepaid Rent 120, 000. 00 Payment for Computer Application Software 19, 200. 00 Payment for Games Software 6, 456. 00 Payment for Anti-Virus Software 10, 800. 0 Payment for Signage 4, 000. 00 Improvement Expense 1, 800. 00 Marketing Expense 12, 405. 35 Pre-Operation Expense 5, 335. 00 Cash available as of September 201062, 780. 65 Supplies Expense 2011 2012 2013 2014 2015 Bond Paper 25, 112. 00 26, 864. 00 29, 200. 00 32, 266. 00 34, 894. 00 (photocopy) 7, 608. 00 8, 242. 00 8, 876. 00 9, 510. 00 10, 144. 00 CD Case & CD's 28, 470. 00 37, 960. 00 47, 450. 00 61, 685. 00 71, 175. 00 Staple Wire 60. 00 60. 00 90. 00 120. 00 150. 00 Record Book 75. 00 75. 00 100. 00 125. 00 150. 00 Ballpen 144. 00 144. 00 192. 0 240. 00 288. 00 Ink 24, 300. 00 25, 029. 00 25, 779. 87 26, 553. 27 27, 349. 87 Stapler 100. 00 100. 00 100. 00 100. 00 100. 00 Fire Extinguisher 3, 950. 00 3, 950. 00 3, 950. 00 3, 950. 00 3, 950. 00 Total 89, 819. 00 102, 424. 00 115, 737. 87 134, 549. 27 148, 200. 80 Table shows the depreciation of equipment and furniture's and

fixture from the original price with the salvage value of 10% except the furniture and fixture. To compute the depreciation of equipment just multiplies in 10% salvage value and the result will be subtracted to the original price then divided in 5 years useful life.

Same in other equipment, furniture and fixture but don't have salvage value; it is immaterial if they had a salvage value because it has a lower price.

DEPRECIATION: Equipment Computer Set (17,500/4 years) Cost Per Unit
 Useful Life Salvage Value Depreciated Cost Book Value Per Unit (10%) 17,500
 41,995.00 3,591.00 16,359.00 Total Year Quantity Net Value
 Depreciation Book Value 2011 10 175,000.00 53,865.00 191,520.00 2011
 10 175,000.00 53,865.00 191,520.00 Additional Computer 1 17,500.00
 3,591.00 16,359.00 2012 11 160,000.00 50,456.00 150,423.00

Additional Computer 1 16,500.00 3,291.00 14,359.00 2013 10 166,782.00
 61,047.00 105,735.00 Additional Computer 1 17,500.00 3,591.00 16,359.00
 2014 10 122,094.00 64,638.00 57,456.00 Additional Computer
 235,000.00 7,182.00 32,718.00 Aircon (7,000/4 years) Cost Per Unit
 Useful Life Salvage Value Depreciated Cost Book Value Per Unit (10%) 14,500.00
 4 1,450.00 2,610.00 11,890.00 Year Quantity Net Value
 Depreciated cost Book Value 2011 1 14,500.00 2,610.00 11,890.00 2012 1
 11,890.00 2,610.00 9,280.00 2013 1 9,280.00 2,610.00 6,670.00 014
 1 6,670.00 2,610.00 4,060.00 3 in 1 (Scanner/Photocopier/Printer (14,500.00/5 years)
) Cost Per Unit Useful Life Salvage Value Depreciated Cost Book Value Per Unit (10%)
 14,500.00 5 1,450.00 2,610.00 11,890.00 Year Quantity Net Value
 Depreciation Book Value 2011 1 14,500.00 2,610.00 11,890.00 2012 1
 11,890.00 2,610.00 9,280.00 2013 1 9,280.00 2,610.00 6,670.00

6, 670. 00 2014 1 6, 670. 00 2, 610. 00 4, 060. 00 2015 1 4, 060. 00 2, 610. 00 1, 450. 00 Furniture & Fixture Monoblock Chair Cost Per Unit Useful Life Salvage Value Depreciated Cost Book Value Per Unit 249. 75 5 None 49. 5 199. 8 Year Quantity Net Value Depreciated Cost Book Value 2011 20 4, 995. 00 999. 00 3, 996. 00 2012 20 3, 996. 00 999. 00 2, 997. 00 2013 20 2, 997. 00 999. 00 1, 998. 00 2014 20 1, 998. 00 999. 00 999. 00 2015 20 999. 00 999. 00 0. 00 Computer Table Cost Per Unit Useful Life Salvage Value Depreciated Cost Book Value Per Unit 1, 300. 00 5 None 260. 00 1, 040. 00 Year Quantity Net Value Depreciation Book Value 2011 11 14, 300. 00 2, 100. 00 12, 200. 00 2012 11 12, 200. 00 2, 100. 00 10, 100. 00 2013 11 10, 100. 00 2, 100. 00 7, 900. 00 2014 11 7, 900. 00 2, 100. 00 5, 800. 00 2015 11 5, 800. 00 2, 100. 00 3, 700. 00

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