

BUSINESS PLAN

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Assessment Task 2

Module name: Enterprise and Entrepreneurship

Module code: LCM4006

SUMMARY

Business Plan

- ▶ Introduction
- ▶ Overview of the Business Idea
- ▶ Legal Format and Management Structure
- ▶ PESTEL Analysis
- ▶ Target Market and Marketing Strategies
- ▶ Funding Requirements and Allocation
- ▶ Reference



BONITO

BODYWORK REPAIRS

INTRODUCTION

- ▶ Who am I ? (Skills, experience and motivation)
- ▶ My goal is to open a company that performs car paint repairs, with a focus on cars that are involved in small accidents and need to call the insurance company.

OVERVIEW OF THE BUSINESS IDEA

BONITO BODYWORK REPAIRS

- ▶ Repair of the paint of cars that have chosen to claim insurance.
- ▶ Recognized for seeking to work with biodegradable products that do not degrade the environment.

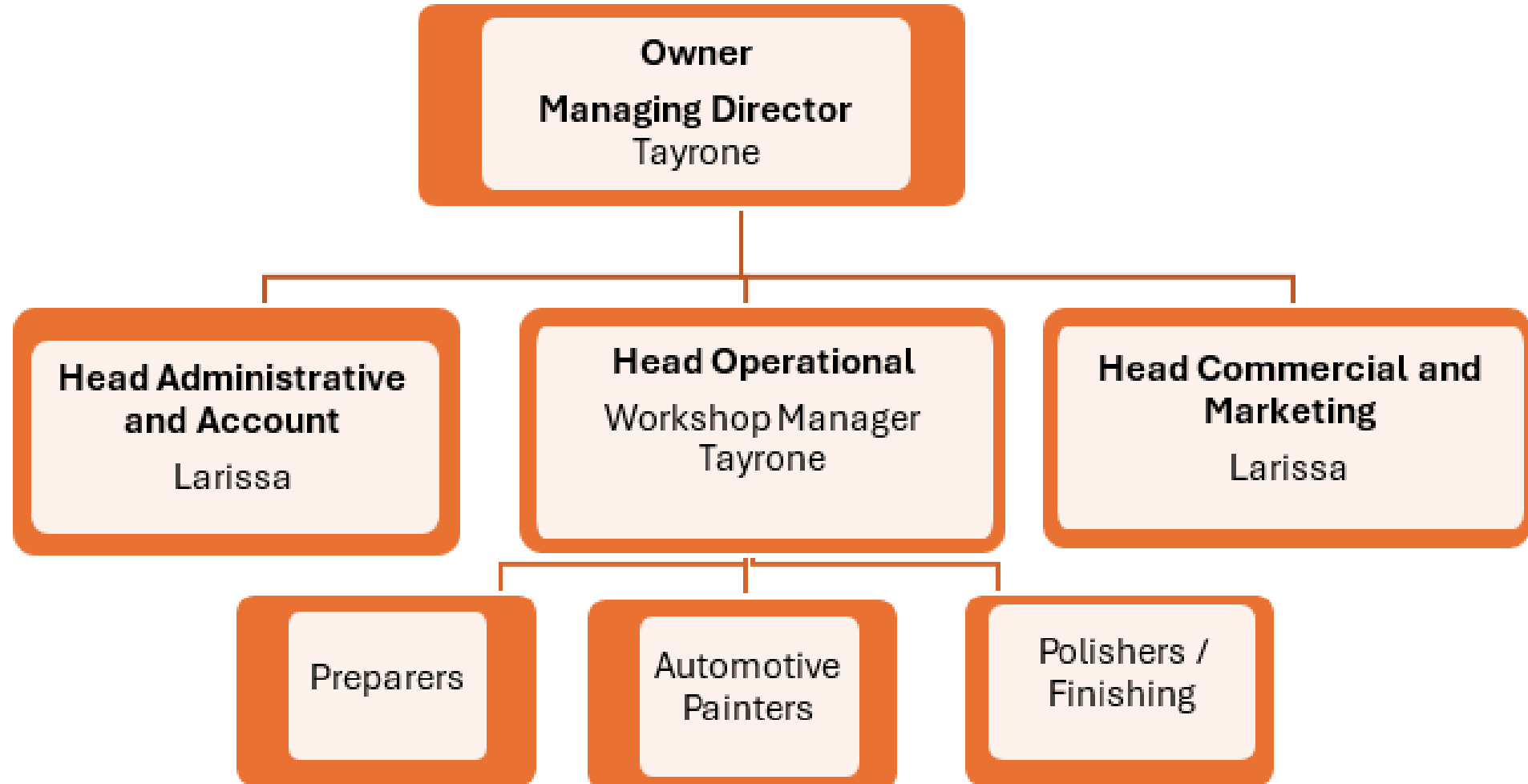


LEGAL FORMAT AND MANAGEMENT STRUCTURE

PARTNERSHIP

- ▶ Less bureaucracy
- ▶ Ourselves can create and manage
- ▶ Transparency and tax simplicity
- ▶ Free to define internal rules, profit sharing and responsibilities
- ▶ Disadvantage of the structure is related to unlimited liability

State the management structure of business BONITO BODYWORK REPAIRS



PESTEL ANALYSIS



POLITICAL

Post-Brexit
Local licensing



ECONOMIC

Startup Costs
Inflation
Cost of Materials



SOCIAL

Urban car culture - 200 accidents per day
Aesthetic expectations
Customers - Eco-Friendly



TECNOLOGICAL

Paint systems
Digital tools
Online presence



ENVIRONMENTAL

Proper disposal of paint residues
Eco-friendly practices
Urban impact

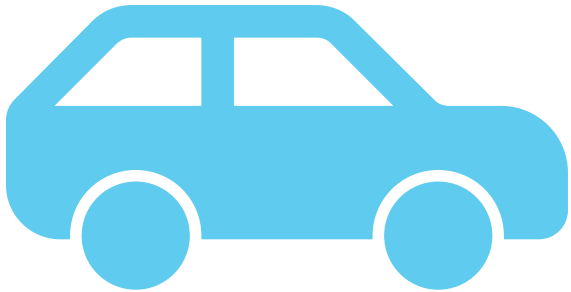


LEGAL

Environmental regulations
Health and safety laws
Employment regulations: Labor
Consumer protection laws

MARKETING STRATEGIES and TARGETING - STP Model

- ▶ Target segments for a group of people use insurance car, preferably popular model cars.
- ▶ Geographic - Brent - NW region of London - Popular cars
- ▶ Marketing, the use of partnerships with influencers online in social media the region can be an initial strategy to gain visibility
- ▶ Quality of the service provided and the e-WoM (Word of mouth) method, it will be effective to keep following and gain more customers.
- ▶ Position, products that are less harmful to the environment, and we want to be an environmentally friendly company.



Funding Requirements and Allocation

STARTUP COST	
FUNITURE – OFFICE AND TOILETRIES	£ 1775
ACESSORIES – TOOLS (air compressor, tool kit, spray guns, sanding machines, lighting setups, paint mixing system, protective gear)	£ 8500
LEASE RENT	£ 2500
RENOVATION/SETUP ventilation system, electrical, signboard, plumbing	£ 8000
INSURANCE AND LICENSES	£ 500
TOTAL	£21275

Funding Requirements and Allocation

OPERATIONAL COST FIXED COSTS

Fixed Costs	per month
Rent	£2,500
Waste-Collection (License)	£ 150
Two Employees Salary	£6,000
Compressor and paint booth maintenance	£100
Total cost	£ 8750

Currently any repair on the paint of a car is on average £400 to £2000.

Week	Month	Invoicing
2 cars	8 cars (until the second)	8000£
5 cars	20 cars	20000£
More than 7 cars	28 cars	28000£

OPERATIONAL COST VARIABLE COST – First Year				
Variable Costs	Gas & Electricity	Raw materials (paint, thinner, solvents, abrasives, paper)	Cleaning and safety materials (gloves, respirators, overalls, cleaning materials)	Total Variable cost
JANUARY	£350	£1250	£300	£1900
FEBRUARY	£600	£700	£200	£1500
MARCH	£700	£700	£225	£1625
APRIL	£ 880	£810	£250	£1940
MAY	£700	£650	£200	£1550
JUNE	£800	£700	£220	£1720
JULY	£600	£610	£180	£1390
AUGUST	£600	£575	£150	£1325
SEPTEMBER	£600	£600	£175	£1375
OCTOBER	£ 880	£810	£250	£1940
NOVEMBER	£700	£650	£200	£1550
DECEMBER	£800	£800	£220	£1820

	Fixed	Variable cost	Total cost (Operacional)	Revenue	Profit/loss	
JANUARY	£8750	£1900	£10650	£6000	£-4650	
FEBRUARY	£8750	£1500	£10250	£8000	£-2250	
MARCH	£8750	£1625	£10375	£8500	£-1875	
APRIL	£8750	£1940	£10690	£13000	£2300	
MAY	£8750	£1550	£10300	£13500	£3200	
JUNE	£8750	£1720	£10470	£15000	£4530	
JULY	£8750	£1390	£10140	£16000	£5860	
AUGUST	£8750	£1325	£10075	£15000	£4925	
SEPTEMBER	£8750	£1375	£10125	£15000	£4875	
OCTOBER	£8750	£1940	£12815	£19000	£6185*	
NOVEMBER	£8750	£1550	£10300	£19500	£9200	
DECMBER	£8750	£1820	£10570	£18500	£7930	

FINANCIAL FORECAST FOR THE FIRST YEAR

Investment needed	Startup cost	(Total operating cost Fix + OR - Revenue up to break even point)
£30550	£21.275	£-4650
		£-2250
		£-1875
		£8775

INVESTMENT NEEDED

Investment needed = Total Startup Cost + (Operational Cost – Revenue up to the break-even point)



Anyone
interested in
investing in
the company?