

## CHAPTER IV

### FINANCIAL PLAN

#### A. Capital Needs

##### 1. Total Investment

The total investment of Kiss Pride is listed in the following table. It includes the total appliance and furnishings used by the company. The total investment that must be paid by Kiss Pride is around Rp.7.000.000. This price is only paid by the company once at the beginning of the business started.

Table 4.1 Total Investment of Kiss Pride

Appliance	QTY	Price	Total
Ipad	1	Rp4,500,000	Rp4,500,000
<b>TOTAL</b>			<b>Rp4,500,000</b>
Furnishings	QTY	Price	Total
Shelf	5	Rp500,000	Rp2,500,000
<b>TOTAL</b>			<b>Rp2,500,000</b>
<b>TOTAL INVESTMENT</b>			<b>Rp7.000,000</b>

#### B. Financial Statements Overview

##### 1. Product Pricing

##### a. Kiss Pride Coffee Bean

Table 4.2 Kiss Pride Coffee Bean Pricing

PRODUCT	Cost		
	Qty	Units	Price
Kiss Pride Coffee Bean	1	pack	Rp60,000
<b>Product Cost</b>			<b>50%</b>
<b>Selling Price</b>			<b>Rp.120.000</b>

Here are the product pricing of Kiss Pride Coffee Bean product. The cost of the product is around Rp.60.000, which is 50% of the selling price. The cost is already include the packaging of the coffee bean. The products selling price is around Rp.120.000.

b. Kiss Pride T-Shirt

Table 4.3 Kiss Pride T-Shirt

PRODUCT	Cost		
	Qty	Units	Price
Kiss Pride T-Shirt	1	Pc	Rp70,000
<b>Product Cost</b>			<b>58%</b>
<b>Selling Price</b>			<b>Rp.120.000</b>

Here are the product pricing of Kiss Pride T-Shirt product. The cost of the product is around Rp.70.000, which is 58% of the selling price. For the selling price, it will be sold for Rp.120.000 for one piece of the products.

c. Kiss Pride Mask

Table 4.4 Kiss Pride Mask

PRODUCT	Cost		
	Qty	Units	Price
Kiss Pride Mask	1	Pc	Rp15,000
<b>Product Cost</b>			<b>50%</b>
<b>Selling Price</b>			<b>Rp.30.000</b>

Here are the product pricing of Kiss Pride Mask product. The cost of the product is around Rp.15.000, which is 50% of the selling price. The products selling price is Rp.30.000 for a piece of the products.

d. Kiss Pride Keychain

Table 4.5 Kiss Pride Keychain Pricing

PRODUCT	Cost
---------	------

	Qty	Units	Price
Kiss Pride Keychain	1	Pc	Rp10,000
<b>Product Cost</b>			<b>40%</b>
<b>Selling Price</b>			<b>Rp.25.000</b>

Here are the product pricing of Kiss Pride Keychain product. The cost of the product is around Rp.10.000, which is 40% of the selling price. The products selling price is Rp.25.000 for a piece of the products.

e. Kiss Pride Totebag

Table 4.6 Kiss Pride Totebag Pricing

PRODUCT	Cost		
	Qty	Units	Price
Kiss Pride Totebag	1	pack	Rp60,000
<b>Product Cost</b>			<b>60%</b>
<b>Selling Price</b>			<b>Rp.100.000</b>

Here are the product pricing of Kiss Pride Keychain product. The cost of the product is around Rp.60.000, which is 60% of the selling price. The products selling price is Rp.100.000 for a piece of the products.

f. Kiss Pride Package

Table 4.7 Kiss Pride Package Pricing

PRODUCT	Cost		
	Qty	Units	Price
Kiss Pride Package	1	pack	Rp215,000
<b>Product Cost</b>			<b>72%</b>
<b>Selling Price</b>			<b>Rp.300.000</b>

Here are the product pricing of a bundle package of Kiss Pride products, include the coffee bean, t-shirt, mask, keychain, and totebag of Kiss Pride. The

cost of the product is around Rp.215.000, which is 72% of the selling price. For the selling price, it will be around Rp.300.000 for one of this bundle package.

## 2. Revenue Projection

Table 4.8 Revenue Projection of Kiss Pride

No.	Product	Price	Unit Sold / Day	Total Revenue
1	Kiss Pride Coffee Bean	Rp120,000	60*25%*1	Rp1,800,000
2	Kiss Pride T-Shirt	Rp120,000	60*20%*1	Rp1,440,000
3	Kiss Pride Mask	Rp30,000	60*20%*1	Rp360,000
4	Kiss Pride Keychain	Rp25,000	60*5%*1	Rp300,000
5	Kiss Pride Totebag	Rp100,000	60*15%*1	Rp1,200,000
6	Kiss Pride Package	Rp300,000	60*15%*1	Rp3,600,000
<b>TOTAL</b>				<b>Rp8,700,000</b>

### Assumptions:

- In a day, there will be 60 customers that at least buy one of the products offered by Kiss Pride.
- There will be 25% of Kiss Pride Coffee Bean purchased by buyers from a total of 60 customers in a day.
- There will be 20% of Kiss Pride T-Shirt purchased by buyers from a total of 60 customers in a day.
- There will be 20% of Kiss Pride Mask purchased by buyers from a total of 60 customers in a day.
- There will be 5% of Kiss Pride Keychain purchased by buyers from a total of 60 customers in a day.
- There will be 15% of Kiss Pride Totebag purchased by buyers from a total of 60 customers in a day.
- There will be 15% of Kiss Pride Bundle Package purchased by buyers from a total of 60 customers in a day.

### 3. Cost Of Good Sold (COGS)

Table 4.9 Cost Of Good Sold (COGS) of Kiss Pride

Product	Price	Cost	Total Revenue	Gross Margin	COGS
Kiss Pride Coffee Bean	Rp120,000	50%	Rp1,800,000	50%	Rp900,000
Kiss Pride T-Shirt	Rp120,000	58%	Rp1,440,000	42%	Rp835,200
Kiss Pride Mask	Rp30,000	50%	Rp360,000	50%	Rp180,000
Kiss Pride Keychain	Rp25,000	40%	Rp300,000	60%	Rp120,000
Kiss Pride Totebag	Rp100,000	60%	Rp1,200,000	40%	Rp720,000
Kiss Pride Package	Rp300,000	72%	Rp3,600,000	28%	Rp2,592,000
Total			<u>Rp8,700,000</u>	<u>45%</u>	<u>Rp5,347,200</u>

Total Revenue : Rp8,700,000

COGS : Rp5,347,200 -

Gross Profit : Rp3.352.800

Gross Profit Margin : 45%

### 4. Operating Expenses

The operating expenses of Kiss Pride is divided into two location, which in Kieta Coffee and Sacks Coffee. Here is the operating expenses of Kiss Pride that is located in Kieta Coffee.

Table 4.10 Operating Expenses of Kiss Pride in Kieta Coffee

Expenses	Qty	Monthly	Yearly
Electricity	1	Rp700,000	Rp8,400,000
Employee Salary	4	Rp16,000,000	Rp192,000,000
<b>Total</b>		<u><b>Rp.16.700.000</b></u>	<u><b>Rp206.400,000</b></u>

Assumptions:

- a. The monthly electricity cost of Kiss Pride in Kieta Coffee is around Rp.700.000
- b. The monthly salary cost for four of Kiss Pride staffs is around Rp16,000,000. Which will be around Rp192,000,000 each year (Rp4,000,000\*4\*12).

In the second location, which is in the Sacks Coffee, here is the operating expenses of Kiss Pride

Table 4.11 Operating Expenses of Kiss Pride in Sacks Coffee

Expenses	Qty	Monthly	Yearly
Miscellaneous	1	Rp500,000	Rp6,000,000
<b>Total</b>		<b><u>Rp500,000</u></b>	<b><u>Rp6,000,000</u></b>

Assumptions:

The cost for miscellaneous expenses around Rp500,000 is prepared by the company. This expense will be used for any extra or unexpected expenses in the future.

## 5. Income Statement

Table 4.12 Income Statement of Kiss Pride

<b>Total Revenue</b>	<b>Rp2,655,375,000</b>
Kiss Pride Coffee Bean	Rp657,000,000
Kiss Pride T-Shirt	Rp525,600,000
Kiss Pride Mask	Rp131,400,000
Kiss Pride Keychain	Rp27,375,000
Kiss Pride Totebag	Rp328,500,000
Kiss Pride Package	Rp985,500,000
<b>Total COGS</b>	<b>Rp1,615,125,000</b>
Kiss Pride Coffee Bean	Rp328,500,000
Kiss Pride T-Shirt	Rp306,600,000
Kiss Pride Mask	Rp65,700,000

Kiss Pride Keychain	Rp10,950,000
Kiss Pride Totebag	Rp197,100,000
Kiss Pride Package	Rp706,275,000
<b>Gross Profit</b>	<b>Rp1,040,250,000</b>
<b>Operating Expenses</b>	
Electricity	Rp8,400,000
Employee Salary	Rp192,000,000
Miscellaneous	Rp6,000,000
<b>Total Operating Expenses</b>	<b>Rp206,400,000</b>
<b>Earnings from operations</b>	<b>Rp833,850,000</b>
<b>Taxes</b>	<b>Rp83,385,000</b>
<b>Net earnings</b>	<b><u>Rp750,465,000</u></b>

This table shows the income statement of Kiss Pride products for a year selling range. The total revenue in a year will be around Rp2,655,375,000. The Cost of Good Sold or the cost of the products will be around Rp1,615,125,000 and for the gross profit is Rp1,040,250,000. The net earnings around Rp750,465,000 is obtained by the company after deducted with the operating expenses and also 10% of tax.

### C. Break-Even Point (BEP)

#### 1. Fixed and Variable Cost

Table 4.13 Fixed and Variable Cost of Kiss Pride

<b>Fixed and Variable Cost</b>	<b>Monthly</b>	<b>Daily</b>
Employee Salary	Rp16,000,000	Rp533,333
Electricity	Rp700,000	Rp23,333
Miscellaneous	Rp500,000	Rp16,666
<b>TOTAL</b>		<b><u>Rp573,332</u></b>

The daily fixed and variable cost of Kiss Pride is around Rp573,332. This is obtained by calculate all the operating expenses of Kiss Pride including the employee salary, electricity cost, and miscellaneous cost.

2. Break-Even Point (BEP)

a. Break-Even Point (BEP)

Table 4.14 Break-Even Point (BEP)

<b>BEP KISS PRIDE PRODUCT</b>	
Selling Price	Rp115,833
Production Price	Rp71,667
Profit	Rp44,167
<b>BEP per Units</b>	<b>13 Unit</b>
<b>BEP per Sales</b>	<b>Rp574.171</b>

The Break-Even Point (BEP) per unit of Kiss Pride products is around 13 Unit. This nominal of unit is obtained by divided the daily fixed cost and the product profit. Then, for the Break-Even Point (BEP) per sales is around Rp.574.171. In which, the nominal is obtained by multiplied the product profit with the BEP per units.

b. Return On Investment (ROI)

Table 4.15 Return On Investment (ROI)

<b>Payback Period (PBP)</b>	<b>Price</b>
Profit per Month	Rp.17.225.130
Payback Period Total	0.40 month
Return On Investment (ROI)	2.47%

The Return On Investement (ROI) of Kiss Pride is 2.47%. This nominal is obtained by divide the profit per month with the total investment. The nominal of profit per month is obtained by multiplied the BEP per sales with 30 days. So the nominal of the profit per month is around Rp.17.225.130. For the payback period,



the nominal is around 0.40 month. This is obtained by divided the total investment with the total of profit per month.

To conclude, this business is very profitable as the merchandise products is high in demand, especially by the customers in coffee industry. Kiss Pride can bring a new trend in coffee industry, especially in Tangerang area, as there are only a little amount of coffee business that provide this kind of products. With high dedication and seriousness, Kiss Pride will become a pioneer in a leading quality coffee brand that offers high quality products in both the national and international markets.