**Business Plan**

**For**

******

Reg no. : 2012/200667/07

Cidb no. : 10031881

**TABLE OF CONTENTS**

**Overview/Executive Summary 3**

**Vision/Values 3**

**Structure/Management Team/Location**

**Service Delivery 4**

**Guarantees /Suppliers/Working Hours**

**Contingency/Goals/Risk Management 5**

**Marketing Plan 6**

**Curriculum Vitae 9**

**Financial Information 11 – 14**

**S.W.O.T 15**

**Market Research Sample Forms 16 - 18**

**OVERVIEW / EXECUTIVE SUMMARY**

**Sifisimpumeleo Trading & Construction (PTY) Ltd.** was established in 2012. The business is built on a firm foundation provided by many years in the landscaping/horticultural, construction and civil civil engineering industry.

**Sifisimpumeleo Trading & Construction (PTY) Ltd.** As the Curriculum Vitae in this plan highlights, we also hold formal qualifications in the area of proposed business services, and have attended a business start-up course to familiarize the company with the basic information needed at this stage.

The major reason behind our desire to establish the business is that in 2013 , and during this period decided that for the future sustainability of my lifestyle, I needed flexibility and the opportunity to control my own destiny. I have invested in the business idea some of my private savings, plus a suspended loan from my father, which I intend to repay during year two of my business.

This loan will be drawn down as needed (see cash flow projection)

I am totally confident that **Sifisimpumeleo Trading & Construction (PTY) Ltd** has been established on a firm basis, with an excellent future. The Business Plan has been completed with the assistance of a Business Coach from the local business assisting the black economy, and is designed to support my idea and allow me a realistic overview of the viability of the proposal.

**MISSION STATEMENT**

**Landscaping offers;**

• **Landscaping Consultation and Design**

• **Implementation of agreed Design & Planting Plan**

• **Advice & information on sustainable options**

• **Maintenance**

* **Including Construction and civil engineering**

The area of operation will initially be KZN, mainly in the new subdivision

areas of KZN and the whole South Africa, Eventually through hiring contractors, I

Envisage expansion into the greater Ndwedwe area.

As a former employee of a local construction service delivery and supplier, I have many industry contacts forming the basis of my business. My former employer from LTA grinaker construction, is happy to refer me, and display my advertising information.

**VISION STATEMENT**

**Sifisimpumeleo Trading & Construction (PTY) Ltd** offers a holistic interpretation of landscaping, designs, renovations, construction and civil engineering as a beautification service, designed to provide an improved visual awareness in the community, alongside solid commercial opportunities. Sustainability is a major component of the business vision.

**VALUES**

**Sifisimpumeleo Trading & Construction (PTY) Ltd** is committed to high-quality, affordable services displaying sustainable values and using locally grown native plants and also dealing with local construction hardware’s and companies wherever appropriate.

**BUSINESS STRUCTURE**

**Sifisimpumeleo Trading & Construction (PTY) Ltd** is currently a private operation, owned by me Mr. LG Ntshangase. In future I will consider the option of establishing a limited liability company.

**MANAGEMENT TEAM**

presently, I have a good, young, skilled and professional management team that never wait for posted tenders but also seek employment through research as contracts or tenders. As soon as the operation is firmly running, I will look at employing more staff. I will also look to using time

contract workers as the level of work increases. This area will be reviewed at the end of the first year in business, and decisions on further employees/contractors made on the basis of actual financial results.

**ST&C (PTY) Ltd**: **Mr. LG Ntshangase (MD)**

 **Mr. TP Khumalo (Safety &maintenance)**

**Mr. D Mzizi (Field Management)**

**LOCATION**

**The business will be located at my home address:** 4006-Umkhumbaan Infill

Cato manor

 Durban

 4001

The property is a three bedroom private house with one room set aside as an office.

There is also an area of the garage for tool and equipment storage. Local council

regulations allow for the operation of a business from home. All consultations with

clients will be at their premises.

**SERVICE DELIVERY**

• Free initial consultation with potential client to establish needs

• Signed ‘Agreement to Proceed’ (this document will be put together by myself, the team and

 checked by a lawyer

• Draw-up of plan

• Consultation with client and sign off on plan and go over payment arrangements

• Agreement on timing of the project, and stages of completion

• Commencing and finishing stages/whole project on time

• Final payment of agreed sum

• Completion and agreement on maintenance program

 We also offer a `Consultancy-Only’ service, particularly for the home handyman who

 wishes to complete the project personally. Where this service is the client’s preferred

 option, an hourly rate of R200 + GST applies.

 My payment terms are:

• All materials paid for before job commences (quotes supplied)

• Progress payments arranged as each stage is completed

• Balance on completion of project

 On completion of the project, we will offer the client a maintenance contract tailored to

 their needs (see above)

**GUARANTEES**

All work guaranteed to the highest industry standard.

• Written advice on use/care/maintenance of the area at completion of the

project.

• Reasonable repair and reconstruction on all problem areas within a period of

three months of completion, with a final decision on disputes being mine.

• For consultancy-only I guarantee to supply the client with a working drawing

to his specification.

**SUPPLIERS**

I have established the following suppliers to the business:

**Build it Hardware:** topsoil, rock, slate, scoria and other materials

**Talisman:** tools and heavy equipment

**Greenland :** plants shrubs & trees etc

**Western Landscaping**: Mr. LG Ntshangase

The above suppliers will cover the majority of the needs of the business, with other

suppliers sought as the business develops and more unusual projects are contracted

**WORKING HOURS**

I intend **ST&C (PTY) Ltd** to be a full-time business:

Monday – Friday 5:30 am – 6 pm (summer hours)

6.30 am – 5 pm (winter hours)

Saturdays and evenings will be consultation, measuring and quoting jobs.

**CONTINGENCY/ BUSINESS GOALS/ RISK MANAGEMENT**

**Business Goals:**

our goals for the first year of business are:

• Setting up bookkeeping and other monitoring systems to manage the business

• Establish first clients through direct marketing

• Complete a number of projects – using them to market our service

• Develop a database of future clients for commercial projects

**Contingency:**

• If our business prospers, I will look at hiring contractors to enable me

to take on larger projects.

• If my business is slow to develop or I am not meeting my budget, I will

take on part-time driving or contract work in the evenings or after

daylight hours.

**Risk Management**:

In the event of my being unable to operate the business for a short period due to

injury or ill health, my management team is available to take bookings.

**MARKETING PLAN**

**CUSTOMERS AND TARGET MARKET:**

Initial customers and our target for the first year of business will be those who have

Living and new developments into new houses, buildings, businesses in the KZN and the whole South Africa. Many of these are high-value properties owned by those with a budget and desire to complete their new projects. There is also a market here for our consultancy business, as

Many new house owners wish to create their own landscaping, buildings, houses and renovations but feel they need expert assistance.

A further market is identified as commercial and light industrial areas of JHB,

KZN and Ndwedwe municipality. Although some of these are slightly outside my identified area

of operation, I will be definitely targeting them with surveys. This will enable me to

create a database of future clients, strengthening the long-term sustainability of the business.

we approached our target market in the following manner:

• **Calling on home owners in the area, introducing the company and the services,**

 **and asking if they would like a free consultation.**

• **In the case of developers, ensuring that we speak to the person able to**

 **make decisions, offering package deals.**

• **For commercial premises, approaching business owners directly with**

 **my initial survey**

**MARKET RESEARCH**

I have developed three Market Survey forms (examples attached to this plan)

These target the two identified areas. Initial research findings:

 **Initial research findings:**

• **In the three major housing developments in my area, recent building**

 **shows that 350 houses have been completed within the last year**

 **with residents in place.**

• **I carried out a door-to-door survey of seventy five houses in all these**

 **target areas**

The results showed that most of these seventy-five home owners value their outdoor

space, and that a good proportion of these ‘didn’t know how start’ creating an area

they could use.

Employing our questions as a tool to develop a relationship with these potential

clients, I identified who is capable/eager to action their ideas, and drew attention to

consultation services

• **For those wanting a design & build option, potential clients indicated**

**that the average amount they were willing to spend on a patio was**

**R5,000 – R15,000.**

we estimate that from the 75 calls we made in this area, we would average:

• **Two projects monthly at approximately R12,000 during spring and early**

**summer.**

• **Turnover around R56,000 for each of the months of September, October & November**.

From this early survey, I got:

• **A firm commitment from a total of thirty pre-qualified people who**

**booked a free consultation.**

• **Completing these consultations,we were offered immediate work on six**

**properties, ranging from a complete makeover to building a small patio**

**area.**

The pricing on these projects ranged from:

•**R1,200 for a small patio, to**

•**R8,500 for a development of an area close to the house.**

I estimate that I could complete one of the larger projects every three months, and

may have to either contract in some assistance, or partner with another business to

manage the work load

I have explained to these potential clients that I am currently establishing my

business, and taken their details. I have completed three of the smaller jobs as a ‘trial

run’ for the business, and have already received referrals.

In planning my work load for the year in order to reflect patterns of earning in my

cashflow, I have taken into consideration that as an outdoors-focussed business, my

maximum earnings will come during the warmer months.

Western Landscaping: Rory Mcleod 7

I also feel I have enough interest to develop my consultation services during the

down time of the year, assisting people in preparing for projects they plan to

complete later. This expands my earning power in the quiet part of the year.

Surveying the developers using the second Market Survey form, I received;

• **Feedback on the right timing to approach a company building a**

**development**

• **Registration on the database of two companies for future reference.**

I plan to use ‘down time’ in the off season in establishing relationships with these

developers by taking on maintenance work.

A drive-by of commercial premises in the target area showed that many businesses

are aware of the general ‘look’ of their premises, and when my business is fully

operating, I will complete a further Market Survey in this area. This, again, is a project

area I plan to develop during the winter months.

This in-depth research proved that there is a market for Western Landscaping, and

that continuous marketing will be needed to make sure a flow of jobs coming forward

is maintained.

During all my surveys, I focussed on:

• **How much the client is willing to spend**

• **How often maintenance would be needed**

• **The possibility of further work in the future**

This ensures I have a clear grasp on the turnover I need to make establishing and

developing my business as viable long-term proposal.

**COMPETITION**

I identify local competition in landscaping as:

**Joe Harper Landscaping**: small, one-man operation which appears to be targeting

established properties. Mainly operates in the Glen Eden/Henderson area. His

strengths are that he is well-known and trusted by older clients

**Landscaping Lance:** modern, well-known operator in the Westgate area specialises

in makeovers and updates either pre sale or after a home has been purchased.

Offers ‘trendy’ ideas, and also supplies garden furniture and art works. Strengths are

his appeal to younger, upmarket households.

**Green Acres:** local contractors offering some minor landscaping, but principally

focussed on maintenance, lawnmowing etc. Good basic service, strengths include

well-known brand, fixed rates, accounting etc handled through the franchise.

**Trendy Garden Centre:** mainly sell plants and landscaping materials, but also offer

in-house designer service, which I identify as competition for my consulting work.

However, I intend to approach them with an offer to contract consulting services.

I plan to compete with these businesses by developing a strong community link with

my target areas. Through consultations and progress reports to the client, plus a

trustworthy and solid reputation I know that I will make my mark. I realise the

challenge of being the ‘new person on the block’ but will overcome this in time,

Western Landscaping: Rory Mcleod 8

**MARKET STRATEGY**

Leaflet drops in the local area, and information available in garden centres, plus

door-to-door calling will provide an initial low-cost marketing exercise.

I plan to produce my own flyers on my computer with the assistance of my teenage

son, but will invest in commercially-produced business cards to emphasise

professionalism.

The local newspaper will carry a weekly advertisement for the business, plus I will

take part in their regular promotions on specific topics relevant to me.

I will be wearing clothing promoting my business while working on projects, and will

ask satisfied clients for referrals and the opportunity to use their comments in future

advertising. I will also place a sandwich board inside the property I am currently

working on (with the owner’s permission)

I will regularly review my marketing campaign, using ongoing surveys which include

asking potential clients where they heard of my business.

Western Landscaping: Rory Mcleod 9

**CURRICULUM VITAE**

**NAME:** Rory McLeod

**ADDRESS**: 27 West Creek Ave

Harbour Cliff

Auckland

**PHONE:** 842 6669

**MOBILE:** 021 776 884

**EMAIL**: rory@xtra.co.nz

**WORK EXPERIENCE:** 2006 – 08: Solo father to my son (DPB)

2002 – 06: Assistant: Westscape Supplies

1995 – 02: Building Site Labourer Auckland

1990 – 95: Driver – Farmers Trading Co

Hastings NZ

1985 -90: Driver/Storeman - Grace Bros,

Sydney Australia

1980 – 85: Storeman – Farmers Trading Co

Auckland

**QUALIFICATIONS:** Diploma in Horticulture

Diploma in Landscape Design

UNITEC 2007

**TRAINING:** Be Your Own Boss Business Training

**BUSINESS ADVISORS:** Fred Bannerman – tutor BYOB

April Jones – friend with small business

experience

**REFEREES:** Emily Richards – long time family friend

846 9722

Jonathon Evans – Pastor, Westgate Church

846 2327

**INTERESTS:** playing rugby, swimming, walking my dog

Western Landscaping: Rory Mcleod 10

**FINANCIAL INFORMATION**

**SOURCES OF START-UP FINANCE:**

The funding to start Western Landscaping has been provided through my personal

savings – enabling me to purchase basic tools. My father has committed a

suspended loan to me, enabling my expenses to be covered for the first few months

of operation. Following this period, I will assess the financial viability and further

ability to apply for a commercial loan. The business plan may need to be adjusted at

this stage.

**COSTING:**

The costing for each project depends on the scale/ complexity of the job, and

includes:

**Materials (cost of sales)**

As per the terms of trade this portion is paid by client at commencement of job in

accordance with written quotes

**Overheads**

Including:

consultation, labour, bookkeeping, quotes, researching materials etc.

**Sample of project:**

Brief: To construct small garden rock wall:

**Labour & Consultancy**

Consult with client, measure & estimate job: 2 hours

Complete draw-up, quote, supply quote: 3 hours

Build wall: 5 hours

Sign off job, collect payment 1 hour

Charge 20.00 per hour

Total hours 11 $220.00

**Materials**

Rocks $120.00

Cement $ 35.00

Misc: $ 15.00

Total Materials $170.00

Labour & Materials $375.00

Mark-up 40%. $150.00

Sub Total $525.00

GST $ 65.62

**Total Quote $590.62**

**Consultation:**

$80 per hour + GST (drawings extra, cost dependent on complexity/time involved)

Name of Product/Service Selling Price Costs Gross Profit

Construct $590.63 $170.00 $420.63

Consultation $80 $0.00 $80

**INSURANCE**

I have researched Public Liability Insurance, plus others applicable to my business.

Insurance payments will be made in quarterly payments (April, July, October and

January during the first year in order to manage the cashflow by avoiding large,

upfront payments.

**ACC**

Western Landscaping: Rory Mcleod 11

My business industry description is ‘Other Construction Services’ and the code is

425106. I am aware that ACC payments are not applicable in the first year of

operation, however I have made provision for this on the cash flow.

**EQUIPMENT, MATERIALS & PLANT**

**EXISTING EQUIPMENT**

Toyota Hi-Ace 1994 $4,000.00

Various tools Nominal Value (basic hand tools only)

**EQUIPMENT ETC. NEEDED FOR START-UP (SOURCE: PERSONAL $)**

Trailer $2500.00

Spade, Fork, Shovel $ 250.00

Wheelbarrow $ 100.00

Safety Clothing/Equipment $ 200.00

Water Blaster $ 625.00

Business Cards (150) $ 110.00

**TOTAL $3785.00**

**These products have been chosen as essential to start my business a**

**professional standard:**

• Trailer – enabling me to collect materials/dispose of waste

• High-quality professional hand tools – needed to withstand heavy use

• Wheelbarrow – heavy duty builders quality

• Safety Clothing etc. – needed to comply with ACC regulations

• Water Blaster – aid in professional tidy – up and preparation work

• Business Cards – initial run to allow for start-up marketing

**FURTHER EQUIPMENT ETC. NEEDED WITHIN SIX MONTHS**

Nil

**JUSTIFICATION OF FIGURES:**

**DRAWINGS**

To support one adult and one young teenage boy

To start, the sum of $1700 per month

**PERSONAL BUDGET: (MONTHLY)**

Rent $ 840.00

Food (appr) $ 600.00

Clothing/Shoes etc

Utilities (electric etc.)

$ 60.00

$ 108.25

Vehicle: Petrol, WOF etc $ 40.00

Misc $ 50.00

Western Landscaping: Rory Mcleod 12

**TOTAL $1698.00**

**TOTAL SALES TRADING INCOME: $80,000**

Predictions are based on the following pattern of earning average sales apply

**LOW MONTHS AVERAGE MONTHS HIGH MONTHS**

$2190 $7200 $12000

July April September

August January October

June December November

May February

March

Note: included are two projects monthly that average $6,000 per project during

spring and early summer, September, October & November. (As indicated in my

marketing)

**DETAIL:**

May, June, July, August, are low months for this industry due to weather conditions.

Spring weather in September and October, plus maintenance work in April produce

average months, with December and January providing some ‘makeovers’

November is definitely ‘high season’ for major garden changes, with interest through

February and March due to the later summer in recent years.

Addendum: September October & November are the peak performers with the

likelihood of projects as previously indicated

**JUSTIFICATION OF EXPENSES**

**ACCOUNTING:**

Accountant is needed once my paperwork and cashbook have been prepared. The

price for this is only if I have everything organised $562.50 this will keep the end of

year business accounts in order for IRD purposes. Half is paid up front in June to set

up the account then the balance is paid at the end of the first year

**ADVERTISING**

Flyers, yellow pages, business cards, t shirts (printed), newspaper, etc.

Type Start up Monthly Other

Flyers $56.25 (April then 2 monthly)

Business Cards $50

T Shirts x4 $60

Local paper $30

Yellow Pages $198 (October)

**Total $110 $30 $30 $86.25 $198**

**INSURANCE**

Public liability, vehicle, paid monthly

Type % Total

Public Liability 100 $54

Vehicle 80 $21

**Total $75**

**MOTOR VEHICLE**

Western Landscaping: Rory Mcleod 13

Business use only

Repairs & Maintenance is based on tyres, tune and service annually

(note: vehicle will need replacing in approximately one year)

**OFFICE EXPENSES**

Includes start up stationery, invoice books, receipt books, cash book and small office

needs etc. items estimated

**POWER**

The business area is calculated for IRD purposes measurements are taken and a

copy is filed including one room for office work (6%) and portion of garage (10%)

Although there is a variation for reapportionment to the garage I have calculated the

total to be 16%

Address Monthly Total

27 West Creek Avenue Harbour Cliff $95 $16

**Total $16**

**RENT & RATES**

As I am currently renting, permission from my landlord has to be sought to use it as a

home based business. I do not need council permits to operate my business from

home

Address Monthly Total

27 West Creek Avenue Harbour Cliff $1000 $160

**Total $160**

**REPAIRS & MAINTENANCE**

Estimated repairs or maintenance to any business equipment is completed weekly

e.g. clean, oil and sharpen which is calculated for monthly bookkeeping

Equipment Weekly Monthly

Hand tools $2.50 $10

Petrol, diesel and electric tools $10 $40

**Totals** $12.50 **$50**

**TELEPHONE**

I have a home line and a prepay cell phone. I do not intend to have a business line

and the prepay cell phone is mainly for customers to contact me (both phone

numbers will be included in my advertising media)

% Payment Total

Landline (home) 50% $42.75 $21

Prepay (estimate) 50% $15 $7.50

**Total** $57.75 **$28.50**

**BANK CHARGES**

Monthly

Bank charges $3.50

Transaction Fees $5

**Total Monthly $8.50**

Details % Total Payment due

Fuel 80 $138 Monthly

W.O.F. 80 $28 Due June & December

Reg: 80 $160 Due June

R&M 80 $14.40 Monthly (to saving a/c)

Start up $50

Monthly $10

Western Landscaping: Rory Mcleod 14

**S.W.O.T**

**For: Rory McLeod: Western Landscaping**

**STRENGTHS**

• Commitment

• Ability to visualise and assist people in seeing the possibilities of a site

• Experience in theory and practise (assisted friends in creating gardens)

• Understanding of sustainability practices, and ability to implement these

• Sales ability

• Ability to work part-time while business is building (driving experience)

**WEAKNESSES**

• Start-up business

• Competition

• Need to earn quickly to support myself

• Hard physical work

**OPPORTUNITIES**

• To personally move forward in my life

• To create landscapes for people in new housing

• To create, advise on home-food growing gardens

• To provide ongoing, knowledgeable service to clients

• To employ others on contract

• To diversify into other areas (commercial etc.)

**THREATS**

• Other landscapers

• Downturn in the economy

• Slowdown in building industry

• Cashflow

**LONG-TERM VISION**

The longer-term goals for the business include:

• Contracting labourers to prepare sites, enabling me to come along and

complete the job. This will allow me to extend outside my local area, but also

Western Landscaping: Rory Mcleod 15

means that I will need to develop excellent management techniques to make

sure the quality of work is maintained.

• Educating families and community organisations on sustainable landscaping,

food-gardens and the use of plantings in areas of unstable soils

• I will also be looking to make some alliances with local artists and sculptors,

using their portfolios when quoting jobs in order to broaden my scope.

• I will also explore solar garden lighting and possibly furniture built from

recycled materials, perhaps carry catalogues and contact details for lighting

installers. This makes my business a ‘one stop shop’ for busy clients who

have disposable cash but no time

**MARKET SURVEY FORM (sample)**

**Western Landscaping: Private Client**

**`I am setting up a landscaping business starting this year. I have some**

**questions which won’t take more than five minutes – would you like to help?’**

**QUALIFYING QUESTIONS:**

I) Do you own your own home? Y/N

2) Are you interested in to redesigning your garden? Y/N

3) Are you willing to identify your household earnings bracket?

a) $50 - $60,000

b) $60 - $75,000

c) over $80,000

*(tick the appropriate number)*

**SURVEY QUESTIONS:**

**1)** Do you use your garden area at present? Y/N

**2)** Are you interested in developing a

*a) Entertaining Space (Patio etc)* Y/N

*b) Children’s Play Area* Y/N

*c) Vegetable/Herb Garden* Y/N

**3)** Would you want to:

*a) Develop the area yourself* Y/N

*b) Have a professional plan drawn up to implement yourself* Y/N

*c) Engage a professional landscaper to complete*

*& implement the plan* Y/N

**5)** Do you believe that developing an outdoor area will add

value to your property?

Y/N

**4)** Do you have a budget for developing your property? Y/N

**6)** Are you interested in a free consultation? Y/N

**WOULD YOU LIKE TO BE ON MY MAILING LIST?**

**NAME…………………………………..**

**Address……………………………….**

**Phone…………………………………**

**Email………………………………….**

Western Landscaping: Rory Mcleod 16

**MARKET SURVEY FORM (sample)**

**Western Landscaping: Commercial**

**`I am setting up a landscaping business starting this year. I have some**

**questions which won’t take more than five minutes – would you like to help?’**

**QUALIFYING QUESTIONS:**

I) Are you the person able to make decisions on contracts? Y/N

2) Do you currently have a contract with a landscaper? Y/N

3) Are you interested in landscaping services? Y/N

**SURVEY QUESTIONS**:

**1)** Do have a landscaper currently working

on the buildings you manage? Y/N

**2)** Do you have a landscaping budget? Y/N

**3)** What type of landscaping is involved:

*a) Minimal tidy up & maintenance* Y/N

*b) New design & implementation* Y/N

*c) Regular updates & new planting* Y/N

**4)** Are you interested in a landscaping package quote? Y/N

**WOULD YOU LIKE TO BE ON MY MAILING LIST?**

**NAME…………………………………..**

**Address……………………………….**

**Phone…………………………………**

**Email………………………………….**

**MARKET SURVEY FORM (sample)**

**Western Landscaping: Developers**

Western Landscaping: Rory Mcleod 17

**`I am setting up a landscaping business starting this year. I have some**

**questions which won’t take more than five minutes – would you like to help?’**

**QUALIFYING QUESTIONS:**

I) Are you the person able to make decisions on sub contracts? Y/N

2) Do you currently have a contract with a landscaper? Y/N

3) Are you interested in landscaping services? Y/N

**SURVEY QUESTIONS**:

**1)** Do you plan to landscape the site following

completion of building work? Y/N

**2)** Do you have a landscaping budget? Y/N

**3)** What type of landscaping are you considering**:**

*a) Minimal tidy up around houses* Y/N

*b) Optional personalised landscape plan for purchase by owner* Y/N

*c) Full site landscaping by your company* Y/N

*d) Optional landscape/implement for purchase by owner* Y/N

**4)** Are you interested in a landscaping package quote? Y/N

**WOULD YOU LIKE TO BE ON MY MAILING LIST?**

**NAME…………………………………..**

**Address……………………………….**

**Phone…………………………………**