

## EXECUTIVE SUMMARY

This proposal is aimed at gaining a direct business support from you to [REDACTED], [REDACTED], proposes to receive a total sum of **Three hundred thousand dollars (\$ 300, 000)** as loan from your esteemed self.

The proposed loan will be used to commence, stabilize and maintain the business for at least a total of 12 months. Also, the proposed sum of money, will be used as a supportive fund, to help actualize the goals of the business, that undoubtedly contains several problem-solving approaches to the present health, societal and economical challenges of the country.

Overtime, the business will grow through intense staff management, consistent presentation of quality services, and upbeat marketing strategy. The business will be created in the city, with the basis of creating jobs and extending the possibility of having a standard relaxation center that is aimed at creating top rated health/body care services, through massage, pedicures and manicures.

## BUSINESS DESCRIPTION/ MENU OF SERVICES

██████████ will be a basic relaxation center where standard body relaxation and cosmetic services will be rendered to clients such as;

- **Pedicure:**

A combination of several standard cosmetic treatments of the feet and toe nails. To help remove dead skin cells and apply any cosmetic beautification required by the client.

- **Manicure:**

An analogous body treatment to pedicure which involves the treatment of the hand and finger nails.

- **Massage:**

A physical contact method of relaxation that helps to revive and heal the body of several type of physical stress and body pain.

- **Facials:**

A blend of different skin care treatments for the face. Such as exfoliation, creams, extraction, lotion application, facial mask treatments, and massage.

- **Hair/Wig Purchase:**

A section of the business that will be devoted to selling and applying hair accessories such as wigs made from human hair, or synthetic fiber.

- **Barbing:**

A section of the business that will be assigned to answering client hair styling and cutting request through the hands of a skilled professional barber.

## BUSINESS CASH FLOW

The business cash flow contains three funding options. The first loan option will get the business to a standard and exquisite level of operation, while the other two options will give the business an average and plausible start.

Regardless of that, the business will be created, maintained and stabilized for a period of 12 months or an equivalent of 1 calendar year. Hence, all the three loan options will have the same business rent payment, renovation payment, staff payment and maintenance payment. The difference in loan options will only be effective in the fixed assets purchase.

Before and during the first year of commencing the business, here are the expected cash expenditure of the business.

### 1. Business Rent Payment:

The location of the establishment will be a business supportive and economical community where the business should thrive substantially. The rent of the proposed business location in the city is prepared such that it entails a lease of five to ten (5-10) years, but with an initial rent payment of up to two years, which will be made at **Three thousand five hundred and fifty dollars (\$ 3,550)** per month.

In a period of 24 months, the business will be needing a rental fee of;

$$\text{\$ 3,550 (Rent)} \times 24 \text{ (Twenty-four months)} = \text{\$ 85,200.}$$

Therefore, for the first full rent payment of two years out of the five to ten years lease period of the business space, the business will be requiring a sum of **Eighty-five thousand two hundred dollars (\$ 85,200)**.

### 2. Renovation:

Upon payment of the rent for the commencement of the business in full fledge. The business environment will be renovated to standard for easy attraction and to create a perfect aesthetically pleasing environment for clients. The construction renovation fee is estimated to cost not more than **Ten thousand dollars (\$ 10,000)**.

Hence for the commencement of the business, a total of **Ten thousand dollars (\$ 10,000)** will be needed for construction fee. Meanwhile, the construction and renovation of the business place of operation is estimated to last for the first two to three months.

### **3. Fixed Assets:**

Shortly after acquiring the business space and setting the business area to viable relaxation standards. The businesses will be set to satisfiable standards with several equipment, products, and materials needed to make the services exceptional at [REDACTED], for consistent customer satisfaction.

Also, as expressed in the business cash flow, the fixed assets are of three standards which will be distinguished and termed as Categories A, B, and C.

#### ➤ **Category A:**

Category A consist of the best quality of products and materials which will be used to satisfy the customer at [REDACTED] and they are;

1. 12 pedicure chairs sold each at **Two thousand nine hundred and fifty dollars (\$ 2,950).**
2. 12 staff pedicure stools sold each at **Three hundred and fifty dollars (\$ 350).**
3. 2 VIP room pedicure chairs sold each at **Three thousand two hundred and fifty dollars (\$ 3,250).**
4. 12 pedicure chair dropping lamps sold each at **Two hundred and fifty dollars (\$ 250).**
5. 10 manicure bar stations sold each at **Four hundred dollars (\$ 400).**
6. 10 manicure stool/chair sold each at **Four hundred dollars (\$ 400).**
7. 1 manicure nail dryer sold at **Eight hundred dollars (\$ 800).**
8. 1 reception area table sold at **Two thousand five hundred dollars (\$ 2,500).**
9. 2 reception area chairs sold each at **Five hundred dollars (\$ 500).**
10. 1 extra-large reception chandelier sold at **One thousand five hundred dollars (\$ 1,500).**
11. 4 large chandeliers sold each at **Five hundred dollars (\$ 500).**
12. Wall lamps and spot lights sold at **Five thousand dollars (\$ 5,000).**
13. 6 hair styling mirror & chair sold each at **One thousand one hundred and fifty dollars (\$ 1,150).**
14. 2 hair wash ceramic bowls sold each at **One thousand two hundred dollars (\$ 1,200).**

15. 2 hair drying stations sold each at **Eight hundred and fifty dollars (\$ 850)**.
16. Miscellaneous and other stocks and products for the salon estimated at **Five thousand dollars (\$ 5,000)**.
17. Branded quality hair extensions, estimated at **Twenty thousand dollars (\$ 20, 000)**.
18. Branded quality nail polish and products, estimated at **Fifteen thousand dollars (\$ 15, 000)**.

In summation;

$12(\$ 2,950) + 12 (\$ 350) + 2 (\$ 3,250) + 12 (\$ 250) + 10 (\$ 400) + 10 (\$ 400) + 1 (\$ 800) + 1 (\$ 2,500) + 2 (\$ 500) + 1 (\$ 1,500) + 4 (\$ 500) + 1 (\$ 5,000) + 6 (\$ 1,150) + 2 (\$ 1,200) + 2 (\$ 850) + 1 (\$ 5,000) + 1 (\$ 20, 000) + 1 (\$ 15, 000) = \$ 120,900.$

In total, the materials, equipment and products that will be used to satisfy or proffer Category C Spa, Lounge and Nail service to clients is a total sum of **One hundred and twenty thousand nine hundred dollars (\$ 120, 900)**.

➤ **Category B:**

Category B consist of less standard and quality products/ materials which will be used to satisfy the customer at [REDACTED] and they are;

1. 12 pedicure chairs sold each at **Two thousand three hundred and fifty dollars (\$ 2,350)**.
2. 12 staff pedicure stools sold each at **Two hundred and fifty dollars (\$ 250)**.
3. 2 VIP room pedicure chairs sold each at **Two thousand five hundred and forty dollars (\$ 2,540)**.
4. 12 pedicure chair dropping lamps sold each at **One hundred and ninety dollars (\$ 190)**.
5. 10 manicure bar stations sold each at **Three hundred and fifty dollars (\$ 350)**.
6. 10 manicure stool/chair sold each at **Two hundred and fifty dollars (\$ 250)**.
7. 1 manicure nail dryer sold at **Six hundred and fifty dollars (\$ 650)**.
8. 1 reception area table sold at **Two thousand dollars (\$ 2,000)**.
9. 2 reception area chairs sold each at **Three hundred and fifty dollars (\$ 350)**.

10. 1 extra-large reception chandelier sold at **One thousand one hundred and fifty dollars (\$ 1,150).**
11. 4 large chandeliers sold each at **Three hundred and fifty dollars (\$ 350).**
12. Wall lamps and spot lights sold at **Four thousand seven hundred and fifty dollars (\$ 4,750).**
13. 6 hair styling mirror & chair sold each at **One thousand dollars (\$ 1,000).**
14. 2 hair wash ceramic bowls sold each at **One thousand one hundred dollars (\$ 1,100).**
15. 2 hair drying stations sold each at **Eight hundred dollars (\$ 800).**
16. Miscellaneous and other stocks and products for the salon estimated at **Five thousand dollars (\$ 5000).**
17. Branded quality hair extensions, estimated at **Twenty thousand dollars (\$ 20, 000).**
18. Branded quality nail polish and products, estimated at **Fifteen thousand dollars (\$ 15, 000).**

In summation;

$12(\$ 2,350) + 12 (\$ 250) + 2 (\$ 2,540) + 12 (\$ 190) + 10 (\$ 350) + 10 (\$ 250) + 1 (\$ 650) + 1 (\$ 2,000) + 2 (\$ 350) + 1 (\$ 1,150) + 4 (\$ 350) + 1 (\$ 4,750) + 6 (\$ 1,000) + 2 (\$ 1,100) + 2 (\$ 800) + 1 (\$ 5000) + 1 (\$ 20, 000) + 1 (\$ 15, 000) = \$ 105,010.$

In total, the materials, equipment and products that will be used to satisfy or proffer Category C Spa, Lounge and Nail service to clients is a total sum of **One hundred thousand dollars (\$ 105, 010).**

➤ **Category C:**

Category C consist of the least standard and quality products/ materials which will be used to satisfy the customer at [REDACTED] and they are;

1. 12 pedicure chairs sold each at **One thousand nine hundred and fifty dollars (\$ 1,950).**
2. 12 staff pedicure stools sold each at **Two hundred dollars (\$ 200).**
3. 2 VIP room pedicure chairs sold each at **Two thousand and twenty-five dollars (\$ 2,025).**

4. 12 pedicure chair dropping lamps sold each at **One hundred and fifty dollars (\$ 150)**.
5. 10 manicure bar stations sold each at **Two hundred and fifty dollars (\$ 250)**.
6. 10 manicure stool/chair sold each at **Two hundred and ten dollars (\$ 210)**.
7. 1 manicure nail dryer sold at **Five hundred dollars (\$ 500)**.
8. 1 reception area table sold at **One thousand eight hundred and fifty dollars (\$ 1,850)**.
9. 2 reception area chairs sold each at **Two hundred fifty dollars (\$ 250)**.
10. 1 extra-large reception chandelier sold at **One thousand eight hundred and fifty dollars (\$ 1,850)**.
11. 4 large chandeliers sold each at **Two hundred and fifty dollars (\$ 250)**.
12. Wall lamps and spot lights sold at **Four thousand five hundred dollars (\$ 4,500)**.
13. 6 hair styling mirror & chair sold each at **Nine hundred and fifty dollars (\$ 950)**.
14. 2 hair wash ceramic bowls sold each at **One thousand dollars (\$ 1000)**.
15. 2 hair drying stations sold each at **Eight hundred and fifty dollars (\$ 750)**.
16. Miscellaneous and other stocks and products for the salon estimated at **Five thousand dollars (\$ 5000)**.
17. Branded quality hair extensions, estimated at **Twenty thousand dollars (\$ 20, 000)**.
18. Branded quality nail polish and products, estimated at **Fifteen thousand dollars (\$ 15, 000)**.

In summation;

$$12(\$ 1,950) + 12 (\$ 200) + 2 (\$ 2,025) + 12 (\$ 150) + 10 (\$ 250) + 10 (\$ 210) + 1 (\$ 500) + 1 (\$ 1,850) + 2 (\$ 250) + 1 (\$ 1,850) + 4 (\$ 250) + 1 (\$ 4,500) + 6 (\$ 950) + 2 (\$ 1000) + 2 (\$ 750) + 1 (\$ 5,000) + 1 (\$ 20, 000) + 1 (\$ 15, 000) = \$ 94, 650.$$

In total, the materials, equipment and products that will be used to satisfy or proffer Category C Spa, Lounge and Nail service to clients is a total sum of **Ninety-four thousand six hundred and fifty dollars (\$ 94, 650)**.

#### 4. Staff Salary:

The management and staff that will be in charge of all the various sections of the [REDACTED] [REDACTED] are a range of standard and seasoned professionals that will help perfect and execute the various tasks at hand.

Meanwhile, the recruitment and payment of the first salary for staffs will be actioned in the three months of business, due to factors regarding rent payment, renovation, purchase and setting up of machines and products that will be used for running the business.

This is a list of the staffs and their monthly salary;

1 manager;  $\$ 2,200 \times 1 = \$ 2,200$ .

2 Pedicure experts;  $\$ 1,500 \times 2 = \$ 3,000$ .

2 Nail tech;  $\$ 1,800 \times 2 = \$ 3,600$ .

1 Spa/massage expert;  $\$ 2,000 \times 1 = \$ 2,000$ .

1 Barber;  $\$ 1,600 \times 1 = \$ 1,600$ .

1 Hair sales personnel;  $\$ 1,200 \times 1 = \$ 1,200$ .

1 Cleaners;  $\$ 1,200 \times 1 = \$ 1,200$ .

1 Security;  $\$ 1,100 \times 1 = \$ 1,100$ .

Thus, the total sum needed for the staff salary payment for a period of one month, sums up to be;

$\$ 2,200 + \$ 3,000 + \$ 3,600 + \$ 2,000 + \$ 1,600 + \$ 1,200 + \$ 1,200 + \$ 1,100 = \$ 15,900$ .

Now, for the space of nine months, the total staff salary to be paid will be;

$\$ 15,900$  (Monthly staff salary)  $\times 9$  months =  $\$ 143,100$ .

Hence, the total amount of salary that will be paid to staffs in the duration of nine months is **One hundred and forty-three thousand, one hundred dollars** ( $\$ 143,100$ ).

#### 5. Maintenance:

Immediately the business commences its operation fully, such that all beginning stages have been successfully actualized. Then the maintenance stage of the business will commence.

Meanwhile, the maintenance stage will be effective from the full operation duration of the business, which is a total of nine months i.e., after the successful completion of rent payment, renovation, and purchase of machines and products.

The maintenance stage will include several arrays of processes that will be dependent of hazard occurrence such as;

1. Machine failure/breakdown.
2. Staff health insurance.
3. Electrical bill payment.
4. Water bill payment.

The total sum estimated for all the maintenance activities of the business, for nine months of full operation is a total of **Forty-five four hundred and fifty dollars (\$ 45,450)**.

## MARKET AND SALES STRATEGY

The business aims at creating utter most quality and client satisfaction in the beauty, health, physical therapy and cosmetics part of the industry over a long period of time.

Even while the business has an interwoven connection in all its sections, the business marketing and sales strategy might actualize through different methods which will include:

1. Carrying out a market survey and sales reconnaissance to ascertain the best location for launching the business.
2. Utilizing the immense human resource of the employed staffs to solve demand and supply scales from clients.
3. Ensuring that the available human resource is made to keep the clients comfortable and well satisfied such that they become a regular client.
4. Ensuring that seasoned promotional online or physical marketing strategies are applied for creating public awareness to the business.
5. Actualizing that the payments of the services rendered is brought to a minimal equilibrium between the charges and quality of service.
6. Devoting some days of the month to outright marketing.
7. Sending monthly invites and appealing gratifications to targeted audience on social media.
8. Implementing viable incentive systems to help improve staff performs and relations to clients.

## LOAN REQUEST

As stated in the business cash flow, here is the breakdown of the total sum of cash expenditure for a full calendar year.

S/N	MONTH	ACTIVITY	DESCRIPTION	RATE PER MONTH (\$)	TOTAL SUM CATEGORY A (\$)	TOTAL SUM CATEGORY B (\$)	TOTAL SUM CATEGORY C (\$)
1	First month	Business location survey and rent payment	Two years rent payment for a lease of five to ten years.	3,550(24)	85,200	85,200	85,200
2	Second month	Renovation of business space	Construction and renovation of the business space to the best possible serene/relaxation standards	8,000	8,000	8,000	8,000
3	Third month	Purchase of materials, equipment, and products.	The machines will be utilized in rendering the services of the business will be purchased, imported and installed in this period.	N/L	120,900	105,010	94,650
4	Fourth month	Full commencement of business operations	The maintenance of the business space, and staff salary will be paid in this month.	5,050 + 15,900	20,950	20,950	20,950
5	Fifth month	Ditto	Ditto	5,050 + 15,900	20,950	20,950	20,950
6	Sixth month	Ditto	Ditto	5,050 + 15,900	20,950	20,950	20,950

7	Seventh month	Ditto	Ditto	5,050 + 15,900	20,950	20,950	20,950
8	Eighth month	Ditto	Ditto	5,050 + 15,900	20,950	20,950	20,950
9	Ninth month	Ditto	Ditto	5,050 + 15,900	20,950	20,950	20,950
10	Tenth month	Ditto	Ditto	5,050 + 15,900	20,950	20,950	20,950
11	Eleventh month	Ditto	Ditto	5,050 + 15,900	20,950	20,950	20,950
12	Twelfth month	Ditto	Ditto	5,050 + 15,900	20,950	20,950	20,950
<b>The total cash expenditure per calendar year of running the business for the three Categories</b>					<b>405,650</b>	<b>386,760</b>	<b>376,400</b>

The total sum of money required to successfully run the business for the Categories are **Four hundred and five thousand, six hundred and fifty dollars (\$ 405,650)**, **Three hundred and eighty-six thousand, seven hundred and sixty dollars (\$ 386,760)**, and **Three hundred and seventy-six thousand, four hundred dollars (\$ 376,400)**.

*But, as stated in the executive summary [REDACTED] is only requesting for a total sum of **Three hundred thousand dollars (\$ 300, 000)** in loan, which is approximately 73.96%, 77.57%, and 79.7% each of Category A, B, and C of the total cash expenditure.*

## LOAN REPAYMENT

Upon receiving a positive perusal of the loan documents by you, and successful receipt of the loan.

██████████ Limited proposes to pay back the said loan of Three hundred thousand dollars (\$ 300, 000) within three years of proper and full business operation.

1. Service Charge
2. Competitive Analysis Map

**DENICHER'S SAMPLE**

**APPENDIX**

**DENICHIEN'S SAMPLE**