

Business plan for healthy food business

Table of Contents

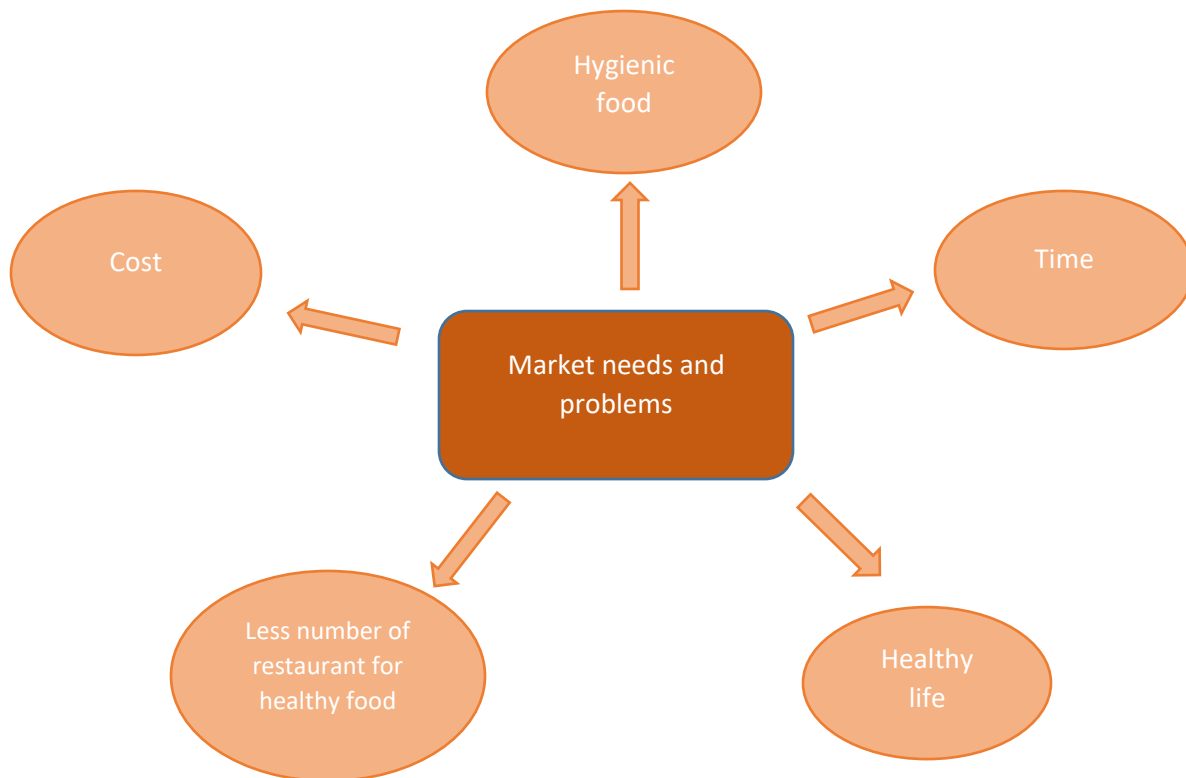
Introduction	3
1.0 Identified Customers' Needs and Problems	3
1.2 Target Market	4
1.3 Target Market Growth	6
1.4 Labor Force in Sri Lanka	6
.....	7
.....	7
2.0 The Product / Services	7
2.1 Outline of the product and how it meets the identified needs.....	7
2.2 How does it work?	8
2.3 The key features of the product.....	8
2.4 How it benefits the target market	8
3.0 Alternatives and Competitors.....	9
3.1 Porters' five forces theory	9
3.2 The differentiation of our products from the competitors	10
4.0 SWOT Analysis.....	10
4.1 The Unique Selling Points	11
5.0 Market Entry / Supply Chain	11
5.1 Marketing Strategy	11
5.2 Advertising Strategies	12
5.3 Take – Off, Growth, Maturity.....	12
6.0 Distribution	12
6.1 Long term plan	13
6.2 Source of supplies	13
6.3 Another ways to make it available for the customers	13
7.0 Financial outlook.....	13
7.2 Key financial ratios	18
References	22

Introduction

“Health is wealth” as per the term this business is all about making the customers healthy by providing them a healthy diet with nutritious ingredients. Healthy life is everyone’s dream but to achieve this you have to have some discipline in your day to day diet. By having a healthy diet you reduce most of your health problems which will amaze you and make you feel good. Especially when you’re working in an organization, you need to look good, continuously need to take care of your health to carry out your day to day functions effectively. This business idea is to provide hygienic healthy and balanced lunch, delivery service to the working population in Colombo city, Sri Lanka.

1.0 Identified Customers’ Needs and Problems

Figure 01 – customers’ needs and problems



Managing the time has become a biggest challenge for everyone in all around the world. Especially if you’re working in a corporate it’s crucial to manage your work, family and health. Corporate

professionals have become busier than 1980's or 1990's because of globalization and high rivalry against gaining market share. They can't compromise their time going out searching for food in their lunch hours. In Colombo city, where the half of the working corporate population based in, for a health conscious individual to buy a healthy lunch packet for a reasonable price has become a difficult task. The places available are neither clean nor healthy. If it's healthy the price is way too expensive.

There are lots of news about unhygienic food problems in Sri Lankan restaurants recently. Especially in Colombo area. Sunday Times newspaper released that 60 restaurants in Colombo pulled to courts charged for food poisoning and absence of sanitary. (Sunday Times, 2017)

Further regular consumption of unhealthy food would result in numerous health issues. Namely cholesterol, diabetic, overweight and heart problems. Restaurants use too much oil in the food and most of the time they reuse oil for cooking which has a possibility of terminal food poisoning. The food they buy from market contains lot of artificial flavored products which will increase the cancer risk.

The Diabetes Association of Sri Lanka (DASL) data reflects that there are approximately four million diabetics in Sri Lanka. One of the main cause for diabetes for adults is the unhealthy food practices. World health organization says in 2030 the 07th primary triggered for death will be diabetes. News.lk (2016)

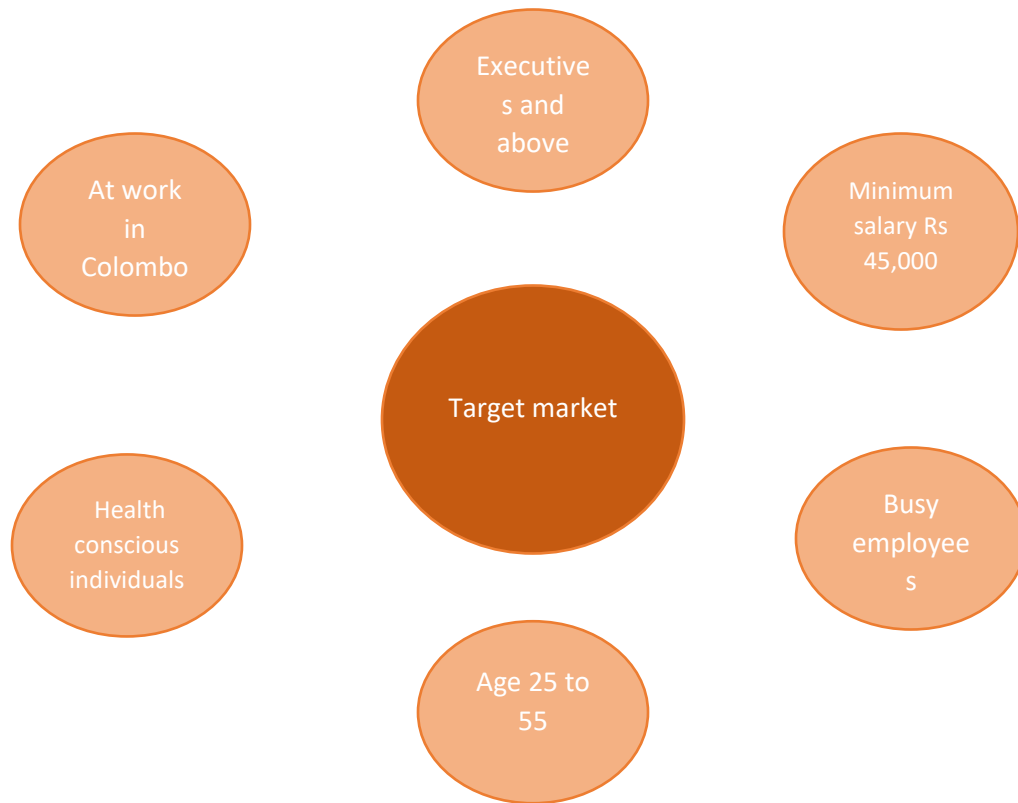
As per the annual health statement last conducted 2014, clinic visits of the patients in Colombo are 244,016 for Diabetic, 283,353 for Cardiology, 129,491 for Cancer. Medical Statistics Unit (2014, pp.198-199)

International Journals of economics and finance's research on "consumer buyer's behavior and determination in Sri Lanka" has shown, young and middle age group population who are employed more frequently visits fast food restaurants for their convenience. This study shows there's a tremendous opportunity in the food industry in the market. Canadian Center of Science and Education (2016)

1.2 Target Market

The target market is going to be the working force in Colombo who are mindful about their health and ready to spend a reasonable amount for a healthy nutritious meal.

Figure 02 – target market segments



An individual’s average salary for a month in Colombo is around Rs 37,000. The healthy lunch packet that we provide will allow even an average earning executive to consume every day and this will encourage corporate professionals to get used to a healthy life style. Delivering to their door step will save customer’s valuable time. Hygienic, homemade and Monosodium Glutamate (MSG) free nutritionist recommended heathy food in the market will create a unique selling point since the working people rarely find a healthy and hygienic place for their day to day consumption of food. It is the most common problem faced by most of the corporate professionals in the market. As a new venture we take responsibility of sustainability of the environment by providing a biodegradable packaging and a well-balanced meal for customers in order to eliminate the food wasting.

Table 01 - Mean and median monthly gross salary in major industries - 2017

Measurement	Agriculture	Industry	Service
Mean	16,138	23,807	31,836
Median	14,000	19,000	29,000

Table 02 – Mean and median monthly salary of paid employees - 2017

District	Mean	Median
Colombo	37,000	27,50

The target category as below:

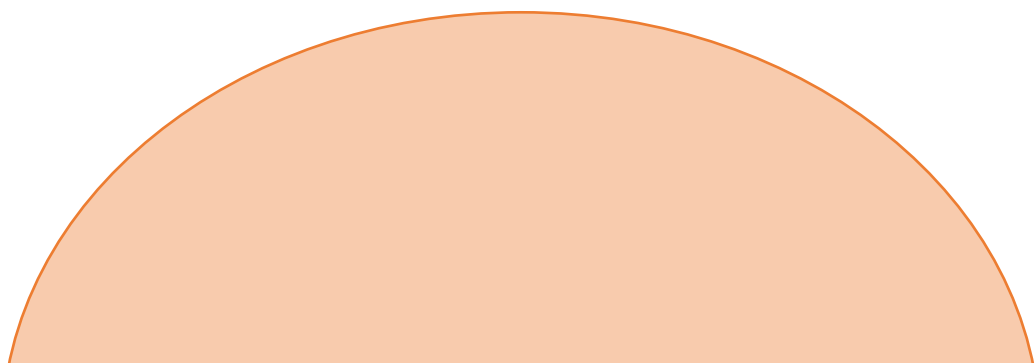
- Earning a monthly income around or more than Rs. 45,000
- Senior executives and manager, who are generally busy and unable to expend the lunch period to go out to look for healthy and hygienic food.
- The Colombo population who have got addicted to unhealthy fast food and suffers from various diseases and currently ready to change their diet to have a healthy life style.
- The modern families where both spouses works and too busy to spend time on cooking but looking for a place to get a healthy homemade food.
- Busy business entrepreneurs.

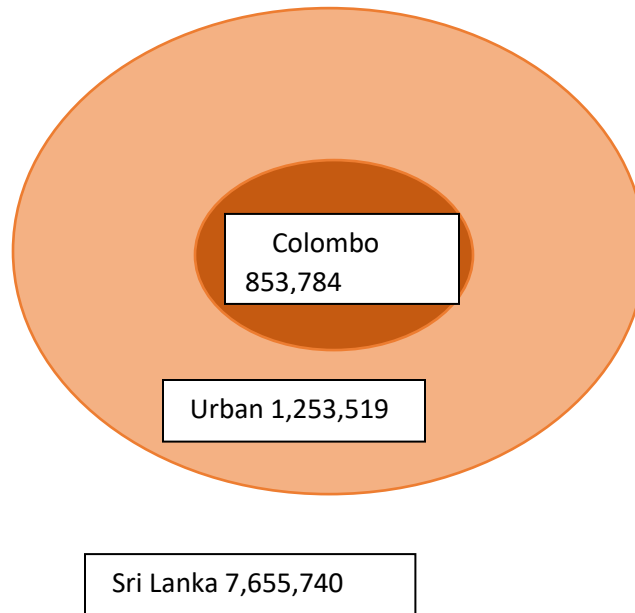
1.3 Target Market Growth

Censuses department indicates that there are 853,784 people employed in Colombo city. Colombo the country’s biggest city and main commercial hub where most of the corporations are based in. The target market will grow since the working population in Colombo is high comparing to the other urban cities and the monthly salary paid for employees are also high comparing to other districts. Sector wise Colombo city shows the main contribution on service sector where the majority of the target market is employed in. Labor Force Survey (2016, pp 16-20).

1.4 Labor Force in Sri Lanka

Figure 03 – Labor force in Sri Lanka.





2.0 The Product / Services

2.1 Outline of the product and how it meets the identified needs

Healthy meal for healthy living recommended by the Nutritionist

- **Homemade rice and curry** - Sri Lankans are more used to have rice and curry as their lunch. It is really a balanced meal if we can make it healthy. Sri Lankan's consume lot of rice and little curries (vegetable and meat), which is not balanced in nutrition. The meal that is going to be introduced will be balanced with vegetables, fish/meat and less rice, which is more in protein and less in carbohydrates. A balanced portion of variety of red rice will be used which is less in fat and nutrition. In the preparation of curries all ingredients used will be chemical free and less amount of coconut milk. Coconut milk is highly nutritious and rich in fiber. For tempering purpose very little amount of virgin coconut oil will be used, which is again contains good fat for the body. The menu will be vary in daily basis so that the customers would not feel bored with the food they consume. (Refer Appendix – 02)
- **Homemade Salads** - People who are dieting would like to eat only a protein contain meal with no carbs. And vegans prefer to have raw vegetable, so for them we have the salads menu for their lunch. Our salad will not contain any starchy vegetables or fruits. (Baked Fish

/ Chicken / Boiled Egg can be added to the salad according to the customers requirement)
(Refer Appendix – 02)

2.2 How does it work?

- Initially impart the customers by a leaflet campaign in the target area continuously and through social media – Facebook.
- Get the initial customers and design a database.
- Supply / deliver the food on call through delivery boys.
- Get customer feed back
- Align the variety of food on common options / preferences.
- Get continuous feedback from the customers for future improvements.

2.3 The key features of the product

- Healthy hygienic lunch
- Delivery to door step
- Consistency of the quality
- Variety and tasty food
- Two way communication
- Environmental friendly packing
- Halal certified meat suppliers

2.4 How it benefits the target market

It mainly prevents from diabetic, cholesterol and heart related problems and get used to a healthy diet. The customer will get a healthy meal for a most affordable price compared to the prevailing market rates. Continuous supply will be there as the target segment is selective. Customers will have the chance of experiencing new varieties of food based on their common request in future. Guilty free eating since they consume healthy hygienic food.

The food wastage will be reduced when the customers get a balanced meal. By observing and from informal conversation with corporate professionals it has been found that they complain about

wasting food (specifically extra rice) since the lunch packets they buy from outside are too much in quantity.

3.0 Alternatives and Competitors

As per the research conducted below are the competitors who deliver healthy food currently in the market.

Table 03 – Main competitors of the business.

Name	Products	For a Lunch Meal Price Start from
Calorie Counter	More westernized food Items, No rice and curry	400/- to 1000/-
Healthy Living	Rice and Curry and Salads	350/- to 500/-
Fit Meal	They have meal plan for fitness diets	Per meal 650/- to 700/-
Eat Right	Rice and Curry only twice a week, other days Salads and other healthy food items	550/-
Paan Paan Sandwich Bar	Salads and Sandwiches only	Salads - 400/-, Sandwiches - 220 to 380/- Delivery charges 200/-
Good Life Café	Salads and smoothies, No delivery	500/-
Flow Health Bar	Vegan Burger, soups and salads, No delivery	500/- to 1000/-

Most of the competitors in the market focusing on healthy meal is targeting only the high end customers. Their price is high for an executive to buy lunch from them regularly. The direct competitor will be “Healthy Living”, since they have a similar product as we are going to introduce. Even though their product is similar they have their routine customers who they prioritize and there is still a market they have not tapped. Comparatively the rivalry among existing competitor is low since there are less number of competitors delivering healthy balanced nutrition rice and curry.

3.1 Porters’ five forces theory

Bargaining of the customer is high - Customers are highly volatile in this particular market as they may change their meal plan look for substituted or can go to a competitor. It is important to

retain the customers satisfied and providing a friendly service and make them as loyal customers to us.

Bargaining power of supplier is low - Supplier's competition is high in the market. So as customers we can demand the quality products from the suppliers.

Threat of new entry is high- Every year there are new entrants in this particular market in Colombo. Initial investment of the business is low therefore new entrants can easily enter to the market. But it is difficult for everyone to sustain in the market. In the Yamu Food Review, most of the healthy restaurants and catering services they have reviewed one or two years ago is closed by now. So threat of new entrance is high but there sustainability in the market is low. So when we build a good brand name and loyal customers with the nutrition healthy balanced meal in the market, we can successfully compete the new entry threats.

Threat of substitute is high - According to Zotamo website there are 369 food delivery services in Sri Lanka. Not all these are healthy food delivery services but still customers have more options with their preferences and needs that changes time to time. Zotamo (2018)

3.2 The differentiation of our products from the competitors

Except one catering service (Healthy Living), all other competitors are more focused on promoting westernized food. Sri Lankans are used to eat rice and curry for lunch and our food will be their first preference when it comes for lunch as they just thought. We have both Sri Lankan as well as western so the customers have a choices.

According to an interview conducted from a food review writer – Bhagya from YAMU reviews, In Colombo the healthy food delivery market is too expensive for an average earning individual to consume every day and it's rare to find Sri Lankan way of cooking healthy food in the market. Further he mentioned the sustainability of the business in healthy food market is low because of these reasons.

4.0 SWOT Analysis

Table 04 – SWOT analysis of Happy Lunching.

Strengths	Weaknesses
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Nutritious foods for affordable price. Guaranteed hygienic foods. On time delivery. Maintain friendly customer relationship. Serve quickly. Environment friendly package.	Healthy foods are known as tasteless foods. No dine in service.
Opportunities	Threats
Easy to expand to other urban areas in the Colombo. Customized foods can be provided. Availability of higher demand.	Easy to enter to the market. Existing competitors can copy the concept. Vegetable prices are drastically increased seasonally.

4.1 The Unique Selling Points

- Healthy food with taste. Monosodium Glutamate (MSG) free food. All the tasty ingredients used are natural and homemade.
- 100% Hygienic food - Certified in the Good Manufacturing Practices Scheme (GMP) from Sri Lanka Standard Institute (SLSI). GMP certify the 100% hygienic factor and the code of practices for catering industry. (SLSI, 2016)
- With a homemade food touch with the banana leaf wrapping, which will give a nice aroma and taste to the food.

5.0 Market Entry / Supply Chain

5.1 Marketing Strategy

As understood from the interview conducted with the food review writer – Bhagya, new food businesses are mushrooming in the city but fail to retain in the market as inconsistency of the quality and the services. Our market strategy will be to retain in the market for a certain period by creating a brand name of outstanding standard quality product with excellent customer service.

5.2 Advertising Strategies

Below the line (BTL)

- Get connected with the nutritionists in the market and promote the product through them.
- Distribute leaflets around Colombo commercial areas, specifically in the lunch times and close to the gym and parks in the evenings.

Through the line (TTL)

- Send e-flyers to the corporate professionals.

Social Media Marketing

- Create an eye-catching video with the benefits of healthy food and publish them on YouTube and Facebook.

Initially we'll be not carrying out the campaigns through mass media (ALT Promotions)

Further customers are attracted through network of contacts. The word of mouth in a forum is more effective, similar to a media advertisement. When one experience it and share their view, others also would like to experience it. (Paul, 2016).

5.3 Take – Off, Growth, Maturity

After launching the product, once the customers made the first purchase, they'll experience the value proposition we promised. This will encourage them to do the second purchase. We'll be evaluating their satisfaction through their feedback on the website or over the phone. To keep the customers interest with us we'll be providing once a week free healthy deserts. This process will move the customer up in the loyal chain (Paul, 2016).

6.0 Distribution

Distribution will take place in rented cabs through the sales persons to the customer's office. The customer can place their order through the company website, phone calls, SMS or through the Facebook page. Majority of the customers are smart phone users and it's easy for them to place their order even when they're at a meeting or traveling through the website or on the Facebook. The daily menu will be uploaded in the website and the Facebook page. Customers will have to place their order before 10.00am for the day so that there will be adequate time to deliver the food

on time. The sales persons will be collecting the money from the customers. Customers can use their credit or debit card to order through the website. The sales person will have a mobile phone to coordinate with the order taker and the customer's office for any urgencies.

6.1 Long term plan

- Introducing variety of menus catered for customers with different health problems.

Eg. Cholesterol and Diabetic patients.

- Introducing healthy snacks to organization events.

E.g. Training programs, Management meetings etc.

- Expand the target market by providing breakfast and dinner delivery services.
- Expand the delivery services in other urban areas.
- Hosting a mobile app.

6.2 Source of supplies

The goods will be sourced from dedicated economic centre (DEC), Narahenpita, Colombo -05. It has more suppliers and all goods can be purchased in one place. Its only 3 km away from the kitchen. Traveling cost is less. All the vegetables will be bought freshly prior to the delivery day.

6.3 Another ways to make it available for the customers

- Food on the wheels – Lunch packets for sales on the wheels in the commercial areas.
- Partnering with Quickee the distribution network in Sri Lanka. Customers visit their website to order food, which will be another way of marketing and making our product available to the target market.

7.0 Financial outlook

Initial investment would be Rs 2,000,000 to set up the business. Two partners invest in initial capital by each Rs 1 mn. This initial investment will be incurred for kitchen equipment, furniture, initial purchases, website cost, registration fee, initial marketing etc.

7.1 Revenue

Forecasted revenue of the Happy Lunching has been mentioned below for three years. In first year, total revenue of the business will be estimated as Rs 19,410,000. And it will be expected to grow by 12%. After prepare the detail financial statements, net profit margin has been identified as 10% in first year it will be expected increase to 17% to next year. Therefore business has ability to recover its initial investment within 11 months.

Figure 04 – forecast revenue for next three years

Month	Item	Price (Rs)	Unit per month	Total (Rs)	Month	Item	Price (Rs)	Unit per month	Total (Rs)	Month	Item	Price (Rs)	Unit per month	Total (Rs)
Jan-19	Rice - Vegetable	200	650	130000	Jan-20	Rice - Vegetable	200	750	150000	Jan-20	Rice - Vegetable	200	800	160000
	Rice - Fish or Chicken	250	4400	1100000		Rice - Fish or Chicken	250	5000	1250000		Rice - Fish or Chicken	250	5100	1275000
	Salad	250	1550	387500		Salad	250	1650	412500		Salad	250	1750	437500
	Total			1,617,500		Total			1,812,500		Total			1,872,500
Feb-19	Rice - Vegetable	200	650	130000	Feb-20	Rice - Vegetable	200	750	150000	Feb-20	Rice - Vegetable	200	800	160000
	Rice - Fish or Chicken	250	4400	1100000		Rice - Fish or Chicken	250	5000	1250000		Rice - Fish or Chicken	250	5100	1275000
	Salad	250	1550	387500		Salad	250	1650	412500		Salad	250	1750	437500
	Total			1,617,500		Total			1,812,500		Total			1,872,500
Mar-19	Rice - Vegetable	200	650	130000	Mar-20	Rice - Vegetable	200	750	150000	Mar-20	Rice - Vegetable	200	800	160000
	Rice - Fish or Chicken	250	4400	1100000		Rice - Fish or Chicken	250	5000	1250000		Rice - Fish or Chicken	250	5100	1275000
	Salad	250	1550	387500		Salad	250	1650	412500		Salad	250	1750	437500
	Total			1,617,500		Total			1,812,500		Total			1,872,500
Apr-19	Rice - Vegetable	200	650	130000	Apr-20	Rice - Vegetable	200	750	150000	Apr-20	Rice - Vegetable	200	800	160000
	Rice - Fish or Chicken	250	4400	1100000		Rice - Fish or Chicken	250	5000	1250000		Rice - Fish or Chicken	250	5100	1275000
	Salad	250	1550	387500		Salad	250	1650	412500		Salad	250	1750	437500
	Total			1,617,500		Total			1,812,500		Total			1,872,500
May-19	Rice - Vegetable	200	650	130000	May-20	Rice - Vegetable	200	750	150000	May-20	Rice - Vegetable	200	800	160000
	Rice - Fish or Chicken	250	4400	1100000		Rice - Fish or Chicken	250	5000	1250000		Rice - Fish or Chicken	250	5100	1275000
	Salad	250	1550	387500		Salad	250	1650	412500		Salad	250	1750	437500
	Total			1,617,500		Total			1,812,500		Total			1,872,500
Jun-19	Rice - Vegetable	200	650	130000	Jun-20	Rice - Vegetable	200	750	150000	Jun-20	Rice - Vegetable	200	800	160000
	Rice - Fish or Chicken	250	4400	1100000		Rice - Fish or Chicken	250	5000	1250000		Rice - Fish or Chicken	250	5100	1275000
	Salad	250	1550	387500		Salad	250	1650	412500		Salad	250	1750	437500
	Total			1,617,500		Total			1,812,500		Total			1,872,500
Jul-19	Rice - Vegetable	200	650	130000	Jul-20	Rice - Vegetable	200	750	150000	Jul-20	Rice - Vegetable	200	800	160000
	Rice - Fish or Chicken	250	4400	1100000		Rice - Fish or Chicken	250	5000	1250000		Rice - Fish or Chicken	250	5100	1275000
	Salad	250	1550	387500		Salad	250	1650	412500		Salad	250	1750	437500
	Total			1,617,500		Total			1,812,500		Total			1,872,500
Aug-19	Rice - Vegetable	200	650	130000	Aug-20	Rice - Vegetable	200	750	150000	Aug-20	Rice - Vegetable	200	800	160000
	Rice - Fish or Chicken	250	4400	1100000		Rice - Fish or Chicken	250	5000	1250000		Rice - Fish or Chicken	250	5100	1275000
	Salad	250	1550	387500		Salad	250	1650	412500		Salad	250	1750	437500
	Total			1,617,500		Total			1,812,500		Total			1,872,500
Sep-19	Rice - Vegetable	200	650	130000	Sep-20	Rice - Vegetable	200	750	150000	Sep-20	Rice - Vegetable	200	800	160000
	Rice - Fish or Chicken	250	4400	1100000		Rice - Fish or Chicken	250	5000	1250000		Rice - Fish or Chicken	250	5100	1275000
	Salad	250	1550	387500		Salad	250	1650	412500		Salad	250	1750	437500
	Total			1,617,500		Total			1,812,500		Total			1,872,500
Oct-19	Rice - Vegetable	200	650	130000	Oct-20	Rice - Vegetable	200	750	150000	Oct-20	Rice - Vegetable	200	800	160000
	Rice - Fish or Chicken	250	4400	1100000		Rice - Fish or Chicken	250	5000	1250000		Rice - Fish or Chicken	250	5100	1275000
	Salad	250	1550	387500		Salad	250	1650	412500		Salad	250	1750	437500
	Total			1,617,500		Total			1,812,500		Total			1,872,500
Nov-19	Rice - Vegetable	200	650	130000	Nov-20	Rice - Vegetable	200	750	150000	Nov-20	Rice - Vegetable	200	800	160000
	Rice - Fish or Chicken	250	4400	1100000		Rice - Fish or Chicken	250	5000	1250000		Rice - Fish or Chicken	250	5100	1275000
	Salad	250	1550	387500		Salad	250	1650	412500		Salad	250	1750	437500
	Total			1,617,500		Total			1,812,500		Total			1,872,500
Dec-19	Rice - Vegetable	200	650	130000	Dec-20	Rice - Vegetable	200	750	150000	Dec-20	Rice - Vegetable	200	800	160000
	Rice - Fish or Chicken	250	4400	1100000		Rice - Fish or Chicken	250	5000	1250000		Rice - Fish or Chicken	250	5100	1275000
	Salad	250	1550	387500		Salad	250	1650	412500		Salad	250	1750	437500
	Total			1,617,500		Total			1,812,500		Total			1,872,500
Total				19,410,000	Total				21,750,000	Total				22,470,000

Figure 05 – Income statement for next three years

Projected Profit & Loss Statement			
	2019	2020	2021
Total Sales	19,410,000	21,750,000	22,470,000
supplies	7,156,100	7,871,710	8,265,296
Occupancy Costs (Electricity, water etc)	2,284,640	2,513,104	2,638,759
direct labor cost	2,728,966	3,001,863	3,151,956
Delivery expenses	1,345,800	1,467,500	1,578,400

packaging expenses	1,309,200	1,440,120	1,512,126
Less Total Cost of Goods Sold	14,824,706	16,294,297	17,146,536
Gross Profit	4,585,294	5,455,703	5,323,464
Expenses			
Basic website	50,000	10,000	10,000
GMP Certification	6,500		
kitchen equipment	1,000,000	59,000	65,000
Property rent	960,000	960,000	960,000
Advertising and promotion	300,000	320,000	329,000
Administration expenses	175,000	210,000	219,860
other expenses	80,000	90,300	98,500
Total Expenses	2,571,500	1,649,300	1,682,360
Profit / (Loss)	2,013,794	3,806,403	3,641,104

Figure 06 – Statement for financial position for next three years

ASSETS			
	2019	2020	2021
Current Assets			
Cash	3,003,894	2,817,393	2,631,463
Inventories	37,900	89,800	126,400
Accounts receivable		6,700	5,890

Prepaid expenses			
Total Current Assets	3,041,794	2,913,893	2,763,753

Fixed Assets

Property, land and equipment	1,341,380	1,790,800	1,990,700
Leasehold improvements		660,800	260,800
Less accumulated depreciation (Negative Value)	- 18,700	- 20,450	22,430

Total Assets	1,322,680	2,431,150	2,273,930
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Other Assets

Deferred income tax	-	-	-
Charity/Goodwill	-	-	-
Other	-	-	-

Total Other Assets	-	-	-
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TOTAL ASSETS	4,364,474	5,345,043	5,037,683
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LIABILITIES AND OWNER'S EQUITY

Current Liabilities

Accounts payable	1,259,780	459,740	340,979
Short-term loans	90,900	78,900	55,600
Income taxes payable			
Current portion of long-term debt			

Total Current Liabilities	1,350,680	538,640	396,579
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Long-Term Liabilities

Long-term debt	-	-	-
Other long-term debt	-	-	-

Total Long-Term Liabilities	-	-	-
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Owner's Equity			
Owner's investment	2,000,000	2,000,000	2,000,000
Retained earnings	1,013,794	2,806,403	2,641,104
Other			
Total Owner's Equity	3,013,794	4,806,403	4,641,104
TOTAL LIABILITIES AND OWNER'S EQUITY	4,364,474	5,345,043	5,037,683

Figure 07 - Cash flows for next three years.

	2019	2020	2021
CASH RECEIPTS			
investor's contribution	2,000,000		
Cash sales	19,410,000	21,750,000	22,470,000

TOTAL CASH RECEIPTS	21,410,000	21,750,000	22,470,000
CASH PAID OUT			
Basic website	50,000	10,000	10,000
Company registration fee	35,000		
Kitchen equipment	1,000,000	59,000	65,000
Property rent	960,000	960,000	960,000
GMP certification	6,500		
Salaries of employees	2,728,966	3,001,863	3,151,956
Delivery expenses	1,345,800	1,467,500	1,578,400
Advertising	300,000	320,000	329,000
Utilities	2,284,640	2,503,114	2,638,759
Suppliers	7,156,100	7,871,710	8,265,296
Interest expense	6,100	7,800	5,800
Maintenance	67,800	80,700	87,600
Packaging expenses	1,309,200	1,440,120	1,512,126
Office expenses	156,000	210800	234,600
owner's withdrawal	1,000,000	1,000,000	1,000,000
TOTAL CASH PAID OUT	18,406,106	18,932,607	19,838,537
CASH IN HAND	3,003,894	2,817,393	2,631,463

7.2 Key financial ratios

Table 05 – Key financial ratios

FINANCIAL RATIOS	2019	2020	2021
Working Capital (Current Assets - Current Liabilities)	1,691,114	2,375,253	2,367,174
Current Ration (Current Assets / Current Liabilities)	2.25	5.41	6.97
Quick Ratio ((Current Assets – Inventories) / Current Liabilities)	2.22	5.24	6.65

Debt-to-Equity Ratio (Total Liabilities / Shareholders Equity)	0.45	0.11	0.09
Long Term Debt-to-Equity Ratio (Long Term Debt / Shareholders Equity)	-	-	-
Gross profit margin	24%	25%	24%
Net profit margin	10.4%	17.5%	16.2%

Accordinging ratio calculation, gross profit margin will maintain stably in next three years. Further financial position of the business is mainly based on the equity. Therefore there will be no any liquidity issues. Further working capital of the business will also improve time to time therefore business will be in strong position to continue day to day operations. This will be mainly due to strong cash position of the business. Therefore there will be no issue to payback for creditors. Further business can easily apply for a bank loan since there will be very low level gearing.

Since there will be healthy financial position, business can consider further expansion of the operation after the two years. Business will have many options such as equity finance, debt finance or using retained earnings or cash for further investment. According to financial statements, the best funding option will be apply a bank loan due to company will has ability to pay back and it will further balance debt equity financing.

Appendix – 01 Canvas model for Happy Lunching

Key Partners professional chefs Customers Suppliers for grocery, fish, meats, vegetables etc. Delivery services. (Taxis, Quickee) Advertising agencies	Key Activities Hiring chefs and other employees Managing kitchen and staff. Purchasing fresh ingredients (Fish, meat, vegetables). Handling meal orders On time delivery. Customer relationship management	Value Proposition 100% hygienic foods Healthy and tasty food Affordable price Customized for health conscious persons. Convenient to order and delivered to door step. Eco friendly packing.	Customer Relationship Social media based community Getting continuous feedback from customers.	Customer Segmentation Age between 25 to 55 Corporates professionals, in the executive grade and above Earning a monthly income around Rs. 40,000 Employees busy at work and who are not interested in going outside from the office to buy lunch. Busy working women who can't spend lot of time on kitchen cooking but still look for healthy food Employees who gives first priority to their health Employees got diabetes / heart dieses / overweight or other health issues because of unhealthy food consumptions
	Key Resources Professional chef and other employees Clean kitchen Technology platform		Channels Websites (Company/ quickee) Facebook Over the phone/ SMS Rented taxis Quickee delivery service	
Cost structure Initial infrastructure cost and other running cost. Technological setup and running cost. Employees' salaries. Delivery cost.			Revenue Selling lunch packets. Healthy desserts. Providing healthy snacks to meetings and training programs.	

Appendix 02 – Rice and curry manu.

Rice	Vegetable Curry	Meat / Fish	Mallum or a Salad	Boiled Vegetables
Red Nadu	Cucumber	Fish curries	Mukunuwenna(Alternanthera sessilis)	Carrot
Red Basmati	Bitter gourd	Grilled fish	Sarana(Kind of green leaf)	Beans
Red Kekulu	Snake gourd	Chicken curry	Kankung (water spinach)	Cabbage
	Ridge gourd	Grilled Chicken	Onion Leaves	Okra
	Radish/Knokohl(Leaves)	Hardboiled Egg	Gotukola (Centella asiatica)	Broccoli
	Tender Jackfruit	For Vegetarians	Salad (Mixed with Cucumber Tomato, Long gourd and Onion)	
	Long Beans	Soya Meat		
	Okra	Mushroom		
	Brinjal			
	Carrot			
	Beetroot			
	Cabbage			
	Leeks			
	Beans			
	Capsicum			
	<i>*No starchy vegetables</i>			
	For cooking virgin coconut oil			
	Coconut milk(As nutritionist recommended)			

Appendix – 02 Salad

Cucumber
Carrot
Snake gourd
Tomato
Lettuce
Celery
Bell Pepper
Purple Cabbage
Beetroot (Less amount)
Avocado (Less Mount)
Big Onion or Red Onion
*Topping - vegeetaiance according to their requirement, Fish, Egg, or Chicken will be mixed with salad

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