

**UNIVERSITY OF NIGERIA**

**DEPARTMENT OF PUBLIC ADMINISTRATION AND LOCAL GOVERNMENT**

**A BUSINESS PLAN:  
HOME ANIMALS AND VETERINARY CARE IN JOS AND PORT-HARCOURT**

**AN ASSIGNMENT PRESENTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS  
OF THE COURSE CED 342**

**(Introduction to Entrepreneurship II)**

**PRESENTED BY**

**NNACHETAM PEACE EBERE  
REG NO: 2014/194441**

**Lecturer: DR. MRS T.C NWAOGA**

**JULY, 2017**

**TITLE PAGE**

**A BUSINESS PLAN:  
HOME ANIMALS AND VETERINARY CARE IN JOS AND PORT-HARCOURT**

## TABLE OF CONTENTS

### CHAPTER ONE:

EXECUTIVE SUMMARY- - - - - 2

### CHAPTER TWO-BACKGROUND

2.1 Introduction - - - - - 3

2.2 Vision and mission statements - - - - - 3

2.3 Ownership - - - - - 3

2.4 Legal Status -- - - - - 3

2.5 Location and Failure - - - - - 3

2.6 Key Success Factors - - - - - 4

2.7 Inherent Risk - - - - - 4

### CHAPTER THREE: PRODUCTS AND MARKETS

3.0 Products -- - - - - 5

3.1 Product Description - - - - - 5

3.2 Costing - - - - - 6

3.3 Nature and Size of the Market - - - - - 7

3.4 Target Market - - - - - 8

3.5 Market Analysis -- - - - - 8

3.6 Customers/Market Segmentation - - - - - 8

### CHAPTER FOUR: MARKETING PLAN

4.1 Promotion and Distribution strategy - - - - - 9

4.2 Market Positioning -- - - - - 9

4.3 Service Delivery Strategy - - - - - 9

### CHAPTER FIVE: ORGANIZATION AND MANAGEMENT

5.1 Organizational Structure - - - - - 10

5.2 Shareholders and Director - - - - - 10

5.3 Management Team - - - - - 10

5.4 Staff and management compliments - - - - - 11

5.5 Value and Norms of the company - - - - - 11

## **CHAPTER SIX: LEGAL, REGULATORY, SOCIAL AND ENVIRONMENTAL ISSUES**

6.1	Legal Issues - -	-	-	-	-	-	-	12
6.2	Environmental Issues -	-	-	-	-	-	-	12
6.3	Social -	-	-	-	-	-	-	12
6.4	Regulatory - -	-	-	-	-	-	-	12

## **CHAPTER SEVEN: FINANCIAL PLAN**

7.1	Production schedule of the project - -	-	-	-	-	-	-	13
7.2	Production schedule of the Dog -	-	-	-	-	-	-	13
7.3	Production schedule of Cats --	-	-	-	-	-	-	14
7.4	Production Schedule of Rabbits -	-	-	-	-	-	-	16
7.5	Feeding cost and veterinary operation cost-	-	-	-	-	-	-	18
7.5.1	Feeding of dogs -	-	-	-	-	-	-	19
7.5.2	Feeding cost of cats -	-	-	-	-	-	-	20
7.5.3	Feeding cost of Rabbit -	-	-	-	-	-	-	20
7.5.4	Cost of Running the Veterinary Care-	-	-	-	-	-	-	21
7.6	Cost Estimate - -	-	-	-	-	-	-	22
7.6.1	Fixed Asset cost -	-	-	-	-	-	-	22
7.6.2	Variable cost Estimate - -	-	-	-	-	-	-	23
7.7	Total Start-Up Capital - -	-	-	-	-	-	-	24
7.8	Financing Structure -	-	-	-	-	-	-	24

## **CHAPTER EIGHT: RISK ANALYSIS, CONTIGUOUS PLANNING AND EXIT STRATEGY**

8.1	Risk Analysis and mitigates --	-	-	-	-	-	-	25
8.2	SWOT Analysis -	-	-	-	-	-	-	25
8.2.1	Strength -	-	-	-	-	-	-	25
8.2.2	Weakness -	-	-	-	-	-	-	25
8.2.3	Opportunities -	-	-	-	-	-	-	25

8.2.3 Threats - - - - - 25  
8.4 Exit Strategy -- - - - - 26

**CHAPTER NINE: PROFITABILITY ANALYSIS AND PROJECTIONS**

9.1 Profitability Analysis - - - - - 27  
9.2 Cash flow Projection - - - - - 27

**CHAPTER TEN: CONSIDERATIONS, CONCLUSIONS AND RECOMMENDATIONS**

10.1 Economic Justification - - - - - 28  
10.2 Conclusion - - - - - 28  
10.3 Recommendation - - - - - 28

## CHAPTER ONE

### EXECUTIVE SUMMARY

- 1.1 The following report and recommendation relate to the proposal by Home Animals and Veterinary care to be established in Jos and Port-Harcourt
- 1.2 The project would require a station capital of N2, 743,300, made up of N1,261, 000 for fixed assets and N1, 482,300 for working capital
- 1.3 The enterprises vision is to create a large variety of marketable pets, cats, dogs and rabbits, to specialize the industry for home animals, increase the availability of veterinary services in Jos and Port-Harcourt, then nationally and internationally
- 1.4 The project would be located at Jos and Port-Harcourt because of their larger market for home animals, cheap and available labour and also their social beliefs.
- 1.5 A huge market is available for the business to serve.
- 1.6 The financial projection shows that the project would be financially stable figure stand of 1250,000, 3,350,000, 3100,000 for year 1, year 2, year 3 respectively. Also the profits are -232, 3000, 2,118,000 and 2100,000 for 2015, 2016 and 2017 respectively. The cash flow position is equally good and encourage by the second year through the third year.
- 1.7 The profitability measures are shown below

Items	Year 1	Year 2	Year 3
Sales of dogs	800,000	1,900,000	1500,000
Sales of cats	300,000	500,000	500,000
Sales of rabbit	400,000	700,000	700,000
Veterinary	150,000	250,000	300,000
Total Sales	1250,000	3,350,000	3100,000
Expenses	1482,300	1232000	1,000,000
Profits	232,300	2,118,000	2,100,000

## CHAPTER TWO-BACKGROUND

### 2.2 Introduction

The foundation on which the business stands is a large determining factor. Therefore, a solid foundation should be built in order to give the business a solid ground.

### 2.2 Vision and mission statements

**Vision:** To create a large variety of marketable pets; cats, dogs and rabbit; to specialize the industry for home animals, increase the availability of veterinary services in the Jos and Port-Harcourt, than nationally and internationally.

**Mission:** Increasing the scale at which pets are reared, increasing the export of these animals and create a large range of customers locally, then internationally through operating the home animals rearing in large scale and also creating read veterinary services.

## **2.8 Ownership**

This business is a sole proprietorship, owned and controlled privately by Nnachetam Peace

## **2.9 Legal Status**

The legal certain of the business has been attained by the employment of the services of a veterinary doctor because of the license given to them.

## **2.10 Location and Failure**

The project would be located Jos and Port-Harcourt. The reasons why these locations were chose are:-

- i. Jos and Port-Harcourt have the largest markets for home animals.
- ii. The residents of Jos and Port-Harcourt create a ready market for unwanted animals to be used as meat by the Birom People of Jos and Calabar people of Port-Harcourt.
- iii. There is cheap and available labour in Jos.
- iv. There are better opportunities to international contractors in Port-Harcourt.
- v. The presence of the business in small scale creates the resources and facilities to be employed in large scale
- vi. The available market of many job seekers provides an opportunity for proper choosing of experienced and donated workers.
- vii. There are many underdeveloped land to help in future expansion

## **2.11 Key Success Factors**

The key success factors include:-

- i. There would be a variety of pets and home animals under production
- ii. This business would operate in a large scale
- iii. There would be professional veterinarian for constant check out of the animals for efficiency in production.

- iv. It would include other varieties of services formally not so available such as cross breeding on contractual basis
- v. There is a combination of both home/pet animals rearing and veterinary care which comprise the best mix for the job.
- vi. The entrepreneur has had an experience in home animals rearing.
- vii. There is really available market for home animals both as pet and as meat.
- viii. The entrepreneur would represent economics of scale due to large scale operation of the business

### **2.12 Inherent Risk**

As always inherent in a business, there are:-

- i. Credit and financial risk
- ii. Profitability Risk
- iii. Goal delivery risk

All these risks would be controlled in the course of the plan.

## **CHAPTER THREE PRODUCTS AND MARKETS**

### **3.0 Products**

Home Animals and veterinary care will provide the following products and services:-

- i. Rear variety of dogs, cats and rabbit breeds
- ii. Availability of veterinary services for animal farmer
- iii. Retail sales of home animals drugs
- iv. Sale of white meat (low fat meat) from rabbits
- v. Provide contractual cross-breeding
- vi. Provide crossing services for customers

### **3.1 Product Description**

### **Varieties of dogs, cats, Rabbits**

The customers have different preferences on the breeds of the different home animals. For Instance, dog species are Australian shepherd, Hand, Bulldog, German shepherd, notiveler- etc. Different customers have different taste thus, the creation of different varieties.

Veterinary care for home animals with the provision of veterinary doctor, the different pets and also customers home animals may receive treatment and professional care.

### **Veterinary Services to Animals farmers.**

These veterinary services, to animal farmer include vet doctor advice and consultation service. Many others may decide to start up their own animal farm and in doing this, professional advice of stages of development among other issues is necessary for the customers to create a good mental picture of their idea

### **Retail sales of Home Animal Drugs**

This has to do with an entity or shop established to make available the drugs for the home available as prescribed by the veterinary doctor.

### **Sale of white meal for rabbits**

The rabbits that may not be sold out as pets may be used as meat mainly consumed by the different due to low. Zit is also good for diabetic patients.

## **3.2 Costing**

The costing of the business divided into different components that comprise.

- i. Feeding
- ii. Employee wages
- iii. Building construction
- iv. Drugs

**Feeding:** The feeding of the home animals is cooked locally made either fish or bone meal. During birth or gestation period, special diets may be given to the pregnant animals. Their meals would mainly certain maize, fish bones, milk for puppies, bones of livestock. From a small scale farm survey, the following was observed:

- i. ½ bag of maize/soya beans per month
- ii. 3. painters of dried fish bone per moth
- iii. The livestock bone is best bought weekly.



These requirements are for a scale of a pair of 3 breeds of dogs each. Considering that the businesses have a variety of home animals and breed, then the quantity would charge

#### Dog Feeding

Number of dogs = 7 pairs (14 dogs)

From survey

100 kg of maize

1 painter of fish bone

Feed content	Quantity month	Amt/month	Amt per head
Maize	1000 kg/month	1	
Fishbone	(painter/month)	6	

#### Rabbit feeding

- Weekly purchase of fresh vegetables
- Bulk purchase of carrots.
- Vegetables

#### Special case for puppies, Kittens and Bunnies

- Higher milk and egg demand for few weeks
- Rabbit pellets
- Higher demand for vegetable

#### Employee Wages

- 2 labours per location = N20,000 each/month
- 2 vet doctors/location = N20, 000 each/month excluding services to customers.

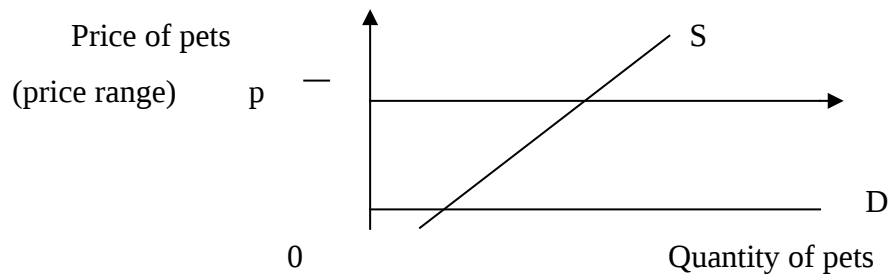
#### Drugs

- i. De worming
- ii. Distemper for dogs
- iii. Regular visit of a vet doctor

### 3.3 Nature and Size of the Market

Due to varying amount of time in the gestation periods and different points of maturing and delivery so the market fluctuates. It involves getting a very dependable dealer that would be able to pay as soon as deliveries are made and when they are made. Mainly there is always a market clearing for producers with dependable contacts.

At different points in time there is a supply while the demanders are constant due to different gestation periods.



#### **Interpretation of Chart above**

The demand (buyers) of the output (pets of the parent animal) is kind of constant with price within a certain range. As so as the animals or pregnant animal litters there are disparities of such time between producers (sellers) thus, at every point in time, it gives the buyers enough space to clear the market before purchase of another litter.

#### **3.4 Target Market**

All demanders of pets in Jos and Port-Harcourt and its neighbouring states also, exporters' of pets mainly in Port-Harcourt, also, marketers in Abuja.

For veterinary products, the target are all livestock farmers within the location of the various veterinary others, poultry, cattle in Jos, pets etc.

#### **3.5 Market Analysis**

The market for pets has increased with the general agreement that pets are a source of aesthetic and also their use for securities and biological control of pests.

This day, every household has some agricultural business going on whether plant or animal farming. Due to this fact at least there is a secure market for the veterinary services and drugs.

#### **3.6 Customers/Market Segmentation**

The following are the classes of customers for home animals and veterinary services:-

- i. Domestic/Regional Buyers of pets for home purchase
- ii. Exporters of pets and whole sale demanders in Abuja
- iii. Contractual customers within Nigeria for special demands and cross breeds.
- iv. White meat demanders within the region of station
- v. Dog meat retailers and "suya" meat.

- vi. Livestock farmers within the region of station for veterinary services and drugs.

## **CHAPTER FOUR**

### **MARKETING PLAN**

#### **4.1 Promotion and Distribution strategy**

In order to create awareness in the new market a lot has to be done. The main outlets and production and service delivery centers for home animals and veterinary care would have a sign board. Also, contact from the various veterinary clinics would be gotten and awareness sent out to them. A brief awareness would be carried out to various small scale farmers and if possible contacts of customer collected with the region.

Distribution to customers would mainly be considered first if there was prior booking than of not, the contacts of dependable demanders are than contacted

#### **4.2 Market Positioning**

The market would be positioned on the:-

- i. Dependability to always have the best product and service.
- ii. Consumer satisfaction is always seek to be satisfied to a possible best.
- iii Also strict adherence to contract and transaction agreement
- iv. Having a great deal of varieties to save customers better.

In summary, the market is built around dependability, customer satisfaction and optimum productivity. "Satisfaction is our watch word."

#### **4.3 Service Delivery Strategy**

To make-sure our service is delivered to the target market and customers; the home annual and veterinary care aims at the following:-

- i. At first entrance, the price of pets would be subsidized to buy customer interest.

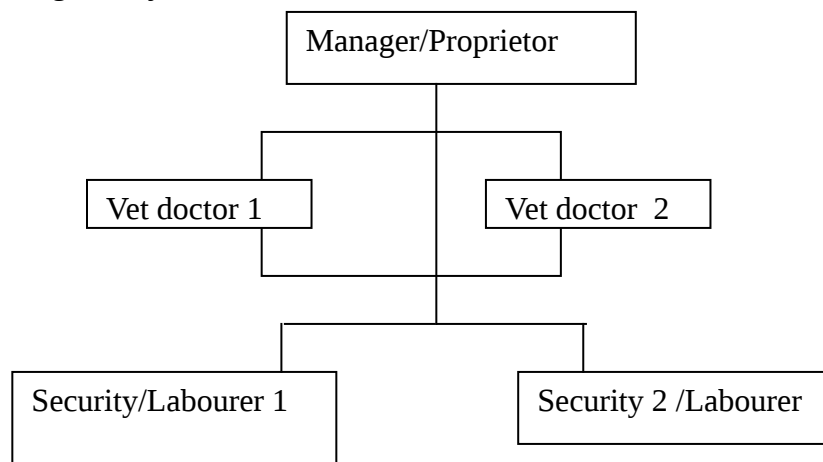
- ii. Quality pets of pure breeds would be produced in order to gain some share from the already existing market.
- iii. Product payment and drug payment would be subsidized and also much more convenient payment ways would be created to serve customer better.

## CHAPTER FIVE

### ORGANIZATION AND MANAGEMENT

#### 5.4 Organizational Structure

The business is mainly controlled by a top manager who is the owner of the business. At every outlet there is a management by two veterinary doctors: one more experienced by the other. At a lower level there are two labours (mainly unskilled) in charge of the animals feeding and deadlines among other jobs.



This is the summary of the structure per outlet in Jos and Port-Harcourt.

#### 5.5 Shareholders and Director

At least 3/5 of the capital needed to set up the business is generated by the owner while the remaining is sourced by borrowing from family and friend which is based on trust and no legal identification.

#### 5.6 Management Team

At each outlet, the “management-by-objective (MBO) “style is adopted with the chairman as the top manager with the team that include the two veterinary doctors. For a start, the management team constitutes outlet which is subjected to increase on business growth and expansion.

#### 5.4 Staff and management compliments

S/n	Positions	No. of staff	Annual salary/staff	Total
1.	Proprietor	1	420,000	420,000
2.	Veterinary doctors	4	120,000	480,000
3.	Labourers/security	4	120,000	480,000
				13,80,000
	Add 5% fringe benefits			69,000
	Grand total			1,449,000

#### 5.5 Value and Norms of the company

This project would involve few rules in order to allow for flexibility within the organization.

- i. To deliver quality services to her customers
- ii. To always meet transaction agreements with her customers and operate within the confines of law.
- iii. to always hold her employee as her most valuable assets
- iv. To be dependable in all her dealings.
- v. To project and better her natural environment
- vi. To earn a gold name and honesty in dealings.

## CHAPTER SIX

### LEGAL, REGULATORY, SOCIAL AND ENVIRONMENTAL ISSUES

#### 6.5 Legal Issues

Home Animals and veterinary care is a sole proprietorship business. It requires to be registered with the business named at the appropriate department at the local department at the local Government Headquarters.

The permit for sales of animal drugs is acquired through the employment of the veterinary doctor who are at the head of affairs in the veterinary store.

#### 6.6 Environmental Issues

The waste materials of the home animals could constitute disturbance to the environment around then if they are not properly disposed. Most case the waste of the animals are handled by buying method. These faces waste are buried with sand. In addition their wages are cleared periodically at least once a week.

#### 6.7 Social

The procession of this project would rep the society with a number of social benefits.

There benefits would include the following:-

- i. Increase in the employment level
- ii. Suggest other sources of employment for centre preneurial minds
- iii. Wealth creation
- iv. Aesthetic values through production of beautiful pets
- v. Foster better animal farming

#### 6.8 Regulatory

The Home Animals and veterinary care will comply with all legal, social and environment regulations, as well as all relevant industrial safety regulatory requirements in the course of carrying-out the project.

## CHAPTER SEVEN

## FINANCIAL PLAN

### 7.1 Production schedule of the project

The production schedule shows how the process would take place for the home animals. Since it considers different animals, the production schedule of the different animals and production periods are considered.

### 7.2 Production schedule of the Dog

Gestation period of dog = 65 days after crossing

Total Gestation period of a female dog in a year= 4 times a year. Average litter of a matured bitch= 6 puppies lactation period in a bitch (female dog) = 4-6 weeks

#### Production for year 1 (start up year)

This production plan covers only the female dogs (bitches) which would be the main production agent. Also, it is considered after the maturity stage. The 1<sup>st</sup> Assuming a production year is made up of 52 weeks the first period (week) parent stock puppies

Months	Parent Stock		No of puppies	No of puppies sold
	male	Female		
January	8	8	-	-
February	8	8	-	-
March	8	8	-	-
April	8	8	-	-
May	8	8	-	-
June	8	8	-	-
July	8	8	-	-
August	8	8	-	-
September	8	8	24	-
October	8	8	-	24
November	8	8	24	-
December	8	8	-	24
Aggregate	8	8	48	48

Assuming a mortality rate of 5%. The number of puppies produced and sold may be 46 for both.

### Production For Subsequent Years

Months	Parent Stock		No of puppies	No of puppies sold
	male	Female		
January	8	8	24	-
February	8	8	-	24
March	8	8	24	-
April	8	8	-	24
May	8	8	24	-
June	8	8	-	24
July	8	8	24	-
August	8	8	-	24
September	8	8	24	-
October	8	8	-	24
November	8	8	24	-
December	8	8	-	-
Aggregate	8	8	168	144

Assuming a mortality rate of 5%, the numbers of puppies produced and sold are 159 and 136 respectively.

### 7.3 Production schedule of Cats

Length of Gestation of cats = 63 days

Total gestation period in a year = 4 times

Average litter of a matured cats = 5 kittens

Location period in a female cat = 4 weeks

#### Production for Year 1( startup Year)

Month	parent stock		No of kittens	No of kittens sold
	Male	female		
January	6	6	-	-
February	6	6	-	-
March	6	6	-	-
April	6	6	-	-
May	6	6	-	-
June	6	6	-	-
July	6	6	-	-
August	6	6	-	-
September	6	6	15	-
October	6	6	-	15



November	6	6	15	-
December	6	6	-	15
<b>Aggregate</b>	<b>6</b>	<b>6</b>	<b>30</b>	<b>30</b>

Assuming a mortality rate of 5%, the number of kitten produced and sold is 28 for both.

### Production for Subsequent Year

Month	parent stock		No of kittens	No of kittens sold
	Male	female		
January	6	6	15	-
February	6	6	-	15
March	6	6	15	-
April	6	6	-	15
May	6	6	15	-
June	6	6	-	15
July	6	6	15	-
August	6	6	-	15
September	6	6	15	-
October	6	6	-	15
November	6	6	15	-
December	6	6	-	-
<b>Aggregate</b>	<b>6</b>	<b>6</b>	<b>90</b>	<b>75</b>

Assuming a mortality rate of 5%, the number of kitten produced and sold are 85 and 71 respectively.

### 7.4 Production Schedule of Rabbits

Length of gestation period of cats = 30 days

Total gestation periods in a year = 10 times

Average litter of a matured rabbit 8 bunnies

Lactation period in a failure rabbit = 4 weeks

### Production for year 1 (start up year)

The parent stock is for males and female rabbits. The females are the main production agent. For the first stage the maturity is accounted for before any production offer crossing is carried out.

Months	Parent stock		No of bunnies	No of bunnies sold
	Male	female		
January	6	6	-	-

February	6	6	-	-
March	6	6	-	-
April	6	6	-	-
May	6	6	-	-
June	6	6	-	-
July	4	4	-	-
August	4	4	16	-
September	4	4	16	16
October	4	4	16	16
November	4	4	16	16
December	4	4	16	16
<b>Aggregate</b>	<b>4</b>	<b>4</b>	<b>80</b>	<b>64</b>

Assuming a maturity rate of 5%, the number of business produced and sold are 76 and 60 respectively.

Production for subsequent years

Months	Parent stock		no of bunnies	No of bunnies sold
	Male	Female		
January	4	4	16	16
February	4	4	16	16
March	4	4	16	16
April	4	4	16	16
May	4	4	16	16
June	4	4	16	16
July	4	4	16	16
August	4	4	16	16
September	4	4	16	16
October	4	4	16	16
November	4	4	16	16
December	4	4	16	16
<b>Aggregate</b>	<b>4</b>	<b>4</b>	<b>192</b>	<b>192</b>

Assuming a maturity rate of 5%, the number of business produced and sold is 182 for both.

## 7.6 Feeding cost and veterinary operation cost

### 7.5.1 Feeding of dogs

Feeding cost of cost of dogs for year (start up Year)

s/n	Month	Feed c cost of parent stock	Feed cost for puppies	Drugs	Total cost
1.	January	10000	-	8000	18000
2.	February	10000	-	1000	11 000
3.	March	10000	-	1000	11 000
4.	April	10000	-	3000	13 000
5.	May	8000	-	1000	9000
6.	June	8000	-	1000	9000
7.	July	8000	5,000	3000	16000
8.	August	8000	5,000	1000	14000
9.	September	8000	-	1000	9000
10.	October	8000	-	3000	11000
11.	November	8000	5000	1000	14000
12.	December	8000	5000	1000	14000
	<b>Aggregate</b>	<b>104,000</b>	<b>20,000</b>	<b>25000</b>	<b>149000</b>

#### Feeding cost of Dogs for subsequent years

S/n	Month	Feed cost of parent stock	Feed cost of puppies	Drugs	Total cost
1.	January	8000	-	3000	
2.	February	8000	-	1000	
3.	March	8000	5000	1000	
4.	April	5000	-	3000	
5.	May	8000	-	1000	
6.	June	8000	-	1000	
7.	July	8000	5,000	3000	
8.	August	8000	5,000	1000	
9.	September	8000	-	1000	
10.	October	8000	-	3000	
11.	November	8000	5000	1000	
12.	December	8000	5000	1000	
	<b>Aggregate</b>	<b>104,000</b>	<b>20,000</b>	<b>25000</b>	<b>146000</b>

#### 7.5.3 Feeding cost of cats

##### Feeding cost of cats for year 1 (start up year)

S/n	Month	Feed cost of parent stock	Feed cost of kittens	Drugs	Total cost
1.	January	8000	-	1,500	
2.	February	8000	-	800	
3.	March	8000	-	800	
4.	April	6,000	-	1,500	

5.	May	6,000	-	800	
6.	June	6,000	-	800	
7.	July	6,000	-	1,500	
8.	August	6,000	-	800	
9.	September	6,000	3,000	800	
10.	October	6,000	-	1,500	
11.	November	6,000	3000	800	
12.	December	6,000	-	800	
	<b>Aggregate</b>	<b>78,000</b>	<b>6,000</b>	<b>12400</b>	<b>96,400</b>

#### Feeding cost of cats for subsequent years

S/n	Month	Feed cost of parent stock	Feed cost of kittens	Drugs	Total
1.	January	6000	3000	1,500	10500
2.	February	6000	-	800	6800
3.	March	6000	3000	800	19800
4.	April	6000	-	1,500	7500
5.	May	6000	3000	800	9800
6.	June	6000	-	800	6800
7.	July	6000	3000	1,500	10500
8.	August	6000	-	800	6800
9.	September	6000	3000	800	9800
10.	October	6000	-	1,500	7500
11.	November	6000	3000	800	9800
12.	December	6000	-	800	6800
	<b>Aggregate</b>	<b>72000</b>	<b>18000</b>	<b>12400</b>	<b>102,400</b>

### 7.5.3 Feeding cost of Rabbit

#### Feeding cost of Rabbit for years 1 (start up)

S/n	Month	Feed cost of parent stock	Feed cost of puppies	Drugs	Total cost
1.	January	7000	-	1000	7000
2.	February	6000	-	800	6800
3.	March	6000	-	800	6800
4.	April	4,000	-	1000	7000
5.	May	4,000	-	800	4500
6.	June	4,000	-	800	4800
7.	July	4,000	-	1000	3000
8.	August	4,000	1500	800	6300
9.	September	4,000	1500	800	6300
10.	October	4,000	1500	1000	6500
11.	November	4,000	1500	800	6300

12	December	4,000	1500	800	6300
	<b>Aggregate</b>	<b>56,000</b>	<b>7500</b>	<b>10400</b>	<b>73,900</b>

#### Feeding cost of Rabbit for subsequent years 1

S/n	Month	Feed cost of parent stock	Feed cost of bunnies	Drugs	Total cost
1.	January	4000	1500	1000	6500
2.	February	4000	1500	800	6300
3.	March	4000	1500	800	6300
4.	April	4000	1500	1000	6500
5.	May	4000	1500	800	6300
6.	June	4000	1500	800	6300
7.	July	4000	1500	1000	0500
8.	August	4000	1500	800	6300
9.	September	4000	1500	800	6300
10.	October	4000	1500	1000	6500
11.	November	4000	1500	800	6300
12.	December	4000	1500	800	6300
	<b>Aggregate</b>	<b>48,000</b>	<b>18000</b>	<b>10,400</b>	<b>764,400</b>

#### 7.5.4 Cost of Running the Veterinary Care

S/n	Month	Start up (year 1)	Subsequent year
1.	January	400,000	10,000
2.	February	20,000	Retained profit of 10,000
3.	March	20,000	Retained profit of 10,000
4.	April	20,000	Retained profit of 10,000
5.	May	20,000	Retained profit Of 10,000
6.	June	10,000	Retained profit Of 10,000
7.	July	10,000	-
8.	August	10,000	-
9.	September	10,000	-
10.	October	10,000	-
11.	November	10,000	-
12.	December	10,000	-
	<b>Aggregate</b>	<b>550,000</b>	<b>50,000</b>

#### 7.6 Cost Estimate

This constitutes the fixed assets and the variable cost. The fixed assets cost include the cost of equipment, machinery and other requirements for the pet farm. The variable cost includes the

working capital cost and projection over the year. The costing estimated here is done per location of the farm and veterinary center.

### 7.61 Fixed Asset cost

S/n	Detail/item	Qty	Unit price (N)	Total amount
1.	Feed store	1	15,000	15,000
2.	Water tanks	1	10000	10000
3.	Feeding bowls	34	50	1700
4.	Cages for dogs	16	2000	32000
5.	Cages for cats	8	1300	10,400
6.	Cages for rabbits	6	1000	6000
7.	Crossing	3	2000	6000
8.	Lactation room	6	2000	12000
9.	Veterinary Drugs			400 000
10.	Pumping machine	1	15000	15000
11.	Weighing scale	1	8000	8000
12.	Name/post Board	1	5000	5000
	<b>Sub total</b>			<b>521,100</b>

### Investment in Home Animals

13.	Dogs	8		300,000
14.	Bitches	8		300,000
15.	Tons	6		40,000
16.	Cats (female)	6		40,000
17.	Rabbits (male) back	4		30,000
18.	Rabbits (female)	4		30,000
	Subtotal			740000
	Grand total			1261,100

### 7.6.2 Variable cost Estimate

#### 1. Utilities

There would be creation of permanent source of water through the well and then electricity to an efficient level

Utilities	Year 1	Year 2	Year 3
Light	23000	18000	18000
Water	30 000	500	50
Total	53 000	23 000	23000

#### 2. Working capital projection

S/n	Working Capital items	Start 1 (year)	Year 2	Year 3
1.	Stock of feeds and provision of drug	319,300	324 800	324,500
2.	Veterinary care.	750,000	50000	50000
3.	Utilities	53 000	23 000	23 000
4.	Salaries/Wages	960,000	960,000	1000,000
5.	Working capital	1,482,300	1,359,800	1,397,800
	Increase/ decrease in capital	-	124,500	40000

### 7.7 Total Start-Up Capital

S/n	Capital Hens	Amount
1	Fixed capital	1, 261,000
2.	Working capital	1,4852,300
	<b>Total</b>	<b>2,743,300</b>

### 7.8 Financing Structure

S/n	Source	Amount (N)
1.	Personal savings	1,043,300
2.	Family contribution	1,700,000
	<b>Total</b>	<b>2743,300</b>

## **CHAPTER EIGHT**

### **RISK ANALYSIS, CONTIGUOUS PLANNING AND EXIT STRATEGY**

#### **8.2 Risk Analysis and mitigates**

In the course of the project, certain risks were identified and mitigate against than were adopted. They are shown below

##### **Identified Risks and mitigate**

1. Possibility of out break of disease- The service of vet doctors
2. Inadequate start up demand- Aggressive promotion, advertisement and construction of board post (name board)
3. Irregular water supply- Construction of a well with a pumping machine and water tank
4. poor feed constituents supply- Fixed monthly supply of materials at fixed pieces per year quarter
5. Fluctuating availability

#### **8.2 SWOT Analysis**

SWOT analysis is an analysis carried out that measures the strengths

##### **8.2.1 Strength**

- i. Different varieties of services to satisfy customer needs are available
- ii. The business is operating in a large scale.
- iii. Reaping external economics of scale
- iv. Employment of professional staffs



### **8.2.2 Weakness**

### **8.2.3 Opportunities**

- Crossing service with different species
- Hybrid creation via variety of breeds
- Mass production of pets giving opportunities within large exporter and economics of scale

### **8.2.3 Threats**

- Recent development in the crisis of the employed as seen in the religious and
- Fluctuating government policies
- Inflationary effects on price of goods

### **8.4 Exit Strategy**

In case to stop or close drawn the project totally, the home animals and veterinary care could start the close-down process by first selling out the home animals and matured parent. Then the firm could be operation of only the veterinary care which involve retail sales of drugs and services of veterinary doctors/experts. as the h/k in the available drugs are sold out, the left over could be sold to neighbouring veterinary clinics while the services of the vet doctors on behalf of the firm comes to a holt.

## CHAPTER NINE

### PROFITABILITY ANALYSIS AND PROJECTIONS

In the first year, the animals purchase has to grow and reach the point of maturity before it can then start producing young ones which institute the output. S an artificial cost has to beard in the start up year. Therefore, a real projection of profit and revenue cannot be gotten in the first year.

#### 9.2 Profitability Analysis

Profitability is measured for the start up years with projection for the next three years also analyzed.

Items	Year 1	Year 2	Year 3
Sales of dogs	800,000	1,900,000	1500,000
Sales of cats	300,000	500,000	500,000
Sales of rabbit	400,000	700,000	700,000
Veterinary	150,000	250,000	300,000
Total Sales	1250,000	3,350,000	3100,000
Expenses	1482,300	1232000	1,000,000
Profits	232,300	2,118,000	2,100,000

#### 9.2 Cash flow Projection

The cash flow position of firm for the next two years after the startup is projected thus:

Year 2	Year 3
1,250,000	1,500,000

## CHAPTER TEN

### CONSIDERATIONS, CONCLUSIONS AND RECOMMENDATIONS

#### 10.4 Economic Justification

The business is lucrative to the proprietor because it creates wealth it gives time for other business to be managed and harnessed. In addition, jobs for some unemployed persons would be created.

#### 10.2 Commercial Viability

The market reaction in the business is smooth with its fascinating market clearing as earlier mentioned. With the clearing point of all products within a certain price range and short period of time.

With the future forecast through the profitability analysis, cash flow and balanced sheet projection, it show that the commercial viability of the firm would continue to grow and expand

#### 10.5 Conclusion

In general, the business is a lucrative one with high opportunities and tendencies to grow and expand in subsequent years. The new grazing ground has not been much exploited thus giving the hence an edge.

#### 10.6 Recommendation

However, it would be necessary for the business to keep measuring market trends in order to look out for new trends and opportunities to exploit quickly.

Also, the markets for existing inventory should be monitored in order to control production and also when to close poor-market product outlets.