

**UNIVERSITY OF NIGERIA**

**FACULTY OF ARTS**

**DEPARTMENT OF MASS COMMUNICATION**

**HORTICULTURE BUSINESS**

**A BUSINESS PLAN PREPARED IN PARTIAL FULFILLMENT FOR  
THE REQUIREMENT OF THE COURSE; CED 342 (BUSINESS  
CREATION AND GROWTH).**

**BY**

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**2014/194066**

**LECTURER: DR. MRS. C. T. NWOGA**

**JULY, 2017.**

# **FINEVIEW GARDEN NIGERIA LIMITED**

**119 OGUI ROAD, ENUGU, ENUGU STATE.**

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**JULY 2017.**

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## **1.0 Executive Summary**

### **1.11 Name of business:**

The name is FINEVIEW GARDEN NIGERIA LIMITED

### **1.12 Legal form of business:**

FINEVIEW GARDEN NIGERIA LIMITED is a sole proprietor business that is on the process of registration with the Corporate Affairs Commission (CAC).

### **1.13 Contact address:**

**119 OGUI ROAD, ENUGU, ENUGU STATE.**

### **1.14**

Telephone: 07062283584. Email: info@fineviewgarden.com.ng

### **1.15 Type of business:**

This is a sole proprietorship business.

### **1.16 Description of business:**

Fineview Garden Nigeria Limited is a company that is into the business of selling of flowers of different kinds, taking care of flowers, and treatment of flowers in exchange for money. The need to conserve the environment is what led to the establishment of the said business.

Our customers cover all individual homes, factories, schools, hostels, restaurants, bars, hotels, or any other building.

The name of the owner of the business is; Orjiude Amarachi Nneka; he oversees the entire running of the business.

### **1.17 Job opportunities:**

It will create 2 jobs directly.

### **1.18 Start-up capital:**

It would require a start-up capital of N184,500 comprising of fixed asset of N67,500 working capital of N82,000, and others which amount to N35,000.

Table 1

A	Fixed capital	N67,500
---	---------------	---------

B	Working capital	N82,000
C	others	N35,000

Total-N184,500

### **1.19 Source of capital:**

The capital will be sourced as follows

Table 2

a	Owners capital	N195,000
	<b>TOTAL</b>	N195,000

### **1.20 Profitability:**

The business has the ability of raising above N1 million profits from the third year.

## **2.10 GENERAL INTRODUCTION**

### **2.11 Background**

Horticulture is the part of agriculture that deals with the raising of flowers for the purpose of beautification of an environment or for water control. We came into business because of the increasing demand for horticulture services.

Our customers cover all individuals homes, restaurants, bars, hotels, school.

### **2.12 Vision Statement**

Establish over ten (10) horticulture businesses across the major cities of Nigeria in the next twelve (12) years.

### **2.13 Mission Statement**

Become the leading horticulture service provider in Nigeria in the next ten years.

### **2.14 The Company**

The name of the company is FINEVIEW GARDEN NIGERIA LIMITED. It is a new business and it is in the process of being registered.

### **2.15 Services Offered**

We raise, plant and take care of flowers.

### **2.16 Legal form and ownership of business**

The business is a sole proprietorship business that is in the process of being registered.

The main promoter which is also the owner of the company is;

ORJIUDE AMARACHI NNEKA	-----	100%
------------------------	-------	------

### **2.17 Location of the business**

The business headquarters would be located at 119 Ogui Road, Enugu, Enugu State. It is strategically positioned in Enugu at the center of the town where there is access to road. Due to the location of the company's business premises, the business would

experience great sales, since it is located at a strategic place where it could access the market easily.

The location has a challenge which is; insecurity experienced in the city, and thus, poses a danger to the growth of the business.

We choose the location despite the challenge because of the great number of customers we would have access to.

### **2.18 Industry Trend and Analysis**

The industry is a growing business that has an all year demand for horticulture services. This means that the industry is such that is not seasonal with great potential for sales, and generation of income for the business owner and his workers as well.

### **2.19 Business Strategy**

To ensure we remain in business, we would always use cheap price, quality service and good customer relations as our business strategy to attract and keep our customers.

### **2.20 Key success factors**

Our key success factors include; experience workers, easy access to customers, good location, and highly competitive price.

## **The Market**

### **3.10 Target Market**

The main targeted markets for now are all supermarkets, bars, hotels, restaurants and schools in Enugu, Awka and other parts of the south eastern states. The size of the



market is large, because it comprises of people from all works of life found in different location. The market is bound to increase because of the growing population of people and the demand for horticulture services.

### 3.11 Sales and market share analysis

The market has the potential of offering us opportunity to supply over 10,000 flowers per year. For now we can control 10 to 15% of the market.

### 3.12 Profile of Competitors

COMPETITORS	PRODUCTS/SERVICES	COMPANY SIZE	TURNOVER	ADVANTAGES	DISADVANTAGES
Sunlight Flowers Nigeria Ltd.	Sells flowers	Employs over 6 workers.	Over N3million yearly	Have been long in the business.	Not located in an easily accessible place, and sales product costly.
Bright Gardens Nig Ltd	Tend for flowers, plant and sell flowers	Employs about 4 workers.	Makes over N1million as turnover yearly.	Have competent personnel.	Just started in the business.

### Competitive Advantages

Fineview Gardens Nigeria Limited enjoys some measures of competitive advantages which are:

The location of our business is very strategic hence gives us great advantage over our competitors since they will access us easily. The cheaper price we present to our customers is also an added advantage.

Our good customer relations are also an added advantage.

### 3.13 SWOT Analysis

STRENGTHS	WEAKNESSES
<p>The great experiences of our workers are a plus to us.</p> <p>The ability to increase our services in order to meet demand.</p> <p>The location of our company which makes it easy to be accessed.</p> <p>Our cheaper price is also an edge over our competitors.</p>	<p>Inability to access some special kinds of flowers.</p>
OPPORTUNITIES	THREATS
<p>Ability to expand our business greatly.</p>	<p>Theft of our flowers.</p> <p>Fluctuating prices of fuel that might increase cost of operation.</p>

### 3.14 Demand and supply analysis and Estimating the initial installed capacity

Details	Size (numbers)
Potential demand to be served	<b>30,000</b>
Less 30% existing competitors	<b>21,000</b>
<b>Available market (in the absence of expansion and very high entry wall)</b>	<b>120,000</b>
Less 10% due to possible expansion of existing competitors and entrant of new ones.	<b>108,000</b>
<b>Available market</b>	<b>300,000</b>
Less 5% due to error in estimation	<b>285,000</b>
<b>Available demand/qualified market/ demand supply gap</b>	<b>126,800</b>
<b>Initial installed capacity cat most 60% of available demand (served market)</b>	

#### **4.10 Marketing Plan**

#### **4.11 Market segmentation**

Horticulture belongs to the agricultural segment of the economy. The location of the business was done in relation to the market demand of flowers.

#### **4.12 Target market**

The main targeted markets for now are all supermarkets, bars, hotels, restaurants and schools in Nsukka, Opi, 9th Mile corner, Enugu, Awka and other parts of the south eastern states.

But with time, we seek to extend our reach to cities like Port Harcourt, Asaba, Uyo and other south-south and south west states in Nigeria.

#### **4.13 description of the edge of service**

service	1	2
Packagin	Polythene	
g	packaging	

#### **4.14 Marketing Plan Price**

Consumers are willing to pay highest N 45,000, average of N20,000 and lowest of N2,500 for flowers.

Our competitors prices ranges from highest of N42,000, an average of N25,000 and the lowest of N3200.

The price we charge per flower is N3,000.

This gives us advantage over our competitors because they charge higher than what we are charging. So, we would be able to command great patronage because of our price.

#### **4.15 Market positioning strategy**

The firm has not gained more ground in the market. So with good advert and price, we seek to gain more position in the near future.

#### **4.16 marketing mix implementation tools**

From time to time we would announce our services on the radio, promote it through the internet, and carry out periodic sales promotion.

#### **4.17 Channel of distribution**

Customers will deal directly with us.

#### **4.18 Start-up promotion**

For start up promotion, we would print banners and posters.

#### **4.19 Alliances**

The alliance we would enjoy from friends and customers would help us enjoy increase in our customer base.

#### **4.20 Marketing calendar and Budget**

For every six month we would print notebooks that is customized, banners and posters. We would carryout announcement in radio twice every week. All will cost us N42,000 per year.

### **5.00 Production Plan**

#### **5.11 The Project**

This project is the establishment of a company that is into horticulture. We desire to raise flowers of different types, and sell them to customers. Then we would also plant and take care of flowers for customers.

#### **5.12 Production Process**

Flowers are brought to site, quarantined, placed in the holes, water them for several time until maturity, they are then sold.

#### **5.13 The Production flow chart**

Planting ----- watering -----Sales

### 6.10 Management and Organisational structure

The main promoter is the owner of the company and holds all the share of the company. She is;

ORJIUDE AMARACHI NNEKA ----- 100%

Our financial adviser is Olumo Financial Advisor Nig Ltd; 252 Presidential road Enugu, email: info@olumofinance.com.ng, website: www.olumofinance.com.ng, telephone number: 0803 909 9921

Our legal adviser is Nwakanma solicitors; 07 Ziks Avenue , Enugu, Enugu State.

Email: nwakanmasolicitors@gmail.com. phone number: 0816 344 6767

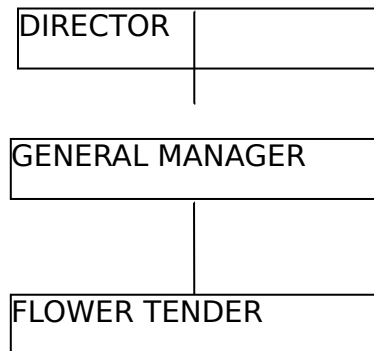
### 6.11 Management team

DESIGNATION	QUALIFICATION	YEARS OF EXPERIENCE	DUTIES
GENERAL MANAGER	HND in business management	4 years' experience as manager at Kachi Gardens Enugu.	Overseas the day to day operation of the business.
FLOWER TENDER	OND and WAEC.	Have experience in farming.	Plants and takes care of flowers.

**Our future management needs.**

The company would currently employ 2 persons, and would increase its number of staff to over 7 persons after 5 years of operation.

### 6.12 Organizational structure



### 6.13 The personnel plan

S/ N	POSITION	NO. OF STAFF	SALARY PER STAFF PER MONTH	TOTAL ANNUAL SALARY
1.	General manager	1	N20,000	N240,000
2.	Flower tender	1	N10,000	N120,000

### 6.14 Organization's values and norms

Integrity, faithfulness, truth, faithfulness and diligence.

## **7.10 Legal, regulatory, social, and environmental issues**

### **7.11 Legal Issues**

There are no legal issues for now.

### **7.12 Regulatory and environmental issues**

The service is not regulated, but on the process of registration with corporate affairs commission. The farm does not create any environmental hazard.



## 8.0 Financials

### 8.11 Equipments

S/ N	INVESTMENT	QT Y	UNIT COST (N)	TOTAL COST (N)
1.	Rent			24,000
2.	Shade	1	48,000	48,000
3.	EQUIPMENTS			
	i) Spade	2	1,350	22,000
	ii) Rake	2	950	15,000
	iii) Trowel	2	750	12,000
	iv) Lawn mower	1	59,000	59,000
	v) Hedge shear	2	1,200	2,400

	<b>TOTAL INVESTMENT</b>			<b>139,500</b>

### 8.12 Sales Plan

PRODUCT/SERVICES	YEAR 1	YEAR 2	YEAR 3
Product/ Service	360	520	770
Quantity			
Sales per unit	N3,000	N3,000	N3,000
<b>TOTAL</b>	<b>N1,080,00</b>	<b>N1,560,00</b>	<b>2,310,00</b>
	0	0	0

### 8.13 General cost of Administration

Item	Current (For existing projects only) (N)
<b>SALARIES</b>	<b>360,000</b>
<b>TRANSPORTATION</b>	<b>27,000</b>
<b>TELEPHONE</b>	<b>24,000</b>
<b>ADVERTISING</b>	<b>32,000</b>
<b>TOTAL EXPENSES</b>	<b>443,000</b>

### 8.14 Working Capital Projection

### 8.15 Start Up Capital Needed

S/ N	ITEM OF EXPENDITURE	AMOUNT (N)
1.	Fixed asset investment (equipment and machines)	67,500
2.	Working capital	82,000
3.	Pre-operating expenditures	35,000
	<b>TOTAL</b>	<b>184,500</b>

### 8.16 Financing Plan

S/ N	SOURCES OF FUND	AMOUNT (N)
1.	Owners capital	195,000
	<b>TOTAL</b>	195,000

### 8.17 Schedule of Depreciation

S/ N	ITEM DEPRECIATION	OF INITIAL VALUA	SCRAP VALUA	LIFE SPAN	DEPRECIATION
1.	Spade	2,700	300	5 years	480
2.	Rake	1,900	400	3 years	500
3.	Trowel	1,500	200	2 years	650
4.	Lawn mower	59,000	12,000	10 years	4,700
5.	Hedge shear	2,400	400	5 years	400
					N6,730

### 8.18 Final Accounts projection

PARTICULARS	YEAR 1, AMOUNT (N)	YEAR 2, AMOUNT (N)	YEAR 3, AMOUNT (N)
<b>SALES</b>	<b>1,080,000</b>	<b>1,560,000</b>	<b>2,310,000</b>
<b>OTHERS</b>	-----	-----	-----
<b>NET SALES</b>	<b>1,080,000</b>	<b>1,560,000</b>	<b>2,310,000</b>
<b>LESS EXPENSES:</b>			
<b>SALARIES</b>	<b>360,000</b>	<b>360,000</b>	<b>360,000</b>
<b>TRANSPORTATION</b>	<b>27,000</b>	<b>31,000</b>	<b>34,000</b>
<b>TELEPHONE</b>	<b>24,000</b>	<b>26,000</b>	<b>29,000</b>
<b>ADVERTISING</b>	<b>32,000</b>	<b>32,000</b>	<b>32,000</b>
<b>EQUIPMENTS</b>	<b>67,500</b>	----	-----
<b>RENT</b>	<b>24,000</b>	----	-----
<b>BUILDING OF SHADE</b>	<b>48,000</b>	----	-----
<b>FLOWER PLUS SEED</b>	<b>43,000</b>	<b>24,000</b>	<b>18,000</b>
<b>TOTAL EXPENSES</b>	<b>625,500</b>	<b>497,000</b>	<b>497,000</b>
<b>PROFIT BEFORE TAX/INTEREST</b>	<b>454,500</b>	<b>1,063,000</b>	<b>1,813,000</b>
<b>LESS INTEREST</b>	-----	-----	-----

<b>PROFIT AFTER INTEREST</b>	<b>454,500</b>	<b>1,063,000</b>	<b>1,813,000</b>
<b>LESS DEPRECIATION</b>	<b>6,730</b>	<b>6,730</b>	<b>6,730</b>
<b>TAXABLE PROFIT</b>	<b>447,770</b>	<b>1,056,270</b>	<b>1,806,270</b>
<b>LESS TAX (30%)</b>	<b>44,777</b>	<b>105,627</b>	<b>180,627</b>
<b>PROFIT AFTER TAX</b>	<b>402,993</b>	<b>950,643</b>	<b>1,625,643</b>
<b>NET PROFIT</b>	<b>402,993</b>	<b>950,643</b>	<b>1,625,643</b>

### 8.19 Cash flow Projection

CASH FLOW	YEAR 1. TOTAL (N)	YEAR 2. TOTAL (N)	YEAR 2. TOTAL (N)
<b>CASH IN:</b>			
SALES INCOME	1,080,000	1,560,000	2,310,000
RE-INVESTMENT			
<b>TOTAL CASH IN</b>	<b>1,080,000</b>	<b>1,560,000</b>	<b>2,310,000</b>
<b>CASH OUT:</b>			
SALARIES	360,000	360,000	360,000
TRANSPORTATION	27,000	31,000	34,000
TELEPHONE	24,000	26,000	29,000
ADVERTISING	32,000	32,000	32,000
OTHER EXPENSES	182,500	48,000	42,000
TAX	44,777	105,627	180,627
<b>TOTAL CASH OUT:</b>	<b>670,277</b>	<b>602,627</b>	<b>24,356,528</b>
<b>NET CASH FLOW</b>	<b>409,723</b>	<b>957,373</b>	<b>1,632,373</b>

## **Risks Analysis and Mitigants**

### **9.10 Risk Contingent Analysis**

S/ N	RISKS	MITIGANTS
1.	Bad debts	To curtail the effect of losing money as a result of debt, we have resolved not to sell our products on credit.
2.	Theft	To tackle the issue of theft, we have made provision for maximum security of our properties, and also employed security personnel.
3.	Accident	To checkmate the incidence of accident, we have made adequate provision for safety and would implement all preventive measures.

### **9.11 Contingency Plan**

To tackle negative events that may happen unexpectedly and affect the smooth operation of the business, we have agreed to invest in insurance as the business grows so as to cater for unforeseen circumstances that may occur.

### **9.12 Exit Strategy**

In the case where the business is experiencing steady loss, the exit strategy to employ may include; bringing in ne investors or selling the business off.

## **10.0 Other Consideration, Conclusion and Recommendation**

### **10.11 Economics Justification**

The benefits that are attached to the business make it of paramount importance. It will provide jobs to people, serve as a source of income, serve the need of the entire populace, and serve the good of the community where it is located.

### **10.12 Commercial Viability**

Looking at the cash flow projection, the business would be able to generate N402,993, N950,643 and N1,625,643, as profits after 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> year of production. Thus, we are very optimistic that the business is a very commercially viable one.

### **10.13 Conclusion/Recommendation**

Based on the above information supplied about our planned flower business, we greatly believe that the business would grow and expand greatly within the next five (5) years of production, thus, we recommend that the business be sponsored.