

UNIVERSITY OF NIGERIA, NSUKKA
FACULTY OF AGRICULTURE
DEPARTMENT OF HUMAN NUTRITION AND DIETETICS

**AN ASSIGNMENT SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENT OF THE COURSE CEDR 342 (BUSINESS CREATION
AND GROWTH)**

TOPIC: BUSINESS PLAN

BY

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MIRACEB SNAIL FARM VENTURES

PART ONE

1.0 EXECUTIVE SUMMARY

- 1.1 The reports and recommendations being stated here relates to the proposal by MIRACEB SNAIL FARM VENTURES to establish a snail farm.
- 1.2 The proposed project is to be fully implemented with an investment of N2,000,000 (Two Million Naira), made up N1,200,000 (One Million and two hundred thousand Naira) in fixed capital and N800 thousand in working capital.
- 1.3 The company's vision is "to be a major player" in snail nurturing and marketing, contributing to the nutritional needs of Nigerians by 2018.
- 1.4 The proposed project will be located at Ugbo Oye, Abakpa Nike in Enugu East Local Government Area of Enugu State, Nigeria.
- 1.5 A ready market exists for the planned business based on our market surveys.
- 1.6 The financial projection reveals a good level of liquidity and stability. The projected turnover for 2016, 2017 and 2018 respectively, is N4,800,000, N5,280,000 and N5,808,000. The operating profit in 2016 is N1,220,000 increasingly to N1,614,500 in 2017 and N2,048,724 in 2018.
- 1.7 The funding requirement is N800,000; as the sponsor is committing N1, 200,000 to the project.
- 1.8 This project has been subjected to SWOT and risk analysis and appropriate risk mitigates proffered.
- 1.9 The company's competitive edge is the management's acquisition of rich industry knowledge and proactive orientation.
- 1.10 The profitability indicators as extracted from the projections embodied in this plan are as follows:

Table 1.

Details	2017	2018	2019
Turnover(N)	4,800,000	5,280,000	5,808,000
Operating Net profit(N)	1,220,000	1,614,500	2,048,724
Return on Turnover(sales)(N)	25.4%	31%	35%
Return on Equity	102%	135%	171%
Return on total Investment	61%	81%	102%

1.11 Conclusion and Recommendation

From the analysis of our findings, the proposed project is found to be technically feasible, financially viable and economically desirable.

The project offers good investment benefits to both promoters and investors; we recommend it for funding and implementation.

PART TWO

2.0 INTRODUCTION

The proposed snail farm project is as a result of strong need assessment studies undertaken which showed that there is a big gap in supply of mature edible snails relative to its demand.

Snails have high nutritional value. The meat is rich in selenium, calcium, phosphorus, vitamin C and vitamin E. The demand for snail is higher than the supplies as such the market potential of snail is inexhaustible, locally and internationally. Virtually, every part of a snail is of vital use in food, in pharmaceutical industries, in manufacturing and fishing industries. Snails are also good export commodity and it is greatly valued in overseas countries. From

market survey, it shows a massive demand for live snails from various part of the country but yet snail farming is still virgin in the kingdom of livestock.

These findings coupled with the owner's passion for snail business stirred her the more to enter the snail market in order to help fill part of the unidentified supply gap.

This farm shall focus on the rearing of snail to ensure adequate supply of snail at affordable prices to our customers.

2.1 VISION

To be a key player in the snail market, contributing to the nutritional and medical needs of Nigerians in a sustainable way by 2019

2.2 MISSION

To carry out effective snail farming, producing healthy snails, good for human consumption, while creating jobs, wealth, reducing poverty and meeting our customers need.

2.3 KEY SUCCESS FACTORS

The key success factors for MIRACEB Snail Farm Ventures are:

- ❖ Having previous experience in the business, which makes the owner to have good knowledge about the business.
- ❖ Possession of adequate technical skill in inducing or positioning of different species of snails.
- ❖ Ability to indicate symptoms of illness or infections and ability to treat them adequately.
- ❖ Existence of reliable market outlets.

2.4 REVENUE BASE

The revenue base for the planned business is the sale of live snails. The revenue model is expected to give the business a strong sustainability and profitability profile.

2.5 BUSINESS OWNERSHIP

The proposed business will be owned by Ndubuka Miracle Chukwuebuka, a student of the faculty of Agriculture, University of Nigeria, Nsukka.

2.6 LOCATIONAL FACTORS

The planned snail farm is to be located at Ugbo Oye, Abakpa Nike in Enugu East Local Government Area of Enugu State. The choice of location was informed by the following criteria:-

- ❖ Availability of adequate security
- ❖ Availability of cheap and reliable labour
- ❖ Nearness to product markets
- ❖ Availability of relevant structures
- ❖ Availability of water sources

2.7 AVAILABLE MARKET

The market for snails in Nigeria is wide and growing. Apart from the fact that snail farm nurturing is easy to manage; snail nurturing does not require much technicalities or capital. There is increasing demand for snails in Enugu metropolis and neighbouring states.

There are no restrictions on entry into the market .The pricing pattern is more of less standardized nationwide, while there are several small and unstructured producers with few large players. For MIRACEB Snail Farm Ventures, we are focusing on the East and South as our target market.

PART THREE

3.0 PRODUCTS

The products of the business under consideration shall be mature edible snails. These will be packaged in appropriate customer friendly manner and delivery services will also be available for customers who may desire home or place of business delivery services.

Dried and packaged snails will also be offered to those who demand such and for export purposes. Our target and domain of exportation is neighbouring African countries.

3.1 PRODUCT DESCRIPTION

The snails that will be raised are the giant African snails scientifically called *Achatina marginata* and *Achatina achatina*. They are conically shaped possessing fairly pointed shell

that is brownish with a characteristic stripe pattern and has a retractable muscular foot on which it crawls.

3.2 COSTING

The costing of the snailery is mainly built around major cost items, they are:

- i. The snail house(Snailery)
- ii. Feeding
 - ❖ The snail house (Snailery)

The snail house commonly called the snailery would be built in such a way that it would meet the following conditions;

- i. Escape-proof: The house will be constructed in such a way that there will not be any avenue of escape for the snails.
 - ii. Spacious and well ventilated: Snails suffer from overcrowding, which impedes their development and increases the risk of diseases, therefore the house will be very spacious and airy.
 - iii. Well protected from insects, predators and poachers.
 - iv. Shady: The house will be constructed in a shady place, preferably under plantain or banana plants to ensure that the snails have a cool environment always to prevent them from being dehydrated.
- ❖ **Feeding**

The feeding requirements of the snails are easily purchased. Snails are vegetarians and so will accept many types of food. Table 2 shows the composition of the feeds used in the snail farm at different stages of its growth.

Table 2: Type of feed for the snails in its different stages

Stage	Type of feed supplement
Young snails	Tender leaves and shoots Fish meal Maize

Mature snails	Detritus(fallen leaves) Rotten fruits Humus
Older snails	Tender leaves and shoots Fish meal Maize

3.3 MARKET DEMAND

From the market survey carried out, an existing business opportunity is on the increase. The survey showed that a huge demand supply gap exists. This is currently responsible for the increase in the selling price of snails.

MIRACEB Snail Farm Ventures is located at Ugbo Oye, Abakpa Nike which is within the easy reach of some markets like Abakpa market, Ugwogo Nike market, Ogbete main market, Relief market and major hotels that make continental dishes.

3.4 PRODUCTION PROCESS

The snails will be harvested when matured and processed. Supplies will then be made to the target customers.

Some snails will also be oven dried and neatly packaged for effective delivery to customers that desire it.

3.5 QUALITY ASSURANCE

Our desire for profitability will not overshadow our focus on quality. To ensure strict quality assurance compliance, MIRACEB Snail Farm Ventures shall take the following steps: -

- ❖ Ensure that the snails are fed with the appropriate feeds
- ❖ Checkmate incidence of diseases on snails.
- ❖ Reduce the use of dirty water in the snailery.
- ❖ Maintain a suitable soil for the snails; not waterlogged, not too dry, and must not be acidic.

3.6 TECHNOLOGY

MIRACEB Snail Venture Farm with an eye on capturing a business sustaining share of the market will deploy appropriate technology to ensure smooth production process. Good snaileries will be built with water system and 10KVA Generator set will be acquired. Computer Technology will be used to enable us build a data on our customers, demand, sales operating expenses databank and market trends. This will enhance effective management of the firm.

3.7 COMPETITIVE EDGE

There are no major snail farms in Enugu area hence there is complete absence of structured snail farms that can really put up commendable competition.

Our core competitive edge is the management and rich knowledge of the industry and proactive orientation. While MIRACEB Snail Farm Ventures has nothing to contend with the unstructured micro and small producers in the market, through proactive orientation, we shall identify the weaknesses of the key players and exploit them.

3.8 MARKET NEEDS AND CUSTOMER DYNAMICS

MIRACEB Snail Farm Ventures will continually scan the operating environment in order to identify changing market needs and address the customers' dynamics.

PART FOUR

MARKET, CUSTOMERS AND COMPETITORS

4.1 MARKET ANALYSIS

MIRACEB Snail Farm Ventures has an existing business opportunity since there is a huge market for snails in Enugu and its environs. There is an increase in the population of people that consume snails due to its high nutritional value.

4.2 CUSTOMERS/MARKET SEGMENTATION.

Proposed classes of customers for the snail:

- a. Hoteliers.
- b. Restaurants.
- c. Fast food outfits.
- d. Market dealers on snails.
- e. Families.

MIRACEB Snail Farm Ventures, will do its best to see that these group of customers needs are met in a most appealing and customer-focused manner. It plans to appropriate marketing strategy for each class of customers.

4.3 ALLIANCES

At start-up, we do not intend to go into alliance with any organization; however, as the business grows consideration could be given to alliance arrangement depending on market dynamics.

4.4 SERVICE DELIVERY STRATEGY

To ensure that we capture and retain comfortable market share, we plan to adopt service delivery strategy that will be appealing to our customers:

- ❖ Customers care service will be emphasized
- ❖ After-sales follow-up efforts will be carried out to feel the pulse of customers satisfaction
- ❖ We will adopt an image branding package for bulk breaking sales
- ❖ We shall develop a data bank on our customers to enable us monitor their need, dynamics and expectation.
- ❖ A delivery van will also be used in the delivery services.

PART FIVE

5.0 MARKETING PLAN

MIRACEB Snail Farm Ventures is entering the market as a structured player and has to identify and exploit the weakness of the key players in order to reap a comfortable market share.

Core area of focus in our marketing plan is:

- ❖ Aggressive awareness creation and marketing campaign
- ❖ Attractive pricing policy to stimulate demand
- ❖ Direct delivery services to our customers
- ❖ Discount offer to bulk buyers.

5.1 PROMOTION AND DISTRIBUTION STRATEGY

MIRACEB Snail Farm Ventures will mount an aggressive awareness campaign to draw potential customers' attention to our presence. We will make use of posters, handbills, flyers etc to reach out to both corporate and individual customers.

As the business grows, improved publicity approach will be adopted – print and electronic media will be put out to good use.

On the distribution strategy, we plan to adopt the following approach:

- ❖ Direct sales to hotels, restaurant, fast food outfits
- ❖ Sales to dealers
- ❖ Direct sales to individuals small buyers
- ❖ Appointment of distributors with sales outfits.

5.2 MARKETING STRATEGY

To ensure the attainment of our vision and mission we shall adopt a business strategy weaved around the following platform:

- ❖ Multiple revenue model
- ❖ High-product quality accompanied with strong customer care
- ❖ Penetrating pricing
- ❖ Aggressive marketing campaign and demand stimulation

This strategy will help us gain a comfortable and sustainable market share, at start, while we will continually look at our strategy as we watch the market dynamics and operating environment.

5.3 MARKET POSITIONING

MIRACEB Snail Farm Ventures will position itself as structured, proactive and focused. The enterprise will create a peculiar leading edge profile for itself. In general, we will want to be seen by our customers, competitors, business partners and general public as:

- ❖ A reliable provider of quality products/services
- ❖ A quick, flexible and proactive market player
- ❖ A transparent, responsible and customer-focused producer.

PART SIX

TECHNICAL ANALYSIS, MANAGEMENT AND ORGANISATION

6.1 TECHNICAL ANALYSIS

The snails would be directly got from the forest instead of buying from the market after they have been exposed to sunlight and have been dehydrated. The snails would be picked from the bush with a very simple technique; a little portion of land would be cleared during rainy season and sprinkled with spicy fruits like pineapple, pawpaw, plantain, banana etc to attract the snails. Snails suitable for rearing will be picked up each night. The procedure will be repeated until enough quantity to start the farm with is got, after which they are introduced into the snail house (snailery) and are fed to reach maturity.

6.2 MANAGEMENT AND ORGANISATION

6.2.1 OWNER/MANAGER

The enterprise will be managed by the promoter, Abraham Anna, a student of Faculty of Health Science and Technology from the University of Nigeria, Enugu Campus who has had

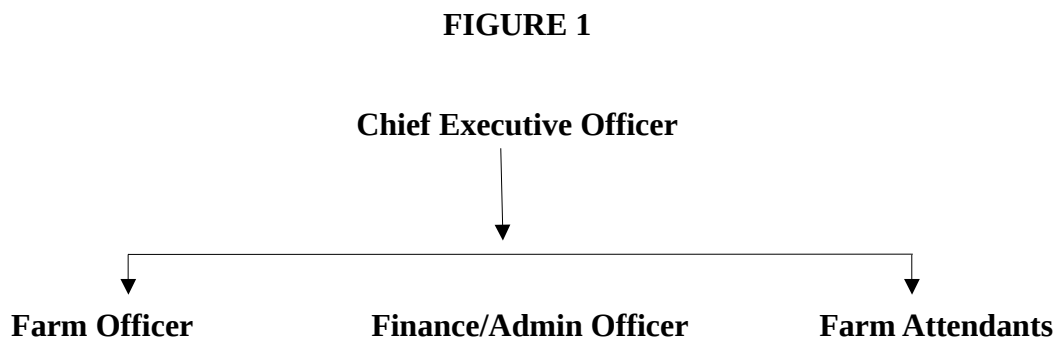
rich experience in the snail business. She will be supported by the Farm Officer and the Finance/Administrative Officer. Also two farm attendants will be employed

The personnel plan of MIRACEB Snail Farm Ventures, at start-up will be as follows:-

Table 3: Management and Labour Compliments

S/N	Position	No. of staff	Annual remuneration	Total
1	Chief Executive Officer	1	840,000	840,000
2	Farm Officer	1	240,000	240,000
3	Finance/Admin Officer	1	240,000	240,000
4	Farm Attendant	2	120,000	240,000
	Total			1,560,000

Figure 1 below shows that organisational structure of the snail farm



6.3 SHAREHOLDERS AND DIRECTORS

MIRACEB Snail Farm Ventures is a sole proprietorship business. Registered with corporate affairs commission under the aforementioned business name, to this extent, the promoter is the sole owner. There are no shareholders or directors.

6.4 EXTERNAL SUPPORT

MIRACEB Snail Farm Ventures is discussing with a consulting firm that focuses on business development and support services, to offer us over a period of three years, strong management and support services. This management, we believe will give the snail business strong foundational management culture to be built upon as the enterprise grows.

6.5 VALUES AND NORMS OF THE ENTERPRISE

To ensure a sustainable and strong market presence and in order to drive our visions, MIRACEB Snail Farm Ventures shall adopt the following norms and values:

- ❖ To strive to do the best for the benefit of our customers
- ❖ To be transparent and uphold integrity in our dealings
- ❖ To see our employees as our most valuable assets
- ❖ To do our business within the ambit of the law of the nations
- ❖ To be ethical in our dealings

PART SEVEN

FINANCIAL PLAN

7.1 BASIC FINANCIAL ASSUMPTIONS

- Capacity utilization will increase by 10% every year.
- Cost of sales and operating expenses will increase by 5% every year.
- Interest rate is at 20%.
- Depreciation is on straight line basis.
- Mortality rate is 5%.
- The plan will operate for 52 weeks / per annum.
- The political climate will be stable.
- Any increase in the unit cost of raw materials will be matched with a corresponding increase in sales.

7.2 PROJECT COST

The estimated total project cost is N2,000,000 which is made up of N1,200,000 in fixed capital, and N800,000 in working capital.

Details of fixed cost	Cost
Land and development	600,000
Delivery van	300,000
Snail house	150,000
Generating set	25,000
2 Weighing scales	6,000
Feeding troughs	10,000
Water tank	35,000
Drinkers	5,000
2 Rakes	1,000
2 Water Sprayers	1,000
Head pan	1,000
Shovel	1,000
Electrical Installations	10,000
Furnishing and fittings	20,000
Sundry and Accessories	15,000
Personal computer	20,000
Total Fixed Cost	1,200,000

Details of working capital	Cost
Snail feed	150,000
Medication (Drugs)	100,000
Food supplements	100,000
Water	60,000
Cash at hand for salaries and wages (3 months)	390,000
Total working cost	800,000
Total Project cost	2,000,000

7.3 FUNDING PLAN

The estimated project cost of N2,000,000 will be funded as follows:

Details	Amount	Percentage
Equity	1,200,000	60%
Term loan	800,000	40%
Total	2,000,000	100%

7.4 FUNDING REQUIREMENT

The funding required for the project is N800,000 (Eight hundred thousand naira) as the sponsor (entrepreneur) is committing N1,200,000 (One million, two hundred thousand naira) into the project.

7.5 PROJECTED INCOME STATEMENT

Details	2015	2016	2017
Capacity utilization	50%	60%	70%
Turnover	4,800,000	5,280,000	5,808,000
Less cost of sales	1,640,000	1,722,000	1,808,100
Gross profit	3,160,000	3,558,000	3,999,900
Less operating expenses			
Salaries and wages	1,560,000	1,638,000	1,719,900
Depreciation	110,000	110,000	110,000
Advert Promotions	20,000	21,000	22,050
Electricity	10,000	10,500	11,025
Phone calls	10,000	10,500	11,025
Transport and travelling	30,000	31,500	33,075
Stationeries and newspaper	5,000	5,250	5,513
Business permits and rates	5,000	5,250	5,513
Insurance	20,000	21,000	22,050
Public relations	10,000	10,500	11,025
Total operating expenses	1,780,000	1,863,500	1,951,176
Profit before Interest	1,380,000	1,694,500	2,048,724
Less interest	160,000	80,000	---
Net Profit	1,220,000	1,614,500	2,048,724
Retained Earnings	1,220,000	2,834,500	4,883,224

7.6 PROJECTED CASH FLOW STATEMENT

Cash inflow 'A'

Details	2017	2018	2019
Equity	1,200,000	---	---
Term loan	800,000	---	---
Sales	4,800,000	5,280,000	5,808,000
Total Cash inflow	6,800,000	5,280,000	5,808,000

Cash outflow 'B'

Details	2017	2018	2019
Acquisition of fixed assets	1,200,000	---	---
Cost of sales	1,640,000	1,722,000	1,808,100
Operating expenses (Less depreciation)	1,670,000	1,753,500	1,841,176
Loan repayment	400,000	400,000	---
Interest on loan	160,000	80,000	---

Total Cash outflow	5,070,000	3,955,500	3,649,276
Net cash flow (A-B)	1,730,000	1,324,500	2,158,724
Opening Cash Balance	---	1,730,000	3,054,500
Closing Cash Balance	1,730,000	3,054,500	5,213,224

7.7 PROJECTED BALANCE SHEET

Capital employed	2015	2016	2017
Fixed asset (at cost)	1,200,000	1,200,000	1,200,000
Less accumulated depreciation	110,000	220,000	330,000
Net book value	1,090,000	980,000	870,000
Cash at hand / bank	1,730,000	3,054,500	5,213,224
Less current liabilities	400,000	---	---
Net current assets	1,330,000	3,054,500	5,213,224
Net assets	2,420,000	4,034,500	6,083,224
Represented by			
Equity	1,200,000	1,200,000	1,200,000
Retained earnings	1,220,000	2,834,500	4,883,224
Owner's funds	2,420,000	4,034,500	6,083,224

7.8 PROFITABILITY ANALYSIS

Details	2017	2018	2019
Turnover	4,800,000	5,280,000	5,808,000
Net profit	1,220,000	1,614,500	2,048,724
Return on sales	25.4%	31%	35%
Return on equity	102%	135%	171%
Return on investment	61%	81%	102%

7.9 BREAK EVEN ANALYSIS (Using Year 2015)

Details	Fixed cost	Variable cost
Salaries and wages	1,560,000	---
Depreciation	110,000	---
Interest on loans	160,000	---
Transport and travelling	---	30,000
Phone calls	---	10,000

Electricity	10,000	---
Stationeries and newspapers	5,000	---
Business permit and rates	5,000	---
Insurance	20,000	---
Public relations	---	10,000
Advert / promotions	---	20,000
Total	1,870,000	70,000

Break Even Point (BEP) = $\frac{FC}{1 - VC}$

$\frac{1 - VC}{S}$

S

Where FC = 1,870,000 VC = 70,000 S = 1,640,000 1 = constant

$$= \frac{1,870,000}{1 - 70,000}$$

$$1,640,000$$

$$= \frac{1,870,000}{0.96} = N1,953,376$$

BEP = N1,953,376

PART EIGHT

8.1 RISK ANALYSIS

This project has been subjected to risk analysis, some inherent risks identified an appropriate mitigate preferred to avoid the planned business being disrupted.

Table 4: Risk analysis

S/N	Identified risks	Mitigate
1	Disease Outbreak	Proper vaccination and good sanitary measures
2	Power Outage	Provision of Generating Set
3	Shortage of food	Proper stock and supplier relationship management
4	Inadequate start-up demand	A multiple revenue model has been adopted.
5	Shortage of water supply	Adequate water storage arrangement has been made
6	Stiff competition due to entry of more structured players	Strong and continuous marketing campaign, customer care and high product quality emphasis.

8.2 SWOT ANALYSIS

In order to have a comprehensive project analysis and assessment, we have subjected this proposal to a SWOT analysis.

8.2.1 STRENGTHS:

- MIRACEB Snail Farm Ventures is managed by a management with rich industry knowledge and proactive orientation
- The centrality of our location gives us high market visibility
- The enterprise is entering the market as a structured player

We will build on these strengths.

8.2.2 WEAKNESSES:

- ❖ The global financial meltdown may affect start up demand for our product.
- ❖ The material for making their food may be affected by inflation which can negatively affect the stock and operations.
- ❖ We will address these weaknesses through aggressive marketing, fair pricing, customer care and continuous check on the health of the workers.

8.2.3 OPPORTUNITIES:

- ❖ The enterprise can go into the production of the fish food.
- ❖ There are opportunities for exporting our products in the ECOWAS countries and world market.

8.2.4 THREATS:

- ❖ Increased competition due to the entry of more structured producers.
- ❖ Government policy that may negatively affect the industry.
- ❖ Introduction of new and mandatory regulations.
- ❖ To check these threats, the farm will continuously emphasize high quality product, strong customer care and innovative practice to retain existing customers and grow the market share.

On the government policy, we will proactively keep abreast of government policies and continuously scan the operating environment to checkmate possible threats.

8.3 CONTINGENCY PLAN

We are aware that the projections embodied in this plan are based on a number of assumptions. These assumptions are subject to deviations that impact the outcome.

To this extent we have made some contingency plans:

- ❖ Increase in production/operating costs: Where there is an increase in the production/operating costs, we plan to adopt strong cost control measures, to keep the operating results in line.
- ❖ Low Demand: Where the demand for our products turns to be below the projections, we plan to adopt the below the projections, we plan to adopt the following measures:
 - ❖ Offer discounts to bulk buyers
 - ❖ Initiate slight price reduction
 - ❖ Mount aggressive marketing campaign to stimulate demand
 - ❖ Enter in alliance in order to have sales outlets

8.4 EXIT STRATEGY

The exit strategy open to any investor to the project is prompt pay-off of the procured loan or buying off any shares held by the investor, we plan to achieve this strategy through careful and efficient cash flows management. On our part, we do not intend to exit the business; rather expansion and diversification will be pursued when the business attains a suitable growth posture.

PART NINE

9.0 LEGAL, REGULATORY, SOCIAL AND ENVIRONMENTAL ISSUES

9.1 LEGAL ISSUES

MIRACEB Snail Farm Ventures has undertaken a legality check on the proposed business. The enterprise has been duly registered with the Corporate Affairs Commission (CAC), under the business name registration. It would also get all necessary permit and licences.

9.2 ENVIRONMENTAL ISSUES

MIRACEB Snail Farm Ventures will run an environmental friendly business. The snail farm will be kept neat appropriately and will also be sanitized regularly.

In summary, the snailery will be run in ways that enhance environmental sustainability.

9.3 SOCIAL ISSUES

The establishment of the planned enterprise will generate a lot of social benefits:

- ❖ Jobs and wealth creation
- ❖ People empowerment and poverty reduction
- ❖ Support to the development agenda of vision 2020 and the millennium development goals (MDGs)
- ❖ Check rural urban migration and enhance rural industrialization

9.4 REGULATION ISSUES

The enterprise will comply with all relevant regulatory requirements: – hand gloves, nose-masks and fire extinguishers will be provided. Necessary business premise permits will be secured. Relevant taxes and levies to the state and local government shall be paid as and when due.

PART TEN

10.0 OTHER CONSIDERATIONS AND CONCLUSION

10.1 ECONOMIC JUSTIFICATION

From the point of view of my study and analysis of the findings made, the project offers good benefits to the promoter, and the economy. It also creates employment opportunities and wealth. This is consistent with the Federal and State Government Policy on entrepreneurship, wealth and job creation.

10.2 COMMERCIAL VIABILITY.

The commercial viability of this project is very certain. The project has been found to be commercially viable, having shown this through impressive sales, profits and cash flow positions.

10.3 CONCLUSION AND RECOMMENDATIONS

Looking at the medical, economic and nutritional value of snail, I therefore solicit and append this proposal for funding and implementation.

I also recommend it to everyone for its nutritional and medicinal values, weight watchers, those that have cardiovascular problems and convalescents.

APPENDIX I

COST OF SALES FOR YEAR 1 (2015) 1ST HALF

Details	Quantity	Rate	Amount (N)
Common snail feed	---	---	130,000
Medication	---	---	100,000
Water	---	---	60,000
Food supplement	---	---	100,000
Charcoals for drying	---	---	20,000

Total cost of sales	---	---	410,000
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Cost of sales for one year (2015) = N 410,000 x 4 times of sales = N 1,640,000

APPENDIX II

REVENUE DERIVABLE FROM SALES FOR YEAR 2015 1ST QUARTER

One snail is capable of laying eggs that will hatch into 30- 40 snails every one month. So, 200 parent snails can produce about 70,000 snails that will mature by one year.

Therefore,

Details	Rate	Amount
70,000 snails	70 snails can give 1 kg which will be sold at N120 per Kg	N120,000 for 1000 kg of snails sold at 6 months.

Turnover for year one (2014) = N120,000 x 4 = N 480,000

Since the gestation period of snail to maturity is 6 months, but subsequent sales can be made every other two months.

APPENDIX III

TABLE OF DEPRECIATION

Details	Initial cost	Rate	Value
Land and development	600,000	10%	60,000
Delivery van	300,000	10%	30,000
Feeding trough	10,000	10%	1,000
Snail house	150,000	5%	7,500
Water tanker	35,000	10%	3,500
Drinkers	5,000	10%	500
2 Rakes	1,000	10%	100
Head pan	1,000	10%	100
2 water sprayer	1,000	10%	100
Shovel	1,000	10%	100
Electrical installation	10,000	10%	1,000
Furniture and fittings	20,000	10%	2,000
Generating set	25,000	10%	2,500
Computer	20,000	10%	2,000

2 weighing scales	6,000	10%	600
Sundry and accessories	15,000	10%	1,500
Total value	---	---	110,000

APPENDIX IV

LOAN REPAYMENT AND INTEREST PAYMENT SCHEDULE

Period	Opening balance	Loan repaid	Interest at 20%	Loan balance
2014	800,000	400,000	160,000	400,000
2015	400,000	400,000	80,000	---
2016				