

Infrastructure Sector



BUSINESS IDEA FOR ESTABLISHING A CAMPSITE

Introduction

This business idea is for establishment of a Camp Site. This is setting up a site with facilities where Travelers and, or Tourists can camp and stay overnight or for some days. This involves acquiring land of more than an acre and secures it. Avail facilities like lavatories or washrooms, tents, laundry facilities, kitchen, a canteen or bar. There could be some dormitory facilities with some bedding provided. There must be mattresses and blankets for use when you hire the tents. A business center could be established or at least an Internet connection with a computer and possibly photo copying and Fax facilities. There could be some reliable transport that could be hired if need arise. The travelers or tourists come and stay and use the facilities while enroute to their next destination. All facilities are paid for at modest fees and thus the guest chooses what to use depending on his financial ability.

Requirements

The Campsite is registered as the law prescribes and the facilities put in place. These include:

Capital Investment Requirements

Capital Investment Item	Units	Qty	@	Total
Land	Acre	1	25000	25,000
Premises	No			60,000
Kitchen Facility	No			1,500
Tents	No	50	150	7,500
Beddings	No		1500	1,500
Dinning Equipments	No			500
Furniture	No			1,000
Games Equipment	No			500
TV and Music Systems			1000	1,000
Business Center Establishment	No			3,000
Total				101,500

Production and Operating Costs

Cost Item	Units	@	Qty/day	Pdn Cost/day	Pdn Cost/mth	Pdn Cost/yr
Direct Costs						
Restaurant materials Costs	-	-	-	100	2,600	31,200
Bar materials Costs	-	-	-	81	2,106	25,272
Sub-total					4,706	56,472

Advertising	200	2,400
Labour	500	6,000
Utilities	150	1,800
Internet&DSTV Subscription	140	1,680
Cleaning and Toiletries	200	2,400
Miscellaneous	100	1,200
Depreciation	1593.75	19,125
Sub-total	2883.75	34,605
Total Operating Costs	7,590	91,077

1. Production costs assumed 365 days per year with daily capacity of serving 20 guests.
2. Depreciation (fixed asset write off) assumes 4-years life of assets written off at 25% per year for all assets.
3. Direct costs include materials, supplies and other costs that directly go into production of the product.
4. Total monthly days assumed are 30-days.
5. The valuation currency used is United States Dollars.

Market Analysis:

Tourism is one of the fast growing sectors of the economy and the number of foreign guests is increasing steadily. There is demand for Camping facilities in different parts of the country. Places like Lake Mburo Sanctuary Reserve, Budadiri, Murchison Falls National Park, Queen Elizabeth National Park, and Kidepo National park are potential areas where this proposal can profitably start. Some of the existing facilities are very inadequate. A very aggressive marketing is required especially in the Tourist sector to cause awareness of the presence of these types of facilities at modest Prices.

Project Product Costs and Price Structure

Service	gst/day	Gsts/yr	Serv-cost	Rng costs/yr	Charge/gst	Total Rve
Hospitality	20	6,240	14.60	91,077	35	218,400

Profitability Analysis Table

Profitability Item	Per day	Per Mnth	Per year
Revenue	700	18,200	218,400
Less: Production and Operating Costs	292	7,590	91,077
Profit	408	10,610	127,323

Government Incentives:

The government through Uganda Tourist Board, took the initiative to advertise Uganda on the International scene which has partly boosted the said growth in the sector. Furthermore there are some facilitations accruing to the developers in Tourism sector, like access to tax free importation of some of the items to facilitate the services. There is campaign to develop and boost domestic tourism.