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Matric number: 18/sms04/009

Afe 202

Food production

Prepare a business plan on a chosen agricultural enterprise following the guidelines in the note

 **Anadigital farmers Enterprise**

 This business plan examines the feasibility of and indeed economic viability of the development of a 1 acre pond which is about 200 FT x 200 FT. The fish farm would produce about 100 fishes in a production cycle. There is high domestic demand for these products because of our huge population and production constraints leading to shortage of the commodity. The most common place for fish production is bayelsa and rivers

The proposed project will create economic opportunities, impact positively on the people and help conserve scarce foreign exchange . The project will create market access, improve income of farmers and contribute significantly to food security. It will also generate satisfactory returns for sponsors and investors.

 **Sponsorship**

The project is sponsored by Anadigital farmers enterprise. Anaquipe assocation of farmers would be responsible for the management consultancy of the project

**Management**

This will be made up of shareholders and member of the cooperative who have stake in the survival, growth and profitability of the business as well as distinguished agribusiness professionals of proven integrity and vast experience in the project area. The prime objective of the board will be to give strategic directions and policies that will ensure long term success of the organization. The board will ensure that the organization complied with all standards set by regulatory authorities.

The Managing Director/President shall be responsible for the co-ordination of the day to day management of the cooperative business. He is accountable to the Board of Directors; he will mobilize organization resources to achieve set goals. He will manage business risks and focus on wealth creation.

**Market and Sales**

Market orientation: domestic; South West & South East, Nigeria

Market Share: 7% niche market in South West, South East Nigeria

Users of Products: edible oil for human, improves embryo survival rates for the livestock industry, it gives protein to animals

We aim to capture a significant market share in mile 2, mile 3 and oil mill and they would be sold as wholesale to the market . Also we would make use of delivery men to be able to deliver to homes, restaurants ,hotels and companies who place orders on our goods

**Government Support and Regulation**

The project conform with the economic diversification objective of the government. It also supports foreign exchange and import reduction conservation of government. It creates economic opportunities, market access, improved income for farmers and support food security objective of government. The project will benefit from government intervention fund in the agriculture sector. The project will also benefit from the favourable policy of zero duty for agricultural and equipment import. Restriction of forex for all food products will also widen market opportunity. The project will contribute significantly to employment, output increase, stable price and stable exchange rate.

**Resources ,location and environment**

The fish pond is located at number 5 along east west road porthacourt rivers state Nigeria. The environment is very conducive for the fishes to survive. We have amenities like fish pond , fish feed and we also have capable employees .

**Competition analysis**

In Bayelsa there is a high there is a high demand for fish farming and there products so therefore there is a high competition since the population of people in the business increases daily .

**Project Timeline**

The project will be completed within 5months preferably between May, 2020 to September,2020

There are 10 ponds

A= 9.1 by 6.1 4m square to stock 2,000 fishes

B = 9.1 by 6.1 4m square to stock 2,000 fishes

C= 9.1 by 6.1 4m square to stock 2,000 fishes

D= 9.1 by 6.1 4m square to stock 2,000 fishes

E= 9.1 by 6.1 4m square to stock 2,000 fishes

F= 9.1 by 6.1 4m square to stock 2,000 fishes

G=9.1 by 6.1 4m square to stock 2,000 fishes

H= 9.1 by 6.1 4m square to stock 2,000 fishes

I= 9.1 by 6.1 4m square to stock 2,000 fishes

J=9.1 by 6.1 4m square to stock 2,000 fishes

A total number of 20,000 fishes would be at 13333 would be expected and harvested at at an average weight of 2.5kg per fish we expect a total of 60,000kg of fish in 6 months doubling 120,000kg in 12 months cycle

 **Feeding schedule 1st quarter (100 bags first quarter of the year )**

|  |  |  |  |
| --- | --- | --- | --- |
| **Month**  | 1 | 2 | 3 |
| **Days**  | 1-30 | 31-60  | 61-90 |
| **Weight**  | 0.5gm | 10gm  | 30gm  |
| **Monthly quantity bags**  | 50bags  | 70bags  | 110bags |
| **Biomas** | 30kg | 35kg  | 40kg  |
| **Feed size**  | 0.5kg  | 0.5kg  | 0.8kg  |

|  |  |  |
| --- | --- | --- |
| Name of pond  | Lime Quantity  | Fertilizer quantity  |
| A | 30kg (3bags) | 35kg(1\2bags) |
| B | 30kg( 3bags) | 35kg(1\2bags) |
| C | 30kg (3bags) | 35kg(1\2bags) |
| D | 30kg (3bags) | 35kg(1\2bags) |
| E | 30kg (3bags) | 35kg(1\2bags) |
| F | 30kg (3bags) | 35kg(1\2bags) |
| G | 30kg (3bags) | 35kg(1\2bags) |
| H | 30kg (3bags) | 35kg(1\2bags) |
| I | 30kg (3bags) | 35kg(1\2bags) |
| J | 30kg (3bags) | 35kg(1\2bags) |

**Quarterly distribution of 2,000 bags for the second cycle of the year**

|  |  |  |
| --- | --- | --- |
| Circle  |  I | II  |
| Month  | 1-5  | 7-13  |
| Day | 1-180 | 181- 360  |
| Quantity of feed | 1,020bags  | 1,020bags  |
| Cost of feed  | 4,080,000 | 4,080,000 |
| Weight of feed  | 60,000kg  | 60,000kg  |
| Biomas  | 275kg  | 275kg  |

 **Application of feed.**

Divide the daily feed quantity into thirty (30) equal part

1. One part to pond A
2. One part to pond B
3. One part to pond. C
4. One part to pond. D
5. One part to pond. E
6. One part to pond. F
7. One part to pond. G
8. One part to pond. H
9. One part to pond. I
10. One part to pond. J

 Feeding schedule summary

|  |  |
| --- | --- |
| Total food for two circles  | 700bags  |
| Cost of feed  | 2,300,000 |
| Feed quantity  | 40% protein  |
| Feed rate  | 30% of body weight  |
| Feed consumption of 1 fish  | 2.5kg  |

 Salary structure

Post No. Amount

|  |  |  |
| --- | --- | --- |
| Managing director  | 1 | 90,000 |
| Accountant  | 2 | 60,000 |
| Fish farm supervisor  |  2  | 50,000 |
| Outlet sales  | 3 | 45,000 |
| Pond attendant  | 4 | 40,000 |
| Cleaner  | 4 | 25,000 |
| Security men  | 4 | 30,000 |
| Total  | 20 | 300,000 |

**Cost of equipment and machines**

Land. 2,000,000

Pond construction. 500,000

Generator. 2,000,000

Three boreholes. 700,000

Fish dryer. 100,000

Net. 50,000

Fish fingering. 50,000

Fertilizer. 70,000

Pumping machine. 1,000,000

Two sorting tank. 900,000

Contingency 15%. 4,000,000

Total. 11,880,000

**Working capital**

|  |  |  |
| --- | --- | --- |
| Source  |  | Amount  |
| Salary  | Per month  | 300,000 |
| Utilities bill  | Per month  | 100,000 |
| Fuel  | Per month  | 50,000 |
| Miscellaneous  |  | 40,000 |
| Total  |  | 490,000 |

 **Summary of the project cost**

|  |  |
| --- | --- |
| Equipment and machines  | 11,880,000 |
| Working capital  | 490,000 |
| Total  | 12,370,000 |

 **Funding of project cost**

|  |  |
| --- | --- |
| **Source**  | **Contribution**  |
| Anaquipe  | 200,000 |
| Agricultural loan from the bank  | 500,000 |
| Total  | 700,000 |

 **Deprivation of assists , machines and equipment.**

|  |  |  |  |
| --- | --- | --- | --- |
| Asset  | Rate  | Amount  | Depreciation  |
| Machine and equipment  | 15% | 11,880,000 | 11,880,000 |
| Total  |  |  | 11,880,000 |

 **Sales projection**

|  |  |  |  |
| --- | --- | --- | --- |
| **Source**  | **Weekly projection**  | **Monthly projection**  | **Annual projection**  |
| Tilapia  | 166,667 | 666,667 | 8,000,000 |
| Total  | 166,667 | 666,667 | 8,000,000 |

 **Cash flow analyses**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Particulars  | Year 0 | Year 1 | Year 2 | Year 3  |
| Anaquipe  | 200,000 |  ——- |  **-** |  **\_** |
| Bank loan  | 500,000 |  **\_** |  **-** |  **-** |
| Tilapia  |  **-** | 8,000,000 | 93333 | 10667.66 |
| Sub total  | 700,000 | 8,000,000 | 5473667 | 6140333 |
| Machines  | 11,880,000 | 11,880,000 | 5473667 | 6140333 |
| Working capital  | 490,000 | 490,000,000 | 666,667 | 1,000,000 |
| Subtotal 2 | 12,370,000 | 12,370,000 | 6140333 | 7140333 |
| Gross profit  |  **-** | 38,53000 | 319367 | 6140333 |
| Less depreciation  |  **\_** | 4,807,000 | 541367 | 3526333 |
| Net profit  |  **\_** | 49,637,230 | 264363 | 29330 |

 **Profitability analysis**

Profitability rate= Net profit /investment x100%

49637230/514700 x 100% = 9,643.9149= 9,643.91

The project has the capacity of making 9645.91% profit every year .