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Executive Summary/Brief Description of the Project

This business plan examines the feasibility, viability, and economic impact of people producing broiler chicken as frozen chicken in large scales.

The farm will acquire and nurture 20,000 broiler birds every week. The maturity period for this project is 10 weeks after which the birds will then be processed into frozen chicken.

The present ban on importation of frozen chicken and other agricultural produce has led to a high demand for local production of chicken, especially broiler chicken. This in turn has left a rather large shoe for poultry farmers to fill as Nigerians's population is about 200 million. This is at its core, the essence of this proposal and subsequent production if approved.

This project will ensure that many Nigerians eat healthy birds, devoid of preservatives. It will also provide many job opportunities and impact the economy positively. Finally, it will generate a good and healthy return of investment for our sponsors and investors.

SPONSORSHIP

The project is sponsored by Olam Nigeria Limited. A well renowned chicken feed producer and a big player in Nigeria Agro economic. Its head office is located in Lagos, Nigeria and has been dedicated to Animal farmers especially poultry for over 25 years and has sponsored over 2,000 farmers. La'ferme Ago-allied enterprise, will be responsible for the management, consultancy of the projects.

MANAGEMENT

The management will comprise of two supervisors (from our sponsors), an external account officer, and the managing staff of La'ferme Ago-allied enterprise.

The supervising officers are seasoned farmers with indept knowledge of the poultry business who have overseen the success of many farmers.

The prime objective of the brand is to;

- Give policies that would ensure success oof the project
- Ensure that all financial needs of this project is met
- Ensure that all standards set by regulatory bodies are met

The management staff of La'ferme will be responsible for the day to day running of then farm. The farm manager in La'ferme will be responsible for delegations of day to day duties

on the farm. He will mobilize work force and all resources to achieve set goals. He will also manage business risk and be accountable to the board .

TECHNICAL ASSISTANCE.

Technical assistance will be given by Chicken Limited and poanle of Agriculture(Abeokuta).

Lann Nigeria Limited will a day old chicks,feed, drugs, vaccine and veterinary services.They will also be rendering technical support.

La'ferme has a working relationship with bank of Argriculture Abeokuta and it has agreed to give a loan at 9% interest rate. This will be used to cover all fixed investment.

UAC PLC,Shoprite, Justrite,Tantalizers, and several cold room outlet has been reached and has agreed to offtake products.

MARKET AND SALES

MARKET ORIENTATION: South west

USERS OF PRODUCT: chicken for human consumption

COMPETITION ANALYSIS

Due to the ban on importation of Agricultural produce by the Federal Government, competiton in poultry meets has greatly reduced. The market is big, wide and inexhaustable .

However, the biggest competition in South west is Obasanjo farm

MARKET POTENTIAL

The product potential is very high due to the ban in importation of frozen foods

TARRIF AND IMPORTATION RESTRICTION

Zero duty on agricultural equipment and total ban on importation of frozen foods will favour the project.

PROFITABILITY

Factors that can affect profit include

- Unpredictable temperature surge
- Pests and diseases
- Fluctuation in market price

However, there is technical scientific and most importantly financial support available to hedge off or cushion this risks and project profile

TECHNICAL FEASIBILITY

The section`demanding technology in this project will be taken care of by Obansanjo processing plant (A reliable processiong plant) where birds would be processed (plucking out of feathers ,removal of offals ,seperation of gizzards,,heads and legs) Finally, the chicken is then packaged and sent back to La' ferme cold room storage facility.

We are implementing our project using best international practices,susternable production and due consideration for the environment .

GOVERNMENT SUPPORT AND REGULATION

The project will benefit greatly from the government policies (majorly ban on chicken importation).

PROJECT TIMELINE

The project will be completed within 10 weeks. Preferably between May 2020 to July 2020, after which the first set of birds will be ready to be pushed out to the market. Then there will be continuous production every week for 5 years (this will allow the payment of loan to be fixed on expenditure)

ESTIMATED PROJECT COST AND REVENUE

Fixed cost

Activity

- Land clearing

Quantity of land = 4 Acres

Clearing = $30 \times 4 = 120,000$

- Pen

There will be 20 pens

Each pen will house 5,000 birds

Cost of each pen = 800,000

$$800,000 \times 20 = 16 \text{ million}$$

- Cages

Each pen will have 25 modified cages

$$= 25 \text{ cages} \times 20 \text{ pens}$$

$$= 500 \text{ cages}$$

Cost of each cage = 20,000

$$500 \times 20,000 = 10,000,000$$

- TASKS AND INDUSTRIAL BOREHOLE

Cost of industrial borehole = 600,000

1 Reservoir tank = 2,000,000

Distributed tanks and holders = 80,000 each = 1.6 million

Plumbing works = 400,000

- EQUIPMENTS

EQUIPMENTS	QUANTITY	PRICE	TOTAL
Flat feed trough	600	400	240,00
Modified feed trough(4 weeks and above)	1,500	500	900,00
Modifies water trough	1500	600	900,00
Bell drinker	300	500	150,000
Coal pot			
Pick up truck	2	10,000,000	20,000,000
Storage facility	1	2,300,000	2,300,000
Cold room			
Generator	1	250,000	250,000

RECURRENT COST

	COST	QUANTITY
Drugs & vaccine	10,000,000	
Heating Coal	3,500,000	500 bags@3,500
Cost of feed per bird	800	
Day old chcks	300 per bird	10,000 per set

- Estimated labour cost per month =1,500,000

REVENUE

Each Kg will be sold at 900/kg

A ten week old bird average weight is about 2.5k(after removal of offals,legs,head and gizzard)

$$900 \times 2.5$$

$$=2250$$

10,000 birds each week will be $2,250 \times 10,000$

$$=22,250,000/\text{week}$$

FUNDING MECHANISM

Bank of Agriculture Abeokuta has agreed to loan us the sum of 10million at 9% interest for 5years. There will be a period of 8months before loans will be payable

All our fixed expenditure will be carried out with this loan . Olam Nigeria Limited will be responsible for the day old chicks,feed,drug,vaccine and veterinary services.

The profit will be shared at 80:20 with Olam taking the biggest share. La'ferme will be responsible for 4 labour cost(i.e staff),processing fee and marketing fee .

CONCLUSION

The project is feasible,commercially viable and very profitable to all parties. It is therefore recommended for funding