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DEPARTMENT: ACCOUNTING
MATRIC NO:18/SMS02/020
COURSE: AFE 202
COLLEGE: SMS
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QUESTION: PREPARE A BUSINESS PLAN ON A CHOSEN AGRICULTURAL ENTERPRISE.

ANSWER:

An agricultural enterprise is one which sees new opportunities in order to improve or develop agriculture. It uses new process and techniques that would bring solution to current problems.

An entrepreneur is an individual that accepts opportunities and risks that has to do with the creation and operating an agricultural business.

NAME OF ENTERPRISE:

CHINEZE GREEN FIELD GARDEN[CGFG]

This is an enterprise /company that meets the need of people who need or desire good quality of fruits and vegetables. This business would ensure that individuals all over Nigeria receives or buy fresh and good quality vegetables. CGFG is an enterprise that distributes both fruits and vegetables to both individual customers and restaurants.

The main objective of CGFG is to develop a companies that produces a particular product from one or more of the vegetables or fruit that CGFG produces. The fruit and vegetables that would be planted in CGFG includes the following: Beans, Rice, Tomato, Pepper, Onions, Ginger, Garlic, Corn, Bitter leaf, Scent leaf, Carrots, Pineapples, Strawberries, Blueberries, Grapes, Oranges, papaya e.t.c. all these are fruits and vegetables that people use to make there every day meal and at home and in restaurants.

CGFC has two segments [may be divided into two distinct market which are

- Individual customers
- Restaurants.

The individual customer will be able to purchase vegetables and fruits they wish to from Thursdays all through Saturdays, while the Restaurants would be able to purchase the goods they want to on Mondays all through Wednesday.

CGFG has a competitive edge over other agricultural based enterprise/ industries which helps them to penetrates into the market.

The first edge which CGFG has is the ability to provide high quality products [fruits and vegetable] to its potential customers.

The second competitive edge that CGFG has over its competitors is its ability to remain flexible. That is the ability to find out what fruits and vegetables that their customers buy and enjoy most in order to produce more and to find out the different fruits that can be produced. This will be an edge because most firm are unwilling to change the crops they produce.

As said earlier, the main objective of CGFG is to produce fruits and vegetables that are used by both individual customers and restaurants. However, the long term objectives of CGFG includes:

- To create a production company whose activities and level of improvement exceeds the expectation of its customers.
- The products produced are used by at least 50% of the restaurants located in Nigeria.
- And be listed as one of the best agricultural businesses in Nigeria.

The mission that is being set by CGFG is to have different locations in Nigeria where individual customers and also restaurant all over Nigeria go to purchase the goods which they need to buy.

Therefore, CGFG will be located in states such as; Lagos, Port Harcourt, Benin, Jos, and Anambra with its main branch in Lagos

The project would be completed within eight months, starting from June 2020 to the month of January 2021.

THE CGFG WILL NEED THE FOLLWING IN ORDER TO START ITS PRODUCTION PROCESS:

LAND CLEARING.			
ACTIVITY	QUANTITY	NAIRA	K
LAND CLEARING	2 HECTARE	350000	00
CROSS CUUTING	2 HECTARE	100,000	00
ROME PLOUGHING	2 HECTARE	100,000	00
SUB SOILER	2 HECTARE	100,000	00
TOTAL	400HECTARE	650,000	00

EQUIPTMENT:				
NAME	QUANTITY	MODEL	USD	NAIRA
SUB SOILER	2	IS-2006	6500	25555050

TRACTOR	2	YTO-904	53040	20686013
BOOM SPRAYER	2	3W-1000LIB	12400	4836096.76
SOY SEEDER	2	2BFY-6C	9900	3801077.25
FRONT LOADER	2	TZ100	13140	5124702.53
TRIPPER	2	7CX-8T	9450	3685573.74
SUB TOTAL			104430	40748513.3

VECHICLE				
TPYE	QUANTITY	MODEL	NAIRA	
PICK UP TRUCK	3	HILUX	60,000,000	

IRRIGATION				
TYPE	QUANTITY	MODEL	USD	NAIRA
HOSEREEL	2	140-440MT	56372	21985519.87

OPERATING COST		
NAME	NAIRA	K
PLOUGHING	30,000	
HARROWING	20,000	
SUB TOTAL	50,000	
FOR 500 HA	25,000,000	
MACHANIZATION	210000	
FOR 500	105000,000	
AREA YIELD INSANCE	125000	
PRODUCTION AGGREGATION	6500	
GEOSPATIAL SERVICE	5500	
SUB RTOTAL	24500	
FOR 500	12250000	
INTERESR PER HECTARE	23079	
FOR 500	11539500	

TOTAL COSTPER HECTARE	254352	
FOR 500	127176000	
LOAN PRINCIPAL AND INTEREST	267430	
FOR 500	13375000	
IRRIGATION COST[FOR 500]	25018120	
AMORTIZTION	NAIRA	K
LAND CLEARING AMORIZATION	60,000	
FOR 50	30,000,000	
REVENUE		
YEILD HECTARE @ 3 TONE @145000		
PEVENUE PER HECTARE	53500	
FOR 500	26750000	
NET REVENUE WITHOUT AMORTIZATION	56038400	00
NET REVENUE WITH AMORTIZATION	67038300	00
2 ND PRODUCTION CYCLE		00

NET REVENUE	44020180	00
ANNUAL NET REVENUE[WHICH IS THE1ST AND THE 2 ND CYCLE]	193900380	00