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**A POULTRY BUSINESS PLAN**

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**EXECUTIVE SUMMARY**

Raising poultry birds involves the production of broiler meat and chicken eggs. It’s one lucrative and wide industry that has attracted millions of investors over the years. Niches related poultry farming include

* [setting up a hatchery](https://www.practicalbusinessideas.com/hatchery-business-plan/)
* raising broilers
* egg production through layer birds
* marketing and distribution of table eggs
* production of poultry farm equipment like drinkers, feeders, etc.
* sales of poultry vaccines, drugs, feeds, and supplements

This facility will only produce layer birds to prevent an overlap of ideas and due to the limited resources available. Meaning that in the future, Immaculate Poultry Farm might decide to bring in more ideas.

It is expected that in the first year of production, the farm should be able to produce about 60 crates of egg daily and generate more than 1 million as revenue. Spent layers should be sold at the end of a year of laying and the money should be used in getting replacement birds.

**BUSINESS OVERVIEW**  
The most popular form of poultry farming business is layers production because egg consumption cuts across all nations. There are different niches in the poultry business. These include broiler, layer, [quail](https://www.practicalbusinessideas.com/quail-farming-business-plan/), [turkey](https://www.practicalbusinessideas.com/turkey-farming-business-plan/), ostrich, geese, and duck production.

The main things that serve as hindrances in this industry are high-interest rate, lack of electricity, absence of credit, high cost of products and so on. Presently, the [demand for day-old chicks](https://www.practicalbusinessideas.com/day-old-chick-business/), eggs, and broiler meat remains very high.

**VISION STATEMENT**  
The vision statement of Immaculate Poultry Farm is to ensure the production of good and nutritious eggs, create employment opportunities and create wealth for investors.

**MISSION STATEMENT**  
The mission of this farming business is to build an efficient mechanized poultry farm that is rewarding at the same time. We are looking at a successful poultry farm that is highly developed and maintained.

**PRODUCTS AND SERVICES**

Immaculate Poultry Farm will sell Poultry products, including poultry egg, chickens and poultry litter waste. Our eggs are hygienic, rich in protein and of high quality. We produce, process and package to meet standard organization of Nigeria and international standard

**MARKETING STRATEGY**  
Immaculate Poultry farm will as a marketing strategy employ a marketer at full capacity, the marketer will be employed to sell the eggs produced in the farm from one egg depot to another. Through this marketing activity, many clientele bases will be created.

To make the marketing easier and more efficient, we will allocate a date for all our customers so each customer will have a day when they will be supplied eggs either by picking up the eggs or have it delivered to them at a price.

Also, adverts will be placed on several online media which will also serve as a form of marketing.

The poultry will supply to major restaurants, hotels, catering outlet, hawkers, retailer shops, etc.

**CASH FLOW ANALYSIS**

The market has been surveyed to determine the cash flow level of the industry. This helps in knowing if the poultry business is worthwhile or not. Analysis has shown that positive net cash balances are realized at the end of the second year the chicken farm started and this indicates [profitability in the industry](https://www.practicalbusinessideas.com/broiler-vs-layer-broiler-or-layers-farming-profitability/).

**MARKET ANALYSIS**

Nigeria as the largest nation in African presently consumes about 1.5 million MT of frozen chicken annually and more than 60% of the chicken consumed in Nigeria are imported.

According to The Poultry Association of Nigeria (PAN), 1.2 million metric tons (MT) of frozen chicken valued at N660 billion was imported into the country in 2014 alone and this was four times higher than what was produced locally and exceeding the current industry capacity.

**COMPETITOR ANALYSIS**

Competitors for Immaculate poultry Farm include Choice Farms, Best Foods Global, Meat World Foods, Chi Farms, Obasanjo Farms

Immaculate poultry Farm will establish its competitive edge through the expertise of its founders.

**OPERATIONS**

|  |  |
| --- | --- |
| Item | Details |
| Layer houses | These shall be in the form of layer battery cages that are put under a roofed house. These will accommodate 2 500 layers. The cages are made up of cells which accommodate 2 layers each. The layer houses will be such that they protect the layers from direct sunlight, excessive wind, rain, extreme heat or cold, wild birds and theft. |
| Feeding Systems | Feeding systems will be required to easily distribute feed and water to the birds. The feeding systems can be automatic or manual. An automatic feeding system is preferable. A Silo will therefore be important to store the feed. |
| Ventilation Systems | Ventilation will be important to ensure that the air quality and temperature is appropriate for the layers. |
| Motor Vehicle | A motor vehicle shall be needed to purchase layers, feed and other requisitions for the project. Additionally, a motor vehicle is essential for distribution purposes and other logistical needs of the project. A panel van or bakkie shall be appropriate for the project. |
| Office Equipment | Equipment in terms of office chairs, tables, desks and cabinets shall be necessary for the administration building of the project. |

MANAGEMENT

|  |  |
| --- | --- |
| Document/ records | Details |
| Business Registration Documents | The founding statement of the Close Corporation |
| Statutory Documents | Employees’ Tax Certificates  Tax Clearance Certificates   * Financial statements  - in terms of the income statement and balance sheet |
| Financial Documents and Records | * Sales analysis reports * Expense analysis reports * Financial statements * Fixed Asset Register |
| Bookkeeping Records | The financial records essentially include the following:   * Sales day book * Purchases day book * Cash receipt book * Cheque payments book |
| Financial Statements | * Statement of Financial Performance (Income Statement) * Statement of Financial Position (Balance Sheet) * Cash flow Statement |
| Other Records | * Business minutes for meetings * Business letters to clients, suppliers and other stakeholders * Other documents |

FINANCIAL ASSUMPTIONS

|  |  |
| --- | --- |
| Item | Assumption |
| Capital expenditure | 1,067,000 |
| Working capital requirements | 578,000 |
| Working days per month | 26 days |
| Debtors collection period | 30 days |
| Creditors payment period | 45 days |
| inflation rate | 6% |
| Average contribution margin | 45.8% |
| Stock turnover rate | 7 days |
| Farm capacity | 2,500 layers |
| Mortality rate | 0.15% per week |
| Efficiency result per layer bird | 280 eggs per annum are produced by each layer bird; approximately 23 eggs are produced by each layer bird per month |
| Rate of lay | 2 eggs every 3 days per layer bird |
| Total eggs laid per annum | 54,825 dozens |
| Laying period | Effective period of laying = 52 weeks  Birds will be hosted at 18 weeks of age and molted at 70 weeks of age |
| Feed consumption | 120g - 150g per layer bird |
| Weight of feed per bag per Kg | 50Kg |
| Average selling price of eggs (per dozen) | 280.00 |
| Average selling price of eggs per tray (30 eggs) | 700.00 |
| Sale of manure and litters | Selling price = R25 per 25Kg bag  Frequency = twice per year |