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CIVIL ENGINEERING

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Executive Summary

Yinka Dairy Farms is a dairy farm to be located in Lagos state. Specialized in the production of both processed and unprocessed dairy products to both individuals and commercial entities who are mostly players in the dairy products value chain sector, Yinka Dairy farms will be involved in related services that include the provision of livestock health services, plus the shearing of livestock.

Only the best will be selected to join our team of dedicated and committed workforce. These will be made up of individuals possessing the requisite qualification plus experience in the field of dairy farming.

Products and Services

The products and services to be offered by Yinka Dairy Farms will include the production of dairy products such as cheese and yoghurt of different flavours and also the rearing of dairy cattle for our farms and for sale to other dairy farms.

Other services will include the provision of consultancy and advisory services to our clients on dairy farm related issues.

Vision Statement

Our vision at Yinka Dairy Farms is to build a successful brand name through the provision of superior services tailored to the client's satisfaction. Within our first 3 years, we have plans of expanding our operations to spread across Nigeria, with our sights set on competing favourably with other well-known dairy brands.

Mission Statement

Dealing in a very competing market, we intend of gaining a fair share of the market through the provision of exceptional services that will stand us out of our competition. Within the first 5 years from the commencement of business operations, we plan on entering into the top 5 dairy brands in Nigeria.

Our Target Market

The market for dairy products is high and increasing. This means that almost every household consume dairy products. This will form a strategic target for our products. Also, business entities whose activities are centred on the dairy products value chain will form part of our target market.

Our dairy products will be available in both processed and unprocessed form to give our customers the choice of preference. We will be looking at exporting our dairy products to other parts of the world to increase our market share.

Competitive Advantage

An area of advantage we have over our competition is the quality of workforce which we will be investing heavily on.

Experts with several years of experience and the required skill will be hired to head the various arms/department of our dairy farm. This is aimed at significantly increasing productivity and enhanced penetration into the market.

Our work conditions will be such that will enhance productivity. Also, adequate attention is given to the welfare of our workforce through an attractive remuneration package that in will increase motivation.

Source of Revenue

Our revenue source will come partly from the sale of all the products on offer. These will include unprocessed and processed milk. Our other sources of income will come from the advisory and consultancy services provided to other dairy farmers.

We will aim at increasing our revenue generation, which will include increased value addition, leading to increased processing of our products for both domestic consumption and for export.

Market Opportunities

Following are some major opportunities for the proposed project:

- I. Diversified demand of the product from the food industry and medicine.
- II. Availability of abundance of cattle.
- III. Lack of specialized producer.
- IV. Established market and demand.

Market Threats

The proposed project will be facing the following threat:

- I. Substitute's availability.
- II. Price fluctuations and macroeconomic instability.

Vaccination Schedule

Disease Type:	Animal Type:	Vaccine Type:	Dosage:	Immunity:	Vaccination Time:
Hemorrhagic Septicemia (HS)	Cattle & Buffalo	HS	5 ml S/C	6 months & 1 year	May to June
Foot & Mouth Diseases (FMD)	All cloven footed animals	Polyvalent FMD	3 ml. S/C	1 year	Feb and Dec
Black Quarter (BQ)	Cattle & Buffalo	BQ	5 ml S/C	6 months & 1 year	May to June
Theileriosis	Cattle & Calves above 2 months of age	Theileria	3 ml. S/C	1 year	-
Anthrax	All species of animals	Anthrax Spore	1 ml. S/C	1 year	-
Brucella	Female cattle & buffalo Calf age 4 – 8 months only	Brucella	2 ml S/C	1 year	-
Rabies	All species of animals	Rabies Post Bite	1 ml S/C	1 year	0, 3, 7, 14, 28 & 3 months (90 days).

Capital Investment	Amount(N)
Land	1,000,000
Building	500,000

Equipment/Machinery	375,000
Furniture	30,000
Construction of Sheds	500,000
Total Capital Cost	2,405,000
Working Capital	Amount(N)
Purchase of Grass silage, hay, alfalfa hay, grains.	350,000
Purchase of forages	300,000
Vaccinations	200,000
6 months staff salaries	300,000
Fuel/Transport/Maintenance	555,000
Cost of Sales expenses	100,000
Total Working Capital	1,805,000
Total Investment	4,210,000

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Total Capital Outlay: The project will require a total capital outlay of N4,210,000 (Four Million Two Hundred and Ten Thousand Naira) as detailed above.

Projected Profit and Loss for 3 Years

Detailed below is the projected profit and loss account for 3years with the following assumptions.

- I. A production cycle is for 6 months.
- II. The Income is based on the sales of 1 ton @ 400 Naira for the first and second production and 425 Naira and 450 Naira for 3rd, 4th and 5th, 6th respectively.
- III. A straight line method is used for the depreciation of the fixed asset.
- IV. The sum of 45,030.5 is assumed for the bank charges – COT and VAT inclusive.

	1 st production	2 nd production	3 rd production	4 th production	5 th production	6 th production
Cost of Stock	750,000	750,000	800,000	800,000	850,000	850,000
Cost of Feeding	6,000,000	6,000,000	6,250,000	6,250,000	6,500,000	6,500,000
Medication	200,000	200,000	210,000	210,000	220,000	220,000
Cost of Labour /overhead	300,000	300,000	350,000	350,000	400,000	400,000

Fuel/Transport and others	555,000	555,000	600,000	600,000	650,000	650,000
Cost of sales	100,000	100,000	100,000	100,000	100,000	100,000
Pond rehabilitation	-	100,000	100,000	100,000	100,000	100,000
Total Cost of Production	7,905,000	8,005,000	8,410,000	8,410,000	8,820,000	8,820,000
Income	12,000,000	12,000,000	12,750,000	12,750,000	13,500,000	13,500,000
Gross Profit	4,095,000	3,995,000	4,340,000	4,340,000	4,680,000	4,680,000
Less Depreciation	400,833.30	400,833.30	400,833.30	400,833.30	400,833.30	400,833.30
Less Bank Charges	45,030.50	45,030.50	45,030.50	45,030.50	45,030.50	45,030.50
Net Profit	3,649,136.	3,549,136.	3,894,136.	3,894,136.	4,234,136.	4,234,136.
	2	2	2	2	2	2

Projected Balance Sheet for 3 Years

Detailed below is the projected balance sheet of the project for the next 3 years showing the status at the end of each production. The following can be deduced:

- I. At the end of the 3rd production the project will break even, that is, the investors would have gotten back their investment.
- II. At the end of the 3rd year (6th Production) the investors would have made a total sum of 23,454,817.20 Naira which is 30% return on investment.

Conclusions

From the facts and figures presented above the following can be concluded and recommended.

- I. The project is viable and is environmentally friendly.
- II. The project demonstrates the fact that the local community will be engaged which shows a sense of corporate social responsibility on the part of the promoters.
- III. The Financials are okay, as the breakeven point for the project is very good and it will give value to the investors.
- IV. The expected return on investment is 30%.
- V. The investor would start collecting back of their investment at the end of the first production.
- VI. The management teams that will be in charge of the project are well seasoned professionals in the industry.