**A FEASIBILITY STUDY BUSINESS PLAN**

**ON**

**POULTRY FARM**

**PRESENTED BY**

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**DEPT: NURSING SCIENCE**

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**SCHOOL: AFE BABALOLA UNIVERSITY**

**COURSE CODE: AFE 202**

**COURSE TITLE: FOOD PRODUCTION AND HEALTH AWARENESS**

**LECTURERS: MR. SALAMI ABDULRASHEED**

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**EXECUTIVE SUMMARY**

This document represents the plan and operational guideline for the establishment of a poultry farm and the marketing of the farm produce. The feasibility study is based on the survey made by Ali Queen-Esther Eboh and the business will by wholly owned by her. The name of the poultry farm will be **ALI FARMS** and we will concentrate on sales of eggs and table meat bird (boilers).

We will supply birds and eggs to different quick service restaurant in northern Nigeria and our vision is to be one of the known poultry farm product supplier in Nigeria with a mission to raise healthy and nutritious birds at a very profitable venture.

From the research that was carried out it was discovered that the demand for eggs and bird meat is not fully satisfied around some areas of Abuja, though they are already existing poultry farms operating around borders of Abuja and Kaduna state environment, the poultry farm will be sited at Jaba Local government area in Kaduna state a neighboring environment to Abuja, there are also demand in some part of jaba, Chikum and various part of Abuja. These legal requirements for the establishment of this venture such as local government revenue (tax) per month and security payment (vigilante) per month have been inquired and will be carefully complied with.

The venture will help in providence employment to the locals meeting the demand of eggs and making the price affordable in future, **ALI FARMS** intends to develop into other livestock farming structures such as Turkey, Fish, Duck, Guinea fowl and Quail.

**SPONSORSHIP**

This project is sponsored by Pharm. Sunday Ali Okoh, the former managing director of Tamar & Pharez pharmaceuticals and the present CEO of REAVEMS global Nig. LTD (RGNL). The pharm and his wife who is a business woman have been in the business of poultry farming for so many years thus have a very good experience in it. REAVEMS agribusiness ventures & consultancy which is a sector under RGNL will be responsible for the management consultancy of the projects.

**STRATEGY AND IMPLEMENTATION SUMMARY OBJECTIVE**

In order to actualize the aforementioned objectives, the statement of what and how the farm’s resources would be harmonized in guaranteeing the expectations in an economy, efficient and effective manner follows:

* To increase number of our client by 20% within 2 years of existence
* To increase our output percentage within a short period of time
* To evaluate our strategic marketing by every three months
* To keep and maintain hygienic farms for healthy eggs and birds

**TACTICS AND STRATEGY IMPACTS**

**ALI FARMS** products will be priced at affordable rate. When a markup is placed on any of our products, customers will be willing to pay because of the affordable price.

The venture to be established is a poultry farm that will concentrate on the production of eggs and sales of broilers, birds because of the fund required the venture will start as a small scale business having the population of the people neighboring communities and three major Local Government Area of Kaduna, which are Jaba, Chikum, Kachia are target market. The farm site will be a permanent land and will need necessary equipment for its operation as it is entirely new firm to start from the scratch, will have to be acquired.

**OPERATIONAL PLAN**

The firm will be a commercial poultry farm; therefore it will require a full time labour and geared towards productivity on a scale for the sales of egg and sales of broiler birds.

For egg production, birds usually starts to lay at 18-22 weeks of age and continue to lay for Twelve months (52weeks) on average laying fewer egg as the new mounting period. The typical production cycle last about 17 months (72 weeks) and involves three district phases as follows:

**PHASE 1:** Pullets or broilers: This phrase last from 0 – 8 weeks during which small chicks (pullets) are kept separately from broilers.

**PHASE 2 (GROWERS):** This period concerned is between 8 – 21 weeks of age. Growers are the future laying birds and the way they grow up will largely determine how well they do in the laying house. Therefore management during the growing period is very important.

**PHASE 3 (LAYERS):** The laying period is taken to have started when the birds reach 5% egg production on a daily basis. The laying period continues until the birds are sold at the end of a laying period of normal length or are force mounted Housing time starts with the beginning of the laying period. The number of birds housed is the number of pullet in the laying house when egg production starts.

**MARKET POTENTIAL**

Most meals in Nigeria is not complete without poultry output like egg or meat. Nigeria has over 170 million growing population that demand for meat or egg on a daily basis. With increasing awareness on health implication of red meat, they are ever increasing demand for white meat and livestock are source of white meat.

**MARKETING STRATEGY**

As we mentioned earlier, resident and families of three local government of Kaduna being our target market awareness will be made by means of advertisement. The advertisement will be made on flyers, handbills, and in the future marketing will be done to eateries, restaurants and companies that demand for our product. Our major market in the future are eggs supplied to Restaurants, major bakers and hotels

**MARKETING**

Marketing activities include among other grading quality, promotions, packaging and value adding these activities are essentials as they will lead to large volume of sales of product quickly as possible resulting to increase of income

**GRADING**

Eggs should be graded by size and labeled according to its weight. During selection and grading, care must be applied to ensure that weight is uniformed to avoid rejection from customers

**PROJECT TIMELINE**

This project is estimated to be completed within the period of 12 months preferably between February 2021 and January 2022. This is because your chickens will be strongest and healthiest in the spring which is between February to May so you will get the best eggs.

**BUSINESS EVALUATION OF FARM/FINANCE**

This evaluation is based on birds i.e. layers and broilers

Layers are those birds that lay eggs while broilers don’t lay egg. This evaluation will be based on 5% normal loss i.e. at the process of taking care of the day old chicks; it is possible to lose 5% of the birds to sickness. Therefore if we start with 2000 birds, it is possible for us to lose 50 birds at the process of rearing them. While broilers if we start with 500 birds it is possible for us to loss 20 birds to diseases at the process of rearing them.

**LAYERS**

If layers are been rear, it takes 18 weeks to start laying egg, if we start with 2000 birds and we loss 5% of it so we have 1950 surviving layers and with proper management of feeding and other maintenance of the bird it is possible to get 90% egg production that is 1755 per day and 12285 pieces of egg every week. If we loss 1% of the egg that is 60 pieces every week so we have 12225 pieces p/weeks. 407 crates of eggs every week and a crate of egg is sold according to its size. Small size N600, Medium N750, Big size N1000. Assuming we use medium size, that is N750 which result to N305250 sales of egg every week.

After laying eggs for 52 weeks (12months) we dispose the layer and it will be sold at the rate of N1500 per layers. Therefore, before changing the stock we might have made N15, 873,000 from sales of eggs and N2, 925,000 from the disposal of old layers making a sum total of N18,798,000 for the period of 52 weeks (one year)

**BROILERS**

Broilers do not lay eggs but grows to table size when they are from 8 weeks old upward. We are projecting towards 500 birds of broilers and if we have 480 surviving birds sold at the rate of N2500 each, making a total sale of N1,200,000 for the period of rearing the broilers. Making it total sales of (1200000 x 3) N3, 600,000 for period of 12 months

**CAPITAL EXPENSES**

4 plots of land @ N180, 000 N720, 000

Block 6000 pcs @ N120 N720, 000

Cement 140 bags @ N2500 N350, 000

Cement Carriage N10, 000

Woods N250, 000

Roofing Sheets N252, 000

Roofing Slate N50, 000

Ceiling Slate N30, 000

Nails N20, 000

Net 30 bundles @ N4000 N120, 000

Iron door N50, 000

 **N2, 572,000**

**SANDS**

Stone Big 4 tipper @ N25, 000 N100, 000

Sharp sand (Mayans) N40, 000

Soft Sand N45, 000

 **N185, 000**

**TOOLS**

Day old feeders 60pcs @ N120 N7, 200

Day old Drinker 30pcs @ N200 N6, 000

Feeders 120pcs @ N550 N66, 000

Drinkers 25pcs @ N2500 N62, 500

Shovel & Head pan N5, 000

Thermometer (Digital) N10, 000

Scale (Digital) N10, 000

2 Geepee Tanks 1500litres N46, 000

Geepee Tank 500 litres N14, 000

Nylon 10 pcs @ N700 N7, 000

1.5KVA Generator set N100, 000

**WORKMANSHIP**

Carpenter N65, 000

Bricklayer N80, 000

Miscellaneous N130, 000

 **N608, 700**

**PRODUCTION**

2000 pullets @ 200 N400, 000

500 broilers @ 150 N75, 000

 **N475, 000**

**OPERATIONAL EXPENSES**

Business Registration N20, 000

Feeds, Vaccines & upkeeps N1, 500,000

Salaries and stationeries N350, 000

 **N1, 870,000**

**SUMMARY**

Capital expenses N3, 840,700

Operational expenses N1, 870,000

**TOTAL EXPENSES N5, 710,700**

**TOTAL SALES FOR PERIOD OF 12 MONTHS**

Layers N18, 798,000

Broilers N3, 600,000

 **N22, 398,000**

**PROFIT = SALES – EXPENSES**

For layers during egg production, the expenses are half of sales of egg will go in for feeds and other operational expenses. i.e. N6, 162,000 divide by 2

18,798,000

 = N9, 399,000

 2

For broiler the cost of production till the birds reaches table size before disposition is between N900 to N1000. So therefore let put the bench mark to N1000. If N1000 broiler is sold at the rate of N2000

3,600,000 – N1, 870,000 = N1, 730,000

The profit of layers for the period of 12 months = N9, 399,000

The profit of broilers for the period of 12 months = N1, 730,000

Total profit = N9, 399,000 for layers

 N1, 730,000 for broilers

 **N11, 129,000**

**CONCLUSION:** The project is technically feasible and commercially viable. It is therefore highly recommended for funding.