ADEOYE ANTHONIA OLUWADAMILOLA

BUSINESS ADMINISTRATION

18/SMS03/002

AFE202

***BUSINESS PLAN***

1. ***Executive summary/Brief description of the project***
2. ***Sponsorship/Management***
3. ***Market and Sales***
4. ***Resources and environment***
5. ***Government Support/Regulation***
6. ***Timeline of projects***
7. ***Estimated Project cost and revenue***
8. ***Funding Mechanism***
9. ***Conclusion***

***EXECUTIVE SUMMARY***

Lola crops is a high level farmland that produces different variety of cash crops like Fresh Watermelon, Fresh pineapple, Fresh apple, Fresh dates, Fresh dates and Fresh cashew in Karishi Abuja. Our goal is to supply the biggest juice making companies with fresh, fine and quality fruits for their juice making process. We also seek to supply high-end supermarkets with fresh, quality and juicy fruits at reasonable prices for their day to day sales and also small scale market businesses in Nigeria. This development will be done on a fertile 2 acres of land on the outskirt of Abuja in Karishi. There is high demand for fruit in the country due to the pandemic and everyone needing fruit to boost their immune system. This business will be benefitted by the population because who doesn’t need fruit.

Our main objectives are:

1. We are looking to be the leading supplier of cash crops there is in the country at large.
2. To provide the best quality of fruits to our
3. Reach the point of sustainable profitability.
4. Enjoy work while making a good living.

***SPONSORSHIP AND MANAGEMENT***

The business is a partnership. It is owned and sponsored by two renowned partners Maddie Ziegler who has a Phd in Agricultural science and Adeoye Antonia who owns a Bsc in Business Administration. She brings a wealth of business and project management skills to the company. She is involved in operations including, vendor relations, accounting, and some growing responsibility. Maddie Ziegler who has had experience in the past with other farms. She will be responsible for the farming operation of the farm. She will be the sales and head grower i.e she will be responsible for supervising, scheduling plant production, the cutting schedules, crop selection, growing schedules, fertilizer selection, application schedules, irrigation system development and pest control. She will also have the assistance of a full-time grower in order to allow her meet her sales responsibilities. They will both oversee the general operation of the business. The partners obtained an installment loan from GTbank of 5 million naira which they used for the initial purchase of equipment, seedlings and hiring of farmers.

***MARKET AND SALES***

***Target Market-***

Lola crops has three distinct customers; Big chain stores and supermarket, Juice making companies, and Small scale market business. We are aiming to supply to big chain stores and supermarket like Shoprite, Grand Square, The Blue and gold, Sahad Stores etc. We are also aiming to supply fruits to juice making companies like Dansa Foods Limited, UAC diaries, Chivita Limited, La Casera, etc. We also seek to supply small scale market businesses in the area for the indigenes.

***SALES FORECAST***

The sales forecast indicates that growth will be slow but steady. Growth will be slow because of the time and effort needed to develop the customers and the time it is going to take to grow and develop the crops but nonetheless they will will be able to reasonably raise production to meet the sales needs. During the rainy season, the forecast reflects an increase of sales as production will rise these months. There are a few risks that could have negative impact on sales. The first is some sort of pest that could unexpectedly negatively effect the crops. Lola crops has taken preventive measures against pest by purchasing effective fertilize and pesticide.

***RESOURCES AND ENVIRONMENT***

Lola Crops has chosen plot 3026, Karishi, Abuja as an ideal place to grow cash crops. Lola crops has 2 acres of land which will be used for planting and growing. The environment is conducive and ideal for farming as its obtains good sunlight and a lot of rainfall. The land is also very fertile.

***GOVERNMENT SUPPORT AND REGULATION***

The business will also benefit from government intervention fund in the agricultural sector. The project will contribute significantly to employment, output increase and stable price.

***TIMELINE OF PROJECT***

Lola crops uses modified seedling to grow the cash crops. Modified seedling are safe to use despite all convictions and myth surrounding them. Modified seedling also ensures faster growth of cash crops therefore Lola Crops start harvesting fruit within 1-2 years. Thereafter Lola Crops will start to pickup sales and yield profit.

***ESTIMATED PROJECT COST AND REVENUE***

|  |  |
| --- | --- |
| ***Purchases of Equipment on rent*** | ***Prices*** |
| Disc harrow | 214,000 |
| Box drill seeder | 720.000 |
| Fertillizer Spreader | 370,000 |
| Sub soiler | 521,000 |
| Tractor | 200,000 |
| Modified Seedling | 459,000 |
|  |  |

***COST OF LAND***

The two acres of land was inherited by Antonia from her grandparent who were farmers in the past and owned a farm land therefore Lola Crops didn’t spend any capital on purchasing land,

|  |  |
| --- | --- |
| **Cost Of Land Development** | **Amount (N)** |
| Survey of Land | 100,000 |
| Land Preparation | 400,000 |
| T**otal** | 500,000 |

|  |  |
| --- | --- |
| **Cost of farm infrastructure development** | **Amount (N)** |
| Cost of farm house/ office | 1,800,000 |
| Fencing of the farm | 750,000 |
| Generation of power | 100,000 |
| Water Pump | 60,000 |
| Borehole | 1,200,000 |
| 2 800 Litre tanks | 500,000 |
| **Total** | 4,410,000 |

|  |  |
| --- | --- |
| Salaries and wages of staff |  |
| Project Supervisor | 400,000 |
| 3 Farm assistance | 480,000 |
| Security | 240,000 |
| Total | 1,120,000 |

|  |  |
| --- | --- |
| Other operational cost |  |
| Diesel | 100,000 |
| Maintenance on equipment | 150,000 |
| Stationery  | 20,000 |
| Total | 270,000 |

***ESTIMATED REVENUE***

Lola Corps growth is slow but steady. Lola Crops does not make sales in the first year due to the growth and development of the cash crops. Lola Crops starts making sales at the end of the second year.

Estimates revenue accruing for the first 3 years

|  |  |
| --- | --- |
| Year | Income |
| 2 | 3,100,000 |
| 3 | 4,000,000 |
| 4 | 5,750,000 |

***FUNDING MECHANISM***

Lola crops takes an instalment loan of 7,000,000 from GTbank. Anthonia Adeoye contributes a capital of 3,000,000 which she obtained as grants from family and friends. While Maddie Ziegler also contributes a capital of 3,000,000 obtained from personal savings.

***CONCLUSION***

Lola Crops seeks to provide the nation with the best and quality fresh fruits.