

A FEASIBILITY STUDY BUSINESS PLAN

ON

POULTRY FARM

PRESENTED BY

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SCHOOL: AFE BABALOLA UNIVERSITY

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COURSE TITLE: FOOD PRODUCTION AND HEALTH AWARENESS

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EXECUTIVE SUMMARY

Feasibility Study on the establishment of a poultry farm surveys carried out by wariboko kelvin bright and the business owned by him. The name of the poultry farm will be name KELVIN FARM and will concentrate on sales of table meat birds (boilers) and table eggs

We will supply birds and eggs to different quick service restaurant in south south 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 delta , though they are already existing poultry farms operating around borders of delta and rivers state environment, the poultry farm will be sited at Bonny Local government area in rivers state a neighboring environment to delta there are also demand in some part of ughelli ,odorous and various part of rivers . 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, KELVIN FARM intends to develop into other livestock farming structures such as Turkey, Fish, Duck, Guinea fowl and Quail.

STRATEGY AND IMPLEMENTATION SUMMARY OBJECTIVE

- 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

KELVIN FARM 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 rivers which are Bonny, andoni ,and edegema 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 rivers 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

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 1000 birds, it is possible for us to lose 50 birds at the process of rearing them. While broilers if we start with 400 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 1000 birds and we loss 5% of it so we have 950 surviving layers and with proper management of feeding and other maintenance of the bird it is possible to get 90% egg production that is 855 per day and 5985 pieces of egg every week. If we loss 1% of the egg that is 60 pieces every week so we have 5925 pieces p/weeks. 197 crates of eggs every week and crate of egg is sold accordingly to its size. Small size N600, Medium N750, Big size N1000. Assuming we use medium size, that is N750 which result to N147750 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 N7, 683,000 from sales of eggs and N1, 425,000 from the disposal of old layers making a sum total of N9,108,000 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 project for 400 birds of broilers and if we have 380 surviving birds sold at the rate of N2500 each, making a total sales of N950000 for the period of rearing the broilers. Making it total sales of (950000 x 3) N2, 850,000 for period of 12 months

CAPITAL EXPENSES

200 acre of land N1,500,000	N360,000
Block 3000 pcs @ N120	N360,000
Cement 70 bags @ N2500	N175,000
Cement Carriage	N5,000
Woods	N152,000
Roofing Sheets	N126,000
Roofing Slate	N25,000
Ceiling Slate	N15,000
Reggie's	N7,500
Nails	N12,000
Net 15 bundles @ N4000	N60, 000
Iron door	N40,000

N1,337,500

SANDS

Stone Big 2 tipper @ N25,000	N50,000
Sharp sand (Mayans)	N20,000
Soft Sand	N22,000

N92,000

TOOLS

Day old feeders 30pcs @ N120	N3,600
Day old Drinker 15pcs @ N200	N3,000
Feeders 60pcs @ N550	N33,000
Drinkers 12pcs @ N2500	N30,000
Shovel & Head pan	N2,000
Thermometer (Digital)	N8,000

Scale (Digital)	N10,000
Geepee Tank 1500litres	N23,000
Geepee Tank 500 litres	N14,000
Nylon 7 pcs @ N700	N4,900
1.5KVA Generator set	N100,000

WORKMANSHIP

Carpenter	N65,000
Bricklayer	N80,000
Miscellaneous	N130,000
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	N507,000
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PRODUCTION

1000 pullets @ 200	N200,000
400 broilers @ 150	N60,000
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	N260,000
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OPERATIONAL EXPENSES

Business Registration	N20,000
Feeds, Vaccines & upkeeps	N1,500,000
Salaries and stationeries	N350,000
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	N1,870,000
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SUMMARY

Capital expenses	N2,196,500
Operational expenses	N1,870,000
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TOTAL EXPENSES	N4,066,500
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TOTAL SALES FOR PERIOD OF 12 MONTHS

Layers	N9, 108,000
Broilers	N2, 850,000
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	N11, 958,000

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

9,108,000

= N4,554,000

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

2,280,000 – N1,140,000 = N1,140,000

The profit of layers for the period of 12 months = N4,554,000

The profit of broilers for the period of 12 months = N1,140,000

Total profit = N4,554,000 for layers
 N1,140,000 for broilers

N5,694,000

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