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**MATRIC NUMBER: 18/ENG02/095**

**COLLEGE: ENGINEERING**

**DEPARTMENT: COMPUTER ENGINEERING**

**COURSE CODE AND TITLE: AFE 202 FOOD  
PRODUCTION AND HEALTH AWARENESS**

**QUESTION: AFE 202 Assignment/CA: Prepare a business  
plan on a chosen agricultural enterprise following the  
guideline in the note. Spiral banded and submitted upon  
resumption. Minimum of five pages, times new roman, size 12  
with double line spacing**



**BUSINESS NAME:**  
**TOFUNMI.T. FARM LIVESTOCK**

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**APRIL 27, 2020**  
**TOFUNMI.T.FARM**

# **A FEASIBILITY REPORT FOR THE DEVELOPMENT/EXPANSION OF AN EXISTING PRODUCTION: LIVESTOCK FARMING AT TOFUNMI T. FARM IN ABUJA, NIGERIA**

## **INTRODUCTION**



Livestock farming is the raising of domestic animals in an agricultural setting to produce labour and commodities such as meat, eggs, milk, fur, leather, and wool. Tofunmi T. Farm is a farm that aims at expanding livestock farming and using this products to provide for the basic need of human such as clothes, food, and source of income etc. my inspiration for this business was my family that raised livestock over the last seven years and I am currently expanding my own farm to where it now has a total of just 50 cows and calves, 11 horses, fish pond with about 30 fishes, a poultry with about 25 chickens, 25 pigs, 3 donkeys. We have all the necessary skills, dedication, and experience to do well in the business, but we lack the necessary capital to take the next step in building and running a successful livestock farm. The need for livestock is undervalued and this project is the best solution because in Nigeria the population was going to about 200 million (current population 195.9) million

and we need to provide and solve basic needs of human beings. Problems such as hunger, unemployment, clothes etc. The information in this document is private and full closure is advised.

This document is to be immediately returned to the promoters of the proposed business

Signature:

Name:

Date:

### **Executive Summary**

This business plan examines the feasibility of Tofunmi T. Farm and Mebo farms limited in Abuja, Nigeria on the expansion of its livestock farm. The farm currently has just 50 cows and calves, 11 horses, fish pond with about 30 fishes, a poultry with about 25 chickens, 25 pigs, and 3 donkeys and produces an increase of products and animals within 2-3 months. A good example before giving this is that before I recorded all the animals I have I had a total of 40 of 40 cows and calves and they increased to a number of 50. We provide basic human needs / necessities such as cloth, food, employment and we produce various products such as leather, meat, chicken, fish, milk, wool etc. This form of agriculture is usually overlooked and undervalued and we need to do something about this as this projects helps Nigeria a lot. Especially with a rise in our population.

The proposed farming project will create a lot of opportunities and brings about positivity to the society.

The livestock farming will bring about good reviews and capital to the sponsors and investors.

The mission of Tofunmi.T.Farm in collaboration Mebo farms Limited is to own a family operated livestock farm that hires within the community. The company's goal is to raise, breed, and sell top quality animals, while teaching others how to tend and take care of them.

## **Sponsorship, Management and Technical Assistance**

### **Sponsorship**

This project is sponsored proudly by Mebo farms Limited. A farm company that has the same driven goal as me. They also started as a family business and grew which is why they are really interested in investing in this. Mebo Farms is basically an indigenous agricultural trading farm which has been operating for 25 years and which is involved in the export of animals such as goat, sheep, cow, ram, etc. They also help in improving of existing farms that have potentials. They export / supply / farming commodities. Their ideology basically is to form an 'Alliance with Local and International Bodies' which was inspired to provide value-added services in commodities market.

### **Management**

The management comprises of a Board of Directors which is I and members Mebo farm Limited shareholders of Mebo farm Limited and the members of the cooperative. Mebo farm limited boards are the Managing Director/President. They are being responsible for the co-ordination of the day to day management of the cooperative business. Mebo farm limited presidents DR Harnez Mbache will mobilize organization resources to achieve set goals. He will manage business risks and focus on wealth creation.

### **Technical Assistance**

FAO Animal Production Service's is a technical assistance operational activities that field of safety of animals and the safety includes technical and policy assistance, investment support and the overall management of activities associated with the formulation and implementation of in the country, regional programmes and projects, e.g. we have been working with them and they provide Safe Animal Feeding Standards and Good Production Practices for the Livestock Industry. They have aided in providing assistance to improve household food security and community nutrition. The Agricultural Technical Assistance Project will assist in strengthening the Federal Department of Rural

Development and related institutions responsible for or of critical importance to the implementation of the recently initiated Food Production Plant.

### **Market and Sales**

#### **Marketing and sales in the following areas of Nigeria**

##### **Distribution of goods in the following state**

Frequency	N*	%
Market	214	36.40
City	159	27.04
Village	109	18.54
States	-----	-----
North	64	9.50
West	52	9.00
East	45	8.56
south	36	8.84
Other places	42	7.14
No Response	12	2.04
Total	588	100.00

### **Analysis of the Competition**

In 2050, Nigeria's population is said to be estimated to 400 million and so the competition for livestock will rise. In the distribution of livestock among the states, of nine states in Nigeria are accounted for holders of the livestock farming business. Osun state recording highest number - 399,856 and Niger State the least figure of 333,445 Yobe State 135,881 followed by Gombe State (117,764) and Zamfara State 97,294. It amounted to 35,803.52 million naira across the states. Yobe State topped the list while Bayelsa had the smallest figure.

### **Tariff and Import Restriction**

Nigeria's agricultural policy aims at ensuring food security, promoting domestic trade, enhances foreign exchange earnings and promoting export diversification (FMC, 2002).they have put a banned and Nigeria isn't importing animals anymore so this will favour the project being considered .

## **Market Potential**

Livestock animals are highly in demand. Livestock and its products such as meat, fish, egg, wool, leather etc. they provide for the basic human needs. It is a good market potential and it provides a huge amount of capital. It helps both the society by providing needs and the stock holders by giving them their income/ capital.

## **Profitability**

There are different factors such as physical (soil, pests), chemical (insecticide, chemicals in food), biological (diseases, pests), environmental (temperature, sunlight, water, air, soil conditions,) that can affect market sale but my project selected, none of this farming factors affect this. My project can survive all this with effective management and risks is avoided. We can still make profit and maximize our capital.

## **Technical Feasibility**

Livestock farming is technically feasible, we have the needed / necessary equipment needed to make this project work and the sponsorship company we are working with has 20+ experience in this kind of farming and they would provide us with any assistance we need without hesitance. We have specialists and management team for supervision. Abuja is adequate and suitable for the location of the farm and is suitable for efficient production, processing and marketing. Animals /Products will be produced, funded and catered for locally. We are following good local / international practice and following the guidance of the environmental policies and association

## **Government Support and Regulation**

The project follows all the policies of the government. It also supports foreign exchange and import reduction conservation of government. It creates different opportunities such as income, increase in capital, increases our government/ economic. The project will receive support from government and improve the agriculture sector. The project will contribute significantly to employment, stable price and stable exchange rate.

### **Timeline of project**

The project is expected to commence May 6<sup>th</sup> and will be completed within 12 months (a year). Exactly this time next year or less we should have gathered the necessary funds/ capital and complete this project.

### **Estimated Project Cost and Revenue**

**This table is the costs and items listed needed for the project**

<b>Things needed for the project</b>	<b>Price/ expected costs (in Naira)</b>
<b><u>Livestock animals</u></b>	<b><u>1,100,000,000</u></b>
Cows (50)	<b><u>200,000</u></b>
Goats (50)	<b><u>200,000</u></b>
Sheep's (55)	<b><u>250,000</u></b>
Horses (30)	<b><u>250,000</u></b>
Fish (100)	<b><u>100,000</u></b>
Donkeys (20)	<b><u>100,000</u></b>
<b><u>Land</u></b>	<b><u>1,500,000,000</u></b>
Clearing of land	<b><u>500,000</u></b>
Machine / equipment costs	<b><u>300,000</u></b>
Labour employed	<b><u>800,000</u></b>
Building & infrastructure	<b><u>700,000</u></b>
<b><u>Administration charges</u></b>	<b><u>5,000,000</u></b>
Office supplies	<b><u>100,000</u></b>
Salary for cashier/accountant	<b><u>50,000</u></b>
Salary for tractor driver / operator	<b><u>20,000</u></b>

Wages for office labour	<u>45,000</u>
Promotion and marketing	<u>300,000</u>
Weed control and soil maintenance (Fertilizer, chemicals)	<u>100,000</u>
Supplies	<u>800,000</u>
Storage and warehousing	<u>200,000</u>
Maintenance and upkeep of animals	<u>300,000</u>
Maintenance and upkeep of tools	<u>200,000</u>
Total	<u>7,000,000,000</u>

### Revenue

<b><u>Revenue and income of farmer</u></b>	<b><u>All costs in Naira</u></b>
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Gross revenue	14,000,000
Production costs	5,000,000
Production profit margin	16,000,000
Marketing costs	400,000
Net farm income	300,000
Interests income	20,000,000
Total	55,700,000

## **Funding Mechanism**

### **The funding mechanism for the project is**

The cooperative society will provide tools

The sponsors will provide capital / source of income

Through government we can get income from agriculture bank/ commercial banks

Mebo farm limited and I will provide the land and any other necessities needed

## **Conclusion**

Nigeria needs this project to thrive and survive. It benefits everyone involved in this. It provides both clothes, employment (source of income), food and other materials from animals. TOFUNMI.T.FARM will greatly help in supporting this agriculture project

### **Below is a summary/ conclusion of the project**

#### **Problems of the project**

Shortage of grazing land, diseases and parasites, inadequate veterinary service and low milk production potential of indigenous cattle were the major constraints of livestock production

**What issues will the project solve?** Livestock animals, such as cows, sheep, goats and chickens, have many roles in the farm ecosystem. They eat corn and hay grown on the farm, they provide milk, and eggs, wool and meat for humans, and their waste can fertilize the soil. Animal manure contains many nutrients that plants can use to grow.

#### **What created the need for this project?**

The need for food supply, family nutrition, family income, soil productivity, livelihoods, transport, agricultural traction, agricultural diversification, sustainable agricultural production, family and community employment

#### **Why this farming is picked and why it's the best solution**

- Options that were considered were pisciculture (fish farming), poultry farming, crop production etc. but this doesn't solve all the problems however livestock's solves majority, it's an all in one business.
- Why is this project the best solution:

## **Timeframes**

### **How long do you expect this project to last and when will you be able to see the results?**

As long as you are able to cater for the animals and provide end products. The business is expected to last for a minimum of 10 years

### **1. Budgets**

How much do you expect this project to cost?

A lot of investors and capital is required, about 7-8 million is required for this project.

### **2. Potential risks**

What's at stake? Are there any risks or hidden obstacles?

Disease, parasites, infertility, accidents