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MATRIC NO: 18/SMS09/001

COURSE CODE: AFE 202

***Prepare a business plan on a chosen agricultural enterprise***

#  ADEHI FARMS

This is a business plan for the development of poultry farms stretching over an acre of land in Karshi; one of the fast developing suburbs in Abuja. This proposed project was created in response to the demand for poultry products in that community. Many residents time and again have had to travel ridiculous distances in search for poultry products and this will in turn relieve them of that stress and create employment opportunities for individuals while also increasing flow of this resources in the markets; far and near. In an area dominated predominantly by cattle rearers; the flow of cattle products are in excess and not exactly affordable for the average family in this times, Adehi Farms seeks to solve this problem with the launch of its poultry farms and plans to be a leading producer of chickens and eggs in Karshi. There is high demand for this products in this area due to shortage of the commodity as most of the other poultry farms would rather operate in the heart of Abuja around other booming business ventures. This is a win-win situation for consumers, distributors and investors.

# Sponsorship

This project is sponsored by two retired Generals who have ventured into the agricultural sector since retirement. One of the retired officers, Gen. Daniel Anuke(rtd.) has established a very successful greenhouse enterprise and owns a farm also situated in Karshi. The proposed project will also be sponsored by Barr. Samuel Adanu. **Management**

The management will comprise of a Board of Directors at the top heading all the affairs of the farm although not directly. The Board will consist mainly of investors and stakeholders who will make mainly executive decisions concerning the farm. The Managing director is accountable directly to the board and will act as their representative in managing the farm as a whole. He will be democratically elected by the board and is the figure head as long as administration is concerned. Accounting Officers who will be answerable to the managing director will be in charge of the way funds are disbursed and utilised. He will account for every naira spent while ensuring the farm maximises profit, offering financial advice where needed. In order to carry out his duties effectively, the accounting officer will work with the farm supervisor and hen attendants whose duties will be to ensure smooth running of the farm, survival rate of the birds as well as optimum production. The farm supervisors will make sure that all other staff carry out their duties accordingly. He will also interact directly with the outlet sales department, monitoring and dictating how distribution will be carried out. The hen attendants on the other hand will solely watch the chickens, feeding them, administering treatment where required and also taking stock and facilitating production in order to fully maximise profit. The hen attendant will also supervise the cleaners and make sure the chicken pens are properly cleaned. All our staff have been properly trained and are qualified to handle whatever roles they may be assuming at Adehi Farms. Below is a tabular representation showing the management in order of responsibility.

|  |
| --- |
| **HEN ATTENDANTS**  |

|  |
| --- |
| **CLEANER**  |

|  |
| --- |
| **OUTLET SALES**  |

**MANAGING**

**DIRECTOR**

**ACCOUNTING OFFICER(S**

**)**

**FARM SUPERVISORS**

|  |  |  |  |
| --- | --- | --- | --- |
|

|  |
| --- |
| **BOARD OF DIRECTORS**  |

 |

|  |
| --- |
| **SECURITY**  |

 |

# Technical Assistance

Adehi Farms is in great partnership with Danuke Greenhouse and Farms, owned by one of our sponsors and this partnership has proved to be a very beneficial one. They have continued to provide the technical knowhow needed to kick-start this project. A personal friend who owns a farm far in the east, Ebenezer Farms has also been dedicated to the launch of my project and has sent trained professionals to educate my staff about Nutrient recycling and how revenue can be generated from what others may deem as waste.

# Market and Sales

Market Orientation: domestic; North Central, Nigeria

Uses of Products: suitable for human consumption: both chickens and eggs; chicken droppings used as manure, feathers used for clothing and upholstery.

# Competition Analysis

80% of the poultry products consumed in the FCT come into the state through land borders; With more farms embracing the contemporary method of packaging and sale, lots of the poultry products consumed in the bubbling city centre have been brought from farms far in the west. This gives Adehi Farms an advantage over supermarkets in town because our poultry farms will now produce for the suburbs and give them quality poultry products without breaking a sweat. Right now, the major supplier of poultry products are the market distributors. The absence of a poultry farm in this axis will help ease entry into the market.

**Market Potential.**

As mentioned above, our poultry products will be of great relevance in regards to sale and distribution. From big wholesale distributors like supermarkets to small retailers in markets to individual family consumers; the market potential for our products is high and promising. There is an ongoing plan to introduce inter-state distribution if production goes smoothly in the first two years.

**Profitability.**

Profitability in this business will depend on various factors. One of this factors are Operation and Maintenance. Poultry farming requires high level of operation and maintenance because the quality of production depends on how well you manage them. Feeding, frequent medical attention to prevent exposure to diseases and flus.

Tariff and Import Restriction

After the ban placed on the importation of some food stuffs by the Nigerian government to encourage local production; Both business oriented and individual consumers have been forced to review their policies and look inwards for this products. This will help facilitate this project.

# Technical Feasibility

Embarking on this poultry business is very technically feasible. It may be viewed as a business that may not need much technicalities but poultry farms go way past cages and chickens. Technological equipments like weighing systems for feed and animals, processing of manure and compost sys, cooling systems for freshly laid eggs, lighting systems and surveillance systems.

# Estimated Costs and Revenue Fixed Costs (A.) Land Preparation

|  |  |  |  |
| --- | --- | --- | --- |
| **Activity**  | **QTY**  | **₦**  | **K**  |
| Land clearing  | 2 Acre  | 100,000  | 00  |
| Building of Pens  | 5 pens/ 4 plots  | 400,000  | 00  |
| Building of Accommodation for farm attendants  | 1 unit of 4 mini-flats/ ½ plot  | 1,000,000  | 00  |
| Construction of security house  | One gate house/ ¼ plot  | 700,000  | 00  |
| Construction of Admin block and store  | 1 plot  | 500,000  | 00  |
| Fencing  | ¼ plot  | 500,000  | 00  |
| **Total**  | 2 acre  | 3,200,000  | 00  |

# (B.) Equipment

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Name**  | **QTY**  | **Model**  | **₦**  | **K**  |
| Circular Feeder  | 10  | ES-43  | 60,000  | 00  |
| Manual Drinker  | 4  | 41.00.17301  | 34,000  | 00  |
| Nipple Drinker  | 4  | YBS-2C  | 60,000  | 00  |
| Bell auto waterer  | 4  | 3FBCR-4Y  | 8,000  | 00  |
| Flame gun  | 1  | HFWO-58  | 10,000  | 00  |
| Weighing Balance  | 2  | SYEBR-38  | 20,000  | 00  |
| Shell grit box  | 4  | S V-5YFB  | 30,000  | 00  |
| Gas brooder  | 5  | FI047DFH  | 25,000  | 00  |
| Sprinkler  | 1  | ESGJS  | 10,000  | 00  |
| Sprayer  | 1  | SVHEIW  | 10,000  | 00  |
| **Sub Total**  |  |  | **267,000**  | **00**  |

# (C.) Vehicle

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Type**  | Model |   | QTY  |  | **₦**  | K  |
| Pick-up Truck  | Hilux  |  | 2  |  | 30,000  | 00  |
|  **(D) Working Capital**  |  |  |  |  |  |
| **SOURCE**  |  | **AMOUNT**  |
| Salary  | Per month  | 156,667  |
| Fuel  | Per month  | 66,667  |
| Utilities bill  |   | 100,000  |
| Miscellaneous  |   | 50,000  |
| **TOTAL**  |  | **340,000**  |

**SUMMARY OF PROJECT COST**

1. Equipment and Machinery- 267,000
2. Land Preparation- 3,200,000
3. Working Capital-340,000

TOTAL: 3,807,000

CONCLUSION

The project is feasible both technically and commercially. It is recommended for funding.