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INTRODUCTION TO ENTREPRENEURSHIP

ASSIGNMENT TITLE: BUSINESS PLAN

QUESTION: Using a company or business of your choice, write a good and customised business plan, covering all relevant aspects and analyses. Your submission should strictly be in the following format and saved as pdf; Times New Roman, 12, and 1.5 line spacing. Page limit, minimum of 5 and maximum of 10.

Business/company name: Tofunmi.T livestock farm



Tofunmi.T Livestock Farm

Executive summary

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 these products to provide for the basic needs of humans 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 planning on establishing my own farming business. I have a team and also 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.

Business/company description

Business/company detail

My business is a livestock farm business. We rear livestock animals such as goat, sheep, cow etc. for human use. There aren't enough livestock farming businesses so the competitions aren't much but more of this business is needed as human beings need the products from this livestock for survival.

History

Tofunmi.t farm was established 11th January 2014. It has been in operation for 5 months. It was inspired by my family business. Mobe farms LTD which has been in operation for 25 years. My family started this as a hobby and it eventually became a business.

What we have achieved

We have currently 3 branches one of which is the headquarters, another branch in another state and another branch being built internationally as we plan of taking this business international.

Mission, vision and values

Our Mission To promote livestock farming principles and rural entrepreneurship through capacity development and exchange of quality farmer-to-farmer training.

Our Vision To improve livestock farming locally and internationally and cater for the necessities of human beings

Our Values

- Respect and value for local knowledge and innovations
- Value the environment and ecosystems
- Be creative, flexible and innovative
- To have good quality, equality and ethics

Structure and ownership:

Sponsorship

Our sponsorship and partners are Mebo farms Limited they are 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

Collectively, we feel that we possess adequate farm management skills (equipment/machine handling, finances, building management etc.) 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 is my father DR Towuru Jonathan and he will mobilize organization resources to achieve set goals. He will manage business risks and focus on wealth creation.

Products and services

We offer ranges of products from animals, to food, to unemployment, to clothing etc. the clients/ customers I am targeting are the people (consumers), small farmers, wholesalers etc.



Market Analysis

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. We are targeting a larger audience and so we have wholesalers ready to help us. We also know what makes people buy, we have special discounts for consumers and wholesalers, and also we do monthly giveaways as this will attract other crowds

Market Growth

In addition, we anticipate greater than industry-norm growth rates for farming in the area due to the increase in popularity of town.

Market Needs

Our target market has one basic need: The availability to source the farm (animals, machines, catering and maintenance etc.) at a competitive price. Our only other competition and our location will give us a competitive advantage over those and other companies who try to serve our market.

Competition and competition analysis

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.

Analysis of the competition

Every business has competition. Our location is a key disadvantage. There are hardly livestock farms located in the various states mentioned. We can use this as both a source of income and tourist attraction which would attract more people. We will also use online tools to better engage customers, allowing them to reserve and pay online as well as create individual profiles regarding sizes, preferences, and special needs.

Marketing plan/Strategy

We became familiar with all aspects of the market so that the target market can be defined and the company can be positioned in order to garner its share of sales. Our strategy is listed below

- Compare prices to competitors as we would have an advantage, our prices wouldn't be too high but suitable for the customers and us too
- Pricing strategy: we will not be the low price business instead we will be the best price business
- The farm has added a camping and lodging facilities that should attract an increased number of visitors to the farm
- The farm has opened up additional areas for trail exploration and construction, ensuring a greater number of single-track options and therefore a greater number of visitors
- Monthly giveaways to engage new and old customers
- Discount codes and token for old customers. This will bring about new customers.

Opportunities and risks

The opportunities

- A lot of income is made from this business

- We will always have customers no matter what because our products and services are essential to living for human beings
- It will attract tourists as we have tourists attraction which will improve the government revenue
- It provides different opportunities and new experiences as it provides jobs for those that are unemployed which will eventually reduce crime rate
- We discover new breeds for animals
- Scientist can discover new diseases in this animals that are potential threats to human beings
- We get different things from the animals such as food(meat, fish egg), cloth(wool, leather, fur)

The risks and problems of this business

- Diseases
- Parasites
- Accidents
- Infertility
- Shortage of feed
- Access to water
- Breeding and selection

Every business has its opportunities and risks .The opportunities are more than the risks, so we can consider the business and the risks aren't high risks, they are risks that can be taken care of.

Timeline of Business

The Business has already commenced and exactly this time next year or less we should have gathered the necessary funds/ capital for this business.

Costs/Price of the business

Estimated Project Cost and Revenue

This table is the costs and items listed needed for the business

Things needed for the project	Price/ expected costs (in Naira)
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<u>Livestock animals</u>	<u>1,100,000,000</u>
Cows (50)	<u>200,000</u>
Goats (50)	<u>200,000</u>
Sheep's (55)	<u>250,000</u>
Horses (30)	<u>250,000</u>
Fish (100)	<u>100,000</u>
Donkeys (20)	<u>100,000</u>
<u>Land</u>	<u>1,500,000,000</u>
Clearing of land	<u>500,000</u>
Machine / equipment costs	<u>300,000</u>
Labour employed	<u>800,000</u>
Building & infrastructure	<u>700,000</u>
<u>Administration charges</u>	<u>5,000,000</u>
Office supplies	<u>100,000</u>
Salary for cashier/accountant	<u>50,000</u>
	<u>20,000</u>
Salary for tractor driver / operator	<u>45,000</u>
Wages for office labour	<u>300,000</u>
Promotion and marketing	
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

<u>Revenue and income of farmer</u>	<u>All costs in Naira</u>
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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

Sales forecast

The sales forecast for Tofunmi.T livestock farm

The boarding stable will utilize vacant land and make it work for the company. The addition of the boarding stable will add to our company's feed sales, and to the specialized services we offer.

Boarding Stable costs include laundering of horse blankets, feed used by horses during their stay, and wear and tear on grooming instruments.

The annual growth rates fluctuate and are defined as:

- 2020 - 3.37%
- 2021 - 8.83%
- 2022- 34.63%
- 2023- 16.68%

- 2024 - 14.81%

The reasoning behind the initial dramatic increase in sales is due to accurate reporting and tracking, and growth of sales (generated through direct sales and advertising). For 2020, 2021 and 2022 we are forecasting significantly increases in our sales as we open the boarding stable. We anticipate that it will take three years to book out all of our stalls. In 2023, we are forecasting a modest increase of 12.84%, based on the growth of feed sales and stable services alone. We are also planning on bringing back the rodeos and livestock shows that the previous owners have held in past years.

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.

Appendix

1. APPENDIX A - LISTING OF LIVESTOCK

- Goat, sheep, cattle, rabbit, horse, guinea pig

2. APPENDIX B - FARM MACHINERY/EQUIPMENT

- Tractor ,Tractor with loader, Discs harrow, Tanks / irrigation hose, Forage chopper, Insecticides / pests control , Disc Mower ,Plow, Plow tractor, Hoe, Shovel, Cutlass, moto coulter, rake ,wheel barrow, the harvester, seeder, fertilizer, sprinkler

3.APPENDIX C – DESCRIPTION OF BUILDING

- Main house, Detached garage, shed, Storage, 5 Barns, Shed, 3 houses, mobile home

4.APPENDIX D – TECHNICAL ASSISTANCE REPORT

- Technical assistance: Farm planning services. LLC phone number: 090885632412, email address farmplanningservicesllc@gmail.com, Address: 41 river road, Garki, Abuja Nigeria

5. APPENDIX E- FINANCIAL STATEMENTS ARE GIVEN IN THE DOCUMENT

ABOVE, PLEASE READ THROUGH

6. APPENDIX F – LOCATION OF THE FARM

- Address : Mubende Street, Off Tamale Street, Custom HQ AMAC, Zone 3, Wuse 900281, 3, Abuja, Nigeria