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**Level: 200 level**

**Course Title: Introduction to Entrepreneurship**

**Course Code: Gst 212**

**College: College of Law**

**Lecturer: Dr Olutoye**

**Answers**

**Executive Summary**

This feasibility study is on the establishment of a poultry farm. It is made by Fagbemi Akinola Rachel and won’t be a joint enterprise. The name of this poultry farm will be JOGRAPEL POULTRY FARM VENTURE. It will be mainly on the production of eggs.

From our research, it was brought to our notice that in the northern part of Nigeria, the sale of good eggs are low and eggs are scarce in such areas. I would like to ensure the distribution of eggs towards this area since the northerners mostly venture in the raring of animals, cows to be specific.

In this enterprise, the recruitment of over 50 fifty staffs would be needed and with this, o would be able to take off people on the streets in the northern area to have a something good in hand in other fend for themselves.

With the establishment of this venture, the northerners will have access to good and viable eggs at anytime as they would be a steady supply because the location of this venture is at the outskirts of Abuja, New Karu,Abacha Road. Which is very close to Nassarawa State.

**Strategy and implementation**

**Summary Objective**

1. To increase at the rate of 10% per annum in the production of good eggs.

2. To ensure all the northern states have access to the supply of good eggs.

3. To have other branches each state for easy access to consumers.

4. To evaluate our strategic marketing every 3 three months.

**Tactics and Strategy Impacts**

JOGRAPEL Poultry Farm products would be sold at affordable prices.

This enterprise will focus mainly on the production of eggs.

This enterprise will start at a small scale due to funds required and in 2 two years, will have its branches in all northern states. This enterprise will have a permanent land and will need necessary equipments for its operation. This branch will be located in Abuja having Nyanya-Karshi and Wuse as it’s target market.

**Operational plan**

This enterprise will require a full time labour geared towards productivity on a scale for the sales of eggs. It will be a commercial farm.

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 (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 2 (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 ANALYSIS**

Most meals in Nigeria are not complete without poultry output like egg. Nigeria has over 170 million growing population that demand for egg on a daily basis. With increasing awareness on health implication of red meat, they are ever increasing demand for eggs.

**MARKETING STRATEGY**

As we mentioned earlier, resident and families of Nyanya-Karshi Wuse and Uke of Abuja and Nassarawa state being our target market, awareness will be ma de by means of advertisement. The advertisement will be made on flyers, handbills, and one on one marketing will be done in eateries, restaurants and companies that demand for our product. Our major market aggression will be supplied to local markets makers of Cake and Ice Cream, Local restaurants and hotels.

**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.

They are those birds that lay eggs. 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 2000 birds, it is possible for us to lose 100 birds at the process of rearing them.

**LAYERS**

If layers are been reared, it takes 18 weeks to start laying egg, if we start with 2000 birds and we loss 5% of it so we have 1900 surviving layers and with proper management of feeding and other maintenance of the bird it is possible to get 180% egg production that is 1710 per day and 11970 pieces of egg every week. If we loss 1% of the egg that is 120 pieces every week so we have 11850 pieces p/weeks. 394 crates of eggs every week and a crate of egg is sold accordingly to its size. Small size₦500, Medium ₦600, Big size ₦700. Assuming we use medium size, that is ₦600 which result to ₦7110000 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 ₦700 per layers

Therefore, before changing the stock, we might have made ₦369,720,000 from sales of eggs and ₦1,330,000 from the disposal of old layers making a sum total of ₦371,050,000 for the period of 52 weeks (one year).

LAYERS= ₦369,720,000

**CAPITAL EXPENSES**

4 plots of land @ N150,000​​​    ₦600,000

Block 4000 pcs @ 110​​​    ₦440,000

Cement 120 bags @ N1800​​​  ₦216,000

Cement Carriage​​​​       ₦6,000

Woods​​​​​             ₦303,400

Roofing Sheets​​​​    ₦253,000

Roofing Slate​​​​​      ₦50,000

Ceiling Slate​​​​​      ₦30,000

Reggie’s​​​​​        ₦15,000

Nails​​​​​​      ₦24,000

Net 30 “bundles @ N4000​​​      ₦120,000

Iron door ​​​​​      ₦86,000

TOTAL. ₦2,143,400

**TOOLS**

Day old feeders 60pcs @ ₦120​​       ₦7,200

Day old Drinker 30pcs @ ₦200​​       ₦6,000

Feeders 120pcs @ ₦550​​​     ₦66,000

Drinkers 24pcs @ ₦2500​​​     ₦60,000

Shovel & Head pan​​​​      ₦4,000

Thermometer (Digital)​​​      ₦16,000

Scale (Digital)(2)​​​​​   ₦20,000

Geepee Tank(2) 1500litres(2)​​​   ₦92,000

Geepee Tank(2) 500 litres​​​   ₦56,000

Nylon 14 pcs @ ₦700 ​​​               ₦9,800

**WORKMANSHIP**

Carpenter ​​​​​  ₦130,000

Bricklayer​​​​​  ₦160,000

Miscellaneous​​​​              ₦260,000

TOTAL. ₦550**,000**

Business Registration​​​₦20,000

**PRODUCTION**

2000 pullets @ 140​​​​₦280,000

TOTAL ​​​​​​₦280,0**00**

**OPERATIONAL EXPENSES**

Feeds, Vaccines & upkeeps​​​₦1,660,000

Salaries and stationeries​​​   ₦320,000

TOTAL ​​​​​​₦1,980,**000**

**SUMMARY**

Capital expenses​​​​₦2,143,400

Operational expenses​​​            ₦1,980,000

**TOTAL EXPENSES**​​​​₦4,123,4**00**

**TOTAL SALES FOR PERIOD OF 12 MONTHS**

Layers​​​​​₦369,720,000

**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. ₦369,720,000 divide by 2

369,720,000\2

= ₦184,860,000

The total profit of layers for the period of 12 months = ₦184,860,000.

**PAY BACK PERIOD**

This method talks about the number of period that a business investment will pay back amount invested on it. It is usually shows the number of years it would take an investor to recover the initial cost of investment from the expected streams of cash flows. The payback period can be calculated as thus

PBP = Total Investment

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Initial Capital

Using Payback Period of loan generating a profit of ₦184,860,000, 3 years.

**FUNDING MECHANISM**

Securing loan at the rate of 7% through government intervention window at the Bank of Agriculture, Bank of Industry and Commercial banks.

**CONCLUSION**

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