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## PROCESSING PLANT AND FARM BUSINESS PLAN.

### INTRODUCTION.

The name of the farm is going to be “Adesope Farms.” There would be two locations. The farm would be in Kishi town while the processing plant and head office would be in Oluyole Ibadan. The whole project would be sponsored by myself and my family as it would be a family business. All of us have several years of joint working experience and, have made various wise investments over the years. So, we would be pooling our resources together to maximise our opportunities as well as to minimise risk.

### STATEMENT OF FINANCING.

There are going to be different segments of the business. Our focus is going to shift from one segment to the other until we eventually finish setting all of them up. The total amount needed to start is three hundred million Naira excluding the cost of land. This cost is going to be split amongst the three family members that are involved.

START UP	COST.		Amount in Naira		
IBUKUN ADESOPE FAMILY			100,000,000		
BUSOLA ADESOPE FAMILY			100,000,000		
TEMI ADESOPE FAMILY			100,000,000		
TOTAL			300,000,000		

## STATEMENT OF CONFIDENTIALITY.

The undersigned reader acknowledges that the information provided in this business plan is a confidential intellectual property; therefore the reader agrees not to disclose it to a third party without the express written permission of the promoters of the proposed business. It is acknowledged by the reader that information furnished in this business plan is in all respect, confidential in nature, other than information which is in the public domain through other means and that any disclosure or use of same by the reader, may cause serious harm or damage to the promoters of the proposed business.

Upon request, this document is to be immediately returned to the promoters of the proposed business.

Signature:

Name:

Date:

## EXECUTIVE SUMMARY

Nigeria is a country blessed with several natural resources and agricultural potential. With the current need for mass employment and food supply not just in Nigeria, but in Africa as a whole, combined with the need to boost Nigeria's export trade, any form of agricultural business at this point in time, any form of agricultural business has the potential to become very successful. Currently, agriculture provides around 60 percent of employment in West Africa. Even with that many people involved in agriculture, there is still shortage of food across the continent. That being said, this business plan is going to contain the purpose, planning, and implementation of this business as well as motivating factors, potential challenges, employment strategy. This business is going to contain two facets. Most manufacturing companies source their raw materials from local farmers however in order to cut cost and maximise profit I plan on producing my own raw materials and converting them to finished products entirely by myself. My farm is going to have a variety of products like pork, fresh fish, maize, soya bean, cassava, and beef. Below is the business plan for a farm and a multipurpose processing plant.

## PURPOSE

In light of the fact that there is shortage of food accompanied by drastic unemployment, this business aims at employing at least 300 individuals and produce 5 tonnes of food every quarter. The farm is going to be divided into two sections. One section is going to be for animal farming while the other section would be for plant growing. On the farm, ten hectares would be used for a maize planting. Another ten hectares would be used for soya bean planting. Then, about six hectares would be used for cassava and four would be used for oil palm. As for the livestock, there would be three open grazing areas that would be alternated at specific intervals for cattle that would be five hectares large each. Also, there would be a large piggery containing ten housing units in total. Each of these housing units would have a borehole each, storage spaces,

## LOCATION

Location refers to the geographical positioning of the establishment. For businesses, when picking out a location it is important that the location is safe, close to both the market and raw materials, easily accessible, and has access to basic amenities such as electricity, good roads and potable water. The farm would be located in a town called Kishi. Located in the outskirts of Oyo state. Famous for fertile soil and ample rainfall. The town is adequately populated and, has low crime rate. The farm is 300 hectares in size. About 150 would be used for farming at the beginning and another five for the residential area. The rest is going to be for future developments that could arise. As for the processing plant, it would be located in the Oluyole area of Ibadan. Considering the fact that the processing plant would require more technical knowledge, positioning it in a city is reasonable. Also, constant electricity supply would be necessary and, this would be readily available in this particular place. As for the transportation of farm produce from the farm to the processing plant we would buy three trailers that would be used for this purpose.

## EMPLOYMENT STRATEGY

For this particular business, different stages of production are involved and, the technicality needed for these levels of production differ. That being said, the processing plant would require use of specialised machines calling for highly trained individuals who usually tend to be more in the city. As for the farm work, this isn't as technical and it takes little time to train people for this. So, high level of education isn't really needed. This is the sort of employment easy to find and manage outside the city. There would be administrators who

handle high level decisions both on the processing plant and on the farm. These administrators would have assistants who would serve as links between the administrators and the regular workers. Regular workers would handle the day to day activities and they are all to report to a supervisor. The level of output and efficiency produced by each worker would determine pay raises and promotions. The supervisors would also handle recruitment of new workers. The minimum requirement for any of the workers regardless of their role is going to be a school leaving certificate accompanied by WAEC results. As for workers with more specialised roles such as vet doctors, accountants, surveyors, management staff and the likes, University degrees would be required.

## TECHNOLOGY.

It is difficult to predict how the use of technology would advance in the future however, for the mean time we would be using two tractors, four trailers, six boreholes, solar panels, a diesel powered generator, conveyor belts, crushing machines and industrial cutters, and industrial grinding machines majorly.

## LEGAL CONCERNS

Numerous challenges could arise in the future when running any business some of which include warrants, and suits. Two lawyers would be employed serve as legal advisers who would protect the interest of the company at large. These lawyers would be having meetings with the management staff and board of directors quarterly to asses challenges and concerns.

## MARKET ANALYSIS

The current agricultural market in the country is being exploited by several individuals already on all scales. However the country has not been able to meet its great potential because of lack of mechanisation, poor management and short sightedness in drafting marketing and promotional strategies. That being said this company is aware of all these common mistakes and will ensure that none of them surface. Proffessionals will be brought in from well established foreign organisations on a yearly basis to meet with our board of directors and improve our marketing strategy where necessary. There would also be a farmers market situated near the entrance of the farm where fresh farm produce in same and medium scale can be bought. Also, we would be partnering with local distribution companies in order to ensure that our products reach all our potential buyers.

## MARKET OPPURTUNITY

Currently, the amount of food being produced for consumption in Nigeria is clearly not enough. That being said, initiatives and attempts to increase food quality and quantity are in demand. This business aims at doing just this by producing high quality food at reasonable prices to be available for all classes present in the society. Now, with the use of proper advertising, research and marketing, we would be able to reach out target customers.

## PRODUCTION PLAN

This business is a two pronged set up with a farm and a processing plant. When the crops have been harvested by the farm workers, they would then be prepared for transportation on trailers from the farm in Kishi to the Processing plant in Ibadan. When this has been done, the conversion process begins. As for the Soya bean, the harvested parts would be gathered and crushed by a specialised machine after which the it would be squeezed and the oil would be extracted. Once this is done, it would be bottled in 50 cl and 100 cl bottles. Then, with the use of a conveyor belt these bottles are arranged into cartons and now they are ready for sale. As for the fish, considering that it is animal flesh and that it can easily spoil, once the fish have been taken from the pond, the ones of suitable size are hand-picked and packaged almost immediately. The moment this is done, The fish is moved to the storage units where the freezers would preserve it. After all this has been done and the fish is frozen, then it is ready for sale. Currently in the processing plant, there is no section for the processing of maize so, all the maize gotten from the farm is sold just the way it is. The same thing goes for the cassava. Now, for the cattle, twice every year, cows will be killed and processed for sale. There would not be sale of any living cow at all. The mature cows are tagged and lead off the common grazing area then, they would be slaughtered in humane manner. Once this is done, the beef would be portioned. From this, beef sausages and corned beef would be processed in a half and half manner splitting the beef across evenly. The beef would be frozen then transported to the processing plant where it would be ground, nitrified and packaged accordingly either as sausage or as corned beef. In most cases and in this one as well processed goods tend to bring about more profit so, the manufacturing aspect of this business is by far the larger and more profitable aspect of it. The essence of having a farm is just to ensure high quality product at reasonable prices.

## ORGANISATIONAL PLAN.

The business is going to be in form of a partnership between three families. Revenue has been generated equally from these three families and profits would be shared equally as well. Each of these families would have a member to represent them at the monthly meeting with other top managerial staff where progress is reviewed. During these meetings, the major decisions concerning large amounts of money would be made by way of voting. These principal officials have the authority to request and assess data concerning all aspects of the business at meetings only for confidentiality. They have the responsibility of leading the organisation.

## ASSESSMENT OF RISK.

Bearing in mind that anything can happen at any given time, the entirety of the company would be insured. So that, in the occurrence of any unforeseen circumstances damaging any part of the business the insurance company would reimburse us in full. Also, making decisions involving huge sums of money could be risky so, these sort of decisions would only be made at general meetings.

## FINANCIAL PLAN.

For the start-up, the capital would be provided by the three families involved. After this has been done, there is going to expansion of the company once we start to generate sufficient revenue. Majority of the needed infrastructure would be provided at the start-up. The few outstanding equipment left would be acquired in subsequent years. That being said eventually, all need equipment would be acquired over the first few years then, most of the expenses being paid would be recurring expenses.

	YEAR ONE			YEAR TWO			YEAR THREE	
Expenses	300,000,000			175,000,000			100,000,000	
revenue	450,000,000			600,000,000			950,000,000	
income	150,000,000			425,000,000			850,000,000	

## CONCLUSION.

The business plan above is a detailed list of necessary aspects of the business of a manufacturing accompany alongside a farm. From the presentation above, the project is going to be extremely profitable and sustainable for a long period of time provided there is effective management and good decision making.