NAME: Mawedo Victoria Mercy

MATRIC NUMBER: 18/MHS02/111

COLLEGE: Medicine and Health Sciences

DEPARTMENT: Public Health

COURSE CODE: GST 212

COURSE TITLE: Principles of Entrepreneur

QUESTIONS: Choosing a company of your choice, write a good and customized business plan.

MAWEDO’S POTATO FARM

Business Plan

Prepared {30th April, 2020}

Contact Information

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Executive Summary/ Project Description

A business plan refers to a written document that comprehensively outlines what one business is, where it is going and how it will get there {the top}. The business plan outlines in specific terms the financial objectives of one’s business, and how it will position itself to achieve those goals in the context of the current market economy. The business plan is an indispensable tool to attract business capital.

The Mawedo’s Potato Farm is focused not only on the production of Potatoes but also on a little bit of Botanical Bounty. The farm is situated in Jeju Island in South Korea {East Asia}.

POTATO Farm

Executive Summary

The Mawedo’s potato farm occupies 1498 hectares of land. The farm will produce about 5100tones of potatoes which can be used to make different dishes for the consumers such as; mashed potatoes, potato pancakes, potato dumplings, potato soup, potato salad, etc. The potato farm aims at producing good, healthy, sweet, and hygienic potato for the use of all {adults and children}. There is a high domestic demand for potatoes in South Korea and other parts of the world because of huge population and production constraints leading to the shortage of the commodity.

Management

The Potato farm will be led by the husband and wife team of Mr.&Mrs. James Mawedo. Mr. Mawedo is a business administrator, and he has many wealth management skills which will be of good help to the company. Mrs. Mawedo is an agriculturist, so she has ideas about plant management i.e. the soil suitable for planting, fertilizers to use, when to harvest, and if the plant is doing well or not. The management will comprise also of democratically elected Board of Directors at the apex of the organization structure. The Board will be made up of shareholders and members of the cooperatives who have a stake in the growth, survival, and profitability of the business as well as distinguished agribusiness professionals of proven integrity and vast experience in the project areas who can help Mr. Mawedo.

The main objective of the board is to give directions which are strategic and policies that will ensure a long term success of the company.

Market

Market Orientation: domestic; East Asia

Market Share: 10% potato market in East Asia

Users of the Products: humans for weight loss, potato pancakes, potato soup etc., it is a nutrient-dense crop and a source of carbohydrates for animals.

Technical Feasibility

On the production of the potatoes, we have specialists in mechanization, irrigation, farm management, crop production, weed science, market development, agric extension and accounting as part of our management team. There are also specialists in the quality control of agricultural products.

Government Support and Regulation

The products conform with the diversified economic objective of the government. It supports also the foreign exchange and import reduction conservation of government. It will create economic opportunities, market access, improved income for farmers and support food security. It will significantly contribute to employment, output increase, stable price and exchange rates.

Project Timelines

The project will be completed within 8months preferably between March, 2021 to October, 2021 due to the ongoing Coronavirus Pandemic which is affecting the World at large.

Estimated Project Cost and Revenue

Fixed Cost

1. Land Clearing

|  |  |  |  |
| --- | --- | --- | --- |
| Activity | QTY | ₦ | K |
| Land Clearing | 4hectares | 920,000 | 00 |
| Cross Cutting | 4hectares | 80,000 | 00 |
| Rome Ploughing | 4hectares | 200,000 | 00 |
| Sub total | 3hectares | 900,000 | 00 |
| Total | 1500hectares | 4,200,000 | 00 |

1. Equipment

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Name | QTY | Model | USD | ₦ | K |
| Tractor | 2 | YTO-904{90hp} | 29,900 | 10,764,000 | 00 |
| Disc harrow | 2 | IBJ-3.0 | 5,200 | 1,872,000 | 00 |
| Sub soiler | 1 | IS-200G | 3,250 | 1,170,000 | 00 |
| Soy seeder | 3 | 2BFY-6C | 5,000 | 1,800,000 | 00 |
| Tripper | 1 | 7CX-BT | 9,450 | 3,402,000 | 00 |
| Combine harvester | 1 | 4YZ-6 | 103,500 | 37,260,000 | 00 |
| Boom sprayer | 1 | 3W-1000L-18 | 6,940 | 2,498,400 | 00 |
| Front loader | 2 | TZ-10D | 7,000 | 2,520,000 | 00 |
| Sub total |  |  | 170,240 | 61,286,400 | 00 |

1. Vehicle

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Type | Model | QTY | ₦ | K |
| Pick-up Truck | HILUX | 3 | 60,000,000 | 00 |

1. Irrigation

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Type | QTY | Model | USD | ₦ | K |
| Hose | 1 | 140-440MT | 30,000 | 10,800,000 | 00 |

1. Operating Cost

|  |  |  |
| --- | --- | --- |
| Working Capital |  |  |
|  | ₦ | K |
| Ploughing/Ha | 20,000 | 00 |
| Harrowing/Ha | 15,000 | 00 |
| Sub total | 35,000 | 00 |
| For 1500 Ha | 52,500,000 | 00 |
| Mechanization and Storage | 200,000 | 00 |
| For 1500 Ha | 300,000,000 | 00 |
| Input/Ha | 95,900 | 00 |
| For 1500 Ha | 143,850,000 | 00 |
| Area yield insurance | 14,500 | 00 |
| Produce aggregation | 5,000 | 00 |
| Geo Spatial Service | 5,500 | 00 |
| Sub total | 25,000 | 00 |
| For 1500 Ha | 37,500,000 | 00 |
| Interest per hectare | 100,000 | 00 |
| For 1500 Ha | 150,000,000 | 00 |
| Total cost per hectare | 450,500 | 00 |
| Total cost for 1500 Ha | 675,750,000 | 00 |
| Loan principal and interest {cost per hectare} | 300,000 | 30 |
| Total for 1500 Ha | 450,000,000 | 00 |
| Irrigation cost for 1500 Ha {excluding fixed cost} | 1,924,286,400 | 00 |

1. Amortization

|  |  |  |
| --- | --- | --- |
|  | ₦ | K |
| Land clearing amortization {per hectare} | 8,000 | 00 |
| Land clearing amortization {1500hectare} | 12,000,000 | 00 |

Revenue

|  |  |  |
| --- | --- | --- |
| Yield per hectare 4tones@ ₦175000 per tone |  |  |
|  | ₦ | K |
| Revenue per hectare | 700,000 | 00 |
| For 1500 Ha | 1,050,000,000 | 00 |
| Net revenue for 1500Ha {without amortization} | 71,560,300 | 00 |
| Net revenue with amortization {1500 Ha clearing} | 59,560,300 | 00 |
| 2nd Production Cycle |  |  |
| Net revenue | 50,500,000 | 00 |
| Net revenue with amortization{1500Ha} | 62,500,000 | 00 |
| Annual Net Revenue {1st + 2nd cycle} | 110,060,300 | 00 |

The currency conversion code/rate: ₦360.00 to 1USD

PROFITABILITY

The weather, chemical, biological, environmental, and physical factors such as temperature, sunlight, water, air, soil conditions, varieties of seed, pests, diseases, price fluctuations and others could affect the farm yield and profitability.

CONCLUSION

A business plan is meant to be prepared by the entrepreneur. The Mawedo’s potato farm is one of the best potato farms in South Korea. Potato has many importance which are; it can be used to control appetite for weight loss, most people in East Asia and other parts use it on affected areas for boils, burns, arthritis, and sore eyes. It is also used as a

source of starch, and can be fermented into alcohol. It is a good diet which should also be introduced to cattle’s.

BOTANICAL Bounty

Executive Summary

Botanical bounty is dedicated to the production of botanical perennials.

The botanical bounty occupies 4 acres of the 1500 hectares of land and it is concentrated on the growing of botanical medicinal. It has chosen 2 plant species that have a significant market demand. They’re Ginseng \_ which is a source of energy, and Ginger \_ a stomach soother.

Management

The botanical bounty will be led by the brother and sister team of Victor and Victoria Mawedo. Victor brings a business of wealth and project management skills to the company. Victoria, with a background of plant biology will be the driving force of the operation, growing the highest active ingredient content plants in the country. She will be the leader of the sales department due to her additional wealth of knowledge.

Market

The botanical bounty has 3 distinct customers: Supplement companies, processors of botanicals for supplement companies, and nurseries that resell the plants. The first 2 customers purchase the plants for use in their products which they ultimately sell to the end consumer.

Conclusion

The botanical bounty aims at becoming the leading provider of botanical perennials to the vitamin and health industry in Seoul, and other parts of the country.

References

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* https://www.experthub.info/launch/sample-business-plans/food-and-farming/agriculture-business-plan