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ASSIGNMENT TITLE: BUSINESS PLAN.

A BUSINESS PLAN FOR THE UPCOMING POULTRY FARM OF POMPII LIVESTOCK

LIMITED

FEASIBILITY STUDY

Executive summary/ Project Description

The feasibility of this business plan seeks to examine the workable possibility of the development of a successful poultry farm consisting of about 500 broilers and 700 old layers contributing later to a broad foundation, spreading into the different poultry niches in Onitsha by Pompil livestock limited. This poultry will produce about 2000 eggs and 6000 kilograms of meat and a reasonable amount of poultry feed per production cycle. The company will groom the livestock in the production of eggs and meat, mainly for consumption.

Since the country where I am agriculture is not really given much attention my mission and vision is to create awareness on the importance of agriculture. The purpose of the plan is to make as much food available and put a stop to importation of these items which can easily be produced here. This is because in my country Nigeria for instance has a population of over 150 million and it is still growing, so since there is a huge population it means that there will be a huge demand for food (eggs and meat). Furthermore there is an increased awareness on the health implications of red meat. In this case there will be increased demand for white meat and birds which I will try to make available all the time with the cooperation of my team.

This proposed project will provide job opportunities and help to reduce food importation i.e. eggs and meat. This program will be sourced through small holder farmers in other production areas. This project will create market access, improve income for farmers, contribute

significantly to curb food scarcity in the country and internationally raises the ranking of the country it's self.

Sponsorship

This project is sponsored by Samdanest Nigeria Ltd specializes in Livestock and animal feed production, they equally have a range of products like Eggs, Old layers, Cockerels, Broilers, Breeder Birds, Pigs as well as livestock manure. The company has many years of experience in the proposed project.

Management

The management will comprise of elected board of directors at the top of the organization structure. It will be made up of shareholders and members of the cooperative who have interest in the survival, growth and profitability of business. The objective of the board is to give directions and policies that will ensure the long term success of the company. The board also has to make sure that the rules and regulation are adhered to by the company. The Managing director shall be responsible for the co-ordination of the day to day management of the business. He is also accountable to the board of directors; he will make sure that resources are available in order to achieve set goals. He will manage the business risk.

Technical Assistance

Samdanest Nigeria Ltd has a relationship with other major poultry farms in the area, which have mandate in poultry farming and will provide technical assistance as such.

Samdanest Nigerian Ltd has agreed to provide little assistance as regards to processing factory.

Market and Sales

Market Orientation: Eggs and Meat

Market Share: At least 70% will be for feeding

Uses of products: Eggs and for human consumption, Eggs for bakeries, Eggs for use in emulsifying agents.

Competition Analysis

From research it shows that Abia state alone produced 20% of national output between 2000 to 2019. Ekiti produced 10% of national output and Jigawa and Nassarawa state produced the remaining 4%. Based on analysis Nigeria is non-existent to the demand for the produce.

Tariff and Import Restriction

Restriction on food importation and zero duty on imported agricultural equipment will favour the project under consideration.

Market Potential

High population growth and growing income lead to increasing demand for poultry products in Nigeria.

Profitability

When the environment is dirty, diseases and infection is inevitable. Birds like chicken are very sensitive to environmental changes. If the poultry environment is not properly taken care of, the chickens will be exposed to bacterial infection. So as a result it reduce the quality of meat as well reduce on a large scale, much profit won't be gained. So the environment should be well taken care of.

And also 70% of expenses would go towards poultry feeding and two ways to go about this feeding is producing your feeds by yourself or buying already made poultry feeds. Going with producing feeds by yourself saves a lot of money on feeding at the same time also gaining profit because you can sell to other farms. Hence scientific, technical and financial based solutions will be employed to wedge against risks and safeguard profit.

Technical Feasibility

The projects for the poultry farm are very feasible. In terms of technology, which involves incubators, they help eggs to hatch faster and lighting system, the industrial processes are simple and a specialist in this area with like 12years of experience is part of the team. The needed

equipments are available and the experts have hand on experience in the usage and maintenance of the equipment.

For the poultry farm production, we have people who manage the different aspects like Egg production, Meat production, Chicken breeding and there is also a poultry marketing consultant as part of our management team. The location of the farm is very suitable for efficient production, processing and marketing; and easily located. The materials would be produced and sourced locally.

There are major competitors but Samdanest Nigeria Ltd will aim high and penetrate through cooperative societies to make our brands popular. From my research, producing feeds from the farm than buying will give a competitive advantage. The project is been implemented using best international practices, sustainable production and due consideration of the environment.

The Environmental impact assessment shows no damage to the environment it is very sanitary. The ingredients used for the feeding for the chickens would be properly kept and well after at least three months the equipments would be checked if it is functioning properly to ensure that the production is running smoothly.

Government Support and Regulation

The project follows the objective of the government. It also supports foreign exchange. It creates job opportunities, market access, improved income for the workers and supports the food security objective of government. The project will benefit from government intervention fund in the agricultural sector.

The project will contribute mainly to employment, output increase, stable price and stable exchange rate.

Project Timeline

The project will be completed in 1years time; it will start during dry season because of land clearing.

Estimated Project Costs and Revenue

A. Land Clearing

Activity	Quantity	#	K
Land clearing	2 hectare	1150000	00
Rome ploughing	2 hectare	55000	00
Cross cutting	2 hectare	25000	00
Sub total	2 hectare	1230000	00
Total	800 Hectare	2460000000	00

B. Equipment

Name	QTY	MODEL	USD	#	K
Feeders	20	Tray feeders	50000	1000000	00
Drinkers	20	nil	40000	800000	00
perches	20	ISA/DW	20000	400000	00
Nests	100	nil	30000	3000000	00
Crates	1000	Rent a coop carrier crate	35000	35000000	00
Lighting System	20	LED	55000	1100000	00
Water disposal system	20	Coblat-60	35000	700000	00
Incubator	20	500 egg solar incubator	20000	400000	00
Heaters	20	Cozy CL 200 watts	25000	500000	00
Egg Washer	5	Aquamagic model 60 egg cleaner	20000	100000	00
Egg tray	20	High quality customized	15000	300000	00

		different model plastic			
Cages and Coops	500	Rent a coop carrier crate	30000	15000000	00
Sub total			375000	44800000	00

C. Vehicle

type	QTY	MODEL	NAIRA	KOBO
Van	2	hilux	30,000,000	00

D. Operating Cost

Working capital		
	Naira	Kobo
Mechanization and storage	150000000	00
Area yield insurance	15000	00
Produce aggregation	6000	00
Geo spatial service	5000	00
subtotal	150026000	00

Amortization

#

K

Land clearing amortization(per hectare)	30000 : 00
Land clearing amortization(800 hectare)	24000000: 00

Revenue

Yield per hectare (2 tonnes @ #150000)	
	# K
Revenue per hectare	400000 :00
Net revenue for 800Ha (without amortization)	80000000 : 00

Net revenue with amortization(800 hectares clearing)	72000000 : 00
Second production cycle	
Net revenue	55000000 : 00
Net revenue with amortization(800hectare)	
Annual net revenue	127000000 : 00

FUNDING MECHANISM

Samdanest Nigeria Ltd will provide 800 hectares of cleared land in Onitsha and lease it to members of the cooperative, and help to secure a loan at the bank of agriculture, bank of industry and commercial bank.

CONCLUSION

The project is workable and productive.