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ECONOMICS DEPARTMENT

COLLEGE OF SOCIAL AND MANAGEMENT SCIENCES

GST212 ASSIGNMENT

ETREPRENEURSHIP

ASSIGNMENT

THE BUSINESS PLAN FOR THE DEVELOPMENT OF A POULTRY FARM AT KEHINDE’s FARM ,KM 11,LEKKI EPE EXPRESSWAY, OKEGUN, EPE TOWN, LAGOS, BY TANIMU AGRIBUSINESS VENTURES AND CONSULTANCY CONFIDENTIALITY AGREEMENT

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WITH THE NAME WRITTEN AND SIGNATURE.

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**Project Description**

This business plan examines the feasibility of and indeed economic viability of the development of a 400 SqMpoultry Farm in Okegun Lagos state by Kehinde’s Farm.the farm will rear chicken, goose, turkey, pigeon. The poultry farm would also produce products such asEggs, feathers, manure, poultry meat, etc. Production is most popular in the Western and northern parts of Nigeria.

**Sponsorship**

The project is sponsored by GREG PATRICK, a legal luminary and founder of CHIBIRDS LIMITED.GREG PATRICK is promoting the productivity of Small scale poultry farmers in Ede.

**Management**

The management will comprise of the founder and member of the cooperative who have stake in the survival, growth and profitability of that particular business.

**Technical Assistance**

The Farm has a relationship with Ojima farms in Kogi state.Ojima farms has mandate in snail and bee keeping .they have agreed to assist in building the farm.

**Market and Sales**

Market orientation: domestic; All over Nigeria

Market Share: 5% niche market in western And northern Nigeria

Users of Products:

**Competition analysis**

The only places where significant production takes place is in Western , Northern Nigeria.

Based

**Tariff and Import Restriction**

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

**Market Potential**

There is strong demand for Birds or chicken in the Western part of Nigeria. The state of infrastructure though not perfect still supports production and trade within Nigeria.

**Profitability**

Weather, biological, chemical, physical and environmental factors such as temperature, sunlight, water, diseases, g, price fluctuations and other risks . However, technical, scientific and financial based solutions will be employed to hedge against risks and safeguard profit.

**Technical Feasibility**

In terms of technology, which involves the use of incubators in order to mature eggs and then to the Hatcher which would hatch these eggs into chics. This is part of technological factor in poultry farming

**Government Support and Regulation**

Legislation regulating the poultry industry covers a wide array of issues ranging from disease control, food health and safety, the environment (odour and noise emissions), to agricultural chemicals, veterinary chemicals, poultry manure and animal welfare. Egg or poultry meat production is covered by a number of State and Commonwealth laws and regulations. All poultry and egg producers, whether backyard or commercial, are required to comply with the laws and regulations relevant to their business regardless of the type of production system (organic, free range, barn, cage).

**Project Timeline**

The project will be completed within 3months preferably betweenAugust, 2019 to October2019

**7.0 Estimated Project Costs and Revenue**

**Fixed Cost**

**(A) Land Clearing**

|  |  |  |  |
| --- | --- | --- | --- |
| **Activity** | **QTY** | **₦** | **K** |
| Land Clearing | 400Sqm | 300,000 | 00 |
| **TOTAL** | 400Sqm | 300,000 | 00 |

**(B) Equipment**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Name** | **QTY** | **MODEL** | **USD** | **₦** | **K** |
| Chicken cage | 3 |  | 1**176** | 140000 | 00 |
| Drinker | 10 |  | 42 | 15000 | 00 |
| Sprayers | 3 |  | 240.428 | 85866 | 00 |
| Plastic egg crates | 9 | EKOPAK | 170.1 | 60750 | 00 |
| **Feeder** | 10 |  | 60.2 | 21500 | 00 |
| **Sub total** |  |  | **1688.728** | **603116** | **00** |

**(C) Vehicle**

**Operating Cost**

|  |  |  |
| --- | --- | --- |
| **Working Capital** |  |  |
|  | **₦** | **K** |
| Power electricity | 150000 | 00 |
| Sub total | 150000 | 00 |
| Mechanization and storage | 120000 | 00 |
| Input / Ha | 87500 | 00 |
|  |  |  |
| Area yield insurance | 14700 | 00 |
| Produce aggregation | 7500 | 00 |
| Geo Spatial Service | 5000 | 00 |
| Sub total | 27200 | 00 |
|  |  |  |
|  |  |  |
| **For 400Ha** | **8,831,700** | **00** |
| Total cost per hectare | 245,325 | 00 |
| **Total cost for 400Ha** | **98,130,000** | **00** |
| Loan principal and interest (cost per Hectare) | 267,404 | 25 |
| **Total for 400Ha** | **106,961,700** | **00** |
| **Irrigation cost for 400Ha (excluding fixed cost)** | **24,018,120** | **00** |

**Amortization**

|  |  |
| --- | --- |
| **₦ K** | |
| **Land clearing amortization (400SqM)** | **300 : 00** |

**REVENUE**

**Currency conversion rate: ₦360.00 to 1USD**

**0.0028USD to 1N**

**Funding Mechanism**

will provide 400Ha of cleared farmland forthe poultry around the school and lease it to members of the cooperative. will also lease 6,000MT capacity silo as equity contribution

Equity investor to provide equity for equipment and vehicles purchase Where possible equity investor to provide equity for working capital or otherwise secure loan at the rate8% through government intervention window at An agricultural bank or commercial banks .

**Conclusion**

The project is technically possible to do easily or conveniently and profit based or commercial capable of working successfully. It is therefore put forward with approval as being suitable for sponsoring.