



## IV. PROJECT MANAGEMENT

### 4.1 Production Assumption

Product	Avg. Weight (kg.) Cleaned	Price per kg.
Chicken	1.5 kg.	\$3.65

Number of Flocks per year		6	6
Number of House		3	5
Number of birds per flock		20,000	20,000
Time required per Flock (Days)		38-40	38-40
Lag time required per Flock (Days)		15	15
Total Annual Production Capacity		360,000	600,000
Production capacity utilization (%)		100	100

### 4.2 Annual Projected Sales

Number of Broiler House		3	5
Number of Flocks per Year		6	6
Number of birds per flock		20,000	20,000
Total Birds Available For Sale		360,000	600,000
Average Live Weight in Kilo		1.5	1.5
Selling Price per kilo		3.65	3.65
Gross Sales (B\$)		1,970,460.00	3,284,100.00
Less: Mortality Rate (2%)		39,409.20	65,682.00
NET SALES (B\$)		1,931,050.80	3,218,418.00

### 4.3 Growth Rate Description

	1 house	5 Houses
Sales	7%	7%
Cost of Day Old Chick	7%	7%
Cost of Feeds	5%	5%
Cost of Cleaning, Labor, Vaccination/ Medicine	5%	5%
Cost of Electricity, Water, Diesel & Spray	5%	5%
General expenses	5%	5%



#### 4.4 Human Resource Requirements

Skilled workers are needed to look after the feeding, vaccination and cleaning operations at the farm. Sales and Marketing are needed during harvest and distribution of broiler product.

##### SALARIES AND WAGES

Phase 1 (Total 3 House)		Rate/ month	Total/ Month	Per Yr (BND)
Head Technical Marketing	1	1,300.00	1,300.00	15,600.00
Salesman	2	800.00	1,600.00	19,200.00
Electrician	1	500.00	500.00	6,000.00
Watchmen/Cleaner	2	350.00	700.00	8,400.00
Viterenarian Doctor	1	1,500.00	1,500.00	18,000.00
Packager	1	300.00	300.00	3,600.00
Hatchery	2	600.00	1,200.00	14,400.00
			-	-
	10	5,350.00	7,100.00	<b>85,200.00</b>

Phase 2 (Total 5 House)		Rate/ month	Total/ Month	Per Yr (BND)
Head Technical Marketing	1	1,500.00	1,500.00	18,000.00
Salesmen	3	800.00	2,400.00	28,800.00
Electrician	2	500.00	1,000.00	12,000.00
Watchmen/Cleaner	3	350.00	1,050.00	12,600.00
Viterenarian Doctor	1	1,800.00	1,800.00	21,600.00
Packager	2	300.00	600.00	7,200.00
Hatchery	2	600.00	1,200.00	14,400.00
			-	-
	14	5,850.00	9,550.00	<b>114,600.00</b>

##### Note:

The above rates of salary are merely estimates based on present wage bracket. Additional manpower will apply, when needed upon implementation of the project.

At the implementation of this project, WANIE Agricultural Farm will be using CCTV cameras within the premises for the pupose of easy monitoring of Poultry farm during day and night operation.

The company will install 8 cameras in the first house on experimental purpose, the objective is to monitor 24/7 operation throughout the year. This is to enhance capability of human watch guards. If this becomes successful, our Company will install CCTV cameras to all 5 houses. In the long run this will reduce the watch guard manpower and labor cost. The cost of CCTV set including monitor and DVR for one house is less than B\$1,000.

#### 4.5 CAPITAL INVESTMENT



## 4.5.1 Project Detail

Description		3 House	5 HOUSE
Land			-
Cost of Cleaning		35,280.00	58,800.00
Cost of Packaging		1,800.00	3,000.00
Operating Cost - Salary		14,200.00	19,100.00
Vaccination / Medicines		3,000.00	5,000.00
Electricity		4,200.00	7,000.00
Water		900.00	1,500.00
Diesel for Generator		450.00	750.00
Litter & Spray Cost		225.00	375.00
		-	-
Office Equipment/supplies		600.00	1,000.00
Admin. Benefits (Uniforms)		125.00	250.00
Transportation and Delivery		300.00	500.00
Repairs and Maintenance		250.00	416.67
Professional Fee (Audit)		166.67	333.33
Communications/Telephone		150.00	250.00
<b>Pre-Operating Cost</b>		<b>944,753.37</b>	<b>1,377,560.01</b>
<b>Total Capital Cost</b>		<b>1,006,400.04</b>	<b>1,475,835.01</b>
<b>Working Capital</b>			
Raw Materials (2 Flocks):			
Cost of Day Old Chicks		135,240.00	225,400.00
Cost of Feed		317,952.00	529,920.00
Cash		45,319.20	75,532.00
<b>Total Working Capital</b>		<b>498,511.20</b>	<b>830,852.00</b>
<b>TOTAL INVESTMENT</b>		<b>1,504,911.24</b>	<b>2,306,687.01</b>
<b>Initial Financing</b>			
Bank Loan	100.00%	1,504,911.24	2,306,687.01
Equity	0.00%	-	-
<b>TOTAL</b>		<b>1,504,911.24</b>	<b>2,306,687.01</b>

## 4.5.2 Pre-Operating Cost



PARTICULARS		Per Lot	3 House	5 House
	Broiler Equipment	60,462.64	181,387.92	302,313.20
	Broiler House	111,127.68	333,383.04	555,638.40
	Office Building & Infrastructure	78,172.41	78,172.41	78,172.41
	Electrical Works	7,000.00	21,000.00	35,000.00
	Water Tank System	3,500.00	10,500.00	17,500.00
	Generating Set (80KVa)	29,986.00	29,986.00	59,972.00
	Refrigerated Delivery Van	16,500.00	33,000.00	49,500.00
	Perimeter Fence (per Hectare)	22,140.00	22,140.00	44,280.00
	House and 3 Units -Cool Storage 20 Ft Container	143,500.00	143,500.00	143,500.00
	Hatchery House & Equipments	91,684.00	91,684.00	91,684.00
<b>TOTAL</b>		<b>564,072.73</b>	<b>944,753.37</b>	<b>1,377,560.01</b>

## NOTE:

Broiler House and Office Bldg. amount is Net of 5% Discount from contractor

Ref: HMHO Quotation No. 989

#### 4.5.3 Depreciation of Fixed Assets

Life: 10 Years, Using Straight Line Method

PARTICULARS	ACQUISITION COST		Estimated Life (Yrs)	No. of Months	DEPRECIATION PER YEAR	
	3 HOUSE	5 HOUSE			3 House	5 House
Broiler Equipment	181,387.92	302,313.20	10	120	18,138.79	30,231.32
Broiler House Bldg w/ install	333,383.04	555,638.40	10	120	33,338.30	55,563.84
Office Bldg. & Infrastructure	78,172.41	78,172.41	10	120	7,817.24	7,817.24
Electrical Works/fittings	21,000.00	35,000.00	10	120	2,100.00	3,500.00
Water Tank system	10,500.00	17,500.00	10	120	1,050.00	1,750.00
Generating Set w/ install	29,986.00	59,972.00	10	120	2,998.60	5,997.20
Refrigerated Delivery Van	33,000.00	49,500.00	10	120	3,300.00	4,950.00
Perimeter Fence	22,140.00	44,280.00	10	120	2,214.00	4,428.00
Cool Storage 20Ft Container	143,500.00	143,500.00	10	120	14,350.00	14,350.00
Hatchery House & Equipments	91,684.00	91,684.00	10	120	9,168.40	9,168.40
<b>TOTAL</b>	<b>944,753.37</b>	<b>1,377,560.01</b>			<b>94,475.34</b>	<b>137,756.00</b>



## 4.5.4 Loan Payable And Interest Expense

Using Diminishing Balance Rate

PARTICULARS		3 House	5 House
BANK LOAN FINANCING		<b>1,504,911.24</b>	<b>2,306,687.01</b>
Add: Annual Interest Rate	3.0%	45,147.34	69,200.61

No. Of Years	Loan Amount	Interest Expense	Principal	Annual Payment	Run Balance
1	<b>1,504,911.24</b>	(45,147.34)	(150,491.12)	<b>(195,638.46)</b>	1,354,420.11
2	1,354,420.11	(40,632.60)	(150,491.12)	<b>(191,123.73)</b>	1,203,928.99
3	1,203,928.99	(36,117.87)	(150,491.12)	<b>(186,608.99)</b>	1,053,437.87
4	1,053,437.87	(31,603.14)	(150,491.12)	<b>(182,094.26)</b>	902,946.74
5	902,946.74	(27,088.40)	(150,491.12)	<b>(177,579.53)</b>	752,455.62
6	752,455.62	(22,573.67)	(150,491.12)	<b>(173,064.79)</b>	601,964.49
7	601,964.49	(18,058.93)	(150,491.12)	<b>(168,550.06)</b>	451,473.37
8	451,473.37	(13,544.20)	(150,491.12)	<b>(164,035.32)</b>	300,982.25
9	300,982.25	(9,029.47)	(150,491.12)	<b>(159,520.59)</b>	150,491.12
10	150,491.12	(4,514.73)	(150,491.12)	<b>(155,005.86)</b>	-

No. Of Years	Loan Amount	Interest Expense	Principal	Annual Payment	Run Balance
1	<b>2,306,687.01</b>	(69,200.61)	(230,668.70)	<b>(299,869.31)</b>	2,076,018.31
2	2,076,018.31	(62,280.55)	(230,668.70)	<b>(292,949.25)</b>	1,845,349.61
3	1,845,349.61	(55,360.49)	(230,668.70)	<b>(286,029.19)</b>	1,614,680.91
4	1,614,680.91	(48,440.43)	(230,668.70)	<b>(279,109.13)</b>	1,384,012.21
5	1,384,012.21	(41,520.37)	(230,668.70)	<b>(272,189.07)</b>	1,153,343.51
6	1,153,343.51	(34,600.31)	(230,668.70)	<b>(265,269.01)</b>	922,674.80
7	922,674.80	(27,680.24)	(230,668.70)	<b>(258,348.95)</b>	692,006.10
8	692,006.10	(20,760.18)	(230,668.70)	<b>(251,428.88)</b>	461,337.40
9	461,337.40	(13,840.12)	(230,668.70)	<b>(244,508.82)</b>	230,668.70
10	230,668.70	(6,920.06)	(230,668.70)	<b>(237,588.76)</b>	<b>0.00</b>



## V. BUILDING AND EQUIPMENTS

### 5.1. Broiler House Requirements (Per Unit)

Description	Quantity
House Size	W 40 FT x L 300 FT
House Column Spacing	40. FT
Floor Area	12,000 SQ.FT
Qty. of Birds	17,000 – 20,000 Birds per House (Based on 0.8 ft <sup>2</sup> /bird or 13.40 birds/m <sup>2</sup> )
	380/420V x 3 phase, 50HZ + neutral

Reference : HMHO Contractor, Quotation No: 989

### 5.2 Equipment Requirements

ITEM NO.	PARTICULARS	QTY.	SPECS/REMARK
1	METAL SILO FEED BIN	1 Unit/House	9.40 M tons
2	FLEX AUGER MODEL D.75	1 Unit	18 meter
3	SKA 'LEO PAN FEEDER	3 Units	354 pans/house for 57 birds/pan
4	CONTROL PANEL (Switch Board)	1 Unit	to use For Item no. 3
5	ZIGGITY FLOOR WATERING SYSTEM w/ TWIN LOCK NIPPLE	1,872 Pcs.	11 birds per nipple
6	VENTILATION FAN, EOS 53", 1HP, 400V X 3Ph, 50HZ	10 Units	EOS 53", 1HP, 400V X 3Ph, 50HZ
7	VENTILATION CONTROL PANEL	1 Unit	to use For Item no. 6
8	CLIMATE CONTROLLER	1 Unit	TP40 with Temperature sensor
9	HEATER	2 Units	220V, 50 Hz (optional)
10	EVAPORATIVE COOLING PAD SYSTEM	110 Pcs.	
11	CURTAIN DROP SYSTEM	2 Sets	Manual Winch Up
12	FREIGHT AND LABOR/INSTALLATION		

Reference: TSIS Malaysia - PI. No: PI/3269/2018

**5.3 Office Building Requirements**

Description	Qty.	Area (Sq.Ft)
Administration Office	1	10Ft x 10Ft x 10Ft
Staff Room	1	10Ft x 10Ft x 10 Ft
Feeds and Medicines Store room	1	20Ft x 10Ft x 10Ft
Kitchen	1	10Ft x 10Ft x 10Ft
Comfort Room	1	10Ft x 10Ft x 10Ft

Reference: HMHO Contractor, Quotation No: 989

**5.4 Water Tank**

Type and Description	Qty.	Size/Capacity
Water Tank, Stainless Steel with Stand	2	2,300 Liters
Motor pump, DAB KPS30/16	1	0.47kW (470W)
Secure Backwash Filter	1	
Cement, Piping and Fittings with Installation	1 lot	

Reference: Sing Hiap Hin (Price List)

**5.5 Generator Set**

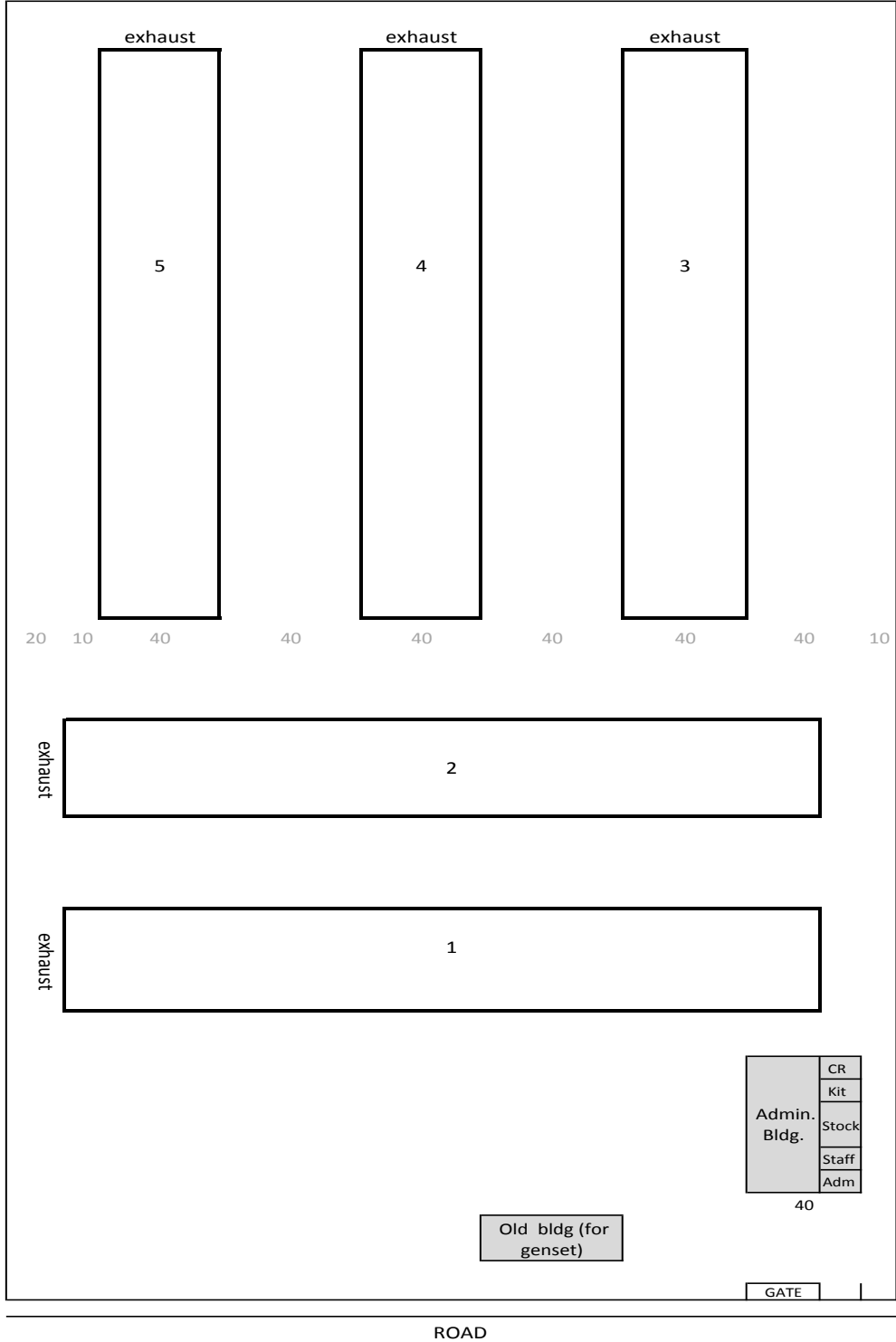
Type and Description	Qty.	Size/Capacity
ADC Power Concept, Model: TP88L Engine: UK Perkins Alternator: Leroy Sommer Operation : 1500rpm, 415V, 50Hz	1	80Kva/64Kw (Prime rating)
Control Panel	1	
Auto-Changeover	1	
AMF Board and Cablings with Installation	1 lot	

Reference: ADC Pro-forma Invoice (TP88L/2014)



## VI. PLANS AND LAYOUTS

### 6.1 Site Layout



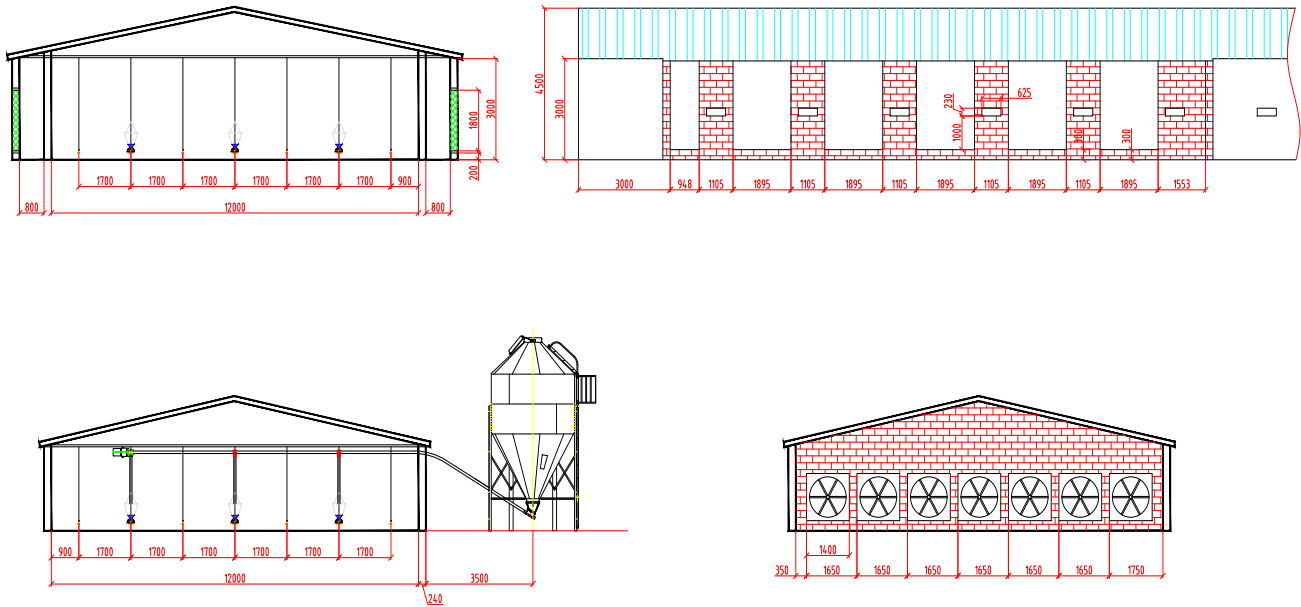
LOT AREA:  
Diameter (Est.)

2 HECTARES (215,278 SQ.FT.)  
280 FT. X 768.85 FT.

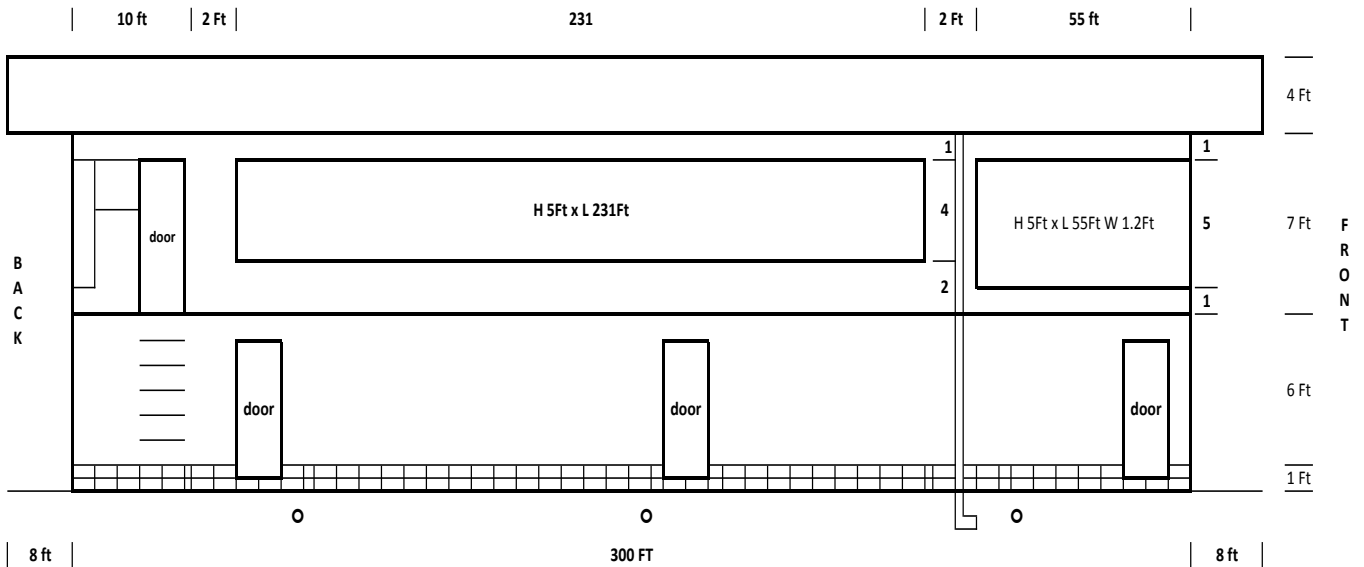




### 6.2 Broiler House Layout (Size : W 40Ft x L 300Ft. X H 14Ft.)



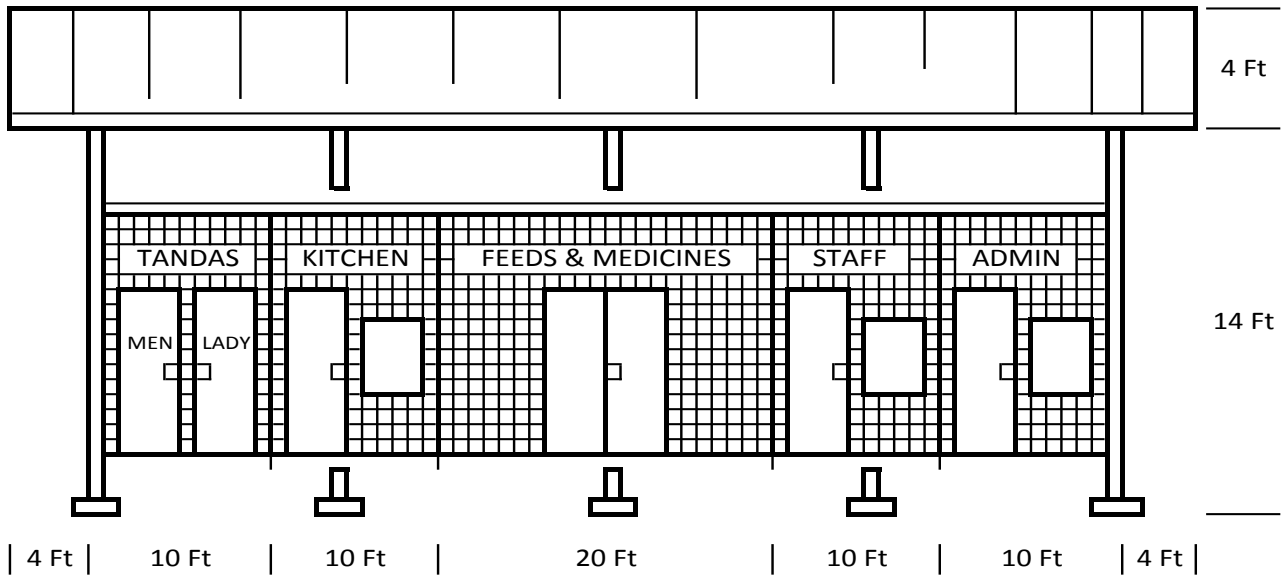
Side View Scales



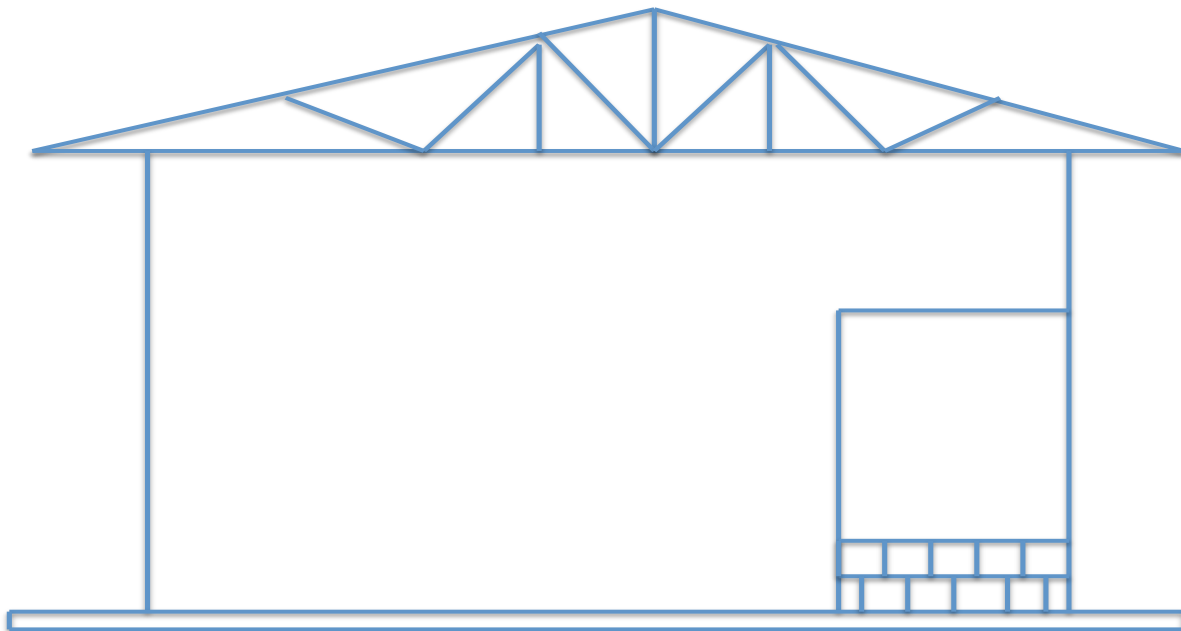


### 6.3 Office and Storage Layout

**FRONT VIEW**



**SIDE VIEW**





## VII. SALES AND MARKETING

### 7.1 THE MARKETING PLAN

The proposed target market of WAN.K shall be composed of consumers within Brunei, particularly in Bandar and KB area. The business will target restaurants, mini-marts as well as small scale and emerging stores. In Berakas-Muara area only there are 20,000 Households, there are about 100,000 customers. At the moment, the market only penetrates 30% of total population in this area. Our potential market is 20% of the remaining 70% population, which is estimated at 14,000 customers. The Company will build BRU CHICK WAN. K Distribution Centre to these areas to cater additional 15% of remaining population.

Since WAN.K also operates catering business and canteens, the company will use its own broiler products for its operation.

Another potential market of BRU CHICK WAN.K is to open a FAST FOOD business to increase the demand for chicken industry. We believe like Singapore, which already penetrates UK Halal Supermarkets through their HALAL TIN Stuff products using Malaysian Chef, BRU CHICK WAN.K will be able to penetrate the same market through BRUNEI as Distribution Center.

In the future, the Company will be expanding its marketing network in the nearby regions. The potential target market will include Malaysia, Singapore, Indonesia, China and Middle East. We have been attended the ASEAN and China Trade show few years ago and aware of the requirement for HALAL Foods around 15 Million Muslims in China.