

## **RALDINA FARM SUNFLOWER PROJECT**

### **BUSINESS PLAN**



**Name of Business:** Raldina Farm Sunflower

**Name of the Company:** UP24 Seven Services Ltd

**Location:**

Mwetemo

Kiwangwa

Chalinze

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**Prepared by:**

Mr Gerald Urassa

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## **1 Executive Summary:**

Raldina Farm is an exciting sunflower oil refinery business that will involve use of local Tanzania product to produce sunflower oil. The interest in local, sustainable food has significantly increased both locally and nationally. We have established a large-scale sunflower farm located at Mwetemo village in Bagamoyo, Tanzania. It is within easy access of Kiwangwa and takes about 20 minutes' drive to Msata. This will significantly increase availability of local, organic sunflower oil, improving health and well-being through increased access to fresh oil, and offering a rich programme of training and community-building.

In Tanzania, around 6% of the land that is under agricultural production is being used for sunflower production. Sunflowers are mostly produced by one million smallholder farmers in 19 out of the total 30 regions of Tanzania, but production is mainly concentrated in the Central Corridor and the Southern Highlands.

Our business will promote sustainable land use by becoming a model sunflower farm, embedded within its community. By establishing a sunflower farm will increase consumption of local, seasonal and directly traded goods through alternative local distribution systems. Strengthen local economies by providing facilities, resources, advice, training, services and trading opportunities. Support local communities by providing training and volunteering opportunities to improve skills, health, well-being, and self-worth.

The cost of purchasing and establishing a farm is coming from the Directors personal UK savings and some from their business in the UK. Currently, the Directors have already spent over Tsh 300,000,000 to purchase the farm of 100 acres, built infrastructures such as roads in the farm, water damn, built the farmhouse for staff, production and storage facilities, tractor, planting machines like rotary tiller and seeder, oil pressing machine, irrigation pipes, diesel power generator and solar power generation system.

## **2 Background:**

### **Mr Gerald Urassa**

Raldina Farm is building on the immensely experience and the support supplied by the Directors, all of which will act as cornerstones of the farm. Gerald grew up in the family of six children, whereby their late parents used to farm maize, beans, vegetables and sunflower every farming season for over 30 years in Kilimanjaro region.

Gerald has 10 years' experience of running a successful business in the United Kingdom (UK). Currently, he is currently a Director of UP24 Seven Service Ltd which is a Recruitment and Care company provider in the UK. Gerald education **Masters of Science in Quantity Surveying (Nottingham Trent University) and a Bachelor Degree of Engineering (BEng) – Civil and Structural Engineering (Dar es salaam Institute of Technology, DIT)** have prepared him well to run a successful sunflower farm in Mwetemo Tanzania. Gerald has extensive experience particularly in management, construction, production, Contracts, Tendering, employee rights, engagement and well-being.

### **Mrs Lilian Kulaya-Urassa**

Lilian has 10 years' experience of running a successful business in the UK. She is currently a Director of UP24 Seven Service Ltd which is a Recruitment and Care company provider in the UK. She has a wealthy of experience in education after working in the education sector in the UK for over 11 years. She has extensive experience particularly in management, training and employee rights, as well as within employee, engagement and well-being. Her education background includes **Masters of Arts in Education (Derby University), Bachelor Degree of Science (Computer Science) and Post Graduate Diploma in Education (Derby University).**

Through these projects we have acquired a wealth of experience and understanding of our farming project both the challenges we face and the practical solutions that Raldina Farm can help provide. All of this experience has shaped our plans to make the Raldina Farm a success from the very beginning.

### **3 Business Management:**

Raldina Farm is managed and funded by Mr and Mrs Urassa, Directors of UP24 SEVEN Services Ltd who are experienced in running businesses including Recruitment and Care Services in the United Kingdom (UK).



We also have experience in local market in Tanzania as we run many different businesses. Currently residing in Dar es salaam and U.K. aim to work in shipping to Europe where the sunflower market is threatened by the war in Ukraine and Russia who are the main producers of sunflower. We will also demonstrate that farming can be a viable business with the right infrastructure, plans, and the right team to deliver the project.

Raldina Farm is currently supporting **Mwetemo Primary School** and **Faraja Farijika Orphanage Foundation** in Moshi. We will continue to support local community and the next generation of farmers and support others to create social change in their community.

### **RALDINA FARM Organisation Structure**

Human resources are the most important asset in the farming industry. The plan is to build the market, train new growers in the village and engage volunteers.

**Directors** - Oversee the company to review progress and make key decisions as well as provide support.

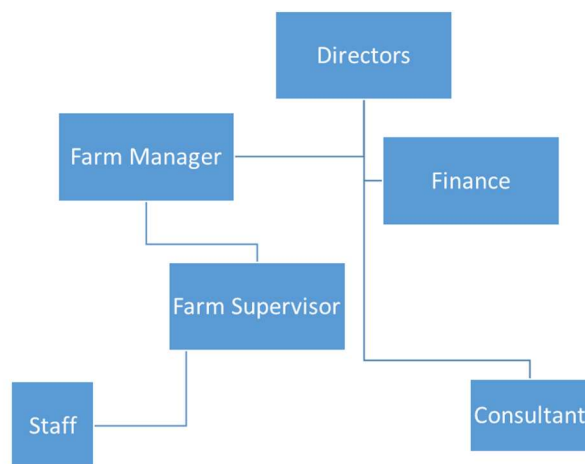
**Consultant** – To provide advice and guidance for the operation of business.

**Finance** – To assist in all the financial aspect of the business.

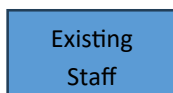
**Farm Manager** - Running daily operation of the farm and get the production underway.

**Supervisor** - To assist the farm manager to achieve company objective.

**Staff** - to perform all tasks allocated by the farm Manager.



**KEY**



#### **4 Business Objectives:**

The Goals and Objectives for Raldina Farm are:

-The objectives for the first 3 years of operations include

1. To create a unique product that exceeds customers' expectations.
2. Utilize on modern farming of sunflower (Alizeti) and filtering and oil refinery.
3. To become a main producer of sunflower oil for local Tanzania market in the first 3 years.

To be part of the sunflower oil exporters in Europe.



## **5 Market:**

### **Market Research:**

According to Tanzania Sunflower Market Assessment 2022 report, there are hundreds of SME sunflower seed processors with installed capacity ranging from 4.5 to 18 MT per day (24 hours). However, most of them are not processing more than 1 to 2 MT daily, due to limited raw materials, often caused by inadequate working capital. All SMEs produce semi-refined/filtered cooking oil, more or less of the same quality, and sell it locally (mostly retail) and/or to buyers in Arusha, Moshi, Dar es Salaam (mostly wholesale) and other urban and peri-urban areas.

While in the longer term Raldina Farm will offer a good quality sunflower oil, this marketing plan is focused on two immediate areas:

- 1) Sell sunflower oil and sunflower seeds that we will grow on the farm to businesses who want to buy from us such as supermarkets, hotels, restaurants, and local shops in wholesale. Ship to Europe (U.K). Sell the waste product to local farmers in Tanzania.
- 2) Outreach, education and training local communities and schools. We will have new market opportunities where by local farmers will grow sunflower and then we will buy it from them for producing sunflower oil.

There are several systemic constraints that prevent smallholder farmers from achieving their productive potential. These include:

- Limited access to loans for investment.
- Lacking adequate supplies of improved seed.
- Working in unstructured and unregulated market systems.
- Not receiving proper business development services support;
- Inadequate supply of seed during planting seasons.

These challenges have been aggravated by the war in Ukraine. Russia and Ukraine have been the leading producers and suppliers of sunflower products globally in recent years, but farmers have seen supply chain disruptions and an increase in fertiliser price due to the conflict.

### **Competitive Edge:**

The first edge is the quality of oil. There are few local organic producers who refine sunflower oil in Tanzania. The demand for sunflower products is growing in Tanzania, mainly to meet a growing domestic market for cooking oil.

There is a market shift to double refined oil in Tanzania, which is bio fortified with nutrients and vitamins, as a result of increasing awareness by customers of its assumed health benefits. Moreover, there is potential of exporting double refined oil that is meeting all the health, safety and traceability standards and requirements.

In terms of the gaps that we have identified in the market, demand for double refined oil exceeds current local supply. Raldina Farm will ensure that oil produced is of high quality and of international standard to compete with similar products that are currently imported in Tanzania. We have purchased sunflower oil refinery machine in order to produce a better-quality sunflower oil.

### **6 Product/Service Cost:**

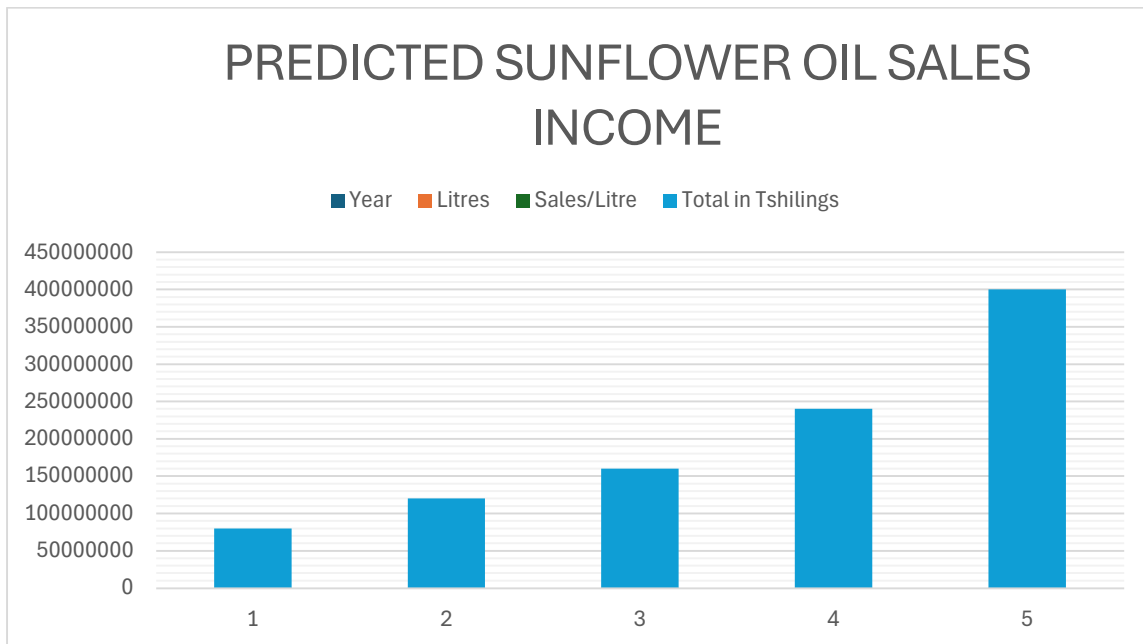
Raldina will sell refined sunflower oil and animal food which is a waste product of sunflower plant.

### **6 Main Sections**

1. Raldina farming of sunflower.
2. Raldina oil productions and refinery
3. Raldina oil packaging
4. Raldina local distribution (main Tanzania)
5. Raldina shipping abroad exporting.
6. Remains for animal consumption market



**7 Sales Forecast:**



**Our plan is based on the amount of sunflower oil produced over a period of 5 years.**

### **8 Operations:**

We will farm with more advanced technology and not dependent on weather. Use of water irrigation systems and greenhouses were required. This will ensure that we harvest 4 times a year. Sunflower being a hard weather wearing and able to sustain dry season which are predominant in Mwetemo where our farming is based will aid in production.



## 9 Premises:

Raldina farm is located at Mwetemo village in Bagamoyo Tanzania. It is within easy access of Kiwangwa and takes about 20 minutes' drive to Msata. The farm is owned by the two Directors of UP24 Seven Services Ltd, Mr and Mrs Urassa.

The size of the farm is 100 acres. There is a farmhouse for staff, production area and storage facilities. The farm buildings are powered by solar panel system and generator. This system of renewable energy will demonstrate the practical possibilities for lower carbon emissions and more ecological and economically sustainable development.

We have a team of staff leave on site to alleviate potential housing pressures for staff members who are recruited from outside Mwetemo village.





### **10 Funding Requirements and Sources:**

The below is the list of items that have been 100% funded by the Directors from the savings and business that they have in the UK:

- Purchased of 100 acres farm which cost over Tsh 100,000,000 plus costs for surveyors and title deeds.
- Built Farm house for staff accommodation, storage facility and production area, all of this cost Tsh 70,000,000.
- Water supply and installation Tsh 15,000,000
- We have purchased farming equipments such as a brand-new tractor, mini excavator, rotary tillers, mini excavator, seeder, oil pressing machine, irrigation pipes, diesel power generator and solar power generation system which has cost over Tsh 100,000,000
- Purchased a company car Tsh 60,000,000
- It costs an average of 400,000 per acre to clear a forest and remove stump (visiki). Currently there are 100 acres, therefore  $400,000 * 100 =$  Tsh 40,000,000

### **Items that need to be purchased/supplied:**

- Supply of electricity from the National Grid. We were quoted the price of **Tsh 60,000,000** for electricity lines to be fitted by Tanesco due to the distance from the main grid (over one kilometer) to the farm.
- **Construct a large water damn as the one that we had built was collapsed due to heavy rain and other unforeseen circumstances (Approximately Tsh 80,000,000)**

## 11 Financial Forecasts:

### PROFIT AND LOSS FORECASTS

UP24 SEVEN SERVICES LTD - RALDINA FARM  
For the period 2024/2026

Account	2024/2026
<b>Turnover</b>	
Sales	50,000,000.00
<b>Total Turnover</b>	<b>50,000,000.00</b>
<b>Cost of Sales</b>	
Direct Expenses	8,500,000.00
<b>Total Cost of Sales</b>	<b>8,500,000.00</b>
<b>Gross Profit</b>	<b>41,500,000.00</b>
<b>Administrative Costs</b>	
Advertising & Marketing	500,000.00
Audit & Accountancy fees	1,500,000.00
Bank Fees	100,000.00
Charitable and other Donations (Faraja Farijika Foundation)	5,000,000.00
Corporation Tax	1,500,000.00
NSSF	1,260,000.00
Entertainment-100% business	300,000.00
General Expenses	7,500,000.00
Insurance	500,000.00
IT Software and Consumables	100,000.00
Motor Vehicle Expenses	2,000,000.00
Printing & Stationery	400,000.00
Salaries	16,000,000.00
Staff Training	500,000.00
Telephone & Internet	200,000.00
Travel - National	200,000.00
<b>Total Administrative Costs</b>	<b>37,560,000.00</b>
<b>Operating Profit</b>	<b>3,940,000.00</b>
<b>Profit on Ordinary Activities Before Taxation</b>	<b>3,940,000.00</b>
<b>Profit after Taxation</b>	<b>3,940,000.00</b>

The above figure is an assumption that we have made based on the litres of sunflower oil that we are targeting to produce.

<b>PROFIT AND LOSS FORECASTS</b>	
<b>UP24 SEVEN SERVICES LTD - RALDINA FARM</b>	
For the period 2026/2028	
<b>Account</b>	<b>2026/2028</b>
<b>Turnover</b>	
Sales	120,000,000.00
<b>Total Turnover</b>	<b>120,000,000.00</b>
<b>Cost of Sales</b>	
Direct Expenses	60,000,000.00
<b>Total Cost of Sales</b>	<b>60,000,000.00</b>
<b>Gross Profit</b>	<b>60,000,000.00</b>
<b>Administrative Costs</b>	
Advertising & Marketing	1,500,000.00
Audit & Accountancy fees	3,000,000.00
Bank Fees	300,000.00
Charitable and other Donations (Faraja Farijika Foundation)	9,000,000.00
Corporation Tax	3,000,000.00
NSSF	1,900,000.00
Entertainment-100% business	600,000.00
General Expenses	3,500,000.00
Insurance	500,000.00
IT Software and Consumables	100,000.00
Motor Vehicle Expenses	5,000,000.00
Printing & Stationery	650,000.00
Salaries	20,000,000.00
Staff Training	1,000,000.00
Telephone & Internet	700,000.00
Travel - National	500,000.00
<b>Total Administrative Costs</b>	<b>51,250,000.00</b>
<b>Operating Profit</b>	<b>8,750,000.00</b>
<b>Profit on Ordinary Activities Before Taxation</b>	<b>8,750,000.00</b>
<b>Profit after Taxation</b>	<b>8,750,000.00</b>

The above figure is an assumption that we have made based on the litres of sunflower oil that we are targeting to produce.