

COST AND RETURN ANALYSIS OF COMMERCIAL MEAT ROASTING IN BICHI TOWN, BICHI LOCAL GOVERNMENT AREA, KANO STATE

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ABSTRACT

The study was conducted to evaluate the cost and return of commercial meat roasting and the problems facing the meat roasters in Bichi Local Government Area, Kano State. Forty meat roasters were randomly selected and structured questionnaires were distributed to obtain relevant information from them. The data collected were analysed using descriptive statistics. The result indicated that all the respondents (100%) were males of 30 – 39 years, 32 years, (5%) and (80%) were married. Majority (62.5%) have number of children of between 0 – 7 and (37.5%) acquired secondary school education, (42.5%) incurred the total variable cost (TVC) of ₦19471.6 and the total fixed cost (TFC) was ₦3936.6. In addition to the financial benefits derived from the business they take care of their families and parents which accounted for (12.5%) children school fees (7.5%) and capital source for other business (7.5%). The problems they encounter are those of debtors (40%), delay in selling (20%) and high price of animals (15%). It is therefore recommended that meat roasters should undergo training on meat inspection and good and modern storage facilities should be made available for them through their cooperatives.

Key words: Cost and return, commercial, meat and roasting

INTRODUCTION

Commercial roasted meat is the meat obtained from boneless meat, hung with peanut cake, salts, vegetable oil and other flavors followed by roasting around a glowing charcoal fire (Alonge and Hiko, 2000). Livestock are those animals which man has domesticated and multiplied for his benefits, bovine especially domestic cattle, beef, meat can be obtained from cow bull heifers, or steers, others can be obtained from sheep, goat and poultry which are the principal meat used in commercial meat roasting. Meat has several importance to human health, it is the essential source of animal protein which is very vital and valuable in human nutrition (Njoku, 1998). It is also an essential source of amino acid and as such its vitality cannot be over emphasized in that daily protein intake of about 65% is recommended by food and agricultural organization out of which 35% of these sources is from ruminants in general i.e., both small and large (Onwuka, *et al.*, 1995).

Commercial meat roasting helps in reducing the rate of unemployment as it provides to the study area and the entire community a source of revenue generation which makes them self-reliant which eventually improves their standards of living. According to Adegbola (2000) animal protein provides food for man and his society at large, meat is a good source of protein a micro-nutrition you need to maintain the body system growth and repairment of worn-out tissues, stimulation of immune system and production of enzymes and hormones secretions.

MATERIALS and Methods

The study was carried out at Bichi town, Kano State. Bichi L.G.A lies on 12⁰N and Longitude 8.30⁰E in the semi-arid zone of Nigeria. The major occupation of the inhabitants is farming. All the ethnic groups claim a common ancestor, consequently, their culture is similar. Other forms of work undertaken by are social networking, education, trading, new ventures, job inquiry, expertise request, career opportunities, carpentry, goldsmithing, vehicles repair and bricklaying in addition to farming.

Sample Size and Sampling Technique

Forty (40) meat roasters were randomly selected as sample of the study in order to gather relevant information from the respondents. Bichi Local Government Area was purposely selected for the research work, because it more prevalent in meat roasting activity.

Method of Data Collection

Verbal interview and questionnaires were used in collecting data. A visitation was made to interview meat roasters in Bichi town, questionnaires were administered to those who literate, while illiterate among them were interviewed. The questionnaires collected the following information; the socioeconomic characteristics, cost and returns, profitability, level/scale of production and the problems facing meat roasting in the study area. On the other-hand, the interview revealed the hidden information on the research that filed to be answered by the respondents through the questionnaire and can provide a clue on how the problems encountered could be solved.

Method of Data Analysis

For objective 1 and 4, i.e., the socio-economic characteristics, and the major problems facing the meat roasters were analyzed using descriptive statistics (frequencies and percentages). Similarly, gross margin (gross margin = total revenue – variable cost) was used to determine the cost and benefit cost can be used to determine the cost and returns of the meat roasters as such proper interpretation helps in arriving at the aims of this study.

RESULTS AND DISCUSSIONS

Socioeconomic Characteristics of Commercial Meat Roasters

Table 1 shows that majority of the respondents 32.5% were within age range of 30 - 39 years. This is in agreement with the finding of Yusuf *et al.* (2021) who reported an average of 36 years of the respondents. This is also in conformity with the findings of Mustapha (2018), who reported that majority of the sheep farmers were between the ages of 21 to 30, which forms the active years of the farmers and therefore, they are strong enough to engage in agricultural practices. Commercial meat roasting in the study area is a male dominated activity and majority are married (40%) and (32%). This is in line with the report of Yusuf *et al.* (2012) whose findings showed that majority of sheep keepers and butchers were married males. This also supported the findings of Yusuf *et al.* (2021) whose respondents were majority males and married i.e., 66.7 and 23.3% respectively and the finding of Olaniyi and Ismaila (2016) who reported that majority (73.3%) of the sampled sheep farmers were males and married respectively. The table shows that majority of the respondents 62.5% had children who were between 0 -7 followed by 17.5% who were between 16 - 23 children and 5% had between 24 - 31. This is in support with the findings of Yusuf *et al.* (2021) that most (40.0%) of the sheep farmers had household size between 6-10, while only (13.3%) of them had household size between above 15% the mean household size of the respondents was 2.13. This indicated that majority of the sheep farmers in the study area had smaller household sizes.

It could be deduced from the study that majority (37.5%) had secondary school education followed by 25% who had Qur'anic education and the least was 12.5% who had tertiary institution education. This contradicted the results of Yusuf (2012) whose findings showed that majority (53%) of his respondents had primary education.

Table 1: Socioeconomic Characteristics of Commercial Meat Roasters

Parameter	Frequency	Percentage
Gender		
Male	40	100
Female	0	0
Total	40	100
Marital Status		
Married	32	80
Single	08	20
Total	40	100
Household Size		
0 - 7	25	62.5
8 - 15	06	15

16 - 23	07	17.5
24 - 31	02	05
Total	40	100
Educational Level		
Qur'anic	10	25
Primary School	10	25
Secondary	15	37.5
Tertiary	05	12.5
Total	40	100

Cost and Return of Commercial Meat Roasting, Total Fixed Cost of Items Used, Returns per Roasting Cycle and Problems Encountered in the Business

The result revealed that the roasters spend highest amount of money in meat sourcing (₦18118.75), groundnut oil ₦268.75 followed by groundnut cake ₦254.00. Roasters spent ₦254.00 on firewood, on Maggi ₦182.00 and on wrapping paper ₦136.80. Followed by pepper ₦112.50 and Onions ₦46.50. Expenditure on tomatoes was ₦12.00 only. The total variable cost is 19471.6. This indicated that the highest and the most expensive among the variable cost is sourcing of meat that had ₦18118.75.00 and the least was the matches ₦12.00. The also indicated fixed items and their depreciated costs. The items with highest depreciation cost is showcase glass with ₦934.30, followed by klin with ₦571.80 and tray ₦458.70. Basin had ₦417.50 and hand clear ₦417.50, work bench ₦3777.70, plates ₦131.9, wire nets ₦154.10, table had 547.90, knife sharpeners ₦74.50 and the least was broom which was ₦62.80. This implied that the item with high depreciated cost among the fixed cost was showcase glass with ₦934.30. More, so, the table indicated the returns per roasting cycle among the commercial meat roasters with ₦6325.50 as a profit per roasting cycle, this means in every roasting cycle there is possibility of each meat roaster to have a profit of ₦6325.6. The table furthermore explained the percentage of the problems encountered in the business, where 40% of the problem was from the debtors, 20% from delay in selling the meat, 15% from high cost of purchasing the animals followed by 7.5% each which consisted of poor hygienic conditions in the abattoir, high cost of transportation and insufficient capital. The least among the problems was poor storage which accounted for 2.5%.

Table 2: Cost and Returns of Commercial Meat Roasting, Total Fixed Cost of Items Used, Returns per Roasting Cycle and Problems Encountered in the Business

Cost of Variable Items	Cost (₦)
Pepper	112.50
Wrapping paper	136.80
Salt	16.30
Firewood	254.00
Groundnut cake	295.00
Matches	12.00
Onions	46.50
Groundnut oil	268.75
Maggi	182.0
Sourcing of meat	18118.8
Tomato	29.00
Total (TVC)	19471.60
Fixed Items	Cost (₦)
Knife	149.80
Klin	571.80
Plates	131.90
Wire/nets	154.10
Tables	574.90
Knife sharpener	74.50
Broom	62.80
Showcase glass	934.30

Hand cleaner	55.60
Basin	417.50
Tray	458.70
Work bench	377.70
Total (TFC)	3936.60

Return per roasting cycle

Items	Income realised
Roasted Meat	26, 137.00
Head and Leg	1,995.00
Skin	595.50
Bones	1006.25
Net Income (NI)	29733.75
Gross Margin GM (NI - TVC)	10264.15
Net Profit GM (GM - TFC)	6325.60

Problems	Frequency	Percentage
High cost of animals	06	15
Debtors	16	40
Poor hygiene in abattoir	03	7.50
High cost of transportation	03	7.50
Delay in sale	08	20.00
Insufficient capital	03	7.50
Poor storage	01	2.50
Total	40	100.00

CONCLUSION

The result of this study shows that the commercial meat roasters have a lot to show in terms of benefits they derive from the business and clearly indicated that they generate profit. As such, it is beneficial, in that, it is a self employed business.

RECOMMENDATIONS

- i. Commercial meat roasters should form a cooperative organisation which will help them in securing loans from banks in order to boost the business.
- ii. The cooperative organisation should provide its members with good storage facilities
- iii. They should organise a training workshop for the members on meat inspection

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