



**BRAEBURN SCHOOLS TANZANIA LIMITED  
BUSINESS PLAN DOCUMENT  
JANUARY 2021**

Region Arusha, District Arusha CBD, Ward Lemara, Postal code  
23113, Street NJIRO, Road NJIRO, Plot number 511/1/1, Block  
number B, House number 511/1/1 & 511/1/3 AND 511/2/&511/3  
P.O.Box 14268, Arusha

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## **CHAPTER ONE**

### **EXECUTIVE SUMMARY**

Purpose and scope of this report came into force by way of Tanzania Investment Centre for Braeburn Schools Tanzania Limited to submit a business plan before acknowledgement of the redeemable preference shares as an investment in Tanzania. The purpose of this plan is to provide justification of the funds that were injected by Braeburn Limited to Braeburn Schools Tanzania Limited as a way of investment.

BSTL was incorporated in Tanzania in the year 2000 when it opened an English medium, international school in Kisongo, Arumeru region with the aim of providing a high quality international education to the children of Tanzanian professionals and expatriates in Arusha. The vision later expanded to include students from East Africa, as a boarding facility was opened in rented accommodation and later in a purpose built home. Since that time, BSTL has constantly developed and invested in education in Tanzania, building and opening a new infant school in Njiro, Arusha in 2017 while renovating and opening Braeburn Dar es Salaam International school in Kinondoni, Mbezi Beach, Dar es Salaam in 2016.

### **MISSION**

Every student a successful learner, a confident individual, a responsible citizen.

### **VISION**

Braeburn Schools (T) Ltd actively value and celebrate diversity, nurturing personal growth by providing a friendly and supportive environment. Early years, Primary and Secondary students develop the skills, attitudes and awareness necessary to become successful learners, confident individuals and responsible citizens. Based in East Africa, Braeburn Schools are co-educational, offering the British system of education to a multi-national student body of varied academic ability.

## **CHAPTER TWO**

### **2.0 COMPANY'S DESCRIPTION**

#### **2.1 DIRECTORS DETAILS**

- Terence Leonard Kerslake Childs

Nationality: British

Occupation: Director

Address: Gitanga Road,Lavington near Braeburn School,Nairobi-Kenya,  
P.O Box 45112 -00100 Nairobi.

- Robert Williams

Occupation: Director

Nationality: British

Address: Gitanga Road,Lavington near Braeburn School,Nairobi-Kenya,  
P.O Box 45112 –00100 Nairobi.

- Colman Mark Ngalo

Occupation: Director

Nationality: Tanzanian

Address: Plot No. 14A, Block 4,House No.14, Sekei Street, East Africa Community Road  
P.O Box 3003, Arusha.

- Mirisho Hagai Sarakikya

Occupation: Director

Nationality: Tanzanian

Address: Nkoaranga Village near Nkoaranga Hospital, P.O. Box 13017, Arusha

#### **2.2 THE BUSINESS VENTURE**

Braeburn Schools Tanzania limited was first registered in Tanzania on March 23 2000. BSTL took over St. George's in Kisongo, Arusha, buying the land, refurbishing the school and opening Braeburn International School Arusha. At the same time, premises were rented in Arusha town for the EYU section of the school. A boarding block was added to the Kisongo campus in 2014. The final development in Arusha was the building and opening of the Infant school in Njiro in August 2017. The school is a campus of the main BISA School and maintains very close links with Kisongo which the children visit at least once a week.

In 2014, BSTL took on a school site in Dares Salaam from Neema Education Development Trust. Considerable investment was made in 2014-5 to refurbish the site. Braeburn Dar International School was finally opened at Africana junction, Mbezi Beach, in August 2015. BDIS now educates children from 2 to 16 years of age.

##### **2.2.1 COMPANY'S LOCATION AND ADDRESS**

Registered office of the company is on plot 511/1/1,511/1/3,511/2& 511/3 Block B, Njiro Area, Arusha.

Address-P. O. Box 14268,

Arusha, Tanzania.  
Telephone: +255 27 2505716/17  
Fax: +255 27 2505719  
Email: [enquiries@braeburnschool.sc.tz](mailto:enquiries@braeburnschool.sc.tz)

### **2.2.2 JUSTIFICATION OF THE LOCATION**

The premises are accessible just some few kilometers from Arusha town. The premises also house Braeburn Infant school as town campus.

### **2.2.3 FORM OF BUSINESS**

Braeburn Schools Tanzania Limited is incorporated in Tanzania under the Companies Act, 2002 as a private company limited by shares. Registration number 39000.

The company has one board that oversees the running of the two schools. Meetings are held three times a year with an AGM in June. The head teachers of the schools are responsible to the board and report at each meeting.

### **2.2.4 ACTIVITY OF THE COMPANY**

The sole business of the company is provision of education to pupils between the ages of 2 and 16 years. The only source of income for the schools are the fees charged to the parents who wish their children to be educated at Braeburn Dar Es Salaam International School or Braeburn International School Arusha and enjoy a world class international education.

### **2.2.5 PRINCIPAL CUSTOMERS**

Our customers, are middle to high income parents living in Arusha and Dar Es Salaam regions:

BDIS – catchment is Dar Es Salaam, particularly the areas close to Mbezi beach as children cannot sit on a bus for hours each day.

BISA – mainly Arusha, but with some market in the whole of Tanzania and the East African region as it is a boarding school, but the number of boarders is below 50, so most of the market is local Arusha.

### **2.2.6 LOCATION OF THE CUSTOMERS**

Braeburn Dar Es Salaam International School – catchment is Dar es Salaam, particularly the areas close to Mbezi beach as children cannot sit on a bus for hours each day.

Braeburn International School Arusha – mainly Arusha, but with some market in the whole of Tanzania and the East African region as it is a boarding school, but the number of boarders is below 60, so most of the market is local to Arusha.

### **2.2.7 AMOUNT INVESTED**

Braeburn Schools Tanzania Limited seeks the registration of Share capital Tshs. 4,990,250,000/= Being Allotted Redeemable Preference Shares 499025 of Tshs. 10,000/= each, held by Braeburn Limited as the majority shareholder to be registered as investment in Tanzania. The funds were

injected in for the purposes of undertaking projects in regards of development of existing schools to International School standards.

### **2.3 THE SERVICES OFFERED**

Provision of Education

- Pre-Primary and Primary Education
- General secondary Education

## **CHAPTER THREE**

### **3.0 MARKETING PLAN**

#### **3.1 CUSTOMERS**

Our Customers are middle to high income parents living in the Arusha and Dar regions:

BDIS – catchment is Dar es Salaam, particularly the areas close to Mbezi beach as children cannot sit on a bus for hours each day.

BISA – mainly Arusha, but with some market in the whole of Tanzania and the East African region as it is a boarding school, but the number of boarders is below 50, so most of the market is local Arusha.

##### **3.1.2 MARKET SHARE**

The business thrives in a highly competitive industry that provides international education. The business draws its fair share from middle and high income individuals who lives in Arusha and Dar Es Salaam towns in Tanzania.

#### **3.2 COMPETITION**

Having a number of schools offering International Education in Tanzania, this leads to stiff competition for our business.

##### **3.2.1 POTENTIAL COMPETITORS**

The Braeburn schools has the following competitors in Arusha and Dar Es Salaam;

- Dar-es-Salaam International Academy
- International School of Tanganyika
- HOPAC
- Feza
- Latham
- International School Moshi (UWC)
- St. Constantine’s International School
- Kennedy House

##### **3.2.2 GEOGRAPHICAL LOCATION OF COMPETITORS**

Most of these competitors are just a few kilometers from where we are located.

##### **3.2.3 SIZE OF THE COMPETITORS**

- (i) They well established
- (ii) They have a fair share customer base

##### **3.2.4 EFFECTS OF THE COMPETITORS ON BUSINESS**

The competitors raise the profile of international education in the county. They ensure we maintain high standards and offer a high quality world class international education that attracts parents who can afford to give their children the opportunity to enjoy learning with us.

### **3.2.5 STRENGTH AND WEAKNESS OF THE COMPETITORS**

#### **Strengths**

- (i) Loyal parents
- (ii) Well established
- (iii) Parents/Teachers cordial relationship

#### **Weakness**

- Facilities often do not compare to those we have developed
- Lower results and standards of behavior and expectations of pupils and teachers

### **3.3 PRICING STRAGETY**

The business will have fluctuating pupil enrolment and this will impact pricing due to the following:

- (i) Economic environment
- (ii) Increase/decrease in market demand

### **3.5. ADVERTISING**

We carry out our advertisement through the newspapers, visit market malls, attending trade fares, and on billboards. This enables us to attract our target market. Satisfied parents are very important as a marketing tool.

## CHAPETER FOUR

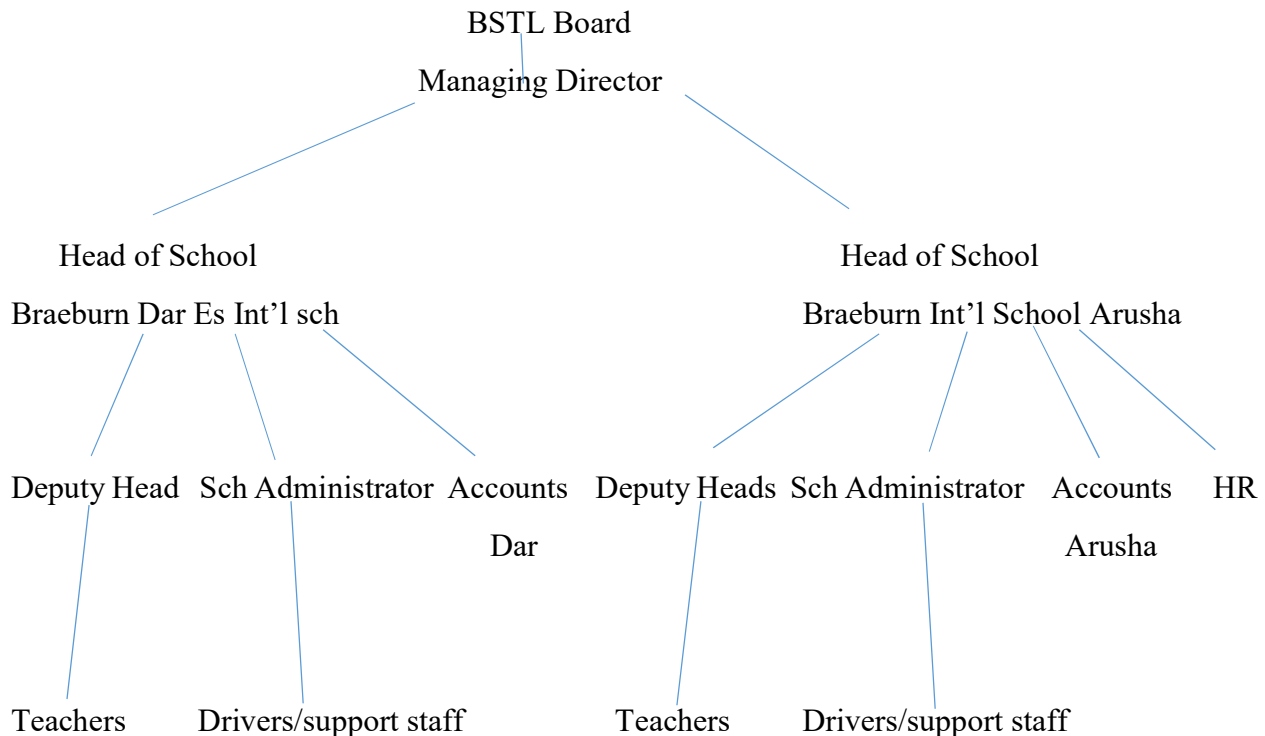
### 4.0 THE ORGANIZATION

Braeburn Schools Tanzania Limited has one board that oversees the running of the two schools. Meetings are held 3 times a year with an AGM in June. The head teachers of the schools are responsible to the board and report at each meeting.

The company runs two international schools:

- (a) Braeburn Dar International School (BDIS), Box 31158, Africana Junction Mbezi Beach, Dar es Salaam. This includes an Early years unit serving students from 2 – 4 years old, a primary school educating children from 5 to 11 and a secondary section educating children from 11 – 16 (IGCSE).
- (b) Braeburn International School, Kisongo, Arusha, which includes an Infant school section at Njiro educating children from 2 – 4 years old, a primary school serving children from 5 to 11 at Kisongo and a secondary section educating children from 11 – 16 also at Kisongo. BISA includes a boarding facility at the Kisongo campus.

### 4.1 ORGANIZATION STRUCTURE



#### 4.1.2 KEY MANAGEMENT PERSONNEL

The Managing Director oversees the two schools and deals with the business, finances and officials, allowing our educators to focus on their areas of expertise.

The head of each school oversees the running of the school including:

1. Oversight of teaching staff and maintenance of educational standards
2. Oversight of support staff and systems for efficient running of the campuses and the many services provided such as transport, food, boarding, security, maintenance, cleaning, medical, financial, HR.

#### **4.2 EMPLOYEES' WELFARE**

There exists continued good relation between employees and management. There are no unresolved complaints received by Management from the employees. A healthy relationship continues to prevail between management and trade union.

The schools are equal opportunity employer. They give equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribes, religion and disability which does not impair ability to discharge duties.

##### **Medical Assistance**

All members of staff with a maximum number of four beneficiaries (dependants) for each employee are availed medical insurance guaranteed by the Board. Currently these services are provided by Jubilee insurance, Aetna Global Benefits, Resolution Insurance and Heritage Insurance.

##### **Health and Safety**

The schools have a strong health and safety committees which ensures that a strong culture of safety prevails at all times. A safe working environment is ensured for all employees and contractors by providing adequate and proper personal protective equipment, training and supervision as necessary.

##### **Financial Assistance to Staff**

Loans are available to all confirmed employees depending on the assessment of and the discretion of management as to the need and circumstances.

##### **Persons with Disabilities**

Applications for employment by disabled persons are always considered, bearing in mind the attitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employments with the schools continue and appropriate training is arranged. It is the policy of the schools that training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

##### **Employees Benefit Plan**

The schools pay contributions to a publicly administered pension plans on mandatory basis which qualifies to be a defined contribution plan.

##### **Gender Parity**

The Schools had 192 employees, out of which 104 were female and 88 were male for the year ending 31<sup>st</sup> July 2020.

### **4.3 OTHER SUPPORT SERVICES**

**PRINCIPAL BANKERS:**

ABSA Bank Tanzania Ltd  
P. O. Box 3000  
Arusha  
Tanzania

**COMPANY SECRETARY:**

Theresia Mutajuka  
House No. 101, Meru Spring Plaza  
P. O. Box 13424.  
Arusha  
Tanzania

**AUDITORS:**

Kasegenya & Company  
Certified Public Accountants in Public Practice  
P. O. Box 11090  
Arusha  
Tanzania

## CHAPTER FIVE

### 5.0 OPERATIONAL/PRODUCTION PLAN

Operational plan deals with how the business provides its services and the facilities that are used in production.

#### 5.1 OPERATION AND CAPACITY

The schools operate on termly basis (Term 1- September to December, Term 2-January to March and Term3-May to July) with vacation holidays in between terms as per British and Wales curriculum guidelines.

Operational hours are from 8. 00a.m to 5.00pm on week days while 8. 00a.m to 12. 45p.m on Saturdays. The schools' offices do not operate on Sunday and public holidays.

Potential pupil numbers:

BDIS:

Total number expected if running at capacity would be:

300 for the primary school, 75 for the Early Years school and 250 for the secondary school

BISA: Infant school – 150 students; Primary school – 300; Secondary – 300

The relatively high fees mean the schools do not run at capacity.

#### 5.2 OPERATIONAL COSTS

##### Operational Expenses for the period Ended 31.07.2020

	<b>Tshs</b>
Direct Expenses	9,474,040,530
Administration Expenses	1,789,219,984
Other Operating Expenses	<u>1,979,542,500</u>
Totals	<u>13,242,803,014</u>

*Source;BSTL Audited accounts 2020*

#### 5.3 REGULATION AFFECTING OPERATION

The schools observe both local and international teaching regulations and adhere to related best work ethics.

The schools also observe the regulations enhanced by the government of Tanzania in regards of provision of quality education.

##### **Labour laws**

All company's employees are treated fairly. The company ensures laws, rules and conditions are practiced when recruiting staff. Salaries and conditions of employment are governed by Labour Laws

## CHAPTER SIX

### 6.0 PROJECT FINANCIAL PLAN

This chapter provides financial analysis of the amounts invested in company's projects.

#### 6.1 PROJECT FINANCIAL COST

	<b>BISA (TSHS)</b>	<b>BDIS (TSHS)</b>	<b>Total (TSHS)</b>
Buildings(Infant school Njiro-Arusha,BDIS building renovations)	2,720,872,692	6,514,808,103	9,235,680,795
Work in Progress(BDIS hardcourt building)		746,216,188	746,216,188
Furniture & Equipment	46,000,000	46,000,000	92,000,000
Computers & accessories	23,000,000	23,000,000	46,000,000
<b>GRAND TOTAL</b>	<b>2,789,872,692</b>	<b>7,330,024,291</b>	<b>10,119,896,983</b>

#### 6.2 WORKING CAPITAL

Working capital = Current Assets-Current Liabilities

<b>ITEM</b>	<b>TSHS 2020</b>
<b>Current Assets</b>	
Inventories	44,764,708
Trade& Other Receivables	3,647,863,444
Cash and Cash Equivalents	1,514,076,476
<b>Less; Current Liabilities</b>	
Trade& Other Payables	(3,033,021,527)
<b>Working Capital</b>	<b>2,173,683,101</b>

Source;BSTL Audited accounts 2020

### 6.3 BRAEBURN SCHOOLS (T) LIMITED

#### INCOME STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> JULY 2020

<b>ITEM</b>	<b>TSHS</b>
Revenue	13,958,552,267
Less: Direct Expenses	<u>(9,474,040,530)</u>
Gross Profit	4,484,511,737
Less: Administration Expenses	(1,789,219,984)
Other Operating Expenses	(1,979,542,500)
<b>Operating Profit</b>	<b>715,749,253</b>

*Source; BSTL Audited accounts 2020*

## 6.4 BRAEBURN SCHOOLS (T) LIMITED

### BALANCE SHEET AS AT 31<sup>ST</sup> JULY 2020

ASSETS	TSHS
<b><u>Fixed Assets</u></b>	
Land (Cost)	4,400,000,000
Less: Accumulated depreciation	-
Buildings (Cost)	15,835,680,801
Less: Accumulated depreciation	(1,245,490,591)
Furniture & Equipment (Cost)	1,361,180,897
Less: Accumulated depreciation	(730,606,725)
Computers & Accessories(Cost)	222,050,134
Less: Accumulated depreciation	(159,292,460)
Motor Vehicle(Cost)	1,071,107,710
Less: Accumulated depreciation	(887,885,865)
Capital Work in Progress(Hard court in Dar)	746,216,188
<b>Total Fixed Assets</b>	<b>20,612,960,089</b>
<b><u>Current Assets</u></b>	
Inventories	44,764,708
Trade & Other Receivables	3,647,863,444
Cash and Cash Equivalents	1,514,076,476
<b>Total Current Assets</b>	<b>5,206,704,628</b>
<b>TOTAL ASSETS</b>	<b>25,819,664,717</b>
<b><u>Non-Current Liabilities</u></b>	
Borrowings	7,216,568,083
<b><u>Current Liabilities</u></b>	
Trade & Other Payables	3,033,021,527
<b>Total Liabilities</b>	<b>10,249,589,610</b>
Owner's equity (Capital& Reserves)	15,570,075,107
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>25,819,664,717</b>

Source; Audited accounts 2020

## 6.5 PROFITABILITY RATIOS

### BRAEBURN SCHOOLS (T) LTD

Return on sales = Gross Profit/Sales\*100

$$= 4,484,511,737/13,958,552,267*100$$

$$= 32\%$$

Return on equity=Net profit (Loss)/Owners equity\*100

$$= (347,640,524)/15,570,075,107*100$$

$$= 2\%$$

## 6.6 DESIRED FINANCING

### BRAEBURN SCHOOLS (T) LTD

<b>ITEM</b>	<b>TSHS</b>
Operational costs	13,242,803,014
Working capital	2,173,683,101
Fixed Assets	20,612,960,089
<b>TOTAL</b>	<b>36,029,446,204</b>

## 6.7 PROPOSED CAPITALISATION

<b>ITEM</b>	<b>TSHS</b>
Share Capital (Authorised, Issued & Fully paid: 140,000 Ordinary Shares of Tshs. 10,000 each))	1,400,000,000
Redeemable Preference Shares (Allotted Redeemable Preference shares 1,425,975 of Tshs. 10,000 each)	14,259,750,000
Proposed additional Redeemable Preference Shares(Awaiting Allotment of Redeemable Preference Shares 499,025 of Tsh.10,000 each)	4,990,250,000
<b>TOTAL INVESTMENT</b>	<b>20,650,000,000</b>

## **CHAPTER SEVEN**

### **7.0 RISKS TO BRAEBURN SCHOOLS TANZANIA LIMITED**

The following are the potential risks facing Braeburn Schools in Tanzania

- Non payment of fees by current parents
- Fees too high so parents choose other less expensive international schools e.g. Feza ISM, DIA, St. Constantine's, Kennedy House
- Economic environment, including taxes mean that the standards expected by parents who have experience of international schools in other countries of the world are perceived not to be provided. For example, huge duty on imported goods, especially paints and laboratory chemicals, making maintenance of Braeburn standards a challenge.
- Work permits of key personnel not being renewed, or work permits of staff recruited from overseas being refused after contracts are issued.
- Contractors being unable to complete tasks under contract due to current economic environment (hard court roof in BDIS)
- NECTA refusing to allow CIE and other examination boards to run examinations in Tanzania

### **LIST OF ACRONYMS AND ABBREVIATIONS**

BDIS	Braeburn Dar Es Salaam International School
BISA	Braeburn International School Arusha
BSTL	Braeburn Schools Tanzania Limited
DIA	Dar Es Salaaam International Academy
HR	Human Resource
IGCSE	International General Certificate of Secondary Education
ISM	International School of Moshi now UWCEA
SCH	School
HOPAC	Haven of Peace Academy

