

TMS (EAST AFRICA) LIMITED

BUSINESS PLAN

AUTOMOBILE RECONDITIONING AND FABRICATION PROJECT

Dar es Salaam Region-TANZANIA

Executive Summary

TMS (EAST AFRICA) LIMITED is a local incorporated company under company registrations Act 2012 with Certificate of Incorporation **No.139072936** dated 22nd April 2019. The company have been able to secure a suitable premise in **Dar Es Salaam** the company specializes in providing technical mechanical services to mining, oil and gas, construction, cement and sugar manufacturing companies with head office in Belgium, the company is determined to compete in the highly competitive and fragmented auto repair and maintenance services industry not only in Tanzania but also in East Africa region because the company intend opening our outlets in key cities across the East Africa but the head office to be Tanzania.

TMS (EAST AFRICA) LIMITED will offers services such as mechanical and electrical repair and maintenance work. Our business goal is to become one of the leading auto repair company in East Africa and we will make sure that we do all we can to compete favorably with other leaders in the industry who have same facilities like ours.

Our workers are going to be selected from a pool of certified and highly experienced auto repair engineers and technicians in and outside Tanzania as the business grows. We will make sure that we take all the members of our workforce through the required trainings that will position them to meet the expectation of the company and to compete with leading auto repair and services centers in the Dubai, Japan, China etc.

At TMS (EAST AFRICA) LIMITED, our client's best interest will always come first, and everything we do will be guided by our values and professional ethics. We will ensure that we hold ourselves accountable to the highest standards by meeting our client's needs precisely and completely. We will cultivate a working environment that provides a

human, sustainable approach to earning a living, and living in our world, for all our partners, employees and for our clients.

TMS (EAST AFRICA) LIMITED is founded by two shareholders. They have a combine experience that can help them build TMS (EAST AFRICA) LIMITED to favorably compete with leaders in the industry and also automobile manufacturing companies who have services centers.

Names of Shareholders	Nationality	%of shares	Date of Birth
Mohamed Shaaban Rweyemamu P.O. Box 759, DAR ES SALAAM Email: mohamed.rweyemamu@tms.co.tz Tel, +255784369134	Tanzanian	51	26th July 1957
John Stewart Henry Rogerson, 117 Stock -Port, Merchester, SK6 Stock- Port, Cheshire, United Kingdom P.O. Box 31829, DAR ES SALAAM Email, goldenpeak@gmail.com TTel, +255784612845	British	49	10th July 1973

Our Product and Services

TMS (EAST AFRICA) LIMITED was established with the aim of maximizing profits in providing technical mechanical services to mining, oil and gas, construction, cement and sugar manufacturing companies. We want to compete favorably with the leading

vehicles reconditioning and fabrication in East and Southern Africa which is why we have but in place a competent quality assurance team that will ensure that every repair, services and maintenance carried out or related services rendered meet and even surpass our customers' expectations.

We will work hard to ensure that TMS (EAST AFRICA) LIMITED is not just accepted in in Tanzania but also in other neighboring countries. Our products and services are listed below;

- Repairing and replacing automotive engines
- Performing general automotive repairs
- Heavy manufacturing machine repair services
- Scheduled and preventative repair and maintenance services
- Repairing trucks
- Repairing and replacing automotive exhaust systems
- Repairing and replacing mufflers
- Repairing automotive transmissions
- Repairing automotive brakes
- Performing automotive electric repairs
- Performing automotive wheel alignments
- Repairing automotive radiators
- Wheel alignment and repair services
- Other repair and maintenance services

Our Vision Statement

Our vision is to establish a standard and world class heavy machine and construction reconditioning and fabrication services and brand will not only be accepted in Tanzania but also in East and Southern Africa regions.

Our Mission Statement

Our mission is to provide professional heavy machine and construction reconditioning and fabrication services and other auto repair related services that will assist businesses, individuals, households and non-profit organizations who owns automobiles in ensuring that their automobiles are always in good shape. We want to build an auto repair facility that can favorably compete with other leading brands in the automobile maintenance and repair services industry.

Our Business Structure

TMS (EAST AFRICA) LIMITED is a heavy machine and construction reconditioning and fabrication services company that intend starting small in Tanzania, but hope to grow big in order to compete favorably with leading automobile repair garages and automobile servicing centers in the industry both in the Tanzania and on a global stage. We are aware of the importance of building a solid business structure that can support the picture of the kind of world class business we want to own. Therefore, we are committed to only hire the best hands within our area of operations.

At TMS (EAST AFRICA) LIMITED, we will ensure that we hire people that are qualified, hardworking, creative, customer centric and are ready to work to help us build a prosperous business that will benefit all the stake holders (the owners, workforce, and customers).

- Chief Executive Officer

- Vehicles reconditioning and fabrication services Supervisor
- Human Resources and Admin Manager
- Sales and Marketing Executive
- Accountant
- Automobile Repair and Maintenance Engineers / Technicians (10)
- Client Service Executive

Roles and Responsibilities

Chief Executive Officer – CEO:

Increases management's effectiveness by:

- Recruiting, selecting, orienting, training, coaching, counseling, and disciplining managers;
- Communicating values, strategies, and objectives;
- Assigning accountabilities; planning, monitoring, and appraising job results;
- Developing incentives; developing a climate for offering information and opinions; providing educational opportunities.
- Providing direction for the business
- Responsible for signing checks and documents on behalf of the company
- Evaluates the success of the organization

Supervisor:

- Serve as project manager of the organization; works directly with employees
Develops strategic plan by studying new automobile technological, and financial opportunities; presenting assumptions; recommending objectives.

- Accomplishes subsidiary objectives by establishing plans, budgets, and results measurements; allocating resources; reviewing progress; making mid-course corrections.
- Coordinates efforts by establishing procurement, production, marketing, field, and technical services policies and practices; coordinating actions with corporate staff.
- Builds company image by collaborating with customers, government, community organizations, and employees; enforcing ethical business practices.
- Maintains quality service by establishing and enforcing organization standards.
- Maintains professional and technical knowledge by attending educational workshops; reviewing professional publications; establishing personal networks; benchmarking state-of-the-art practices; participating in professional societies.
- Ensures that the organization work in line with international best practices.

Human Resources and Admin Manager

- Responsible for overseeing the smooth running of HR and administrative tasks for the organization
- Defining job positions for recruitment and managing interviewing process
- Carrying out staff induction for new team members
- Responsible for training, evaluation and assessment of employees
- Responsible for arranging travel, meetings and appointments
- Oversee the smooth running of the daily office and factory activities.

Sales and Marketing Manager

- Manage external research and coordinate all the internal sources of information to retain the organizations' best customers and attract new ones

- Model demographic information and analyze the volumes of transactional data generated by customer
- Identifies development opportunities; follows up on development leads and contacts; participates in the structuring and financing of projects; assures the completion of development projects.
- Writing winning proposal documents, negotiate fees and rates in line with organizations' policy
- Responsible for handling business research, market surveys and feasibility studies for clients
- Responsible for supervising implementation, advocate for the customer's needs, and communicate with clients
- Develop, execute and evaluate new plans for expanding increase sales
- Empower and motivates the sales team to meet and surpass agreed targets

Accountant / Cashier:

- Responsible for preparing financial reports, budgets, and financial statements for the organization
- Provides managements with financial analyses, development budgets, and accounting reports; analyzes financial feasibility for the most complex proposed projects; conducts market research to forecast trends and business conditions.
- Responsible for financial forecasting and risks analysis.
- Performs cash management, general ledger accounting, and financial reporting for one or more properties.
- Responsible for developing and managing financial systems and policies
- Responsible for administering payrolls
- Ensuring compliance with taxation legislation

- Handles all financial transactions for TMS (EAST AFRICA) LIMITED

Auto Repair and Maintenance Engineers (2) and Technicians (8)

- Repairing and replacing automotive engines
- Performing general automotive repairs
- Handle Power train repair services
- Handles Brake repair services
- Scheduled and preventative repair and maintenance services
- Repairing trucks
- Repairing and replacing automotive exhaust systems
- Repairing and replacing mufflers
- Repairing automotive transmissions
- Repairing automotive brakes
- Performing automotive electric repairs
- Performing automotive wheel alignments
- Repairing automotive radiators
- Handle wheel alignment and repair services
- Handles other repair and maintenance services

Client Service Executive

- Welcomes clients and potential clients by greeting them in person or on the telephone; answering or directing inquiries.
- Ensures that all contacts with clients (e-mail, walk-In center, SMS or phone) provides the client with a personalized customer service experience of the highest level

- Through interaction with clients on the phone, uses every opportunity to build client's interest in the company's products and services
- Manages administrative duties assigned by the creative director in an effective and timely manner
- Consistently stays abreast of any new information on the organizations' products, promotional campaigns etc. to ensure accurate and helpful information is supplied to clients when they make enquiries

Employment	Foreign Skilled	Local Skilled	Local Unskilled	Total
Women		2	2	4
Men	4	8	8	20
TOTAL	4	10	10	24

SWOT Analysis

TMS (EAST AFRICA) LIMITED engaged the services of a core professional in the area of business consulting and structuring to assist our organization in building a well – structured business that can favorably compete in the highly competitive auto maintenance and repair service industry in the East and Southern Africa Region and the world at large.

Part of what the team of business consultant did was to work with the management of our organization in conducting a comprehensive SWOT analysis for TMS (EAST AFRICA) LIMITED. Here is a summary from the result of the SWOT analysis that was conducted on behalf of TMS (EAST AFRICA) LIMITED;

Strength:

Our core strength lies in the power of our team; our workforce. We have a team of certified and highly trained and experience automobile maintenance and repair engineers and technicians, a team with excellent qualifications and experience in various niche areas in the automobile maintenance and repair service industry. Aside from the synergy that exists in our carefully selected workforce, our services will be guided by best practices in the industry.

Weakness:

As a new company, it might take some time for our auto repair and maintenance service to break into the market and gain acceptance especially from top profile clients in the already saturated and highly competitive auto maintenance and repair services industry; that is perhaps our major weakness. Another weakness is that we may not have the required cash to pump into promoting our business the way we would want to.

Opportunities:

No doubt, the opportunities in the auto maintenance and repair services industry is massive considering the number of individuals and corporate organizations who owns automobile in the United Republic in Tanzania. As an auto repair and maintenance services, we are ready to take advantage of any opportunity that is available in the industry.

Threat:

Just like any other business, one of the major threats that we are likely going to face is economic downturn. It is a fact that economic downturn affects purchasing / spending power. Another threat that may likely confront us is the arrival of a new auto repair and

maintenance garage in same location where our target market exist and who may want to adopt same business model like us.

MARKET ANALYSIS

Market Trends

One good thing about heavy machine and construction reconditioning and fabrication services industry is that, it is specialized industry hence a low level of competition.

It is a known trend in developed world and even developing world to find steady growth in heavy machine and construction reconditioning and fabrication services, As a matter of fact, the industry has grown steadily over the last five years in the Tanzania and it is projected to continue to enjoy steady growth.

Individuals and businesses have increased demand for auto repair services, as rising per capita disposable income and corporate profit encourages consumers to opt for auto repair and maintenance services over do-it-yourself repair. Going forward, disposable income levels are expected to continue to grow, encouraging some consumers to spend more on the maintenance and repair of their automobiles.

Our Target Market

Before starting our auto repair and maintenance services in Tanzania, we conducted a market survey and feasibility studies and we are certain that there is a wide range of both corporate and individual clients who would need the services of heavy machines, construction equipment reconditions services companies.

In view of that, we have created strategies that will enable us reach out to various corporate organizations who we know can't afford to do without our services. Below is a

list of the people and organizations that we have specifically market our products and services to;

- Mining companies
- Construction companies
- Cement and sugar factories

Our Competitive Advantage

Surviving in the business world in repair and maintenance services requires more than, your expertise, knowing how to deliver standard repairs and maintenance jobs but also how to network with key people that matters; decision makers that can decide who will get an auto repair and maintenance contract.

Our competitive advantage lies in the power of our team; our workforce. We have a team of certified and highly trained and experience maintenance and repair engineers and technicians, a team with excellent qualifications and experience in various niche areas in the automobile maintenance and repair service industry. Aside from the synergy that exists in our carefully selected workforce, our services will be guided by best practices in the industry.

Lastly, all our employees will be well taken care of, and their welfare package will be among the best within our category in the industry. It will enable them to be more than willing to build the business with us and help deliver our set goals and achieve all our business aims and objectives.

SALES AND MARKETING STRATEGY

We are mindful of the fact that there is stiffer competition in the maintenance, servicing and repair industry; hence we have been able to hire some of the best marketing experts to handle our sales and marketing.

Our sales and marketing team will be recruited based on their vast experience in the automobile maintenance, servicing and repair industry and they will be trained on a regular basis to be well equipped to meet their targets and the overall business goal of TMS (EAST AFRICA) LIMITED.

Our corporate goal is to grow TMS (EAST AFRICA) LIMITED to become one of the top 10 maintenance, servicing and repair brands in the East and Southern Africa Region that is why we have mapped out strategy that will help us take advantage of the available market and grow to become a major force to reckon with not only in Tanzania but also in other cities in the East and Southern Africa where we intend opening our garages.

TMS (EAST AFRICA) LIMITED is set to make use of the following marketing and sales strategies to attract clients;

Introduce our auto maintenance, servicing and repair garage by sending introductory letters alongside our brochure to transport companies, haulage companies, individuals who own automobiles, households, corporate organizations, religious organizations and key stake holders.

Promptness in bidding for auto repair, servicing and maintenance contract from the government, haulage companies, transport companies and other cooperate organizations

- Advertise our business in relevant business automobile magazines, newspapers, TV stations, and radio station.

- List our business on yellow pages ads (local directories)
- Attend relevant international and local expos, seminars, and business fairs et al
- Create different packages for different category of clients in order to work with their budgets and still deliver excellent services
- Leverage on the internet to promote our business
- Engage direct marketing approach
- Encourage word of mouth marketing from loyal and satisfied clients

Sources of Income

TMS (EAST AFRICA) LIMITED is established with the aim of maximizing profits in the repair, maintenance and servicing industry and we are going to go all the way to ensure that we do all it takes to meet and surpass the expectations of all our clients.

TMS (EAST AFRICA) LIMITED will generate income by offering the following auto maintenance, servicing and repair related services;

Sales Forecast

We are well positioned to take on the available market in the heavy machine and construction reconditioning and fabrication services industry and we are quite optimistic that we will meet our set target of generating enough income / profits from the first six month of operations and grow our solar panel installation, maintenance and repair company to enviable heights.

We have been able to critically examine the industry and we have analyzed our chances in the industry and we have been able to come up with the following sales forecast. The sales projection is based on information gathered on the field and some assumptions that are peculiar to similar startups in Tanzania.

Below is the sales projection for TMS (EAST AFRICA) LIMITED. It is based on the location of our business and of course the wide range of auto repair, servicing and maintenance services and target market;

Our Pricing Strategy

At TMS (EAST AFRICA) LIMITED we will keep the prices of our services below the average market rate for all of our customers by keeping our overhead low and by collecting payment in advance from corporate organizations who would steadily bring in their fleet of automobiles for routine servicing, maintenance and repairs. In addition, we will also offer special discounted rates to all our customers at regular intervals.

We are aware that there are some one – off jobs or government contracts which are always lucrative, we will ensure that we abide by the pricing model that is expected from contractors or organizations that bid for such contracts.

Payment Options

At TMS (EAST AFRICA) LIMITED, our payment policy will be all inclusive because we are quite aware that different people prefer different payment options as it suits them. Here are the payment options that we will make available to our clients;

- Payment by via bank transfer
- Payment via online bank transfer
- Payment via check
- Payment via bank draft
- Payment via mobile money
- Payment with cash

In view of the above, we have chosen banking platforms that will help us achieve our plans with little or no itches.

Publicity and Advertising Strategy

We have been able to work with our brand and publicity consultants to help us map out publicity and advertising strategies that will help us walk our way into the heart of our target market. We are set to become the number one choice for both corporate clients and individual clients in the whole of Tanzania and other cities in the East and Southern Africa where we intend opening our facilities which is why we have made provisions for effective publicity and advertisement of our solar panel installation, maintenance and repair company.

Below are the platforms we intend to leverage on to promote and advertise TMS (EAST AFRICA) LIMITED

- Place adverts on both print (newspapers and magazines) and electronic media platforms
- Sponsor relevant community-based events / programs
- Leverage on the internet and social media platforms like; Instagram, Facebook , twitter, YouTube, Google + et al to promote our services
- Install our Bill Boards on strategic locations all around Fairhope – Alabama
- Engage in road show from time to time in targeted neighborhoods
- Distribute our fliers and handbills in target areas
- Contact corporate organizations by calling them up and informing them of TMS (EAST AFRICA) LIMITED and the services we offer
- List our auto repair, servicing and maintenance business in local directories / yellow pages

- Advertise our auto repair, servicing and maintenance business in our official website and employ strategies that will help us pull traffic to the site.
- Ensure that all our staff members wear our branded shirts and all our vehicles are well branded with our company logo et al.

Project Investment Cost

The estimated capital investment cost of the project is **US\$ 600,000**

TMS (EAST AFRICA) LIMITED COST STRUCTURE

PARTICULAR	US\$
Buildings	150,000.00
Machinery & Equipment	150,000.00
Motor Vehicles	60,000.00
Furniture & Fittings	1,000.00
Pre expenses	45,000.00
Working Capital	194,000.00
TOTAL	600,000.00

For the project to be a reality a total investment amounting to US \$0.6 is needed

Financing Pattern

The project will be financed by equity by US\$ 600,000.

Project Operating Costs

In order to realize its intended objective the project will have to meet the following operating costs.

Financial Analysis

Financial Analysis

Considerations and Assumptions:

The corporate tax charged is 30% of the profits. Capital investment allowance is 50%.

The capital assets are exempted from custom duty and Value Added Tax. The straight line method to depreciate the project's capital items has been applied.

Revenues have been conservatively estimated based on experience of the promoters and trends in the industry.

Financial Statements:

Projected school Revenue

For projection purposes, it is assumed that the economic life of the project is 7 years, and that revenue commence from the first year of operation. **Refer appendix (II)**

Projected Profit and Loss Statement

The Income and Expenditure Statement shows the projected income for the 7 years period. The position depicted is that the project earns profit throughout its life. Accumulated after tax profits grow from. US\$ in first year US\$ **113,451 to US\$ 1,166,306 in the 7year, for the details refer appendix (III)**

Projected Cash Flows

This is shown in the financial statements. The project has a positive end of year cash flow from year, accumulated cash flow grow from US 431,378 in the 1st year, to US\$3,749,169 in 7th year, **for the details refer appendix (IV)**

Projected Balance Sheet

The projected Balance Sheet of the projected is shown in the financial statements under same heading. Total assets of the project increase from first year from US 586,000 up to US\$ 4,178,817 7th year of project operation, **for the details refer appendix (V)**

Projected payback period

Total investment is US\$ **600,000** cash accumulation in year 4 is US\$ **648,051** which is more than the initial investment by US\$ US\$8,051, the project payback Period is within 4years,

The project has a relatively short payback period. It is remarkably impressing for a big project being recovered within 4 Years, **for the details refer appendix (VI)**

Implementation Schedule

Project implementation is expected to be relatively very short once project has been approved it is estimated that project will commence assembling within shortest period: -

Project Implementation

S/N	ACTIVITY	PERIOD
1	Processing TIC Certificate of Incentive	June 2021
2	Mobilizing Fund	July –December 2021
3	Renovation of building	October -December 2021
4	Ordering Machines and other equipment	January –April 2022
5	Testing business and in house training	April –July 2022
6	Commercial operations	August 2022

The proposed project will result into the following social and economic impacts:

- Make available affordable, and quality services
- Increase the provision of high-quality services
- Increased availability of quality services and marketing products along side competitive prices of these products will result in increased healthy competition among all market players

- The project will result in direct employment creation of 24 people many more indirectly
- The Government and other agencies will benefit from various taxes, fees and commissions that will be paid by the company

Conclusion

TMS (EAST AFRICA) LIMITED set out a proposal to Invest in the project to be located at **Plot No. 470, Block No. K , Kawe Street , Avocado Road, Kawe, Kinondoni District Dar es Salaam.**

The Executive Summary highlights indicate that the proposed project will be financial and economically viable, The project will generate significantly to the social and economic progress by way of increasing the provision of quality services in the country. It is recommended that the project be accorded the required institutional support to pave the way for its expeditious establishment and development.

In that regard; we strongly recommended that the project be approved by Tanzania Investment Centre and be granted the TIC Certificate of Incentives with its associated privileges and benefits as provided for under Tanzania Investment Act, 1997 to enable smooth implementation

Recommendations

The project is technically feasible, financially viable, and economically sound, provided the sponsors will manage it efficiently.

It is recommended that the project be approved by Tanzania Investment Centre and be granted the TIC Certificate of Incentives with its associated privileges and benefits as provided for under the Tanzania Investment Act, 1997.

APPENDIX I

TMS (EAST AFRICA) LIMITED COST STRUCTURE

PARTICULAR	US\$
Buildings	250,000.00
Machinery & Equipment	150,000.00
Motor Vehicles	60,000.00
Furniture & Fittings	1,000.00
Pre expenses	45,000.00
Working Capital	94,000.00
TOTAL	600,000.00

APPENDIX II

TMS (EAST AFRICA) LIMITED FIXED ASSETS SCHEDULE (US\$)

NAME OF ASSETS	1	2	3	4	5
Land And Buildings	250,000	237,500	225,000	212,500	200,000
Machinery, Tools & Equipment	150,000	142,500	135,000	127,500	120,000
Motor Vehicles	60,000	57,000	54,000	51,000	48,000
Furniture & Fixtures	1,000	950	900	850	800
Total	461,000	437,950	414,900	391,850	368,800
DEPRECIATION	1 USD	2 USD	3 USD	4 USD	5USD
Land and buildings	12,500	12,500	12,500	12,500	12,500
Machinery tools & Equipment	7,500	7,500	7,500	7,500	7,500
Motor Vehicles	3,000	3,000	3,000	3,000	3,000
Furniture & Fixtures	50	50	50	50	50
ANNUAL DEPRECIATION	23,050	23,050	23,050	23,050	23,050
CLOSING FIXED ASSETS	437,950	414,900	391,850	368,800	345,750

APPENDIX III

TMS (EAST AFRICA) LIMITED PROJECTED INCOME & EXPENDITURE STATEMENT" US \$"

	1	2	3	4	5
Projected Revenue	480,000.00	518,400.00	559,872.00	604,661.76	653,034.70
Operating Expenses:					
Administrative Expenses	10,000.00	10,500.00	11,025.00	11,576.25	12,155.06
Motor vehicle running expenses	43,200.00	46,656.00	50,388.48	54,419.56	58,773.12
Donation	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Salaries and Wages	60,000.00	61,800.00	63,654.00	65,563.62	67,530.53
Pension contribution (10%)	6,000.00	6,180.00	6,365.40	6,556.36	6,753.05
Marketing Costs	5,000.00	5,000.00	5,000.00	7,000.00	7,000.00
Utility costs	20,000.00	20,000.00	20,000.00	20,000.00	24,000.00
Fuel and Lubricants	96,000.00	100,800.00	105,840.00	111,132.00	116,688.60
Insurance 2%	5,676.00	5,392.00	5,108.00	4,824.00	4,540.00
Other expenses	10,000.00	10,000.00	10,000.00	10,000.00	15,000.00
Maintenance	5,000.00	10,000.00	15,000.00	20,000.00	25,000.00

Electricity	24,000.00	24,000.00	24,000.00	24,000.00	24,000.00
Communication	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Total Expenses	294,876.00	310,328.00	326,380.88	345,071.79	371,440.37
Profit before Interest and Depreciation	185,124.00	208,072.00	233,491.12	259,589.97	281,594.33
Depreciation	23,050.00	23,050.00	23,050.00	23,050.00	23,050.00
Profit before Tax	162,074.00	185,022.00	210,441.12	236,539.97	258,544.33
Tax (30%)	48,622.20	55,506.60	63,132.34	70,961.99	77,563.30
Profit After Tax	113,451.80	129,515.40	147,308.78	165,577.98	180,981.03
Accumulated Profit	113,451.00	242,966.40	390,275.18	555,853.16	736,834.20

APPENDIX IV

TMS (EAST AFRICA) LIMITED PROJECTED CASH FLOW US\$

	0	1	2	3	4	5
SOURCES:						
Profit before interest and depreciation	0	480,000	518,400	559,872	604,661	653,034
Equity	586,000	-	-	-	-	-
Total Sources	586,000	480,000	518,400	559,872	604,661	653,034
Applications:						
Capital expenditure	461,000	-	-	-	-	-
working Capital & Others	125,000	-	-	-	-	-
Cash	0	431,378	462,894	488,911	527,098	566,040
Tax	-	48,622	55,506	70,961	77,563	86,994
Sub total	586,000	480,000	518,400	559,872	604,661	653,034
Total applications	586,000	480,000	518,400	559,872	604,661	653,034
Accumulated cash		431,378	894,272	1,383,18	1,910,281	2,476,321
Necessary working capital	125,000	125,000	125,000	125,000	125,000	125,000

APPENDIX V

TMS (EAST AFRICA) LIMITED PROJECTED BALANCE SHEET US \$

	0	1	2	3	4	5
Fixed Assets	-					
Opening balance	-	461,000.00	437,950.00	414,900.00	391,850.00	368,800.00
Additions	461,000.00	0	0	0	0	0
Total Long-term Assets	461,000.00	461,000.00	437,950.00	414,900.00	391,850.00	368,800.00
Less depreciation	-	23,050.00	23,050.00	23,050.00	23,050.00	23,050.00
Closing balance	461,000.00	437,950.00	414,900.00	391,850.00	368,800.00	345,750.00
Working capital	125,000.00	125,000.00	125,000.00	125,000.00	125,000.00	125,000.00
Accumulated cash	-	431,378.00	894,272.00	1,383,183.00	1,910,281.00	2,476,321.00
Total assets	586,000.00	994,328.00	1,434,172.00	1,900,033.00	2,404,081.00	2,947,071.00
Financed by						
Equity	586,000.00	586,000.00	586,000.00	586,000.00	586,000.00	586,000.00
Accumulated profit	-	113,451.00	242,966.00	390,275.00	555,853.00	736,834.00

Total equity	586,000.00	699,451.00	828,966.00	976,275.00	1,141,853.00	1,322,834.00
Total equity and debts	586,000.00	699,451.00	828,966.00	976,275.00	1,141,853.00	1,322,834.00

APPENDIX VI

TMS (EAST AFRICA) LIMITED PAYBACK PERIOD

Year	Profit After Tax	Depreciation	Total Cash Flow	Accumulated Cash Flow
1	113,451.00	23,050.00	136,501.00	136,501
2	129,515.00	23,050.00	152,565.00	289,066
3	147,308.00	23,050.00	170,358.00	459,424
4	165,577.00	23,050.00	188,627.00	648,051
5	180,981.00	23,050.00	204,031.00	852,082
6	202,987.00	23,050.00	226,037.00	1,078,119
7	226,485.00	23,050.00	249,535.00	1,327,654
Initial Investment cost= USD 600,000 From above table, payback period is within 4year				