

KILIMA CITY INTERNATIONAL COMPANY LIMITED

BUSINESS PLAN

FOR

MANUFACTURING OF PLASTIC SHOES



KILIMA CITY INTERNATIONAL COMPANY LIMITED

P.O.BOX 11227

TEGETA

DAR ES SALAAM

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1. Executive Summary

Company& Project concept

KILIMA CITY INTERNATIONAL COMPANY LIMITED is a limited liability Company incorporated in Tanzania under the Company Act of 2002. The Company was incorporated on 7th November 2019 and bears a Certificate of Incorporation number **140346713** The Company implements a project which is under the Manufacturing Sector in Tanzania.

KILIMA CITY INTERNATIONAL COMPANY LIMITED will be located at Dar es Salaam Tanzania. The outreach Office will be located at Plot No. 292, Block D, Tegeta, Salasala, Dar es Salaam Tanzania. P O BOX 11227 DAR ES SALAAMTANZANIA

Our goals and objectives are straightforward and seek to ensure we run a professional, profitable, and ethical company, building relationships with customers, suppliers, and investors. Kilima city international Company Limited aims to become the leading manufacturer and supplier of plastic shoes in Tanzania.

Company Goals and Objectives:

In Summary KILIMA CITY INTERNATIONAL COMPANY LIMITED aims to: -

- Manufacturing and Selling of plastic shoes in The United Republic of Tanzania and other parts of Africa.
- Manage
- KILIMA CITY INTERNATIONAL COMPANY LIMITED by human resource policies which encourage and reward individual and unified effort and achievement, provide training and personal development opportunities and create a working environment in which staff can feel a real sense of job involvement.

- Build relationships with investors in Manufacturing Sector.
- Achieve levels of profit sufficient to provide for reinvestment and suitable returns to shareholders and investors
- Seek to comply with all statutory legislation and other external relevant authorities. Define and keep under review Company policy, allowing flexibility for local requirements.
- Adopt best commercial practice and ethical standards in dealing with clientele, suppliers of goods and services and other contacts.
- To provide a one- stop solution covering the entire spectrum of Manufacturing.

Purpose of Business Plan

This document is prepared to the serve the purpose as a business plan report for Kilima city international Company Limited for investment in Manufacturing and Sale of shoes products in The United Republic of Tanzania.

The project promoter, the project will be managed and operated by KILIMA CITY INTERNATIONAL COMPANY LIMITED which is owned by private individuals with the following share distribution.

Name of Shareholders	% Shares	Nationality
JIE TONG	0.435	CHINESE
ZHENLEI GAO	0.435	CHINESE

Unallotted shares of the company are 105,000 shares

Company Legality, the legal certificates, and documents such as Memorandum and Article of Association, Certificate of Incorporation and Tax Identification Number, justify that

Kilima city international Company Limited is operating within the ambit of the law of the Land.

Project Organization Structure, the management of Kilima city international Company constituted by the following organization set up: Board of Directors who are responsible on the supervision on the entire operations of the Company.

Investment Structure,

The project is estimated to cost US\$500,000 on completion which will increase from time to time. The money will cover working Capital, machine importation and other company expenses. However, a financial policy of the Company state that the profits generated will be re-invested.

KILIMA CITY INTERNATIONAL COMPANY INVESTMENT COST US\$

PARTICULAR	US\$
Land and Buildings	20,000.00
Machinery & Equipment	250,000.00
Motor Vehicles	100,000.00
Furniture & Fixtures	5,000.00
Pre exp	5,000.00
Others	0.00
Working Capital	120,000.00
TOTAL	500,000.00

Financing pattern

The project will be financed by local equity which is equivalent to **US\$ 225,000** and **US\$ 275,000** Foreign loan from financial institutions

2.0. Statement of Purpose

This Profile is drawn for the purpose of commencement of the business and application for the certificate of incentives and a Manufacturing License.

2.1. Purpose of Investment

This document is prepared to the serve the purpose as a feasibility study for Kilima city international Company Limited for establishment of a company in Manufacturing and Sale of PLASTIC SHOES in The United Republic of Tanzania.

2.2. Summary of the Expected Results

At the end, the project is expected to achieve the following: -

- Provide an opportunity for availability of PLASTIC SHOES in Tanzania and whole of East Africa and Africa.
- Increase direct employment opportunities.
- Direct Domestic investment of more than USD 1.000.000 within 2020 - 2025.
- Increase tax contribution to the government
- Generate foreign currency.

3.0. Business Description

3.1. Background of the Company

Kilima city international Company Limited is limited Company incorporated in Tanzania under the Company Act of 2002. The Company was incorporated on 07/11/2019 and bears Certificate of Incorporation no.140346713. Company implements project which is under the Manufacturing Sector.

3.2. Legal Status

Legal certificates and documents such as Memorandum and Article of Association, certificate of incorporation and Tax Identification Number, justify that Kilima city international Company Limited is operating within the ambit of the law of the Land.

3.3. Mission and Vision

The company vision is to be one of the leading companies in Manufacturing and Sale of Plastic shoes in Tanzania for local markets and export purposes.

3.4. Operations

The project will be managed and operated by Kilima city international Company Limited. The Company is finalizing acquisition of operation permits to start the implementation of the manufacturing project.

Management will establish sound operating guidelines to conduct the day to day operations of this project.

3.5. Project Location

The project shall be located at Plot No. 292, Block D, Tegeta, Salasala, Dar es Salaam

3.6. Postal Address

**Kilima city international Company Limited,
P.O. Box 11227,
Tegeta, salasala
Dar es Salaam**

3.7. Project and Services Description

Kilima city international Company Limited is a company registered in the United Republic of Tanzania with the aim of bringing world class technology and products in Tanzania.

3.8 Project Production Capacity

The project production capacity has been estimated to be as following:

- Plastic shoes 50,000 Units per day
- One unit is estimates to cost US\$0.027

In summary **52,416,000** pairs to be produced annually by Kilima city international Company Limited

4.0. Core Activities of the company

Kilima city international Company Limited will be dealing with manufacturing and Sale of Plastic shoes in Tanzania and outside Tanzania through export.

5.0. Manufacturing Industry

5.1. Manufacturing Industry in Tanzania

The general industrial structure of Tanzania comprises of manufacturing, processing, and assembling and Manufacturing takes at least 53% of that. Manufacturing industry contributes up to 8% to the country's GDP. The sector is said to be the most important in the economy of the country. The plastic shoes is an industry where most people have not participated in and most individuals usually import.

5.1 Plastic Shoes Industries in Tanzania

In the last 10 years, manufacturing activities in Tanzania have taken a steady growth, registering average annual growth of over 4 percent, with 10% contribution to GDP. Most activities concentrate on manufacture of simple consumer goods such as food, beverages, tobacco, textiles, furniture and wood allied products. After economic liberalization in the mid-1980s, many erstwhile public enterprises could not withstand free market competition. Some died and others underwent privatization. These measures helped enhance competitiveness of local industries and readied them for venturing into export markets. On the other hand, the sector is not a big employer (145,000 employees), compared to agriculture for example, but it is the most reliable source of government revenue in form of import, sales, corporate and income taxes, accounting for over half of government annual revenue collection. Manufacturing earns the country a fifth of total foreign exchange earnings, thus ranking third after agriculture and tourism. Most production is however concentrated in the Dares Salaam region.

Great prospects are pinned on development of a robust SME sector, whose promotion, as government has already realized still lacks appropriate policy backing. A strong and productive industrial structure can only be achieved where SMEs and large enterprises not only coexist but also

function in a symbiotic relationship. In this regard, successful promotion of agro-businesses can be considered in the SME development context.

Among the comparative advantages of Tanzania's manufacturing sector are the availability of a potentially large domestic market and Tanzania's adhesion to the EAC and the SADC organization, as they are potentially important market destinations. But Kenya is proving to be competing better in the region.

Currently there several manufacturers of Plastic Shoes in Tanzania, some of them include.

Bora Industries Limited being one of the biggest producer of Plastic shoes located in Dar es salaam.

Bora Industries Limited being the largest and the oldest factory, manufactures multi products and has a range of various products, they do both manufacturing and supplying of different sizes of Plastic shoes in Tanzania.

Bora Industries Limited has become another biggest manufacturer of Plastic Shoes and other related products would be the biggest in terms of capacity in East Africa.

There has been a tremendous growth within a short span of time

As of now the number of companies which manufacture Plastic Shoes and related products in Tanzania does not match with demand of these products in local market (Tanzania) which is highly consumed in domestic and other related activities in Tanzania. Most of plastic shoes are imported from abroad to mitigate the supply gap in Local the market despite various companies manufacturing bags for carriage of goods due to the quality of the products.

5.2 [Project Justification](#)

The proposed project is under management of Kilima city international Company Limited which is in line with Tanzania Government efforts in attempt to revamp the Manufacturing sector. This has also been noted of recent drive of attracting investors in Tanzania in order to maximize her annual earnings from investment and compete effectively with regional competitors. This also has been complemented by following measures

- i. The government is making a critical review of all existing laws and regulations, taxation and policies with ultimate aim of improving and creating conducive environment for private sector Investment, tourism sector is inclusive.
- ii. In 2007/2008 the Government reviewed the existing Industry and trade Policy, taking into consideration the social economic base and the dynamism of Manufacturing industry in Tanzania.
- iii. In depth studies have been carried out in the following area
 - SMEs development study
 - Trade Integration Strategy, 2009-2013

Regarding the initiative undertaken by Kilima city international Company Limited sponsors, is justified by the following facts.

- The sponsors have a special invested interest in manufacturing of Plastic Shoes and have been supplying the related products hence booming of the business.
- manufacturing facility will boost and at the same time strength manufacturing sector in Tanzania. The Company's marketing strategy and intention is to have a wide products base which focuses both to Ordinary consumers and Industrial use.

5.3 Social and Economic Impact of the Project

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

KILIMA CITY INTERNATIONAL COMPANY LIMITED

- Improve and increase manufacturing of plastic shoes and related products in Tanzania
- Increased competitiveness among manufacturer of plastic shoes in Tanzania
- The project will provide employment for eleven people and more people
- The Government and other agencies will benefit from various taxes, fees and commissions that will be paid to the Treasury etc. by this Company.

6.0. Industry Analysis

6.1 Competitive Companies

After conducting a comprehensive research, the company realized that there are only two companies that manufacture and sell plastic shoes. However, despite having the said companies manufacture the shoes in Tanzania 90% of the shoes sold in the Tanzania market are imported proving a need for other manufacturers.

6.2 Sales Literature

The company shall use different materials and trainings about their products to customers including but not limited to specification sheets, brochures, catalogs, and other materials.

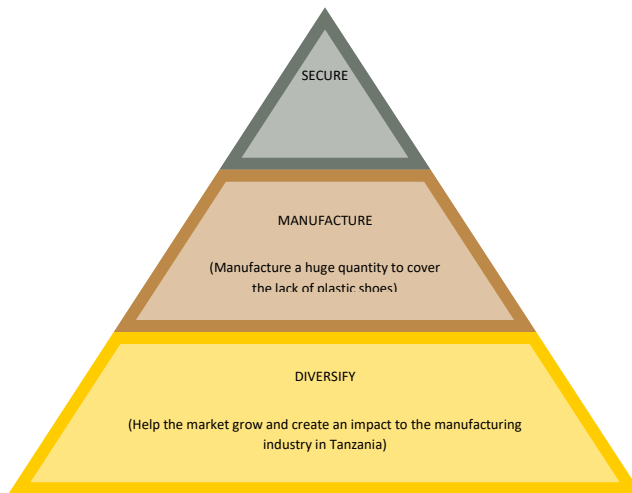
6.3 Technology

The company aims to import machines from China which has the capacity to manufacture a huge quantity per day.

6.4 Future Products and Services

The company aims at broadening the business by manufacturing other plastic shoes to broaden the market and increase more profit. The products will be manufactured in Tanzania and shall target to export to the customers in the neighboring countries including Kenya, Uganda and whole of Africa.

6.5 Strategy Pyramid



6.6 Competitive Edge

The Company will have a rather bigger advantage from their competition due to the following reasons: -

- The machines used by the company will be advanced and with higher capacity compared to the competitors.
- 90% of sellers of the shoes have imported them and they sell at a very higher price whereas the company will sell theirs at a lower price.

7.0. Opportunity Drivers

7.1 Uniqueness location of the project

Kilima city international Company Limited 's project will be one of the manufacturers of the shoes, located in Tegeta, salasala. The location of this project provides an opportunity to Kilima city international Company Limited to easily capture the market around Dar es Salaam Region and other parts of Tanzania.

7.2 Government Policy

The Government of Tanzania has made the policy that intends to improve and promote the manufacturing of plastic shoes

7.3 Government Incentives package

The Government has enacted laws that offer reasonable incentives example removal of taxes on some importations and deferment.

8.0. Analysis of Strengths, Weaknesses, Opportunity and Threats

Table below present the analysis of the company's Strengths, Weaknesses, Opportunities and Threats (SWOTS)

Strengths	Weaknesses
<ul style="list-style-type: none">• Availability of Markets• Connection to stakeholders• Access to reliable high technology like machines.	<ul style="list-style-type: none">• Capital Injection

Opportunities	Threats
<ul style="list-style-type: none"> • Good government suitable facilitative policy. • Government development of the sectors and huge demand of the product 	<ul style="list-style-type: none"> • Unawareness of the new entrants in the Industry in the same location • Increment of inflation • Presence of fake suppliers of the same products.

The company has prepared for the action plans by doing the following:

- The company will employ qualified people to conduct the marketing of the product.

9.0. Marketing Information

9.1 Marketing Strategy Overview

The success of Kilima city international Company Limited will be achieved by providing high quality product, providing friendly service, and employing an aggressive marketing plan to build customer traffic. Today's market requires more than just manufacturing and service to make Kilima city international Company Limited successful. Kilima city international Company Limited will constantly strive to enthusiastically win more customers by being proactive rather than reactive in our marketing efforts. Management will endeavor to create and maintain a positive, appealing

image for the customers. This image will be consistently portrayed throughout all marketing channels and sales promotions. The following exemplifies some of the tactics we will use to drive more sales and distribution.

9.2 Customer Database

Kilima city international Company Limited will aggressively seek to build a database of Customers. Customers will have an opportunity to be included in the database so they can participate in sales promotions such as birthday or anniversary cards; email notification of upcoming specials; coupons; etc. The database will be gathered and maintained on special Kilima city international Company Limited will gather names in a variety of manners including staff requests; business card drop for free lunch; guests' signup book with promotional signage; menu insert promotion; etc.

9.3 Advertising

Kilima city international Company Limited will adopt an aggressive advertising strategy. Outdoor signage Kilima city international Company Limited will describe outdoor and changeable copy advertisement and elaborate design signage depends upon lease space restrictions; designed within allowable limits to achieve maximum exposure. Kilima city international Company Limited will utilize both traditional non-- traditional methods of advertising. Management's viewpoint on advertising is state in your own words, the philosophy Kilima city international Company Limited will adopt towards the use of traditional advertising such as radio, newspaper, billboards, or television.

9.4 Costing and Pricing

The costing and pricing are done by the management of Kilima city international Company Limited. The costing takes into consideration various aspects depending on the cost which has already been incurred,

inflation factor and Operating costs. The project promoters of the company are in business for long time i.e. they are business-oriented personnel.

9.5 Customers

Kilima city international Company Limited is targeting to all regions in Tanzania and whole of East Africa specifically targeting the Wholesale and retail customers.

As it has been explained in preamble chapters, Kilima city international Company Limited will set project which will be indulging in Manufacturing and Sale of plastic shoes

9.6 Marketing Plan

The company has both short term and long-term marketing plan:

The short-term marketing plan includes:

- Building sustainable long-term relationship relationships with customers, suppliers, and investors.
- Training of sales staff sales, and Marketing.

Long Term Plans includes:

- Join to the network of manufacturing companies to market to exploit more business opportunities.
- Investing in Market Research and Development

10.0. Management & Administration

10.1 Management

The management team of Kilima city international Company Limited planned to be constituted by the following management team: -

10.1.1 Board of Directors

Kilima city international Company Limited will be managed by the board of Directors which is the apex body for strategic decision making of the project in line with the resolutions from the shareholders.

10.1.2 Accountant

An internal accountant will be employed to work with the existing external accountant who is expected to have good experience in accounting system as well as he will be responsible in managing cash of Kilima city international Company Limited but also keeping books of accounts properly.

10.1.3 Management Agreements

Management Agreements will be executed between Kilima city international Company Limited and other team managers. The purpose of these agreements is to define the expectations of both parties, establish an incentive structure, and define the grounds under which the agreement may be terminated.

10.1.4 Confidentiality Agreements

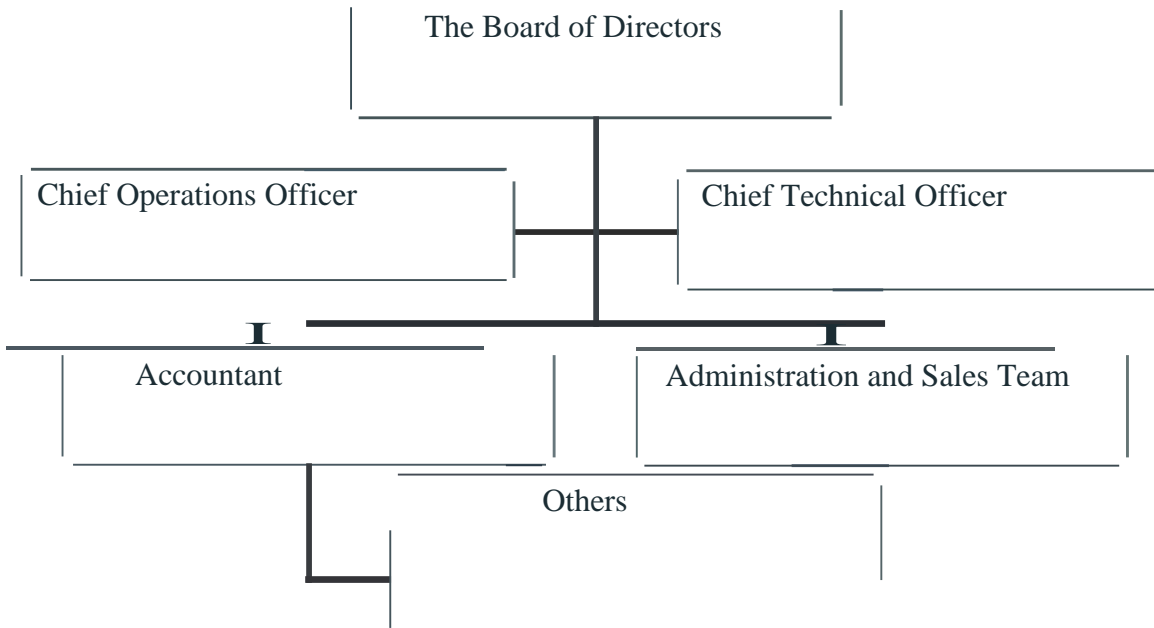
Kilima city international Company Limited will enforce that all employees sign a confidentiality agreement. Confidentiality agreements with our employees and partners will protect our Manufacturing and sale, operating systems, policies, and procedures. Having a confidentiality agreement in place is essential to protect the company's trade secrets and show our employees that we take our business seriously.

10.1.5 Organization Structure

The management of Kilima city international Company Limited is planning to have the following organization structure.



KILIMA CITY INTERNATIONAL COMPANY LIMITED



In summary the following people will be employed by Kilima city international Company Limited

Employment	Foreign Skilled	Local Skilled	Local Unskilled
Women	1	26	5
Men	3	160	5
TOTAL	4	186	10

5.0 PROJECT INVESTMENT COST

The proposed project is estimated to cost about US\$ **500,000** on the completion, the **US\$200,000** of these investment owners' equity and cash generated from business while the rest of **US\$300,000** will be sought from foreign and local banking institutions.

KILIMA CITY INTERNATIONAL COMPANY LIMITED PROJECT INVESTMENT COST

PARTICULAR	US\$
Land and Buildings	20,000.00
Machinery & Equipment	250,000.00
Motor Vehicles	100,000.00
Furniture & Fixtures	5,000.00
Pre exp	5,000.00
Others	0.00
Working Capital	120,000.00
TOTAL	500,000.00

7.0 FINANCING PATTERN

The financing pattern being considered is that involving the purchase machines, other equipment, working capital etc. The project will be financed both by local equity US\$ 225,000 and US\$ 275,000 Foreign loan from financial institutions

The loan will be negotiated and acquired from financial institutions. The project sponsors expect to procure this loan on the following terms and conditions: -

Loan Amount: US\$ 275,000,
Interest Rate : 6 % annually
Years : five

8.0 FINANCIAL ASPECTS FOR THE PROJECT

(i) Projected Profit and Loss Statement

The attached Appendix I shows the projected income for the 8years period. The position depicted is that the project earns profit throughout its life. Accumulated after tax profits grow from. **US\$126,181** in the 1st year to **US\$ 817,479** in the 6th year

(ii) Projected Cash Flows

The project's cash flows are shown in Appendix II. They depict a good liquid position right from the first year. Cash accumulation builds up from **US\$ 87,284** in the first year to **US\$ 555,977** at the end of 6th years of the project's operations

(iii) Projected Balance Sheet

The project's assets cash flows are shown in Appendix III. Owners' equity grows from **US\$ 200,000** in the first year to **US\$346,361** at the end of 6th years of the project's operations

(iv) Payback Period

Total investment is **US\$ 500,000** cash accumulation in 4th year **US\$ 584,922** which is more than the initial investment by **US\$ 584,922** the project payback Period is exactly 4 years.

9.0 **ECONOMIC ASPECTS OF THE PROJECTS**

Besides the financial/monetary returns to the owners, there are other benefits to be derived for the whole country viz.

(i) Employment Opportunities

Employment and poverty reduction are among the major concern of the Central and the Local Government authorities. It is gratifying to note that KILIMA CITY INTERNATIONAL COMPANY LIMITED is going to provide additional employment to **200 people**. This is a significant contribution coming from private investors.

(ii) Revenue to the Government

The Project is expected to pay a substantial annual amount in the form of corporation tax and other taxes

(iii) Foreign Exchange Earning

Since the project's clientele is some of them will be foreigners of neighboring countries the project will thus earn foreign currency for the United Republic of Tanzania.

10.0 **CONCLUSION AND RECOMMENDATION**

10.1 Conclusion

- The project is profitable and contributes to government revenue by way of taxes.
- The project provides employment to 200 people.
- The project is an encouraging sign to prove that we have investors who have confidence in their country.

10.2 **Recommendation**

After the foregoing economic and financial evaluation of the project, we strongly recommend that this project be implement and be given all the support required by all the concerned Government Ministries and Agencies, including the Tanzania Revenue Authority, TRA and the Tanzania Investment Centre – (TIC). The project deserves this support because of its viability, since it is technical feasible, economically viable and socially acceptable.

KILIMA CITY INTERNATIONAL COMPANY LIMITED COMPANY LIMITED

Appendix I

KILIMA CITY INTERNATIONAL COMPANY LIMITED PROJECTED INCOME & EXPENDITURE

STATEMENT (US\$)

	1	2	3	4	5	6
Revenue	1,415,232.00	1,429,384.32	1,443,678.16	1,458,114.94	1,472,696.09	1,487,423.06
Operating Expenses:	1,202,947.20	1,214,976.67	1,227,126.44	1,239,397.70	1,251,791.68	1,264,309.60
Profit before Depreciation &Interest	212,284.80	214,407.65	216,551.72	218,717.24	220,904.41	223,113.46
Interest	18,000	14,400	10,800	7,200	3,600	-
Depreciation	14,025.00	14,025.00	14,025.00	14,025.00	14,025.00	14,025.00
Net Profit	180,259.80	185,982.65	191,726.72	197,492.24	203,279.41	209,088.46
Tax (30%)	54,077.94	55,794.79	57,518.02	59,247.67	60,983.82	62,726.54
Profit After Tax	126,181.86	130,187.85	134,208.71	138,244.57	142,295.59	146,361.92
Accumulated Profit	126,181.00	256,368.85	390,577.56	528,822.13	671,117.72	817,479.64

KILIMA CITY INTERNATIONAL COMPANY LIMITED COMPANY LIMITED

Appendix II

KILIMA CITY INTERNATIONAL COMPANY LIMITED PROJECTED CASH FLOW US\$

	0	1	2	3	4	5	6
SOURCES:							
Profit before interest and depreciation	0	212,284.80	214,407.65	216,551.72	218,717.24	220,904.41	223,113.46
Equity	200,000.00						
Loan	300,000.00	-	-	-	-	-	
Total Sources	500,000.00	212,284.80	214,407.65	216,551.72	218,717.24	220,904.41	223,113.46
Applications:							
Capital expenditure	375,000.00	-	-	-	-	-	
working Capital & Others	125,000.00	125,000.00	125,000.00	125,000.00	125,000.00	125,000.00	125,000.00
Cash	0	87284	89,407.00	91,551.00	93,717.00	95,904.00	98,114.00
Tax	-	54,077.94	55,794.79	57,518.02	59,247.67	60,983.82	62,726.54
Sub total	500,000.00	212,284.00	214,407.00	216,551.00	218,717.00	220,904.00	223,114.00
Total applications	500,000.00	212,284.00	214,407.00	216,551.00	218,717.00	220,904.00	223,114.00
Accumulated cash		87,284.00	176,691.00	268,242.00	361,959.00	457,863.00	555,977.00

KILIMA CITY INTERNATIONAL COMPANY LIMITED COMPANY LIMITED

Appendix III

KILIMA CITY INTERNATIONAL COMPANY LIMITED PROJECTED BALANCE SHEET US \$

	0	1	2	3	4	5	6
Fixed Assets	-						
Opening balance	-	375,000	360,975	346,950	332,925	318,900	304,875
Total Long-term Assets	-	375,000.00	360,975.00	346,950.00	332,925.00	318,900.00	304,875.00
Less depreciation	-	14,025.00	14,025.00	14,025.00	14,025.00	14,025.00	14025
Closing balance	-	360,975.00	346,950.00	332,925.00	318,900.00	304,875.00	290,850.00
Working capital	125,000.00	125,000.00	125,000.00	125,000.00	125,000.00	125,000.00	125000
Accumulated cash	-	87,284.00	176,691.00	268,242.00	361,959.00	457,863.00	555,977.00
Total assets	125,000.00	573,259.00	648,641.00	726,167.00	805,859.00	887,738.00	971,827.00
Financed by							
Equity	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00
Net profit	-	126,181.86	130,187.85	134,208.71	138,244.57	142,295.59	146,361.92
Total equity	200,000.00	326,181.86	330,187.85	334,208.71	338,244.57	342,295.59	346,361.92
Long term loan	300,000.00	-	-	-	-	-	
Total equity and debts	500,000.00	326,181.86	330,187.85	334,208.71	338,244.57	342,295.59	346,361.92

KILIMA CITY INTERNATIONAL COMPANY LIMITED COMPANY LIMITED

Appendix IV

KILIMA CITY INTERNATIONAL COMPANY LIMITED PAYBACK PERIOD

Year	Profit After Tax	Depreciation	Total Cash Flow	Accumulated Cash Flow
1	126,181.86	14,025.00	140,206.86	140,206.86
2	130,187.85	14,025.00	144,212.85	284,419.71
3	134,208.71	14,025.00	148,233.71	432,653.42
4	138,244.57	14,025.00	152,269.57	584,922.99
5	142,295.59	14,025.00	156,320.59	741,243.58
6	146,361.92	14,025.00	160,386.92	901,630.50

Appendix V

KILIMA CITY INTERNATIONAL COMPANY LIMITED PROJECT INVESTMENT COST

PARTICULAR	US\$
Land and Buildings	20,000.00
Machinery & Equipment	250,000.00
Motor Vehicles	100,000.00
Furniture & Fixtures	5,000.00
Pre exp	5,000.00
Others	0.00
Working Capital	120,000.00
TOTAL	500,000.00

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Appendix VI

KILIMA CITY INTERNATIONAL COMPANY LIMITED FIXED ASSETS US\$

NAME OF ASSETS	1	2	3	4	5	6
Land and Buildings	20,000	19,600	19,200	18,800	18,400	18,000
Machinery, Tools & Equipment	250,000	246,875	243,750	240,625	237,500	234,375
Motor Vehicles	100,000	90,000	80,000	70,000	60,000	50,000
Furniture & Fixtures	5,000	4,500	4,000	3,500	3,000	2,500
Total	375,000	360,975	346,950	332,925	318,900	304,875
DEPRECIATION	1	2	3	4	5	6
Land and buildings	400	400	400	400	400	400
Machinery tools & Equipment	3,125	3,125	3,125	3,125	3,125	3,125
Motor Vehicles	10,000	10,000	10,000	10,000	10,000	10,000
Furniture & Fixtures	500	500	500	500	500	500
ANNUAL DEPRECIATION	14,025	14,025	14,025	14,025	14,025	14,025

Appendix VII

KILIMA CITY INTERNATIONAL COMPANY LIMITED PROJECTED LONG-TERM
LOAN REPAYMENT

Year	principle	Loan Interest (6%)	Total Amount Paid	Loan Balance
0				300,000
1	60,000	18,000	78,000	240,000
2	60,000	14,400	74,400	180,000
3	60,000	10,800	70,800	120,000
4	60,000	7,200	67,200	60,000
5	60,000	3,600	63,600	0
TOTAL	300,000	54,000	354,000	

