SIDELAKE INVESTMENT COMPANY LIMITED

BUSINESS PLAN

FOR

ESTABLISHMENT OF GARMENT MANUFACTURING PROJECT

1.0. **EXECUTIVE SUMMARY**.

SIDELAKE INVESTMENT COMPANY LIMITED registered in Tanzania under with Certificate of Incorporation **No. 141133020** Issued on 26th February 2020.

The project promoters are well established business in China, carrying out various businesses but majoring in garment manufacturing. Having been in the business for over 10 years the directors are now well prepared for expanding business to Tanzania by establishing garment manufacturing projects.

The business plan has been prepared for **SIDELAKE INVESTMENT COMPANY LIMITED** for garments manufacturing project. The implementation of this project will include following activities:

- Registration of project to TIC
- Obtaining various permit and license
- Repairing industrial building
- Ordering machines
- Recruiting
- The purchase of 1 Single Cabins Pick Up
- Purchasing 1 light trucks
- Purchasing of machines and equipments
- Equipping the company with relevant facilities

The proposed project is estimated to cost about US$ 1m. The project sponsors will prove 100% of this investment.

1.1 **THE PROJECT PROMOTERS**

The shareholders of this project are all entrepreneurs with a diverse professional and business backgrounds. The company is owned by 2 shareholders, namely:-

Name	**Nationality**	**No. Of Share**	**Date of Birth**
CHENG FENG Email: sidelake@gmail.com,	Chinese	80	19th May 1991

Tel No: 0719887987, P. O. Box 40998, MWANZA			
HONGFAN JI Email: sidelake@gmail.com, Tel No: 0719887987, P. O. Box 40998, MWANZA	Chinese	20	25th June 1984

1.2 **LOCATION.**

The project head office will be located at house number 102, Rwagasore Street ,Nyamagana, District Nyamagana Region Mwanza, , ,

1.3 **OBJECTIVE OF STUDY**

The purpose of this study is to work out the technical and commercial details and financial viability of a factory for textiles manufacture project.

1.4 **MARKET AND MARKETING ASPECTS**

The market survey carried out reveals that the current demands for Garment are higher than local production. There is wide gap between supply and demand and therefore, business opportunities exist for setting up additional manufacturing facilities to satisfy the market requirement. With local production, country will save huge amount of foreign earnings which otherwise could be used for importing other essential needs at present.

2.0. **PROJECT DETAILS**

2.1. INTRODUCTION

Tanzania is geographically strategically located in relation to her neighbors. Because of the above mentioned factor, the country's

manufacturing sector has a great potential in contributing in economic growth of Tanzania Economy.

Sector pays a critical role in the social and economic development of a country. There is a wide market for various textiles products in Tanzania and in other neighboring countries, Hence the project is not expecting to face operational problem.

Tanzania market is supplied by imported products from Asia based on the quality of products which will be supplied by **SIDELAKE INVESTMENT COMPANY LIMITED** the company's products is expected to have a good market in Tanzania and other countries

It is quite gratifying to note that the Government of Tanzania realizes the role of manufacturing sector for its economic and social development, and as a result has developed fiscal and non fiscal incentives which are very instrumental in improving the business and investment environmental in the manufacturing sector.

It is alleged that limited availability of switches boxes products produced within Tanzania is the major causes of importation of low quality products in Tanzania. It is in view of this that, **SIDELAKE INVESTMENT COMPANY LIMITED** has resolved to assist by providing a solution to stimulate manufacturing sector by increasing supplies and productivity.

SIDELAKE INVESTMENT COMPANY LIMITED has major objectives as following:-

- To promote manufacturing in Tanzania
- To bring new technology and technical know how in the country in the course of its business transactions.
- To provide extra employment to more people in the sector.
- To manufacture products of high quality

3.0 MANUFACTURING STEPS

Garment production is an organized activity consisting of sequential processes such as laying, marking, cutting, stitching, checking, finishing, pressing and packaging. This is a process of converting raw materials into finished products.

3.1 RECEIVING FABRICS

The Garment factories will be importing fabric from overseas textile manufacturers in large quantity and stored in warehouse or store ready for further process.

3.2 FABRIC RELAXING

“Relaxing” refers to the process that allows the material to relax and contract prior to being manufactured. This step is necessary because the material is continually under tension throughout the various stages of the textile manufacturing process, including weaving, dyeing, and other finishing processes. The relaxing process allows fabrics to shrink so that further shrinkage during customer use is minimized.

Garment manufacturers perform the relaxing process either manually or mechanically. Manual fabric relaxing typically entails loading the bolt of fabric on a spinner and manually feeding the material through a piece of equipment that relieves tension in the fabric as it is pulled through. Mechanical fabric relaxing performs this same process in an automated manner.

Many garment manufacturers will also integrate quality assurance into this process to ensure that the quality of the fabric meets customer standards. This step is performed by manually spot-checking each bolt of fabric using a backlit surface to identify

manufacturing defects such as colour inconsistency or flaws in the material. Fabrics that fail to meet customer standards are returned to the textile manufacturer.

3.3 SPREADING, FORM LAYOUT, AND CUTTING

After the fabric has been relaxed, it is transferred to the spreading and cutting area of the garment manufacturing facility. The fabric is first to cut into uniform plies and then spread either manually or using a computer-controlled system in preparation for the cutting process. The fabric is spread to:

- allow operators to identify fabric defects;
- control the tension and slack of the fabric during cutting; and
- ensure each ply is accurately aligned on top of the others.

The number of plies in each spread is dependent on the fabric type, spreading method, cutting equipment, and size of the garment order.

Next, garment forms—or patterns—are laid out on top of the spread, either manually or programmed into an automated cutting system. Lastly, the fabric is cut to the shape of the garment forms using either manually operated cutting equipment or a computerized cutting system

3.4 .LAYING

Lying of paper pattern helps one to plan the placement of the pattern pieces in a tentative manner. Lay large pieces first and then fit in the smaller ones, It is very economical in laying the pattern and

cutting. Even a small amount of material saved in a single layer will help to bring about a large saving of money as hundreds of layers of fabric will be laid and cut simultaneously. When laying, the length of the garment should be parallel to the selvedge of the material. Be sure the pattern is placed in the correct grain. Fabrics drape and fall better on the lengthwise grain and also last longer. Parts that have to be placed on the fold should be exactly on the edge of the fold. All laying should be done on the wrong side of the material. When laying the paper pattern, consider the design of the fabric. Care should be taken to see that the design runs in the same direction throughout the garment. All checks and strips should match the seams both lengthwise and across.

3.5 **MARKING**

This can be a manual or a computerized technique, The marker planner uses full-size patterns and arranges them in an economical manner on marker paper. This is a specially printed paper having symbols on it which enable the marker planner to visually control the positioning of components according to specified grain lines. Markers produced on paper are fixed to fabric with pins, staples or on an adhesive paper which is heat sealed to the top layer of the fabric. Marker planning provides details of the spreads. In the cutting room, the fabric is laid manually or a spreading machine is used to arrange fabric inlays 100 (layers) and markers for the production, any in orders planned. Here planning is done also for fusible, linings, trims, pocketing etc.

The supervisors of marker planner plan and allocate the cut orders to various operations to be carried out in the cutting room

3.6 **CUTTING**

This is the major operation of the cutting room when they spread and cut into garments. Of all the operations in the cutting room, this is the most decisive, because once the fabric has been cut, very little can be done to rectify serious defects. A first planning consideration is whether the totals arrived at in the cutting room are the same as those required to maintain full production in the sewing room and subsequently the planned delivery schedule. Any cloth problems created in the cutting room can affect the output in the sewing room. Assuming all components of fabric, design, and trims are acceptable and correctly planned and cut, the next stage is to extend the cutting room programme to the sewing room. All cutting operations are carried out by straight knife cutting machines.

3.7 **EMBROIDERY AND SCREEN PRINTING**

Embroidery and screen printing are two processes that occur only if directly specified by the customer; therefore, these processes are commonly subcontracted to off-site facilities. Embroidery is performed using automated equipment, often with many machines concurrently embroidering the same pattern on multiple garments. Each production line may include between 10 and 20 embroidery stations. Customers may request embroidery to put logos or other embellishments on garments.

Screen printing is the process of applying paint-based graphics to fabric using presses and textile dryers. Specifically, screen printing involves sweeping a rubber blade across a porous screen, transferring ink through a stencil and onto the fabric. The screen printed pieces of fabric are then dried to set the ink. This process may have varying levels of automation or may largely be completed at manually operated stations. Like embroidery, screen printing is wholly determined by the customer and may be requested to put

logos or other graphics on garments or to print brand and size information in place of affixing tags.

3.8 **SEWING**

Stitching or sewing is done after the cut pieces are bundled according to size, colour and quantities determined by the sewing room.

Garments are sewn in an assembly line, with the garment becoming complete as it progresses down the sewing line. Sewing machine operators receive a bundle of cut fabric and repeatedly sew the same portion of the garment, passing that completed portion to the next operator. For example, the first operator may sew the collar to the body of the garment and the next operator may sew a sleeve to the body. Quality assurance is performed at the end of the sewing line to ensure that the garment has been properly assembled and that no manufacturing defects exist. When needed, the garment will be reworked or mended at designated sewing stations. This labor-intensive process progressively transforms pieces of fabric into designer garments. The central process in the manufacture of clothing is the joining together of components. Stitching is done as per the specification is given by the buyer. High power single needle or computerized sewing machines are used to complete the sewing operation. Fusing machines for fusing collar components, button, and buttonhole, sewing machines for sewing button and buttonholes are specifically employed.

3.9 **CHECKING**

It is realistic to assume that however well checking or quality control procedures operate within a factory there will always be a certain

percentage of garments rejected for some reason or other. The best way to carry out quality checks is by Establishing a standard as a criterion for measuring quality achievement. Production results can be measured and compared to the planned quality standard. Corrective measures to be carried out if there are any deviations in the plans. Ideally, any system should detect possible deviations before they occur through forecasting. Work produced with minus defects will produce quality products, enhance economy and productivity.

3.10 SPOT CLEANING AND LAUNDRY

In addition to identifying manufacturing defects, employees tasked with performing quality assurance are also looking for cosmetic flaws, stains, or other spots on the garment that may have occurred during the cutting and sewing processes. Spots are often marked with a sticker and taken to a spot-cleaning area where the garment is cleaned using steam, hot water, or chemical stain removers.

Some customers request that a garment be fully laundered after it is sewn and assembled; therefore, garment factories often have on-site laundry or have subcontract agreements with off-site laundry operations. Commercial laundry facilities are equipped with at least three types of machines: washers, spinners, and dryers. Some facilities also have the capability to perform special treatments, such as stone- or acid-washing.

Laundering is done by highly sophisticated washing machines if any articles are soiled during the manufacturing process. However, this step is required only if the garments are soiled.

3.11 FUSING AND PRESSING

Fusing and pressing are two processes which have the greatest influence on the finished look of a garment. Fusing creates the foundation and pressing put the final seal of quality on the garment. After a garment is fully sewn and assembled, it is transferred to the ironing section of the facility for final pressing. Each ironing station consists of an iron and an ironing platform. The irons are similar looking to residential models but have steam supplied by an on-site boiler. Workers control the steam with foot pedals and the steam is delivered via overhead hoses directly to the iron. In most facilities, the ironing platforms are equipped with a ventilation system that draws steam through the ironing table and exhausts it outside the factory.

The basic components of pressing are:

- Steam and heat are necessary to relax the fabric and make it pliable enough to be moulded by manipulation.
- **Pressure:** when the cloth has been relaxed by steam, the pressure is applied which sets the fibres into their new positions.
- **Drying:** After the application of steam and pressure, the component or garment must be dried and cooled so that cloth can revert to its normal condition. This is done by a vacuum action which removes surplus water from the fabric and at the same time cools it. For some pressure operations hot air or infrared heating is used instead of vacuum for drying;

MACHINERY USED FOR PRESSING AND FINISHING ARE:

- Hand irons with a vacuum press table
- Scissors press

- Carousel machines
- Steam dolly

3.12 PACKAGING AND SHIPPING

In the last steps of making a product retail-ready, garments are folded, tagged, sized, and packaged according to customer specifications. Also, garments may be placed in protective plastic bags, either manually or using an automated system, to ensure that the material stays clean and pressed during shipping. Lastly, garments are placed in cardboard boxes and shipped to client distribution centers to eventually be sold in retail stores. Most garments are packed in plastic bags, either at the end of production or when they enter the finished goods store. Products like shirts and underwears are usually bagged and boxed directly after final inspection and enter the stores in prepacked form. For these and similar types of products, many automatic machines are used.

Other hanging garments such as Jackets, dresses & skirts are usually bagged by manual machines, semi-automatic machines, and fully automatic machines. Some of these automatic machines bag, seal, and transport in trolly; some 500 garments per hour.

When the boxed or hanging garment has to be transported in bulk the garment or boxes are packed into cartons which can be sealed by adhesive paper or plastic Manual and automatic machines are available for both.

4.0 PROJECT MANAGEMENT

SIDELAKE INVESTMENT COMPANY LIMITED will be under the skilled and professional Management who have experience in managing international businesses.

Under this management **SIDELAKE INVESTMENT COMPANY LIMITED** is expected to grow steadily from small to medium company producing high quality products serving domestic to neighboring states.

The company will have a team of qualified and experienced functional managers in the areas of operations/Marketing, workshop Finance and Administration. Other senior and middle level staff will be available for the start up and subsequent operations of the company, the total number of employees are expected to be **21**

Employment	**Foreign Skilled**	**Local Skilled**	**Local Unskilled**	**Total**
Women	2	4	4	10
Men	3	6	2	11
TOTAL	**5**	**10**	**6**	**21**

4.1 PROJECT MANAGEMENT POLICY

The day to day operations will be managed by the Managing Director, to be assisted by Directors of Production and Technical Director who will be the overall in charge of production, a sales & marketing Director whose major responsibility will be marketing and sales, financing and administration Director who will take care all maters related to finance resources and human resources of the company

4.3 RAW MATERIAL BASE

The manufacturing project will strictly adhere to the law of the land, particularly environmental issues, and all cotton raw materials will be imported from China.

3.3 MANUFACTURING SECTOR IN TANZANIA.

Generally, Tanzania has environmental regulations governing the operation of manufacturing industries; operators are required to takes environmental impacts assessment to ensure environmental impacts is minimal.

The Government of Tanzania has simplified procedures for manufacturing to encourage value addition, that is why Tanzania through TIC has in place fiscal and non fiscal incentives to enable investors to have soft landing, procedure and rules are fair and transparent.

4.0 PROJECT'S INVESTMENT CAPITAL

The estimated capital investment cost of the project is US $ 500,000

SIDELAKE INVESTMENT COMPANY LIMITED COST STRUCTURE

PARTICULAR	**US$**
Land and Buildings	15,000.00
Machinery & Equipment	100,000.00
Motor Vehicles	75,000.00
Furniture & Fixtures	10,000.00
Pre exp	80,000.00
Others	80,000.00
Working Capital	140,000.00
TOTAL	**500,000.00**

For the project to be a reality a total investment amounting to US $1 is needed

(i) Land and Building: Us $40,000

The project has opted for long term lease of five years and renovation of building estimated to cost US $15,000

(ii) Machinery and Equipment: US$ 100,000

Some US $100,000 is anticipated to be spent on the purchase of various garment factory tools and equipment

(iii) Motor Vehicles:US$75,000

The project will need 2 heavy trucks, 2 light trucks and 1double cabin pick. These vehicles will be used in transportation of final products and double cabin pick up for administrative purposes.

(iv) Office Furniture and Equipment: US $10,000

This investment cost item has been estimated to cost US $10,000. It will consist of office tables, chairs, telephone, fax, machines, file cabinets, sofa chairs etc.

(v) Pre-Operational Expenses: US$ 80,000

They cover things like company registration, expenses spent by **SIDELAKE INVESTMENT COMPANY LIMITED** in exploring the viability of the project, especially the market/client identification exercise. This Pre-operational coast item also covers the architectural designs of project buildings and other engineering services. Also included under this item are issues like consultancy fees, legal fees and recruitment and training costs of personnel.

(vi) Initial Working Capital: US$140,000

Assumptions for working capital requirements, it is estimated that it will cost US $ 200,000.

5.0 FINANCING PATTERN

The project will be financed by equity US$500,000 and cash generated from operations will be re invested at least for 2 years

6.0 MARKETING ASPECTS

6.1 THE PRODUCTS

Various garments products such bed sheet, curtain etc.

6.2 THE MARKETS

The products are for both the local and export market in neighboring countries. As mentioned above, the promoters are well versed in the business with well-established market contacts.

6.3 SUPPLY POSITION

Apparently, there is limited bed sheet and curtain production of products of the quality targeted by the company. State of the art technology to be employed will enable the company produce very high quality products

6.4 COMPETITION

Due to the limited and insufficient supply as aforementioned, no stiff competition is foreseen. However, it must be cautioned that the targeted market is very conscious regarding quality. Hence, production of sub-standard products or selling at prohibitive prices will immediately shift customers to substitute products.

6.5 DISTRIBUTION

The company expects to establish its own show rooms to facilitate distribution of its products. This will include setting up of a special unit which will be provided with resources to enable it efficiently undertakes the distribution function of the company. The company will also consider appointing wholesalers in regions and districts level and dealers in neighboring countries when it reaches the stage of exporting products to such countries.

6.6 PROMOTION

Appropriate promotion means will be employed after consultations with promotion experts to enable the company properly promote its products to the target mark

6.7 PRICING STRATEGY

The company intend to offer best quality services that comply to the price charged as indicated earlier, there is a market segment that has spending power and can afford this pricing. Therefore, this pricing will reflect the targeted market segment in focus.

6.7 ASPECTS OF PROJECT SUSTAINABILITY

The project sponsors having studied market conditions and the infrastructure in Tanzania are convinced that the project will be able to operate undisturbed. The growing demand for quality textiles products locally and in neighboring countries gives them assurance of a steady market. The peace and tranquility that exist in Tanzania is another aspect of assured business sustainability.

7.0 FINANCIAL ANALYSIS

7.1 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.

It is assumed that the major raw materials to be imported from China. Revenues have been conservatively estimated based on experience of the promoters and trends in the industry.

7.2. PROJECTED LODGE REVENUE

For projection purposes, it is assumed that the economic life of the project is eight years, and that revenue from the project commence from the first year of operation as below:

SCHEDULE 7.3: SUMMARY OF REVENUE "US$"

	1	2	3	4	5	6	7	8
Revenue	181,440	203,213	223,534	245,887	270,476	297,524	327,276	360,004

7.2. PROJECTED PROFIT AND LOSS STATEMENT

The Income and Expenditure Statement shows the projected income for the 8th year period. The position depicted is that the project earns profit throughout its life. Accumulated after tax profits grow from. US$ in first year **55,569.00** to US$ in the year 8th **848,775; for the detail refer appendix (IV)**

7.3 PROJECTED CASH FLOWS

This is shown in the financial statements. The project commence with negative accumulated cash flow in year 1 US$ **(49,881)** and cash grow in the 8th year up to US$ **689,177; for the detail refer appendix (V)**

8.0 ECONOMIC ASPECTS

Implementation of this project will have the following social and economic values

- The project will create employment for **21** people on permanent contract basis as well as on temporary basis.
- It will create more business opportunities to local suppliers which will also have a trickledown effect in the Tanzania economy.
- It will generate substantial revenue to the government in the form of corporate tax, value added tax and pay as you earn.
- The project will have transfer of knowledge and skills to manufacturing sector

- The project will generate foreign earnings

9.0 IMPLEMENTATION

Project implementation is expected to be relatively very short once project has been approved it is estimated that construction of hotel will be completed within one year:

IMPLEMENTATION

S/N	ACTIVITY	PERIOD
1	Processing TIC Certificate of Incentive	April 2020
2	Placing order of machines	May– Oct 2020
3	Installing machines	Oct-Dec 2020
4	Recruitment	Feb 2021
5	In house training	March- May 2021
4	Testing production	Jun - Aug 2021
6	Commercial operations	Sept 2021

11.0 CONCLUSION & 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)

SIDELAKE INVESTMENT COMPANY LIMITED COST STRUCTURE

PARTICULAR	US$

Land and Buildings	15,000.00
Machinery & Equipment	100,000.00
Motor Vehicles	75,000.00
Furniture & Fixtures	10,000.00
Pre exp	80,000.00
Others	80,000.00
Working Capital	140,000.00
TOTAL	**500,000.00**

Appendix (II)

SIDELAKE INVESTMENT COMPANY LIMITED SUMMARY OF REVENUE "US$"

	1	**2**	**3**	**4**	**5**	**6**	**7**	**8**
Revenue	181,440	203,213	223,534	245,887	270,476	297,524	327,276	360,004

Appendix (III)

SIDELAKE INVESTMENT COMPANY LIMITED FIXED ASSETS US$

NAME OF ASSETS	**1**	**2**	**3**	**4**	**5**	6	7	8
Land And Buildings	140,000	137,200	134,400	131,600	128,800	126,000	123,200	120,400
Machinery, Tools & Equipment	75,000	71,250	67,500	63,750	60,000	56,250	52,500	48,750

Motor Vehicles	100,000	90,000	80,000	70,000	60,000	50,000	40,000	30,000
Furniture & Fixtures	10,000	9,000	8,000	7,000	6,000	5,000	4,000	3,000
Total	**325,000**	**307,450**	**289,900**	**272,350**	**254,800**	**237,250**	**219,700**	**202,150**
DEPRECIATION	**1**	**2**	**3**	**4**	**5**	6	7	8
Land and buildings	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Machinery tools & Equipment	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750
Motor Vehicles	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Furniture & Fixtures	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
ANNUAL DEPRECIATION	**17,550**	**17,550**	**17,550**	**17,550**	**17,550**	**17,550**	**17,550**	**17,550**

Appendix (IV)

SIDELAKE INVESTMENT COMPANY LIMITED PROJECTED INCOME & EXPENDITURE STATEMENT (US$)

	1	**2**	**3**	**4**	**5**	**6**	**7**	**8**
Revenue	181,440	203,213	223,534	245,887	270,476	297,524	327,276	360,004
Operating cost	18,144	20,321	22,353	24,589	27,048	29,752	32,728	36,000
Cost of raw materials	63,504	71,124	78,237	86,061	94,667	104,133	114,547	126,001
Profit before Depreciation &Interest	**99,792**	**132,088**	**145,297**	**159,827**	**175,810**	**193,391**	**212,730**	**234,003**
Interest	-	-	-	-	-	-	-	**-**
Depreciation								

	17,550	**17,550**	**17,550**	**17,550**	**17,550**	**17,550**	**17,550**	**17,550**
Net Profit before Tax	**82,242**	**114,538**	**127,747**	**142,277**	**158,260**	**175,841**	**195,180**	**216,453**
Tax (30%)	24,673	34,361	38,324	42,683	47,478	52,752	58,554	64,936
Profit After Tax	**57,569**	**80,177**	**89,423**	**99,594**	**110,782**	**123,088**	**136,626**	**151,517**
Accumulated Profit	57,569	137,746	227,169	326,763	437,544	560,633	697,258	848,775

Appendix (V)

SIDELAKE INVESTMENT COMPANY LIMITED PROJECTED CASH FLOW US$

	-	**1**	**2**	**3**	**4**	**5**	6	7	8
SOURCES:									
Profit before interest and depreciation	-	**99,792**	**132,088**	**145,297**	**159,827**	**175,810**	**193,391**	**212,730**	**234,003**
Loan	-								
Total Sources	**-**	**99,792**	**132,088**	**145,297**	**159,827**	**175,810**	**193,391**	**212,730**	**234,003**
Applications:									

Capital expenditure	100,000	100,000	100,000	25,000	-	-			
working Capital &Others	100,000	25,000	50,000	-					
Cash	-	(49,881)	(52,273)	81,973	117,144	128,332	140,639	154,176	169,067
Tax	-	24,673	34,361	38,324	42,683	47,478	52,752	58,554	64,936
Sub total	**200,000**	**99,792**	**132,088**	**145,297**	**159,827**	**175,810**	**193,391**	**212,730**	**234,003**
Total applications	**200,000**	**99,792**	**132,088**	**145,297**	**159,827**	**175,810**	**193,391**	**212,730**	**234,003**
Accumulated cash		(49,881)	(102,154)	(20,181)	96,963	225,295	365,934	520,110	689,177
Necessary working capital	100,000	125,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000

Appendix (VI)

SIDELAKE INVESTMENT COMPANY LIMITED PROJECTED BALANCE SHEET US $

	-	1	2	3	4	5	6	7	8
Fixed Assets									
Opening balance	-	**325,000**	**307,450**	**289,900**	**272,350**	**254,800**	**237,250**	**219,700**	**202,150**
Additions									

	-								
Total Long-term Assets	**-**	**325,000**	**307,450**	**289,900**	**272,350**	**254,800**	**237,250**	**219,700**	**202,150**
Less depreciation	**-**	17,550	17,550	17,550	17,550	17,550	17,550	17,550	17,550
Closing balance	**-**	**307,450**	**289,900**	**272,350**	**254,800**	**237,250**	**219,700**	**202,150**	**184,600**
Working capital	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000
Accumulated cash	-	-49,881	-102,154	-20,181	96,963	225,295	365,934	520,110	689,177
Total assets	**175,000**								
Financed by									
Loan	-	-	-	-	-	-	-	-	-
Equity	-	200,000	300,000	400,000	500,000	500,000	500,000	500,000	500,000
Net profit	-	**57,569**	**80,177**	**89,423**	**99,594**	**110,782**	**123,088**	**136,626**	**151,517**
Total equity	-	257,569	380,177	489,423	599,594	610,782	623,088	636,626	651,517
Long term loan	-	-	-	-	-	-	-	-	-
Bank overdraft	-	-	-	-	-	-	-	-	-
Total debts	**-**	**-**	**-**	**-**	**-**	**-**	-	-	-
Total equity and debts	**-**	**257,569**	**380,177**	**489,423**	**599,594**	**610,782**	**623,088**	**636,626**	**651,517**