

PHOENIX BUS SERVICES LIMITED



Business Plan

for

Luxury Bus Services

Executive Summary

1.0 INTRODUCTION

PHOENIX BUS SERVICES LIMITED is a startup entity that intends to provide luxury bus services to local and international travelers in Tanzania. It is incorporated in Tanzania with Certificate of Incorporation No. 143720810 dated 22nd September 2020 as a limited Company. It is owned and managed by two shareholders from India. The owners are not only committed and dedicated entrepreneurs but are also highly skilled, competent and experienced in the transportation arena.

PHOENIX BUS SERVICES LIMITED shall provide affordable, safe, dependable and efficient passenger transport services to domestic and international travelers in Tanzania. The entity shall provide access to Tanzania's major cities. Key routes shall encompass:

- Dar es Salaam – Mbeya
- Dar es Salaam-Dodoma
- Dar es Salaam-Arusha
- Dar es Salaam –Mwanza
- Dar es Salaam –Tanga
- Dar es Salaam –Lusaka
- Dar es Salaam –Nairobi
- Dar es Salaam –Kigari
- Dar es Salaam –Kampala

Return trips from the destination towns to the capital city shall be provided on a daily basis

1.1 LOCATION

The head office of PHOENIX BUS SERVICES LIMITED is located at Urafiki Flats Block E No.10, Ubungo, Dar es Salaam where the company has negotiated long term lease with land lord

1.2 COMPANY OWNERSHIP

Name of shareholders	Nationality	%of share subscribed	Date of birth
Rish Kaniyalal Soni Plot No. 03,Noga Bharvad Chawi Street,Maharashtra Mumbai,India Email: phoenixbusservice9@gmail.com Tel: +255682953958	India	50	29/08/1987
Mayurkumar Vishnubhai Mistry Plot No. 46,Daimond Park Street, Metoda Gidc, Gujarat, India Email: phoenixbusservice9@gmail.com Tel: +255682953958	India	50	20/09/1987

1.3 **VISION STATEMENT**

The company vision is to become one of the leading brands in the bus passenger services not just in the United Republic of Tanzania and East Africa.

1.4 **MISSION STATEMENT**

The company mission is to establish a one stop luxury bus services company in East Africa region.

1.5 **PROJECT SUSTAINABILITY**

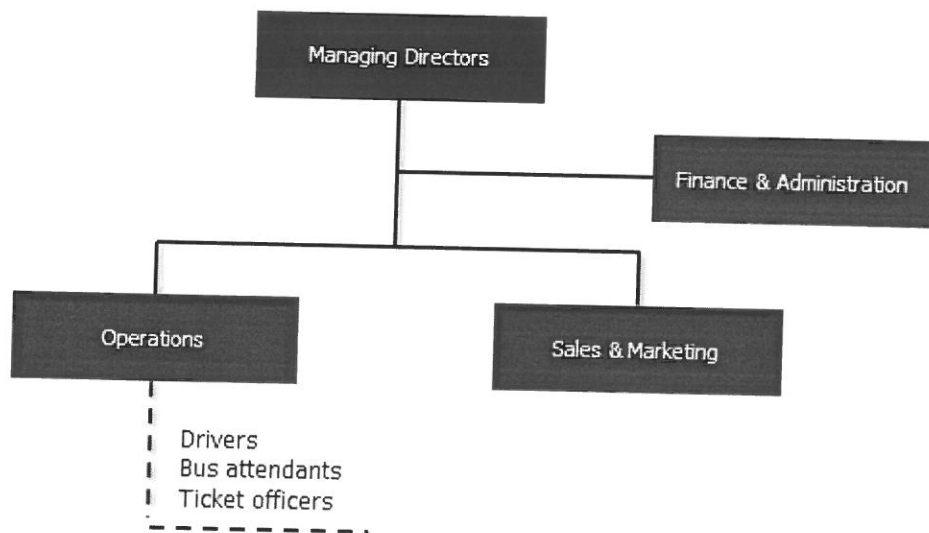
The project sponsors having studied market conditions are convinced that the project will be able to operate undisturbed provided the government rules and regulations are adhered by players.

1.6 **QUALITY CONTROL SYSTEM**

The required quality control system will be employed ensuring that the quality of services provided maintain the same standard as provided by government regulatory institutions

1.7 **THE MANAGEMENT TEAM**

The management team comprises of dedicated, passionate and enthusiastic team members. The entity shall be managed by John and Brian. Key support team members shall encompass experienced drivers, conductors and ticketing officers. Management believes that it is addressing a market destined to grow substantially with a well-conceived line of services. It is confident that both market share and revenue projections will, at a minimum, be achieved within the projected time frame.



PHOENIX BUS SERVICES LIMITED board of directors do not intend to operate bus services business like the usual; the company intention of operating luxury bus services is to build a standard business whose business influence will transcend Tanzania to other neighboring countries in EAC and SADC.

The company has put the right structures in place that supports the kind of growth that we have in mind while setting up the business. We will ensure that we hire people that are qualified, honest, customer centric and are ready to work to help us build a prosperous business that will benefit all the stake holders.

The company will cater to employment opportunity with **29** people of whom **24** are Tanzanians.

Employment	Foreign Skilled	Local Skilled	Local Unskilled	Total
Women	1	4	4	9
Men	4	10	6	20
TOTAL	5	14	10	29

1.8 PROJECT CAPACITY

- The company is planning to start with 7 buses with capacity of carrying 50passengers
- One bus to conduct 10 trips per month
- 35,000 passengers to be transported annually

2.0 BUSINESS OPPORTUNITY

The business opportunity stems from the realization of the growing number of domestic and international travelers in Tanzania. This is evident in key areas such as Dar es Salaam, Dodoma, Arusha, Mbeya and Mwanza. With formal and informal small and medium sized businesses booming countrywide, there is a growing number on business people travelling between the capital city, Dar es Salaam and other major towns. PHOENIX BUS SERVICES LIMITED sees this as an opportunity to explore by offering luxury bus services so as to cater for the growing market. Additionally, PHOENIX BUS SERVICES LIMITED has realized that existing luxury bus transport providers do not forge value laden relationships based on trust with their clientele. Some transport providers overcharge their clients and thus PHOENIX BUS SERVICES LIMITED shall take a competitive stand and position itself as a luxury bus service entity of choice and uphold key hallmarks such as safety, dependability, trustworthiness, professionalism (value based) and customer satisfaction.

2.1 THE MARKET

The market for luxury bus services is relatively broad. It encompasses both the individual and corporate market segment (the general market).

2.1 **TARGET MARKET**

The selection of a profitable target market is imperative for PHOENIX BUS SERVICES LIMITED. The target market for the business will primarily be composed of the individual market segment and the corporate market. This is based on our understanding of the capacity of the entity as well as instrumental factors such as profitability, growth, growth potential and risk factors. PHOENIX BUS SERVICES LIMITED will reach a broader market by targeting both the individual and corporate market segment.

2.2 **THE COMPETITION**

The entity will face both direct and indirect competition. Direct competition for PHOENIX BUS SERVICES LIMITED will emanate from other luxury bus transport providers that target a similar clientele. Direct competition encompasses Shabiby ,Aboud, Hai Express , Kimotco Express and the like. Indirect competition on the other hand is attributed to alternative road transport providers such as Tanzania Railways, and TAZARA. These are well established indirect competitors with premier brands.

2.2 **COMPETITIVE ADVANTAGE**

PHOENIX BUS SERVICES LIMITED will focus on having a thorough understanding of the needs and preferences of the customers (an understanding that supersedes its competitors' understanding of the market). The business will thereafter deliver as per the needs and preferences of the customers. Meeting the customers' expectations will be imperative to the success of the business. Essentially, customer intimacy and relationship building will be instrumental in combating competition and contribute towards achieving high sales levels and

ultimately profits for PHOENIX BUS SERVICES LIMITED. The business will strive to deliver value by upholding hallmarks such as quality service, safety, dependability, affordability and reliability. Providing quality service will extend beyond providing fast and efficient luxury buses services, the entity will ensure that the buses depart on the stated departure time every time.

2.3 INDUSTRY OVERVIEW

The business forms part of the public transportation industry of The Republic of Tanzania. In the past, the public transportation industry was mainly dominated by the government. The provision of public transport services was dominated by government owned trains as well as bus transportation entities that were occasionally granted subsidies by the government. The demand for public transportation was to a large extent attributed to the Tanzanian community as most of them could not afford to own private motor vehicles.

In recent times, mini-bus taxis and luxury buses have become the main mode of public transportation for people without motor vehicles in Tanzania and provide transport to 5 – 15 million people on a daily basis. Mini-bus and luxury bus transportation constitutes an estimated 45% of all passenger journeys. There has also been growing usage of trains, airplanes and tour buses in Tanzania.

The future of the public transportation industry faces numerous challenges which pose considerable reservations about its sustainability. The challenges are mainly attributed to, low financial margins, pertinent skills deficiencies at operator and institutional level. All these challenges are being addressed by the Government

and other stakeholders. Stakeholders have high expectations about the public transportation industry.

2.4 **INDUSTRY SIZE**

There are an estimated 7.9 million public transport commuters in Tanzania. Approximately 5 million taxi and luxury bus commuters account for over 63 percent of public transport work trips. The other portions are represented by air travel services (22%) and approximately 15% by trains.

2.5 **GROWTH RATE AND GROWTH POTENTIAL**

While there are a number of challenges facing the public transportation industry, there is potential for growth over the forthcoming years. This is attributed to the growing demand for public transportation services.

2.6 **PLAYERS IN THE INDUSTRY**

The players in the public transport industry include the following:

- Mini-bus and luxury buses: these are very vivid players in the industry and provide transport to the general public. They form part of the formal public transport system in Tanzania.
- Railways/ train operators: these players play a major role in transporting both the general public and goods. They make use of designated routes and are ideal for long distance journeys. High capital costs as well as operating costs are involved. New entrants are 'barred' due to the regulatory environment surrounding railway businesses.

- Airways: airlines mainly attract medium to high income earners from the business world and wider general public. They offer convenience in terms of speed for their users. High capital and operating costs are involved and as a result there are few players in this faction of the transport industry.
- Water transport: these include India Ocean and Lake Victoria, Tanganyika, Nyasa etc.

2.7 KEY SUCCESS FACTORS

The main key success factors in the public transportation industry are as follows: Customer focus: being customer focused and market driven is a key success factor in the public transportation arena. It is imperative for entities to focus on the needs and preferences of customers prior to offering any solutions. Meeting their expectations is a key to success:

- Focusing on niche markets: focusing on untapped markets is a key success factor
- Safety: the safety of passengers cannot be compromised. Taking the safety of customers into consideration is crucial to succeeding in the industry. Essentially, having skilled, competent and experienced drivers will contribute lucratively to the sustainability and success of a transportation entity
- Affordable pricing: the users of transportation services value transport providers that are affordable. While affordable pricing is important, the safety of commuters must not be compromised

2.8 MARKET SEGMENTATION

The market for public transportation services is broad and diverse. It therefore makes marketing sense to divide the market into segments so as to have a better understanding of each segment. Upon segmenting the market, a lucrative market segment will be targeted by the business. The following market segments were identified: primary, secondary and tertiary students, business commuters, churches, domestic tourists, sports teams and the wider general public.

2.8.1 Market Segments

Market Segment	Characteristics
Primary, secondary and tertiary students	Primary school children are aged between 6 and 12 years whereas secondary students are usually between the ages of 13 and 18 years. Tertiary students are 18 years and above. While some primary, secondary and tertiary students stay with their parents, others attend boarding schools. They require transportation services to travel from their homes to boarding schools when their school terms begin and vice versa when they end.
Business Commuters	As Tanzania is synonymous for informal and formal traders – business people are constantly travelling in an effort to source products from suppliers to the end consumer. Most of these entrepreneurs make use of luxury business services.
Domestic Tourists	These are tourists who usually go on excursions in different tourist attraction. This market segment appreciates the beautiful natural scenery, fauna, wildlife and other attractions that Livingstone has to offer. The tourists visit places such as

	Serengeti, Ngorongoro, Selou , Mikumi, tarangire ,Mount Kilimanjaro and much more. Most domestic tourists make use of luxury buses to get to their destinations.
General Public	The general public is characterized by the wider community that makes use of public transportation. These members of the public do not have their own private motor vehicles and depend on public transportation to move from one place to another. They mostly use luxury buses to visit their relatives in other towns.

2.8.2 Needs and Preferences of the Market Segment

Market Segment	Needs and preferences
Primary and secondary students	Schools usually hire big buses to transport primary and secondary students to educational events. In terms of school trips, a usual scenario is that these trips are on a classroom to classroom basis and as a result schools usually hire a bus capable of transporting 25 to 30 students at a time. Similar to the kids market, the key needs and preferences encompass safety, reliability, convenience, affordability, timeliness and quality service.
Business commuters	The majority of business commuters prefer express services. They prefer luxury bus services that are time conscious, efficient and effective. Some business commuters often move with commodities for resale and therefore require extra luggage space hence luxury bus entities that offer extra luggage space are often

	preferred.
Domestic Tourists	Domestic tourists require reliable and dependable transportation. Moreover, they regard their safety when being transported as highly important and this cannot be compromised. Some domestic tourists have a preference for packaged services where transport, accommodation and food are included. The buses used should be roadworthy and ideal in terms of size and the number of people that can be transported at once as some domestic tourists usually form clubs and other associations. The availability of the buses must also be certain so as to not inconvenience the tourists as they sometimes make advance bookings at attraction centers. Domestic tourists require quality or superior service as their intention of touring is to relax and have a good time. They do not want to be inconvenienced by poor service delivery.
General Public	The general public is mostly concerned about the price and their safety when it comes to using public transportation services. While a few have their own private motor vehicles, others do not own vehicles - they make use of luxury bus services. They need reliable, user friendly and most importantly, safe transportation. It is also worth mentioning that a few members emanating from the general public in possession of motor vehicles prefer to use buses at times as a means of saving fuel costs.

2.9 Segment Attractiveness Assessment

This section assesses the attractiveness of the identified market segments so as to identify a lucrative segment for PHOENIX BUS SERVICES LIMITED to target. The following factors were taken into consideration prior to selecting a suitable target market for the business: the size of the segment, expected profits from the segment, competition in the segment, growth rate of the segment and the associated risks of each segment.

3.0 SWOT Analysis

The following table is an account of the strengths, weaknesses, opportunities and threats applicable to the business entity.

3.1 Strengths

- The passion and commitment demonstrated by the business owner and managers
- The business currently has identified skilled, competent and experienced drivers further signifying its commitment towards providing safe and reliable transportation to its highly valued targeted clientele
- The charismatic and democratic style of leadership of the business owners
- The strong thriving entrepreneurial spirit of the business owners
- The knowledge, skills and competencies possessed by the managing directors and identified key personnel
- The strong focus on customers and commitment towards adding value to the lives of the stakeholders of PHOENIX BUS SERVICES LIMITED

3.2 Weaknesses

- The lack of funding to purchase additional luxury to reach new markets. The business may have to depend on external funders in order to expand or diversify
- The lack of capacity to meet a wider market

2.8.3 **Opportunities**

- The bus transport services environment is very promising, economic integration between SADC and EAC creates business opportunities
- The possibility of serving the immense Tanzanian market

3.3 **Threats**

- The growing intensity of rivalry amongst transport service providers
- The usage of other means of transportation such as rail and air
- The threat from direct and indirect competitors within the region that the business intends to operate
- Threat of possible high inflation rates
- The potential increase in petrol prices thus implying a higher level of operating costs and lower profits

4.0 **Enhancing Competitiveness**

4.1 **Enhance customer Intimacy**

- Have a better understanding of the customers than the competitors

- Match services rendered with customer expectations

4.2 Improve the quality of service

- Regularly service buses
- Have passionate and committed employees

4.3 Enhance customer relations

- Improve communication with customers
- Maintain and update a customer contact database q

4.4 Create brand image

- Set up a business website for PHOENIX BUS SERVICES LIMITED
- Create a logo, letterhead, business cards and distribute branded gadgets
- Demonstrate the application of shared values so as to emphasis the culture of the business.
- Advance community service activities such as participating in community projects and clean up campaigns.
- Facilitate customer intimacy initiatives such as researching the market to find out exactly what the customers require so as to deliver as per their requirements

5.0 Advertising and Promotion Plan

5.1 Advertising

The importance of advertising in order to reach new market segments cannot be overstated. The advertising efforts of PHOENIX BUS SERVICES LIMITED will take an efficient and effective approach. The advertising efforts of the business will be crafted in a manner that attracts potential customers, arouses interest, creates a desire to make use of the transportation services offered by the entity, encourage the potential clients to take action by making an enquiry with the entity and thereafter making use of the transportation services offered by the entity and encourage repeat business with the entity. The business shall place advertisements in the local newspaper, business magazines as well tourism related magazines so as to attract customers from the local community and create awareness for PHOENIX BUS SERVICES LIMITED.

5.2 **Publicity**

Publicity is an important promotional vehicle; PHOENIX BUS SERVICES LIMITED will therefore ensure that it is mentioned positively in the media (newspapers, radio, magazines, etc.). This will result in a positive perception and image about the PHOENIX BUS SERVICES LIMITED. This will ultimately help in maintaining a positive image of the business.

5.3 **Relationship Marketing**

Positive customer referrals and word-of-mouth shall be imperative to the promotion of the PHOENIX BUS SERVICES LIMITED. The business will endeavor to have a steady clientele and encourage repeat business. It will be important that a value laden relationship based on trust is established with the clients. Providing excellent customer service and professional work will contribute towards developing lasting relationships with the clients.

5.4 **Branding**

Brand development will be an essential component for achieving the marketing objectives and goals of the business. The entity will establish the name 'PHOENIX BUS SERVICES LIMITED' as a premier brand for attributes such as affordability, safety, professionalism, quality service, convenience and reliability.

- **Business website**

A business website is needed for PHOENIX BUS SERVICES LIMITED. The business website will be beneficial for the entity as it will allow the business to break through the geographical boundaries and become accessible virtually, from any region in Tanzania and the world by potential customers that have access to the internet. The website will serve as a marketing platform and provide information about the business and its value based service offerings. An advanced website that allows for bookings will be set up and this can certainly add value for the customers.

- **Business brochures and presentation**

To supplement the branding efforts of the entity, business brochures and presentations will play a vital role in communicating to prospects about the offerings of the entity. This branding tool will also enable the business to compile a portfolio of past trips that the business has made as well as the positive feedback from customers.

- **Logo design**

A professionally designed business logo will be needed by PHOENIX BUS SERVICES LIMITED. It should ideally be themed around the safe, affordable and

quality transportation service that the business will provide. The logo should appear on the business website, letterhead, business cards, brochures and any other suitable place.

- **Business cards**

Business cards will form an essential component of the branding for the business entity as they will be a portable 'hand-to-hand', easy to distribute marketing vehicle. The cards will ideally be wallet sized and will possess critical information such as the business logo, card holder name, physical/ postal address of the entity as well as a website address and contact numbers.

- **Letterhead design**

PHOENIX BUS SERVICES LIMITED will also need professionally designed letterheads to be used for formal written communication with stakeholders such as the customers. The letterheads will bear the business logo as well as the contact details of the management PHOENIX BUS SERVICES LIMITED.

5.5 Positioning

PHOENIX BUS SERVICES LIMITED will position itself as a preferred transport solution provider for the general public in Tanzania. The business will achieve this by associating its brand to hallmarks such as safety, affordability, convenience and reliability. The business will leverage its competitive edge to achieve the desired positioning. The competitive edge of the business will be based on specialization, customer intimacy and building strategic relationships with clients and other important stakeholders.

5.0 PROJECT INVESTMENT COST

The proposed project is estimated to cost about US\$ **889,000** on the first phase starting with 7 buses, The **20%** of these investment owners' equity and cash generated from business while the rest of **80%** will be sought from foreign and local banking institutions.

PHOENIX BUS SERVICES LIMITED PROJECT INVESTMENT COST

Land and Buildings	10,000.00
Machinery & Equipment	20,000.00
Motor Vehicles	750,000.00
Furniture & Fittings	2,000.00
Pre exp	5,000.00
Others	2,000.00
Working Capital	100,000.00
TOTAL	889,000.00

7.0 FINANCING PATTERN

The financing pattern being considered is that involving the purchase of 7 buses in the first phases. The project will be financed both by equity and loan. Loan contribution will constitute US\$711,200 and owners' equity amounting to US\$ 177,800

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\$ 711,200,
Interest Rate : 6 % annually
Years : four

7.0 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\$177,050 in** the 1st year to **US\$ 1,343,666** 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\$ 137,950** in the first year to **US\$ 783,187** at the end of 6th years of the project's operations based on the 7buses obtained in the first phase

(iii) Projected Balance Sheet

The project's assets cash flows are shown in Appendix III. Owners' equity grow from **US\$ 177,800 in** the first year to **US\$ 445,640** at the end of 6th years of the project's operations based

(iv) Payback Period

Total investment is **US\$US\$ 889,000** cash accumulation in 5th year **US\$ 1,105,029** which is more than the initial investment by **US\$216,029** the project payback Period is exactly 5 years.

8.0 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 **PHOENIX BUS SERVICES LIMITED** is going to provide additional employment to 29 people. This is a significant contribution coming from foreign 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.

9.0 CONCLUSION AND RECOMMENDATION

9.1 Conclusion

- The project is profitable and contributes to government revenue by way of taxes.
- The project provides employment to 29 people.
- The project is an encouraging sign to prove that we have investors who have confidence in their country.

9.2 Recommendation

After the foregoing economic and financial evaluation of the project, we strongly recommend that this project be implemented 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.

Appendix I

PHOENIX BUS SERVICES LIMITED PROJECTED INCOME & EXPENDITURE STATEMENT (US\$)

	1	2	3	4	5	6
Revenue	787,500	826,875	868,219	911,630	957,211	1,005,072
Operating Cost	472,500	496,125	520,931	546,978	574,327	603,043
Profit before Depreciation &Interest	315,000	330,750	347,288	364,652	382,884	402,029
Interest	42,672	32,004	21,336	10,668	0	0
Depreciation	19,400	19,400	19,400	19,400	19,400	19400
Net Profit before Tax	252,928	279,346	306,552	334,584	363,484	382,629
Tax (30%)	75,878	83,804	91,965	100,375	109,045	114,789
Profit After Tax	177,050	195,542	214,586	234,209	254,439	267,840
Accumulated Profit	177,050	372,592	587,178	821,387	1,075,826	1,343,666

Appendix II

PHOENIX BUS SERVICES LIMITED PROJECTED CASH FLOW US\$

	-	1	2	3	4	5	6
SOURCES:							
Profit before interest and depreciation	-	315,000	330,750	347,288	364,652	382,884	402,029
Owners' Equity	177,800						
Loan	711,200	-	-	-	-	-	
Total Sources	889,000	315,000	330,750	347,288	364,652	382,884	402,029
Applications:							
Capital expenditure	782,000	-	-	-	-	-	
working Capital &Others	107,000	-	-	-	-	-	
Cash	-	137,950	119,458	132,702	130,443	128,445	134189
Tax	-	177,050	195,542	214,586	234,209	254,439	267,840
Sub total	889,000	315,000	315,000	347,288	364,652	382,884	402,029
Total applications	889,000	315,000	315,000	347,288	364,652	382,884	402,029
Accumulated cash		137,950	257,408	390,110	520,553	648,998	783,187

Appendix III

PHOENIX BUS SERVICES LIMITED PROJECTED BALANCE SHEET US \$

	0	1	2	3	4	5	6
Fixed Assets	-						
Opening balance	-	782,000	762,600	743,200	723,800	704,400	685,000
Total Long-term Assets	-	782,000	762,600	743,200	723,800	704,400	669,125
Less depreciation	-	19,400	19,400	19,400	19,400	19,400	19,400
Closing balance	-	762,600	743,200	723,800	704,400	685,000	649,725
Working capital	107,000	107,000	107,000	107,000	107,000	107,000	107,000
Accumulated cash	-	132,252	278,434	429,145	584,719	745,507	911,878
Total assets	107,000	1,001,852	1,128,634	1,259,945	1,396,119	1,537,507	1,668,603
Financed by							
Equity	177,800	177,800	177,800	177,800	177,800	177,800	177,800
Net profit	-	177,050	195,542	214,586	234,209	254,439	267,840
Total equity	177,800	354,850	373,342	392,386	412,009	432,239	445,640
Long term loan	711,200	-	-	-	-	-	-
Total debts	711,200	-	-	-	-	-	-
Total equity and debts	889,000	354,850	373,342	392,386	412,009	432,239	445,640

Appendix IV

PHOENIX BUS SERVICES LIMITED PAYBACK PERIOD

Year	Profit After Tax	Depreciation	Total Cash Flow	Accumulated Cash Flow
1				-
1	177,050	19,400.00	196,450.00	128,653.00
2	195,542	19,400.00	214,942.00	343,595.00
3	214,586	19,400.00	233,986.00	577,581.00
4	234,209	19,400.00	253,609.00	831,190.00
5	254,439.00	19,400.00	273,839.00	1,105,029.00
6	267,840.00	19,400.00	287,240.00	1,392,269.00

Appendix V

PHOENIX BUS SERVICES LIMITED PROJECT INVESTMENT COST

Land and Buildings	10,000.00
Machinery & Equipment	20,000.00
Motor Vehicles	750,000.00
Furniture & Fittings	2,000.00
Pre exp	5,000.00
Others	2,000.00
Working Capital	100,000.00
TOTAL	889,000.00

Appendix VI

PHOENIX BUS SERVICES LIMITED FIXED ASSETS US\$

NAME OF ASSETS	1	2	3	4	5	6
Land And Buildings	10,000	9,800	9,600	9,400	9,200	9,000
Machinery, Tools & Equipment	20,000	19,750	19,500	19,250	19,000	18,750
Motor Vehicles	750,000	731,250	712,500	693,750	675,000	656,250
Furniture & Fixtures	2,000	1,800	1,600	1,400	1,200	1,000
Total	782,000	762,600	743,200	723,800	704,400	685,000
DEPRECIATION	1	2	3	4	5	6
Land and buildings	200	200	200	200	200	200
Machinery tools & Equipment	250	250	250	250	250	250
Motor Vehicles	18,750	18,750	18,750	18,750	18,750	18,750
Furniture & Fixtures	200	200	200	200	200	200
ANNUAL DEPRECIATION	19,400	19,400	19,400	19,400	19,400	19,400

Appendix VII

PHOENIX BUS SERVICES LIMITED PROJECTED LONG TERM LOAN REPAYMENT

Year	principle	Loan Interest (6%)	Total Amount Paid	Loan Balance
0				711,200
1	177,800	42,672	220,472	533,400
2	177,800	32,004	209,804	355,600
3	177,800	21,336	199,136	177,800
4	177,800	10,668	188,468	0
5	0	0	0	0
TOTAL	711,200	106,680	817,880	