

These are the ways that accompany can use to reduce the expenses in. The following are some of methods to reduce expenditures both current and recurrent expenditures.

- **Training the employees:** this can help to develop and expand knowledge to the employees and hence reduces costs that can be used to hire another person may be to perform the same task that could be done by the employee.
- **Reducing supplies expenses and buying quality products:** a company can reduce its expenses through buying quality products which can last for a long time without causing any negative effect in the productions so, it saves the costs of buying such supplies frequently. Also, finding affordable office supplies with large discounts.
- **Cut unnecessary production costs and financial costs:** example a company can reduce financial costs by avoiding unnecessary debts, reducing perpetual payments and using internet marketing.
- **Hire interns:** if paying salaries and wages can cause higher costs then the company can hire just interns who have specified in a certain task to perform because interns can work for the same task under low payments. This can help to reduce the expenditures of a company.
- **Create a budget:** the company should have a budget at least annually this will help to reduce unnecessary costs.
- **Consider location:** during the purchases of supplies of the company the company should consider the place of purchasing such things. same things can be found in a local place under low prices comparing may be when it's found in the city especially for the case of raw materials.
- **Use modernized marketing:** this will help reducing the advertising costs. Uses of e-marketing
- **Time management:** the more time taken to perform a task the higher the price will be. Example labor work per hours so the more time time they work the higher the salary will be paid.

Five years Forecasted Income Statement

DETAILS	1723	2022	1723	2023	1723	2024	1723	2025	1723	2026
SALES										
Cost of Goods Sold	300,000,000.00	600,000,000.00	500,000,000.00	1,000,000,000.00	500,000,000.00	1,000,000,000.00	500,000,000.00	1,000,000,000.00	500,000,000.00	1,000,000,000.00
Gross Profit	(300,000,000.00)	500,000,000.00	500,000,000.00	500,000,000.00	500,000,000.00	500,000,000.00	500,000,000.00	500,000,000.00	500,000,000.00	500,000,000.00
Operating Expenses										
Research and Development	2,500,000.00									
Salaries and Wages	250,000,000.00	250,000,000.00	250,000,000.00	250,000,000.00	250,000,000.00	250,000,000.00	250,000,000.00	250,000,000.00	250,000,000.00	250,000,000.00
Employee Benefits										
Supplies	3,000,000.00	3,500,000.00	3,500,000.00	3,500,000.00	3,500,000.00	3,500,000.00	3,500,000.00	3,500,000.00	3,500,000.00	3,500,000.00
Advertising	50,000,000.00	50,000,000.00	50,000,000.00	50,000,000.00	50,000,000.00	50,000,000.00	50,000,000.00	50,000,000.00	50,000,000.00	50,000,000.00
Depreciation & Amortization	25,000,000.00									
Telephone and Internet	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00
Security	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Rent	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00
Water Bills	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00
Electric Bills	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00
Vehicle Expenses	60,000,000.00									
Accommodation	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00
Transportation	11,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00
Maintenance & Repairs	4,000,000.00	700,000.00	700,000.00	700,000.00	700,000.00	700,000.00	700,000.00	700,000.00	700,000.00	700,000.00
Insurance	12,000,000.00	17,000,000.00	17,000,000.00	17,000,000.00	17,000,000.00	17,000,000.00	17,000,000.00	17,000,000.00	17,000,000.00	17,000,000.00
Vehicle Services	10,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00
Chemicals	4,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00
Miscellaneous	7,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00
Legal Services	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Total Expenses	405,000,000.00	703,000,000.00	703,000,000.00	703,000,000.00	703,000,000.00	703,000,000.00	703,000,000.00	703,000,000.00	703,000,000.00	703,000,000.00
Income Before Taxation	(70,000,000.00)	(93,000,000.00)	(93,000,000.00)	(93,000,000.00)	(93,000,000.00)	(93,000,000.00)	(93,000,000.00)	(93,000,000.00)	(93,000,000.00)	(93,000,000.00)
Income Taxes Expenses	45,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00
Net Income(Loss)	(80,000,000.00)	(133,000,000.00)	(133,000,000.00)	(133,000,000.00)	(133,000,000.00)	(133,000,000.00)	(133,000,000.00)	(133,000,000.00)	(133,000,000.00)	(133,000,000.00)

5 Years Forecast Balance Sheet

YEARS DETAILS	2022 TZS	2023 TZS	2024 TZS	2025 TZS	2026 TZS
ASSETS					
CURRENT ASSETS					
CASH AND CASH EQUIVALENT	53,000,000.00	36,000,000.00	35,000,000.00	40,000,000.00	45,000,000.00
INVENTORY	25,500,000.00	250,000,000.00	300,000,000.00	350,000,000.00	400,000,000.00
PREPAID RENT	24,000,000.00	24,000,000.00	24,000,000.00	24,000,000.00	24,000,000.00
PREPAID SALARIES	230,000,000.00	230,000,000.00	230,000,000.00	230,000,000.00	50,000,000.00
DEBTORS	-	30,000,000.00	6,000,000.00	1,000,000.00	22,000,000.00
PREPAID INSURANCE	12,000,000.00	30,500,000.00	30,500,000.00	30,500,000.00	30,500,000.00
NON CURRENT ASSETS					
FURNITURES&FIXTURES	25,000,000.00	-	-	2,000,000.00	-
VEHICLES	60,000,000.00	-	-	15,000,000.00	-
PROPERTIES AND EQUIPMENTS BUILDING(WAREHOUSE)	70,500,000.00	10,000,000.00	-	-	-
TOTAL ASSETS	500,000,000.00	610,500,000.00	625,500,000.00	692,500,000.00	571,500,000.00
LIABILITIES					

BANK LOAN	-	-	-	-	-	-
CREDITORS	-	-	-	-	-	-
STOCKHOLDERS EQUITY						
RETAINED EARNINGS	-	-	-	-	-	-
CAPITAL STOCK	500,000,000.00	-	-	-	-	-
TOTAL LIABILITIES AND EQUITY	500,000,000.00	610,500,000.00	625,500,000.00	692,500,000.00	571,500,000.00	

Projected Statement of Cash Flow for Five Years (2022 – 2026)

DETAILS	2022	2023	2024	2025	2026
	TZS	TZS	TZS	TZS	TZS
Balance at the beginning	500,000,000.00	4,700,000.00	411,700,000.00	964,200,000.00	1,611,250,000.00
cash inflows	-	800,000,000.00	1,000,000,000.00	1,050,000,000.00	1,030,000,000.00
cash outflow	495,300,000.00	393,000,000.00	447,500,000.00	402,950,000.00	411,450,000.00
Ending cash balance	4,700,000.00	411,700,000.00	964,200,000.00	1,611,250,000.00	2,229,800,000.00