

## Annexure 2

### TANZANIA INVESTMENT CENTRE DAR ES SALAAM

#### PROGRESS REPORT

(Information required for the project's progress report after every six months or for amendment of Certificate of Incentives)

1. Planned Activities for the period

All planned activities are ongoing with Lake Shore Lodge. We are planning to further grow our business through good marketing and great service, which we have been doing for the last 17 years. A new development, as part of the existing company, is an Aquaculture Project, growing endemic tilapia fish for resale. This project is financed with a grant and will supplement the tourism sector of the business.

2. Achievements made on the project implementation to date:

Since 2004, Lighthouse Enterprises has successfully built and operated a tourist lodge, Lake Shore Lodge and Campsite, on Plot 3, Kipili Village, Nkasi District in Rukwa Region. The business is ongoing and trading competently.

The Lodge is fully-constructed, the property is well landscaped and very well maintained. We employ 32 local Tanzanians from our closest village Kipili, some of them having been employed here for over 15 years. The business is well established and trades successfully.

3. Provide updated information on the following aspects:

S/No.	Information	Description	Current Project Status
1.	Shareholder's Information	Current Shareholders names, nationality and percentage of ownership	Christopher David Horsfall, RSA 50% Louise Mary Horsfall, RSA, 40% George Andrew Kahama, Tz, 5% Thomas West, German, 5%
2.	Company Communication Information	Email address	info@lakeshoretz.com
		Mobile Number	+255757299371
		Land Line Telephone Number	n/a
		Physical Address (Plot No., Block No, Street, District and Region)	Plot 3, Kipili Village, Nkasi District, Rukwa Region
3.	Contact Person	Name	Chris Horsfall
		Position	Managing Director
		Communication Details (Email, Mobile and telephone)	as above

4.	Incorporation	Certificate of Incorporation No.	35602
5.	TIN information	TIN Certificate No.	100-237-210
6.	Project Objective	Project Core Activity	Tourist Lodge
7.	Capacity	Project Capacity per Year	\$500,000 - \$2,500,000
8.	Direct Employment	Foreign-Men	2
		Foreign-Women	1
		Local-Men	25
		Local-Women	6
9.	Indirect employment	Estimated Total No.	12
		Type/areas of Indirect Employment	Construction/Maintenance

#### 4. Project Financial Expenditure to date (USD):

	Foreign (USD)	Local (USD)	Total (USD)
Land and Buildings		\$1,650,910	\$1,650,910
Plant and machinery		\$188,205	\$188,205
Vehicles/Aircrafts		\$8,152	\$8,152
Furniture		\$22,526	\$22,526
Office equipment		\$7,319	\$7,319
Insurance Cover		\$1,770	\$1,770
Pre-operational expenses			
Working sub-total capital			
<b>GRAND TOTAL</b>		\$1,878,882	\$1,878,882

#### 5. Project Financing

Initially the Company had a loan for \$595,000, however, this loan has been settled. Thereafter the Company received a Foreign Loan of \$100,000 and the balance remaining is as below.

	Amount (USD)	Source Country
Local Equity	\$1,400,737	Tanzania
Local Loans		Tanzania
Foreign Equity		
Foreign Loans	\$90,202	USA
<b>Total Investment</b>	\$1,490,939	

#### 6. Problems and Solution

We have been trading for 17 years here and we are fortunate to have very good relationships and open communications with all authorities. I think the most challenging aspect as an investor in Tanzania, is the Work and Residence permit renewals every 2 years. These renewals are very time consuming. My suggestion is

that if investors live here and employ Tanzanians, that they are granted a 5 or 10 year work permit.

7. **Future Plans**

We are planning and have started the construction of a commercial fish farm, with a total investment of around \$600,000, mostly in the form of grants. The project will be run under the existing company and should offer further employment of another 12-15 Tanzanians, who will be trained and who will manage the business.

8. **Recommendations and any other comments**

As mentioned above, I believe that the Work and Residence Permit process is very cumbersome and time consuming and if this was only necessary every 5 or 10 years it would assist investors in concentrating on generating income rather than applying for permits.