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## 0.0 Forward

### Executive Summary

This is a business plan tendered to Tanzania Investment Centre (TIC) to support application for Certificate of Incentive.

The Trophy Belt Company Limited Ltd is an on going concern envisaged on professional hunting, photographing and tourism at Simanjiro Kitiangire GCA located 300 Kms from Arusha, and Simanjiro GCA West located 300Kms from Arusha, Ngaserai Open Area in Kilimanjaro, Kizigo GCA Central and Mpanda, the blocks that have been leased by the company to render the aforesaid business.

The company is owned by local indigeneous with the investment of Tshs.2, 584,000,000/= already injected in terms of capital goods that has been procured by the company.

The purpose of the business plan write up is to support the application by portraying business portfolio and investment analysis including sensitivity analysis of the ongoing concern

Now the company wishes to import additional 20 units of motor vehicles to streamline and enhancing trend of the existing ongoing business concern for increasing revenue generation and dividends.

According to the studies carried out reveals that the industry is one among the industries in Tanzania fetching more foreign currency to the government.

The Financial projections of the proposed project reveal lucrative profits with strong cash base on cash flow, cash discounted flow reveal IRR with high gearing financial ratio, Financial indicators on sensitivity analysis also depicts pay back period from Return On Equity (ROE) and Return On Investment (ROI) could offset liabilities if any before the project time line. Capital injected has been sourced by the directors themselves.

The project is technically sound, financially viable with fast re-couplement as indicated in the financial analysis. Profitability analysis reveals contribution of positive cash balance at the end of the project that would be geared on sustainability and ploughed back for re-investment

## 0.1 Background Information

Tanzania has over 130 hunting concessions covering an area in excess of 250,000 km<sup>2</sup> that are leased to outfitters licensed to conduct tourist hunting. More than 60 species can be hunted on a tourist-hunting license. Tourist hunting plays an important role in the areas where it is conducted. Many areas are either too remote or do not support highly visible wildlife populations, and do not compete with prime game viewing areas such as the Serengeti National Park. Tourist hunting therefore is the most economically viable form of wildlife utilisation and plays an important role in the economic development of many remote areas. Without the income generated from tourist hunting, many important wildlife areas would cease to be viable.

Tanzania is considered by many experienced Africa hands to be the crown jewel of Africa's hunting countries. Not only does it boast a vast game list, but also Tanzania prides itself on its safari traditions, which include well-appointed tented camps and large staffs catering to the visiting hunter. A large country in East Africa covering 365,000 square miles, Tanzania still contains large regions of near-wilderness, such as the Selous Game Reserve and the Rungwa Game Reserve. It has a wide variety of ecosystems, from the Masai Steppe in the northeast, home to gazelles and oryx, to miombo forest in the south and west, home to sable and roan. Lion, leopard, elephant, and buffalo are well distributed throughout the country.

The plains-game species are almost too numerous to list, and include some species that are hunted nowhere else in Africa. Among the most sought-after are eland, Grant gazelle, Thomson gazelle, Coke and Lichtenstein hartebeest, greater and lesser kudu, oribi, oryx, puku, several types of reedbucks, sable, roan, sitatunga, topi, suni, waterbuck, zebra, and white-bearded and Nyasa wildebeest. Tanzania has three classes of hunting licenses. A hunter must choose a ten-day, sixteen-day, or twenty-one-day license, and a larger variety of species are available on the longer licenses. For example, a hunter may hunt up to two buffalo and a variety of plains game on a ten-day license, but must buy a sixteen-day license to hunt crocodiles and waterbuck and a twenty-one-day license to hunt elephant, sable, roan, lion, leopard, oryx, greater kudu, and eland. In addition to the license fee, trophy fees are charged for each species taken, as well as other government fees, which can add significantly to the safari cost. A full-bag safari in Tanzania is not inexpensive by any means, but it is one of the hunting world's most desired experiences.

## 1.0 Introduction

**Trophy Belt Company Limited Ltd** is a Tanzanian indigenous company registered with the major various objectives including hunting, photographing and tourism. The registered office of the company is at Plot No.311/1/1 Block T Chang'ombe Temeke in Dar Es Salaam.

## 1.1 Legal Status

The company is a limited liability company which was registered under Certificate of Incorporation No. 15468548 of 11/01/2022, TIN no. 154-685-480 the company has leased several hunting blocks, with business licence no. BL 20000026626 also with Tourism Licence Agent No. L.009572 from the Ministry of Natural Resources and Tourism. (See Attachment 1, also detailed in the preceding chapter.)

## 1.2 Directors and Shareholders

The directors of the company are:

- Talib Mohamed Kuleib and
- Abdallah Mohamed Kuleib, they are also the shareholders of the company and each holds 50% of the shares in the company which are fully issued and fully paid. See attachment 2 – Memorandum and Articles of Association.

## 1.3 Authorized Share Capital

The authorized share capital of the company is Tanzania Shillings 10,000,000 ten million divided into 1,000 (one thousand (1,000) ordinary shares each of Tanzania Shillings 10,000/= (ten thousand), with the powers for the company to increase the capital to shs.5, 000,000,000/= (five billion) upon to resolution passed by the directors. **See attachment 2 – Memorandum and Articles of Association.**

## 1.4 The business and location

Presently the company is operating business of hunting at Simanjiro Kitiangire GCA located 300 Kms from Arusha, Simanjiro GCA West located 300Kms from Arusha, Ngaserai Open Area in Kilimanjaro and Kizigo GCA Central. These sites have been commissioned to the

company for tourism hunting, conservation and anti-poaching control. The company had acquired a loyal customer base and provides relevant information into a viable hunting business. Trophy Belt Co. Ltd provides opportunity for professional tourism hunting and safaris and tourism market segments. Services and products include pre-arranged guided tours, basic transportation, tour planning management, and customized packages. The company has positioned itself as the premiere professional tourism hunting company in Tanzania which focuses on knowledge transfer in a safe entertaining atmosphere. It also provides complete destination management services and in some cases has formed alliances with international tour operators. Destination management services include air and land transfers, concierge services, tours and event management.

## **2.0 Project Description**

Professional hunting and tourism are the services whereby customers are routed to the specific designated areas for hunting, photographing and other ancillary and hospitality welfare within the range of permission. The services need planning for acquisition of both material and human resources coupled with professional skills when specifically customers are foreigners. In order to move the hub of required functions, well planned activities should be put into place. There must be hunting blocks acquired from the authority concerned with all licences and permits paid before embarking on the services.

### **2.1 Visas**

A tourist visa for traveling into Tanzania is required and must be obtained in advance of the trip. He/she will need to apply to the Tanzanian consulate in her/his home country, and will need to supply his/her passport, flight itinerary, two recent passport-size photos, an application form (filled out and signed), and the required fee, which is \$100 for U.S. citizens and allow several weeks for the process to be completed.

## 2.2 Health

Tanzania is a malaria zone country, and antimalarial drugs are strongly recommended.

## 2.3 Firearms

The tourist hunter need to send her/his firearm details to his/her outfitter well in advance so that the proper paperwork and permits will be ready for him/her up on arrival. Tanzania recently introduced a new requirement to import firearms for safaris: Hunters must now provide photographs of the firearm and the serial number for any guns brought into the country. Only three rifles per hunter and 100 rounds per rifle may be imported. Automatic weapons and handguns are strictly forbidden. When hunting dangerous game (lion, elephant, and buffalo), the minimum caliber is .375.

If the huning tourist intends to borrow a rifle from her/his safari operator, he/her should be aware that if safari is jointly operated by two companies, only the operator conducting the hunt in a given area may provide firearms. If he/she plan to hunt with hi/her operators' rifles in Tanzania, he/she should make sure ahead of time that rifles are available in accordance with Tanzania's regulations.



***Hunting areas***



***Tents***



*Hunted gazzele*



Photograph and hunting not more than four buffalos



*Hunting rifle*



### *Hunting vehicle*

## **3.0 Marketing Analysis Summary**

Trophy Belt Co. Ltd plans to focus its initial efforts on the school tour guide market in the area that it has been commissioned. This market is largely untapped and is uniquely placed for full exploitation. The local groups present a sizeable opportunity especially when viewed from the standpoint of slow, steady economic growth.

### **3.1 Market Segmentation**

Potential target markets are:

- a) Local organizations
- b) Tourists interested in culture, heritage, leisure, and ecotours
- c) Local groups interested in culture, heritage, leisure, and ecotours
- d) Tourists interested in hunting
- e) Local groups interested in hunting
- f) Returning residents and locals living overseas.

All these groups have to some degree expressed interest in the tourism hunting and safaris products that Trophy Belt Co. Ltd offers for short, medium, and long-term marketing strategy.

**Table 1: Market segment projection for Trophy Belt Co. Ltd (Tzs,billion)**

Potential Customers	Growth	2022	2023	2024	2025
Customers based in Tz		714	714	714	714
Customers based outside TZ		2,142	2,142	2,142	2142
<b>Total</b>		2,856	2,856	2,856	2,856

The customers based in Tanzania include individual and companies.

### **3.2 Tourists**

This important market consists of:

- Cruise Ship, Passengers i.e.Families; Groups–Churches, Organizations, Learning Institutions, and Conventions
- Stop over Passengers i.e. Families; Business travelers; Groups – Churches, Organizations, Learning Institutions, and Conventions
- Returning residents and Locals Residing Overseas.

Trophy Belt Company Limited’s plan is to tap the vast potential of the stop over, cruise ship passenger, and locals residing overseas market for its educational and entertainment product offerings.

### **3.3 Local based Organizations**

These organizations consist of Churches, Businesses, Lodges, Service Clubs, Non-governmental organizations including citizens groups, and adult educational institutions.

### **3.4 Target Market Segment Strategy**

Trophy Belt Company Limited’s strategy in the short term will be to focus on:

- Tourists interested in culture and heritage, as well as sports and entertainment
- Local social, business and professional groups, interested in hunting and safaris.

### **3.5 Market Trends**

As Tanzania's economy slowly gains momentum and continues to register moderate growth, there will be an upward trend in foreign investment inflows and potential for increased business with overseas firms. Local businesses, especially those listed on the stock exchange, have been experiencing positive financial results and are set to grow even more over the next few years. There will thus be a return to a larger social and team building approach within firms. We foresee an upsurge in interest in tours.

### **3.6 Service Business Analysis**

Tour guiding internationally is a growing business as the number of persons interested in traveling and hunting worldwide is increasing. Political and social stability has increased interest of tourism in Tanzania.

### **3.7 Strategies and Implementation Summary**

In order to reach its goal of becoming Tanzania's premiere guide tour company, Trophy Belt Company Limited will adopt the following strategy:

- Establish Trophy Belt Company Limited's reputation as a differentiated, specialty provider of tour guide services, tour guide training services, and tour transportation services. This will be done through a marketing program at the target markets, utilizing the appropriate media,
- Provide unparalleled service to the local and international market in order to gain repeat business and build trust,
- Aggressively promote products and services offered and position the company as the only logical choice in providing the high quality service required.

### **3.8 Value Proposition**

Trophy Belt Company Limited's value proposition emanates from its experience with and love of tour guiding. Its employees are confident in their ability to meet the needs of their customers because they share their enthusiasm in visiting new places and learning new and interesting things. The development of long term relationships and trust are an obvious by-product.

### **3.9 Competitive Edge**

Trophy Belt Company Limited's competitive edge is its focus, passion, and experience. It promotes and provide access to diverse guide touring, hunting and safaris options. Also provides a differentiated offering with the management experience, capital, and commitment to make it work. On climate change the company participates on the

ecology conservation and anti-poaching control as finds itself that it very important to fight poachers who are depleting wild animal stock.

### **3.10 Marketing Strategy**

The company provides much more than tourism hunting, it provides adventure, discovery, and efficient dissemination of knowledge to the community where they are performing their activity. It adheres to the theory that the goal of business is to create and keep customers. Its marketing strategy reflects this goal as it builds its reputation in the Tanzanian market.

The Company has embarked on a program of aggressively building relationships with both its suppliers and customers. This is being done through its Customer Relationship Management system. This envisaged on automating a manual systems that captures customer likes, dislikes, family status, economic levels, demographics, birthdays, anniversaries, and types of travel customer is interested in taking into the future. These databases can be used to systematically keep in touch with customers in a planned and scheduled way. These databases also allow for quick searches for qualified candidates to match promotions, new tours, etc.

Cycle marketing will also be practiced among the different target markets i.e. starting with the initial booking, which generates a thank-you-for-your-booking- we-value-your-business email. When clients return from a trip, they are greeted with a welcome-home email, a welcome-home direct mail piece, and a phone call. The email is more than a thank you; it also invites the customer to review the trip by clicking on a link embedded in the email, which can then be posted on the web site. The reviews are edited to ensure proper language and post them as being written by the customer. It is important to contact a customer within 3, 6, or 12 months after their last tour as this is when they will want to book another. "Don't touch a client unless you have something to sell to him".

It will also develop marketing strategy for each of the hotels and the attractions and package for each plan to be put on use i.e. advertising strategy, monies to be spent, results expected versus results achieved, input resource and the schedule required to achieve the results. The pricing, promotional, sales and distribution strategies will flow from this matrix.

## **4.0 Future plans**

- Target the various associations i.e. churches, lodges, companies, service clubs,
- Professional societies and determine the level of market penetration to be accomplished over each year of the four year plan period
- Develop matrix for organizations / attractions complete with distance, length of tour, and costing

- Develop marketing strategy for each of the associations and package each plan for use i.e. advertising strategy, monies to be spent, results expected vs. results achieved, the resource, and the schedule required to achieve the results
- Develop sales contact plan for associations and organizations whether via direct presentation to managers or directors, or to group organizations. Contacts must be done at least four times per year with each contact and each contact must be an attempt at a sale.

## 5.0 Milestone

Important milestones are detailed in the Annual Events Calendar. They will be used as a way of marketing the company's event driven products and in measuring Trophy Belt Company Limited's success in reaching its goals.

## 6.0 Rates

- I. Fees payable by tourist hunters and outfitters in Tanzania Item Requirement Cost Permit fees for a hunting safari up to seven days is US\$450.
- II. For a hunting safari more than seven days US\$600 Conservation fees
- III. Daily fee per tourist hunter is US\$100
- IV. Observer fees Daily fee per person accompanying a tourist hunter is US\$50
- V. Trophy handling fees ,For a hunting safari up to seven days is US\$200
- VI. For a hunting safari more than seven days US\$300 Block fees Annual fee per concession payable by the outfitter US\$7,500
- VII. Professional hunters license (annual) Professional hunters resident in Tanzania US\$1,000
- VIII. Professional hunters' non-resident in Tanzania US\$2,000

**Table II: Overview of the tourist hunting industry in Tanzania Year Revenue accrued by Wildlife Division Gross income from hunting industry**

Year	Amount	Year	Amount	Year	Amount
1988	1,200,000	2001	10,500,000	2004	19,400,000
1992	5,300,000	2002	4,600,000	2005	27,600, 000
1996	7,400,000	2003	13,900,000		

**Sources of data: \* Calculations based on hunting data of the Selous Game Reserve**

## 7.0 Management, Personnel and Control

The directors have appointed a Manager who is the in-charge of day to day operations of the business manned by the company. The ultimate authority of the company is the board of directors to whom the manager reports. Daily tactical decisions being made by the Manager while strategic corporate decisions are made by the board at their sittings which takes place every month. Other key staff are drivers who are the backbone of the business, these experts are rotating in all hunting blocks with tourists. Others are performing normal duties like cooks and attending visitors except Marketing Manager who makes intensive marketing applying physical visit and electronic communications.

## 8.0 Personnel Plan

The personnel plan depicts the Company's current headcount in the spreadsheet attached showing manpower. The will increase its personnel requirements, especially tour guides, over the next 4 years as it aggressively pursues a sustained increase in market share and profitability.

The company will again organize for the training of professional tour guides with a view to ramping up its guide service capability and improving the quality of guided tours. The training will be done in accordance with the company's expansion strategy to ensure value for training dollars spent.

The company library will be outfitted with the appropriate hard copy and electronic literature as research and tour development work will have to be enhanced. Research into the historical and cultural preferences of European tourists will be done to accommodate the expected increases in this market over the next five to ten years.

The company will move towards a pay for performance incentive strategy for as many of the employees as possible. Each staff member will be given a list of goals and objectives and asked to state the resource requirements to make the targets set. The progress towards obtaining the goals will be monitored closely using well- defined metrics and pay scales and incentive schemes developed to reward excellence and contributions to development of the firm. Among the necessary attributes of the sales, marketing and other staff shall be sales attitude, Internet and email savvy, specialty knowledge, and knowledge of the various database systems in place.

## 9.0 Assets shs. '000'

Existing		Amount	Additional		Amount	Total
Land & Buildings	2	1,104,000	00	0	00	1,104,000
Motor Vehicles	3	170,000	Motor vehicles	20	1,200,000	1,370,000
Tents	9	9,000	Tents			9,000
Equipments- Ammunition- utensils		6,500				6,500
Furniture		4,500				4,500
<b>Total</b>		<b>1,294,000</b>			<b>1,200,000</b>	<b>2,584,000</b>

## 10.0 Capital Out lay

### Investment /Re-Investment, Source and Profitability

#### 10.1 Project Financing

Description	Cost Tshs.'000'
Land and Building	1,104,000
Motor Vehicles	1,370,000
Tents	9,000
Furniture & Equipment	11,000
Working Capital	90,000
<b>Total Investment costs</b>	<b>2,584,000</b>

#### 10.2 Financial Pattern and Funding

The directors/shareholders have already contributed Tshs. 2.584 billion as their equity contribution and are therefore looking for Certificate of Intensive for importing capital goods for production of services for increasing revenue generation.

shs.'000'

Description	Sponsor	Financing Institution	Total	%
Equity	2,494,000	00	2,494,000	97.0
Working Capital	90,000	00	90,000	3.0
Long Term Loan	00	00	00	87.0
<b>TOTAL</b>	<b>2,584,000</b>	<b>00</b>	<b>2,584,000</b>	<b>100</b>

## 11.0 Profitability

### *Sensitivity Analysis 'Billions'*

Item/Year	1	2	3	4	5
<b>Cash Infows</b>					
Total Revenue	2,856	2,856	2,856	2,856	2,856
<b>Cash Outflows</b>					
Operating overheads	1,748	1,748	1,748	1,748	1,748
Principal Repayments	0	0	0	0	0
Interest on loan	0	0	0	0	0
Taxation	0.233	0.233	0.233	0.233	0.233
<b>Total Cash Outflows</b>	<b>1,981</b>	<b>1,981</b>	<b>1,981</b>	<b>1,981</b>	<b>1,981</b>
Net Cash Flows	0.875	0.875	0.875	0.875	0.875
<b>Cummulative Cash Flows</b>	<b>0.875</b>	<b>1,750</b>	<b>2,625</b>	<b>3,500</b>	<b>4,376</b>

## 12.0 Liquidity

The project's liquidity position shall remain very sound throughout the 5 year projected period. By the end of year 5, the project shall have accumulated cash of Tshs. 4,376.0 billion. See the cash flow projection.

## 13.0 Project Rationale

Presently the company is employing 15 people earning wages for their families, with additional injected capital the number of employees will increase to 51, this will also ease the unemployment in the country. The central government will receive shs. 1,165,575,000/= in terms of coporate tax in five years with PAYE from employees.

## 14.0 Implementation Schedule

Activity/year	1	2	3	4	5
Operations					
Application for Certificate of Incentive					
Importation and arrival of capital goods					
Clearing of goods, insurance, personnel recruitment					
Full swing fledged operations					

***Read the Spread sheet attachments.***

## **16.0 Environment Assessment Impact (EAI)**

Climate change has become a catastrophic to human kind including other living creatures. The country is mitigating and adapting various programmes on land management, tree planting to curb carbon that is burning the ozone layer. The company will set aside CSR funds in order to donate the TFF/Local Government and NGOs dealing with tree planting projects. The company will also plan on how to start trees nurseries for natural vegetation to grow native trees that are absorbing carbon at a rapid rate.

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DAR ES SALAAM

## INVESTMENT ANALYSIS

<i>Forecast Account no.i</i>	Investment & Re- Investment			SHS.'000'		
Item/Year	0	2022	2023	2024	2025	2026
Premises Simanjiro	517,500	0	0	0	0	0
Kitiangile	586,500	0	0	0	0	0
Motor Vehicle	170,000	1,200,000	0	0	0	0
Tents	9,000	0	0	0	0	0
Furniture	4,500	0	0	0	0	0
Equipments	6,500	0	0	0	0	0
Working Capital	90,000					
<b>Total</b>	<b>1,384,000</b>	<b>1,200,000</b>	0	0	0	0

**Forecast Account no.ii**

ITEM/YEAR	ECONOMIC DEPRECIATION		ASSETS				
	VALUE	RATE	2022	2023	2024	2025	2026
Premises Simanjiro	517,500	0%	-	-	-	-	-
Kitiangile	586,500	0%	-	-	-	-	-
Motor Vehicle	1,370,000	24%	328,800	328,800	328,800	328,800	328,800
Tents	9,000	12.5%	1,125	1,125	1,125	1,125	1,125
Furniture	4,500	12.5%	563	563	563	563	563
Equipments	6,500	12.5%	813	813	813	813	813
Working Capital	-	0%	-	-	-	-	-
<b>Total Assets</b>	<b>2,494,000</b>	<b>0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL DEPRECIATION</b>			<b>331,300</b>	<b>331,300</b>	<b>331,300</b>	<b>331,300</b>	<b>331,300</b>
<b>ACCUMMULATED DEPRECIATION</b>		<b>0%</b>	<b>331,300</b>	<b>662,600</b>	<b>993,900</b>	<b>1,325,200</b>	<b>1,656,500</b>

**Forecast Account No iii**

**WORKING CAPITAL REQUIREMENT**

ITEM/YEAR	2022	2023	2024	2025	2026
<b>Requirements</b>					
<b>1.0 Stock</b>					
: Supplies	90,000	90,000	90,000	90,000	90,000
: Manpower	52,630	52,630	52,630	52,630	52,630
: Others	-	-	-	-	-
<b>Total Debtors &amp; Others</b>	<b>142,630</b>	<b>142,630</b>	<b>142,630</b>	<b>142,630</b>	<b>142,630</b>
<b>2.0 Creditors</b>					
: 2.1 Utilities/Supplies	90,000	90,000	90,000	90,000	90,000
: 2.2 Administrative	52,630	52,630	52,630	52,630	52,630
<b>Total Creditors</b>	<b>142,630</b>	<b>142,630</b>	<b>142,630</b>	<b>142,630</b>	<b>142,630</b>
<b>Net working Capital</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Increase/Decrease in WC</b>	<b>0</b>	<b>-</b>	<b>(0)</b>	<b>(1)</b>	<b>(1)</b>

Forecast A ccount No. iv

### Projected Income & Loss Statement

Item/Year	2022	2023	2024	2025	2026
<b>Total Revenues</b>	<b>2,856,600</b>	<b>2,856,600</b>	<b>2,856,600</b>	<b>2,856,600</b>	<b>2,856,600</b>
<b>Less:</b>					
Operating Overheads	442,100	442,100	442,100	442,100	442,100
Administration Cost	685,750	685,750	685,750	685,750	685,750
Personnel Cost	620,400	620,400	620,400	620,400	620,400
Depreciation	331,300	331,300	331,300	331,300	331,300
<b>Total Operating Cost</b>	<b>2,079,550</b>	<b>2,079,550</b>	<b>2,079,550</b>	<b>2,079,550</b>	<b>2,079,550</b>
<b>Profit Before Tax</b>	<b>777,050</b>	<b>777,050</b>	<b>777,050</b>	<b>777,050</b>	<b>777,050</b>

**Less:**

Taxation	233,115	233,115	233,115	233,115	233,115
<b>Net Profit</b>	<b>543,935</b>	<b>543,935</b>	<b>543,935</b>	<b>543,935</b>	<b>543,935</b>
<b>Retained Earnings</b>	<b>543,935</b>	<b>1,087,870</b>	<b>1,631,805</b>	<b>2,175,740</b>	<b>2,719,675</b>

**Forecast Account No.V**

**PROJECTED CASH FLOW STATEMENT**

ITEM/YEAR	0	2022	2023	2024	2025	2026
<b>Inflows:</b>		0	0	0	-	
Equity Contribution -Assets	2,494,000					
Working Capital	90,000					
Net Profit After Tax		543,935	543,935	543,935	543,935	543,935
Economic Depreciation	-	331,300	331,300	331,300	331,300	331,300
<b>Total Inflows</b>	<b>2,584,000</b>	<b>875,235</b>	<b>875,235</b>	<b>875,235</b>	<b>875,235</b>	<b>875,235</b>
<b>Outflows</b>						
Investment & Re Investment	2,494,000	-	-			
Working Capital	90,000	-	-	-	-	-
<b>Total Cash Outflows</b>	<b>2,584,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Cash Flows</b>	<b>-</b>	<b>875,235</b>	<b>875,235</b>	<b>875,235</b>	<b>875,235</b>	<b>875,235</b>
<b>Cummulative Cash Flows</b>	<b>-</b>	<b>875,235</b>	<b>1,750,470</b>	<b>2,625,705</b>	<b>3,500,940</b>	<b>4,376,175</b>

**Forecast Account No.VI****PROJECTED BALANCE SHEET**

<b>ITEM/YEAR</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
Fixed Asset at cost	2,494,000	2,494,000	2,494,000	2,494,000	2,494,000
Less; Accumulated Depreciation	331,300	662,600	993,900	1,325,200	1,656,500
<b>Net Book Value</b>	<b>2,162,700</b>	<b>1,831,400</b>	<b>1,500,100</b>	<b>1,168,800</b>	<b>837,500</b>
<b>Current Assets</b>					
Cash & Bank Balances	875,235	1,750,470	2,625,705	3,500,940	4,376,175
Stock	142,630	142,630	142,630	142,630	142,630
<b>Total Current Assets</b>	<b>1,017,865</b>	<b>1,893,100</b>	<b>2,768,335</b>	<b>3,643,570</b>	<b>4,518,805</b>
<b>Current Liabilities</b>					
Trade Creditors	142,630	142,630	142,630	142,630	142,630
<b>Total Current Liabilities</b>	<b>142,630</b>	<b>142,630</b>	<b>142,630</b>	<b>142,630</b>	<b>142,630</b>
<b>Net Current Assets</b>	<b>875,235</b>	<b>1,750,470</b>	<b>2,625,705</b>	<b>3,500,940</b>	<b>4,376,175</b>
<b>Total Assets</b>	<b>3,037,935</b>	<b>3,581,870</b>	<b>4,125,805</b>	<b>4,669,740</b>	<b>5,213,675</b>

**Represented By**

Owner's Equity	2,494,000	2,494,000	2,494,000	2,494,000	2,494,000
Retained Earnings	543,935	1,087,870	1,631,805	2,175,740	2,719,675
Equity Net worth	3,037,935	3,581,870	4,125,805	4,669,740	5,213,675
Facility	-	-	-	-	-
<b>Total Resources</b>	<b>3,037,935</b>	<b>3,581,870</b>	<b>4,125,805</b>	<b>4,669,740</b>	<b>5,213,675</b>

Forecast Account No.VII

PROJECTED DISCOUNTED CASH FLOW

ITEM/YEAR	0	2022	2023	2024	2025	2026
<b>CAPACITY UTILIZATION</b>						
<b>Inflows</b>						
: Profit Before Tax	0	777,050	777,050	777,050	777,050	777,050
: Capital Charges	0	331,300	331,300	331,300	331,300	331,300
: Interest -Long Term						
: Interest - Overdraft						
: Salvaged End Value						837,500
: Recovery of Working Capital	0	0	0	0	0	
<b>Total Inflows</b>	<b>0</b>	<b>1,108,350</b>	<b>1,108,350</b>	<b>1,108,350</b>	<b>1,108,350</b>	<b>1,945,850</b>

**Outflows**

: Investment & Re-Investment	2,584,000	0	0	0	0	0
: Corporate Tax	-	233,115	233,115	233,115	233,115	233,115
Working Capital Increase/Decrease	0	-	-	-	-	-
<b>Total Cash Outflows</b>	<b>(2,584,000)</b>	<b>233,115</b>	<b>233,115</b>	<b>233,115</b>	<b>233,115</b>	<b>233,115</b>
<b>Net Cashflows</b>	<b>(2,584,000)</b>	<b>875,235</b>	<b>875,235</b>	<b>875,235</b>	<b>875,235</b>	<b>1,712,735</b>

Discounting Factor at 25%	1.00	1.25	1.0625	1.015625	1.00390625	1.000976563
NPV = +2,912,457.75	(2,584,000)	1,094,043.75	929,937.19	888,910.55	878,653.89	1,714,407.59
Discounting Factor at 26%	1.00	1.26	1.0676	1.017576	1.00456976	1.001188138
NPV = +2,937,819.70	(2,584,000)	1,102,796.10	934,400.89	890,618.13	879,234.61	1,714,769.96

Internal Rate Of Return (IRR)= 25.90% 26.00%

## Appendix x

## INVESTMENT PROFITABILITY ANALYSIS- SENSITIVITY ANALYSIS

shs.'000'

ITEM/YEAR	0	1	2	3	4	5
<b>Cash Inflows</b>						
Total Revenue		2,856,600	2,856,600	2,856,600	2,856,600	2,856,600
<b>Outflows</b>						
Operating Overheads		1,748,250	1,748,250	1,748,250	1,748,250	1,748,250
Principal Repayments		-	-	-	-	-
Interest on loan		-	-	-	-	-
Taxation		233,115	233,115	233,115	233,115	233,115
<b>Total Cash Outflows</b>		<b>1,981,365</b>	<b>1,981,365</b>	<b>1,981,365</b>	<b>1,981,365</b>	<b>1,981,365</b>
<b>Net Cash Flows</b>		<b>875,235</b>	<b>875,235</b>	<b>875,235</b>	<b>875,235</b>	<b>875,235</b>
<b>Cummulative Cash Flow</b>		<b>875,235</b>	<b>1,750,470</b>	<b>2,625,705</b>	<b>3,500,940</b>	<b>4,376,175</b>
NPV	(2,584,000)	1,102,796	934,401	890,618	879,235	1,714,770

**TROPHY BELT TANZANIA CO. LTD**

**Notes to the projection**

**Projection Note 1. Inputs -A**

These are daily purchases of tourists and personnel i.e food, hard drinks and soft drinks. The capacity of the dining carries 89 people daily at four sitting per each table.

			shs.'000'				
<b>Operating Overheads</b>	<b>Inputs A</b>						
	<b>Capacity</b>	<b>Daily</b>			<b>Amount</b>	<b>Amount</b>	<b>Per</b>
	<b>level daily</b>	<b>Quantity</b>	<b>Units</b>	<b>Rate</b>	<b>Daily</b>	<b>Monthly</b>	<b>Annum</b>
		<b>Kg</b>		<b>shs.</b>	<b>shs.</b>	<b>shs.</b>	<b>shs.</b>
Purchase of food items	89	0.25	0	5	445	13,350	160,200
Purchase of soft drinks	89	0	3	2	134	4,005	48,060
Purchase of hard drinks	89	0	1	4	356	10,680	128,160
Fuel	0	0	0	0	0	6,667	80,000
Lubricants	0	0	0	0	0	620	7,440
Vehicle maintenance	0	0	0	0	0	1200	14,400
Equipment Maintenance	0	0	0	0	0	320	3,840
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>36,842</b>	<b>442,100</b>

<b>Administration Cost</b>	<b>Inputs B</b>						
	<b>No.</b>	<b>Rate</b>	<b>% on</b>	<b>0</b>	<b>Daily</b>	<b>Monthly</b>	<b>Yearly</b>
			<b>Inputs</b>				
Pensions	0	0	51	0	0	51,700	620,400
Insurance	0	0	0.02	0	0	-	49,880
Levies	0	0	-	0	0	-	-
Licences							4,310
Water & Electricity	0	0	-	0	0	120	1,440
Detergents	0	0	-	0	0	250	3,000
Other Overheads	0	0	2	0	-	560	6,720
<b>Total</b>						<b>52,630</b>	<b>685,750</b>

	<b>Output</b>						
	<b>Capacity</b>	<b>daily</b>			<b>Amount</b>	<b>Amount</b>	<b>Per</b>
	<b>level daily</b>	<b>Quantity</b>	<b>Units</b>	<b>Rate</b>	<b>Daily</b>	<b>Monthly</b>	<b>Annum</b>
		<b>Kg</b>		<b>shs.</b>	<b>shs.</b>	<b>shs.</b>	<b>shs.</b>
Provision of services			23	345	7,935	238,050	2,856,600

shs.'000'

<b>Personnel Cost</b>	<b>Number</b>	<b>Salary per month</b>	<b>Per Annum</b>
Director 1	1	5,000	60,000
Director 2	1	5,000	60,000
Secretary	1	1,000	12,000
Experts	4	2,200	26,400
IT expert	1	1,000	12,000
Camp Managers	4	2,400	28,800
Accountant	1	500	6,000
Camp attendant	4	20,000	240,000
Drivers	27	12,150	145,800
Secretary	1	350	4,200
Chef	2	700	8,400
Skinner	4	1,400	16,800
<b>Total</b>	<b>51</b>	<b>51,700</b>	<b>620,400</b>