

# **PANAFRIQUE RE LIMITED**

## **BUSINESS PLAN AND FINANCIAL FORECAST FOR THE NEXT FIVE YEARS**

**P.O.BOX 63004 DAR ES SALAAM**

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**Confidentiality Agreement**

The undersigned reader acknowledges that the information provided by Panafrigue Re Limited in this business plan is confidential; therefore, reader agrees not to disclose it without the express written permission of Panafrigue Re Limited.

It is acknowledged by reader that information to be furnished in this business plan is in all respects confidential in nature, other than information which is in the public domain through other means and that any disclosure or use of same by reader may cause serious harm or damage to Panafrigue Re Limited.

Upon request, this document is to be immediately returned to Panafrigue Re Limited.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (typed or printed)

\_\_\_\_\_  
Date

This is a business plan. It does not imply an offering of securities.

Submitted by  
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# Panafrique Re Limited

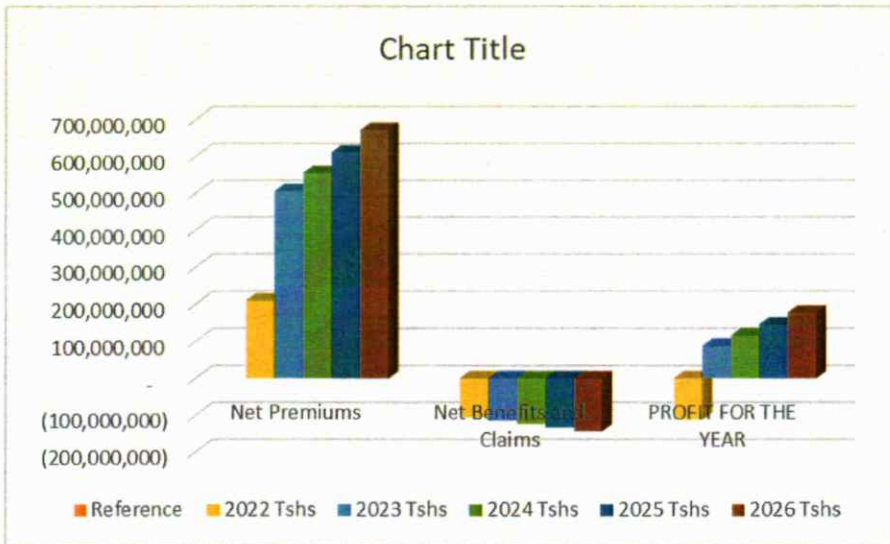
## 1.0 Executive Summary

Panafrique Re Limited was founded in 2021 by Tanzanian shareholders and registered under the Companies Act of 2002. Vide certificate of incorporation Number 153820201 The Company Limited is also registered as a Taxpayer with Taxpayer Identification Number (TIN) 153-820-201. The Company will also be registered with Tanzania Insurance Regulatory Authority (TIRA) upon approval to provide insurance services products to its clients

Panafrique Re Limited

P.o.Box 63004

Dar es Salaam



## Panafrique Re Limited

### 1.1 Objectives

1. To establish Panafrique Re Limited as the market leader in quality and value priced insurance products in Tanzania.
2. Establish good working relationships with our future insurance markets by meeting with their decision makers and plotting a mutual plan for success. Get commitments for support and products that we can market in our trading area starting in the first year of operation.
3. Investigating new markets that meet our marketing criteria by
  - a. Committing to brokerage;
  - b. Providing products suitable to our economic and social climate; and
  - c. Plans for the upload and download of insurance policies.
4. Provide sales incentives to staff to meet sales goals of 10%.
5. Formulate plans to acquire another brokerage.
6. To increase clientele by 10% each year.

### 1.2 Mission

Panafrique Re Limited is dedicated to providing insurance products that provide quality protection with value pricing. We wish to establish a successful partnership with our clients, our staff members, and our insurance companies, that respect the interests and goals of each party.

Success will be measured by our clients choosing us because of their belief in our ability to meet or exceed their expectations of price, service, and expertise.

### 1.3 Keys to Success

There are a few key factors that spell success or failure for professional insurance companies --most of which stem from the importance of reputation:

## Panafrique Re Limited

1. Knowledgeable, friendly staff that can empathize with our consumers' needs and circumstances, especially in handling a loss.
2. Policies that meet or exceed the expectations of our clients, and that are affordable, available, and understandable.
3. Policies and endorsements delivered on time with minimal errors.
4. A commitment to an annual insurance review for all of our clients. A phone call is more than any direct mass marketer offers. We believe personal contact and service is the cornerstone of our success.

### 2.0 Company Summary

Panafrique Re Limited primarily markets and services will be Personal Lines Insurance. Its customers are mostly be, lower income families or personnel's who demand value priced insurance premiums in keeping with their lower and fixed incomes.

Panafrique Re Limited is not locked into any exclusive contract with one company. By being an independent entity, the company is allowed to shop around for the lowest and best price coverage for clients. Panafrique Re Limited feels that it has the drive, the passion and what it takes to be the first choice for present and future client needs.

### 2.1 Company Ownership

The company is domiciled in Tanzania where it is incorporated as a private company limited by shares under the Tanzanian Companies Act 2002 under Business Registrations and Licensing Agency (BRELA) vide a certificate of incorporation number 153820201

The company Shareholders are as depicted below:

Names of shareholders	Percentages
Ali Kassim Mohamed	10%
Amour Mustafa Abbas	10%
Jamila Said Hamduni	10%

## Panafrique Re Limited

### 3.0 Services

Panafrique Re Limited provides insurance coverage that protects the company's clients from personal, commercial and medical loss, in addition to protection against client legal liabilities.

### 4.0 Market Analysis Summary

Insurance, in law and economics, is a form of risk management primarily used to hedge against the risk of a contingent, uncertain loss. Insurance is defined as the equitable transfer of the risk of a loss, from one entity to another, in exchange for payment. An insurer is a company selling the insurance; an insured or policyholder is the person or entity buying the insurance policy. The insurance rate is a factor used to determine the amount to be charged for a certain amount of insurance coverage, called the premium. Risk management, the practice of appraising and controlling risk, has evolved as a discrete field of study and practice.

The transaction involves the insured assuming a guaranteed and known relatively small loss in the form of payment to the insurer in exchange for the insurer's promise to compensate (indemnify) the insured in the case of a large, possibly devastating loss. The insured receives a contract called the insurance policy which details the conditions and circumstances under which the insured will be compensated.

We estimate global real insurance premiums to grow by 3.4% in 2021, taking total global direct premiums written to 8% above the 2019 level. Insurance profitability should improve in 2022 after a challenging 2021 as the industry absorbs COVID-19-related claims, above-average catastrophe losses and high inflation

In common with other sectors, the insurance industry had to face the direct and indirect consequences of COVID-19 on people's everyday life, health and on the economy in 2020. Insurers experienced a slowdown in the premiums they wrote in 2020 compared to 2019, particularly in the life sector where premium volumes even declined, as customers may have reduced discretionary expenditure such as life insurance policies. While COVID-19 has disrupted the traditional distribution processes of insurance policies in some jurisdictions, it has served as a catalyst in many for further digitalization of the services provided by insurance companies.

The insurance industry is exposed to the global economic downturn on the assets side by the decline in returns on investments and on the liabilities side by a rise in claims.

The financial crisis has shown that the insurance sector is sufficiently capitalized. The vast majority of insurance companies had enough capital to absorb losses and only a small number turned to government for support.

Breaking down the industry's two main components, global life insurers, benefitting from heightened consumer risk awareness due to COVID-19, are expected to post above average premium growth rates of 3.8% in 2021 and 4.0% in 2022.

Despite lingering concerns about COVID-19 variants, most insurers expect an accelerating economic recovery and additional digital technology investments in 2022. About one-third of the survey respondents expect revenues to be "significantly better" next year. The demand for insurance is expected to keep rising worldwide

FIGURE 1

### Global insurance market outlook foresees above-trend premium growth

Growth in premiums written (life and nonlife)



Source: Swiss Re Institute, "In 5 charts: World insurance outlook post-COVID-19," July 14, 2021.

Deloitte Insights | [deloitte.com/insights](https://deloitte.com/insights)

## Panafrique Re Limited

### 4.1 Market Segmentation

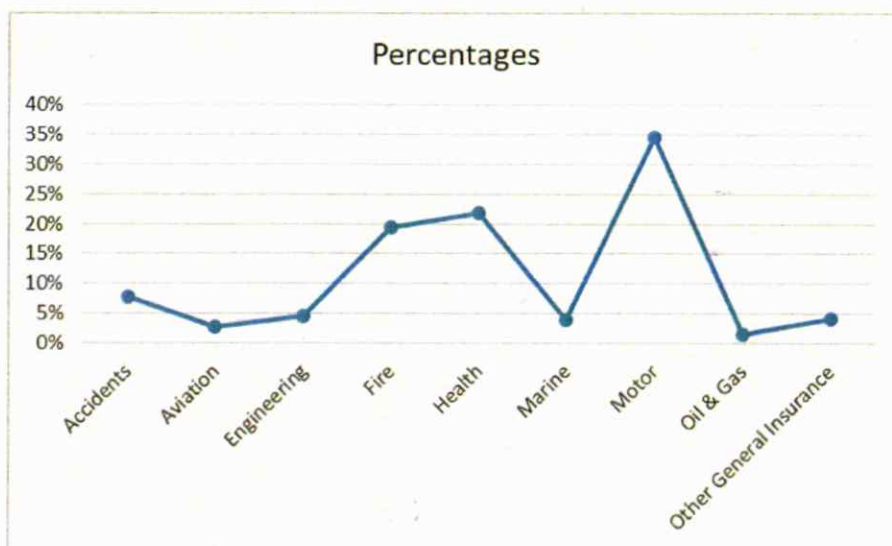
#### 4.1.0 Insurance Portfolio mix

#### 4.1.1 General Insurance - Portfolio Mix

Panafrique Re Limited feel that have the existing portfolio of clients as stipulated in the Tanzania annual insurance market performance report for the year 2018 has shown that it can chose between the mix of the available opportunities in which insurance products to start trade with as shown in the following table;

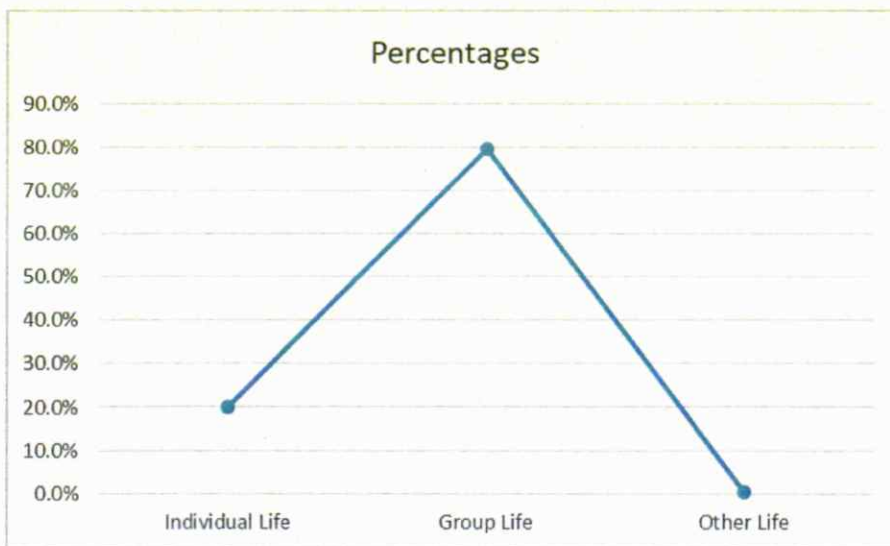
#### 4.1.1 General Insurance - Portfolio Mix

No	Insurance Products mix	Percentages
1	Accidents	8%
2	Aviation	3%
3	Engineering	4%
4	Fire	19%
5	Health	22%
6	Marine	4%
7	Motor	35%
8	Oil & Gas	2%
9	Other General Insurance	4%
	Total	100%



4.1.2 Life Insurance - Portfolio Mix

No	Insurance Products mix	Percentages
1	Individual Life	20.0%
2	Group Life	79.7%
3	Other Life	0.3%
	Total	100.0%



4.2 Target Market Segment Strategy

The target market for Panafrique Re Limited is full-time and part-time working individuals who work hard at keeping what they have worked so hard to attain secure and safe. Referral marketing is the key type of marketing strategy utilized in addition to the professional website, which has been completely designed and is already in existence. Maintaining and further enhancing its reputation in the community is crucial to gaining additional market share of this target market.

4.3 Service Business Analysis

Most of the industry analysis is contained in the Competitive Comparison section to give the reader the idea of the competitive nature of the industry, its opportunities and threats, and the company's flexibility in

## Panafrique Re Limited

pricing. Panafrique Re Limited exists in a purely competitive market that faces virtually unlimited competition and high demand. The ability of the company to differentiate its services or enter into a niche market is limited. The company will engage in a low-cost leadership strategy while maintaining a suitable level of quality.

### 4.3.1 Competition and Buying Patterns

The key element in purchase decisions made at the Panafrique Re Limited client level is trust in the professional reputation and reliability of the consulting firm.

### 5.0 Strategy and Implementation Summary

Panafrique Re Limited will succeed by offering its clients one-on-one personal service and expedite business closure by offering E-Signature, which is another advantage the company has over other companies. Panafrique Re Limited is an independent insurance company that feels passionately about providing their individual and commercial clients alike with expert advice, education and the most competitive pricing.

### 5.1 SWOT Analysis

The SWOT analysis provides an opportunity to examine the internal strengths and weaknesses Panafrique Re Limited must address. It also allows us to examine the opportunities presented to Panafrique Re Limited as well as potential threats.

#### 5.1.1 Strengths

1. The company offers personal one-on-one service and is proud to educate the company's clients in their insurance needs.
2. Panafrique Re Limited offers a combined 10 years of insurance experience.

#### 5.1.2 Weaknesses

1. Lack of funds for advertising needs (television, radio and local phone book advertising).
2. Lack of funds to hire additional insurance agents.
3. The need for larger signage for the company's building.

## Panafrique Re Limited

### 5.1.3 Opportunities

1. As Panafrique Re Limited is an independent company, it can easily compete at offering the lowest pricing to the company's clients.
2. The company feels that the importance of timing with an increase in advertising and the improving economy will allow the client base to grow.

### 5.1.4 Threats

1. A continued downturn in the economy.
2. Massive rate increases.
3. Rate decreases by competitors.
4. Local natural disasters, i.e. extreme weather, hurricanes.

### 5.2 Competitive Edge

Panafrique Re Limited services will be positioned to provide the company's with a premium and stress-free insurance experience.

The following subtopic will present our sales strategy, marketing strategy, pricing strategy, daily customer projections and promotion strategy.

### 5.3 Marketing Strategy

An overview of the marketing plan includes:

1. The plans to increase advertising.
2. More involvement and client contact along with local businesses.
3. Plans to join a local organization for interaction and strategy business planning.

Panafrique Re Limited implementation will be measured and adjusted as the client base increases.

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### 5.4 Sales Strategy

The sales forecast monthly summary is included in the appendix. The annual sales projections are included here in Table 5.2.

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5.4.1 Monthly Sales Projections

Outside of regular operating expenses, Panafrique Re Limited does not have a direct cost to offer insurance services to clients. Please see monthly Sales forecast below.

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
	Tshs	Tshs	Tshs	Tshs	Tshs	Tshs	Tshs	Tshs	Tshs
Operating Capacity	4%	10%	10.5%	11%	11.20%	13.10%	13.30%	13.40%	14%
TURNOVER									
Gross Premiums	16,454,731	42,191,619	44,301,200	46,410,781	47,254,613	55,271,021	56,114,853	56,536,770	57,380,602
Fees & Commission									
Income	1,636,100	4,195,128	4,404,884	4,614,641	4,698,543	5,495,617	5,579,520	5,621,471	5,705,374
Investment Income	262,176	672,247	705,859	739,472	752,917	880,644	894,089	900,811	914,256
Fair Value Gain(Loss)	39,025	100,065	105,068	110,072	112,073	131,085	133,087	134,087	136,089
Other operating revenue	87,847	225,248	236,510	247,773	252,278	295,075	299,580	301,832	306,337
Other Income	473,843,069	473,843,069	473,843,069	473,843,069	473,843,069	473,843,069	473,843,069	473,843,069	473,843,069

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5.4.2 Five years Sales Projections

	2022	2023	2024	2025	2026
	Tshs	Tshs	Tshs	Tshs	Tshs
<b>TURNOVER</b>					
Gross Premiums	421,916,192	801,640,764	881,804,841	969,985,325	1,066,983,857
Fees & Commission Income	41,951,277	69,918,795	76,910,675	84,601,743	93,061,917
Investment Income	6,722,471	22,408,235	24,649,059	27,113,965	29,825,361
Fair Value Gain(Loss)	1,000,652	3,335,505	3,669,056	4,035,961	4,439,557
Other operating revenue	2,252,478	7,508,261	8,259,087	9,084,996	9,993,495
Claims Ceded to reinsurers	19,672,584	23,607,101	28,328,522	33,994,226	40,793,071
<b>TOTAL INCOME</b>	<b>493,515,654</b>	<b>928,418,662</b>	<b>1,023,621,239</b>	<b>1,128,816,215</b>	<b>1,245,097,259</b>

## 6.0 Management Summary

Senior management comprises of Board of Directors as follows;

I. Director of Operations Marketing & Logistics and

II. Director of Finance & Administration

Both Directors will be responsible for:

- Ensuring the organization is effective and successful by taking on responsibility for the implementation of an appropriate strategy that the organization can adapt to,
- Effectively managing the demands of stakeholders,
- Giving clear definitions of what constitutes effectiveness and success,
- Ensuring the implementation of the strategy and the targeting of resources towards success
- Reviewing if their actions are relevant to the organization's overall goals.

As the company grows, the company will take on additional consulting help, including graphic/editorial, sales, and marketing.

Panafrique Re Limited

6.1 Staff Salaries matrix

The detailed monthly personnel plan for the next five years is as presented below.

Staff Category	Scale	No.	Monthly Salary	Annual Salary	2022	2023	2024	2025	2026
			Tshs	Tshs	Tshs	Tshs	Tshs	Tshs	Tshs
<b>1. Senior Management</b>									
1.1 Director of Operations Marketing & Logistics	A	1	3,000,000	36,000,000	1	1	1	1	1
1.2 Directors Finance & Administration	A	1	3,000,000	36,000,000	1	1	1	1	1
					2	2	2	2	2
<b>2. Marketing and Operations</b>									
2.1 Operation Manager	B	1	1,000,000	12,000,000	1	1	1	1	1
2.2 Sales assistants	D	4	600,000	28,800,000	4	6	8	10	12
					5	7	9	11	13
<b>3. Accounts</b>									
3.1 Accounts Assistant	D	1	600,000	7,200,000	1	1	1	1	1
					1	1	1	1	1
<b>4. General Staff</b>									
4.1 Admin, Personnel Officer	C	1	750,000	9,000,000	-	1	1	1	1
4.2 Personal Secretary	E	1	400,000	4,800,000	-	1	1	1	1
4.3 Driver	E	1	300,000	3,600,000	-	1	1	1	1
4.4 Office Attendant	E	1	300,000	3,600,000	-	1	1	1	1
					-	4	4	4	4
					8	14	16	18	20
<b>SUMMARY-Salary Scale &amp; Structure</b>									
					74%	80%	80%	80%	80%
1.1 Director of Operations Marketing & Logistics	A	1	3,000,000	36,000,000	36,000,000	37,800,000	39,690,000	41,674,500	43,758,225
1.2 Directors Finance & Administration	A	1	3,000,000	36,000,000	36,000,000	37,800,000	39,690,000	41,674,500	43,758,225

Panafrique Re Limited

Staff Category	Scale	No.	Monthly	Annual	2022	2023	2024	2025	2026
			Salary	Salary					
			Tshs	Tshs	Tshs	Tshs	Tshs	Tshs	Tshs
<b>2. Marketing and Operations</b>									
2.1 Operation Manager	B	1	1,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
2.2 Sales assistants	D	4	600,000	28,800,000	28,800,000	43,200,000	57,600,000	72,000,000	86,400,000
<b>3. Accounts</b>									
3.1 Accounts Assistant	D	1	600,000	7,200,000	7,200,000	7,200,000	7,200,000	7,200,000	7,200,000
<b>4. General Staff</b>									
4.1 Admin, Personnel Officer	C	1	750,000	9,000,000	-	9,000,000	9,000,000	9,000,000	9,000,000
4.2 Personal Secretary	E	1	400,000	4,800,000	-	4,800,000	4,800,000	4,800,000	4,800,000
4.3 Driver	E	1	300,000	3,600,000	-	3,600,000	3,600,000	3,600,000	3,600,000
4.4 Office Attendant	E	1	300,000	3,600,000	-	3,600,000	3,600,000	3,600,000	3,600,000
<b>Total Costs</b>					120,000,000	159,000,000	177,180,000	195,549,000	214,116,450

## Panafrique Re Limited

### 7.0 Financial Plan

Panafrique Re Limited's financial plan is based on conservative estimates and assumptions. The company will need to plan on the initial funding requested to make the financials work.

### 7.1 Important Assumptions

1. Panafrique Re Limited is assuming steady growth from good management, barring any unforeseen local or national disasters such as the economic slowdown seen by most of the country.
2. Panafrique Re Limited is also assuming adequate investor funding to sustain the company during the expansions projected.

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7.2 Projected Profit and Loss for the next five years

Outlined below, and in the following table and chart, are some of the intrinsic facets of the projected profit and loss for Panafrique Re Limited.

	2022	2023	2024	2025	2026
	Tshs	Tshs	Tshs	Tshs	Tshs
<b>TURNOVER</b>					
Gross Premiums	421,916,192	801,640,764	881,804,841	969,985,325	1,066,983,857
Less Premiums ceded to retrocessions	(212,252,073)	(297,152,903)	(326,868,193)	(359,555,012)	(395,510,513)
Net Premiums	209,664,118	504,487,862	554,936,648	610,430,313	671,473,344
Fees & Commission Income	41,951,277	69,918,795	76,910,675	84,601,743	93,061,917
Investment Income	6,722,471	22,408,235	24,649,059	27,113,965	29,825,361
Fair Value Gain(Loss)	1,000,652	3,335,505	3,669,056	4,035,961	4,439,557
Other operating revenue	2,252,478	7,508,261	8,259,087	9,084,996	9,993,495
Other Income	51,926,878	103,170,797	113,487,877	124,836,664	137,320,331
Total Revenue	261,590,996	607,658,658	668,424,524	735,266,977	808,793,674
Gross Benefits & Claims Paid	(113,428,794)	(124,771,674)	(137,248,841)	(150,973,725)	(166,071,097)
Claims Ceded to reinsurers	19,672,584	23,607,101	28,328,522	33,994,226	40,793,071
Gross Change in unearned insurance premium	(4,194,986)	(5,033,983)	(5,537,381)	(6,091,119)	(6,700,231)
Gross change in Outstanding Claims	(7,958,643)	(8,754,508)	(9,629,958)	(10,592,954)	(11,652,250)
Net Benefits and Claims	(105,909,839)	(114,953,063)	(124,087,659)	(133,663,572)	(143,630,507)
<b>ADMINISTRATION EXPENSES</b>					
Administrative expenses	(233,890,534)	(281,137,797)	(304,501,992)	(328,144,967)	(352,079,125)
Net finance costs	(2,104,000)	(2,156,600)	(2,210,515)	(2,265,778)	(2,322,422)
Fees & Commission Expenses	(26,313,236)	(26,971,067)	(27,645,344)	(28,336,477)	(29,044,889)
Provision for impairment of reinsurance receivables	(1,115,914)	(1,143,812)	(1,172,407)	(1,201,717)	(1,231,760)
Depreciation on property, plant and equipment	(2,227,500)	(54,185,563)	(41,712,367)	(32,223,321)	(24,989,156)
Amortisation of intangible assets	(2,280,000)	(2,280,000)	(2,280,000)	(2,280,000)	(2,280,000)
Total Expenses	(267,931,184)	(367,874,838)	(379,522,625)	(394,452,261)	(411,947,353)
PROFIT BEFORE TAXATION	(112,250,026)	124,830,757	164,814,241	207,151,144	253,215,815
CORPORATE TAX [30%]	-	(37,449,227)	(49,444,272)	(62,145,343)	(75,964,744)
PROFIT FOR THE YEAR	(112,250,026)	87,381,530	115,369,968	145,005,801	177,251,070

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7.3 Projected Cash Flow statement

The cash flow projection shows that provisions for ongoing expenses are adequate to meet the needs of the company as the business generates sufficient cash flow to support operations.

	2022	2023	2024	2025	2026
	Tshs	Tshs	Tshs	Tshs	Tshs
<b>CASH INFLOW</b>					
Cash received from customers	197,761,204.44	380,689,533.02	139,326,436.52	105,402,291.41	115,774,396.51
Issue of share capital	600,000.00	-	-	-	-
Grant Received	-	-	-	-	-
Shareholders Loan	140,638,730.55	84,383,238.33	160,328,152.83	176,360,968.11	193,997,064.92
Proceeds from bank deposits	-	-	-	-	-
<b>TOTAL CASH INFLOW</b>	<b>338,999,934.99</b>	<b>465,072,771.35</b>	<b>299,654,589.35</b>	<b>281,763,259.52</b>	<b>309,771,461.44</b>
<b>CASH OUTFLOW</b>					
Purchase of Fixed Assets	(7,788,000.00)	(196,712,000.00)	-	-	-
Administration expenses	(210,501,480.19)	(253,024,017.19)	(274,051,792.62)	(246,108,724.95)	(264,059,343.38)
Taxation	-	(15,000,000.00)	(25,000,000.00)	(35,000,000.00)	(45,000,000.00)
<b>TOTAL CASH OUTFLOW</b>	<b>(218,289,480.19)</b>	<b>(464,736,017.19)</b>	<b>(299,051,792.62)</b>	<b>(281,108,724.95)</b>	<b>(309,059,343.38)</b>
<b>NET MOVMENT IN CASH FLOW</b>	<b>120,710,454.80</b>	<b>336,754.16</b>	<b>602,796.73</b>	<b>654,534.58</b>	<b>712,118.05</b>
<b>OPENING CASH BALANCE</b>	<b>-</b>	<b>120,710,454.80</b>	<b>121,047,208.96</b>	<b>121,650,005.69</b>	<b>122,304,540.27</b>
<b>CLOSING CASH BALANCE</b>	<b>120,710,454.80</b>	<b>121,047,208.96</b>	<b>121,650,005.69</b>	<b>122,304,540.27</b>	<b>123,016,658.32</b>

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7.4 Projected statement of financial positions (Balance Sheet) for the next five year

	2022	2023	2024	2025	2026
	Tshs	Tshs	Tshs	Tshs	Tshs
<b>ASSETS</b>					
Land and Buildings	-	-	-	-	-
Plant, Machinery and Equipment	15,592,500	196,898,938	155,186,570	122,963,249	97,974,093
Intangible Assets	6,840,000	4,560,000	2,280,000	-	-2,276,000
Investments in Government Securities	294,537,862	338,718,541	389,526,322	447,955,271	515,148,561
Deposits with financial Institutions	137,983,521	144,882,697	152,126,832	159,733,173	167,719,832
Reinsurance Assets	281,511,352	112,497,018	190,778,352	302,487,452	330,516,112
Cash and Bank balance	120,710,455	121,047,209	121,650,006	122,304,540	123,016,658
<b>TOTAL ASSETS</b>	<b>857,175,689</b>	<b>918,604,403</b>	<b>1,011,548,082</b>	<b>1,155,443,685</b>	<b>1,232,099,257</b>
<b>EQUITY AND LIABILITIES</b>					
Share capital	600,000	600,000	600,000	600,000	600,000
Reserves	-112,250,026	-24,868,496	90,501,472	235,507,273	412,758,343
<b>Sub Total</b>	<b>-111,650,026</b>	<b>-24,268,496</b>	<b>91,101,472</b>	<b>236,107,273</b>	<b>413,358,343</b>
<b>CURRENT LIABILITIES</b>					
<b>Underwriting Provisions</b>					
Unearned Premium Reserves	174,367,114	161,779,937	154,371,580	151,395,654	126,180,057
Outstanding Claims	324,956,893	301,498,973	287,692,489	282,146,446	235,153,742
Premium Deficiency Reserve	213,996,003	198,548,104	189,456,030	185,803,757	154,857,343
Unearned Reinsurance Commission	47,554,667	44,121,801	42,101,340	41,289,724	34,412,743
Insurance/Reinsurance Payable	31,703,112	29,414,534	28,067,560	27,526,483	22,941,829
Tax Payable	-	22,449,227	24,444,272	27,145,343	30,964,744
Creditors & Accruals	176,247,927	185,060,323	194,313,339	204,029,006	214,230,457
<b>Sub Total</b>	<b>968,825,716</b>	<b>942,872,899</b>	<b>920,446,610</b>	<b>919,336,413</b>	<b>818,740,914</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>857,175,689</b>	<b>918,604,403</b>	<b>1,011,548,082</b>	<b>1,155,443,685</b>	<b>1,232,099,257</b>

Appendix

7.5 Capex Plants & Equipments

	Ref:	Ref:	Cost	Qty	Foreign	2022	2023	2024	2025	2026	Total
	Description of Asset(s)		Tshs	Tshs	Tshs	Tshs	Tshs	Tshs	Tshs	Tshs	Tshs
A	Motor Vehicles	"									
		"									
	Executive 4-wheel drive cars-XL 3.2 Ford Rangers	"	91,200,000	2	182,400,000	-	182,400,000			-	182,400,000
		"								-	-
	Sub Total	"			182,400,000	-	182,400,000	-	-	-	182,400,000
B	Furniture and Fittings										
	Executive Tables for Directors	"	1,596,000	2	3,192,000	3,192,000	-	-	-	-	3,192,000
	Executive Chairs for Directors	"	1,140,000	2	2,280,000	2,280,000	-	-	-	-	2,280,000
	Guests' Chairs for Directors offices	"	570,000	4	2,280,000	2,280,000	-	-	-	-	2,280,000
	Op Manager-Tables		570,000	1	570,000	570,000	-	-	-	-	570,000
	Op Manager-Chair		570,000	1	570,000	570,000	-	-	-	-	570,000
	Acc Assistant-Table		570,000	1	570,000		570,000	-	-	-	570,000
	Acc Assistant-Chair		570,000	1	570,000		570,000	-	-	-	570,000
	Admin Manager-Table		570,000	1	570,000		570,000	-	-	-	570,000
	Admin Manager-Chair		570,000	1	570,000		570,000	-	-	-	570,000
	Personal Secretary-Table		570,000	1	570,000		570,000	-	-	-	570,000
	Personal Secretary-Chair		570,000	1	570,000		570,000	-	-	-	570,000
	First Aider-Tables		570,000	2	1,140,000		1,140,000	-	-	-	1,140,000
	First Aider-Chairs		570,000	2	1,140,000		1,140,000	-	-	-	1,140,000

Appendix

	Ref:	Ref:	Cost	Qty	Foreign	2022	2023	2024	2025	2026	Total
	Description of Asset(s)		Tshs	Tshs	Tshs	Tshs	Tshs	Tshs	Tshs	Tshs	Tshs
C	Canteen Furnitures		1,250,000	4	5,000,000		5,000,000	-	-	-	5,000,000
	Board Room-Chairs		570,000	10	5,700,000		5,700,000	-	-	-	5,700,000
	Board Room-Table		1,000,000	1	1,000,000		1,000,000	-	-	-	1,000,000
	File cabinets	"	570,000	6	3,420,000		3,420,000	-	-	-	3,420,000
	Reception Desk		1,140,000	1	1,140,000		1,140,000	-	-	-	1,140,000
	Water dispenser	"	570,000	2	1,140,000		1,140,000	-	-	-	1,140,000
	Fire Extinguishers	"	114,000	10	1,140,000	1,140,000		-	-	-	1,140,000
	Television Sets		3,420,000	4	13,680,000		13,680,000	-	-	-	13,680,000
	Fridges		2,000,000	1	2,000,000		2,000,000	-	-	-	2,000,000
	Sub Total		0		48,812,000	10,032,000	38,780,000	-	-	-	48,812,000
	IT Equipments and Computers										
	Laptops	"	1,596,000	3	4,788,000	4,788,000	-	-	-	-	4,788,000
	Computer Desktops		1,596,000	3	4,788,000		4,788,000	-	-	-	4,788,000
	Server	"	1,596,000	1	1,596,000		1,596,000	-	-	-	1,596,000
	CCTV System		4,560,000	1	4,560,000		4,560,000	-	-	-	4,560,000
	TTCL Phone System		570,000	1	570,000		570,000	-	-	-	570,000
	Photocopier	"	2,000,000	1	2,000,000		2,000,000	-	-	-	2,000,000
	Printers/plotter	"	1,500,000	2	3,000,000	3,000,000	-	-	-	-	3,000,000
	WAN and LAN configuration & Internet access	"	798,000	1	798,000		798,000	-	-	-	798,000
	Sub Total	"			22,100,000	7,788,000	14,312,000	-	-	-	22,100,000
Grand total	"			253,312,000	17,820,000	235,492,000	-	-	-	253,312,000	

## Appendix

### 7.6 Intangible Assets

	2022	2023	2024	2025	2026	Total
INVESTMENT CATEGORY	Tshs	Tshs	Tshs	Tshs	Tshs	Tshs
1. Softwares	9,120,000	-	-	-	-	9,120,000
TOTAL PRE-PRODUCTION EXPENDITURE	9,120,000	-	-	-	-	9,120,000

7.7 Depreciation Schedule of Company Assets

Appendix

NON-CURRENT ASSETS	Rate	Tshs			
	Dep	2022	2023	2024	2025
1. Motor Vehicles	25%	-	182,400,000	182,400,000	182,400,000
Acquisitions during the year		-	-	-	-
Total		-	182,400,000	182,400,000	182,400,000
Depreciation		-	-	-	-
Balance at start of year		-	45,600,000	79,800,000	105,450,000
Charge for the year		-	45,600,000	34,200,000	25,650,000
Total Accumulated Depreciation		-	45,600,000	79,800,000	105,450,000
Net Book Value		-	136,800,000	102,600,000	76,950,000
2. Furniture and Fittings	12.5%	-	10,032,000	48,812,000	48,812,000
Acquisitions during the year		-	38,780,000	-	-
Sub Total		10,032,000	48,812,000	48,812,000	48,812,000
Depreciation		-	-	-	-
Balance at start of year		1,254,000	7,198,750	12,400,406	16,951,855
Charge for the year		1,254,000	5,944,750	5,201,656	4,551,449
Total Accumulated Depreciation		1,254,000	7,198,750	12,400,406	16,951,855
Net Book Value		8,778,000	41,613,250	36,411,594	31,860,145
3. IT Equipments and Computers	12.5%	-	7,788,000	22,100,000	22,100,000
Acquisitions during the year		-	14,312,000	-	-
Sub Total		7,788,000	22,100,000	22,100,000	22,100,000
Depreciation		-	-	-	-
Balance at start of year		-	-	-	-
Charge for the year		-	-	-	-
Total Accumulated Depreciation		-	-	-	-
Net Book Value		-	-	-	-

### Appendix

NON-CURRENT ASSETS	Dep		2022	2023	2024	2025
	Rate	Tshs	Tshs	Tshs	Tshs	Tshs
Balance at start of year			973,500	3,614,313	5,925,023	7,946,896
Charge for the year		973,500	2,640,813	2,310,711	2,021,872	1,769,138
Total Accumulated Depreciation		973,500	3,614,313	5,925,023	7,946,896	9,716,034
Net Book Value		6,814,500	18,485,688	16,174,977	14,153,104	12,383,966
<b>4.Intangible Assets</b>						
Net Book Value brought forward	10%	-	9,120,000	9,120,000	9,120,000	9,120,000
Purchased during the year		9,120,000	-	-	-	4,000
Sub Total		9,120,000	9,120,000	9,120,000	9,120,000	9,124,000
<b>Depreciation</b>						
Balance at start of year			2,280,000	4,560,000	6,840,000	9,120,000
Charge for the year		2,280,000	2,280,000	2,280,000	2,280,000	2,280,000
Total Accumulated Depreciation		2,280,000	4,560,000	6,840,000	9,120,000	11,400,000
Net Book Value		6,840,000	4,560,000	2,280,000	-	-2,276,000
		22,432,500	201,458,938	157,466,570	122,963,249	95,698,093

## Appendix

### 7.8 Detailed Administration Expenses/Costs

Administrative Expenses	2022	2023	2024	2025	2026
	Tshs	Tshs	Tshs	Tshs	Tshs
Medical Insurance Expenses	492,480	504,792	517,412	530,347	543,606
Printing and Stationery	6,000,000	6,150,000	6,303,750	6,461,344	6,622,877
Fuel & Oil	24,000,000	24,600,000	25,215,000	25,845,375	26,491,509
Travelling & Accommodation Expenses	5,400,000	5,535,000	5,673,375	5,815,209	5,960,590
Telecommunication, Internet and Postage	3,600,000	3,690,000	3,782,250	3,876,806	3,973,726
Medical Expenses-Directors	5,000,000	5,125,000	5,253,125	5,384,453	5,519,064
Airtime	2,400,000	2,460,000	2,521,500	2,584,538	2,649,151
Newspapers and periodicals	1,500,000	1,537,500	1,575,938	1,615,336	1,655,719
Research & Development Expenses	2,560,000	2,624,000	2,689,600	2,756,840	2,825,761
Office Rent	5,680,000	5,822,000	5,967,550	6,116,739	6,269,657
Salaries and Wages Expenses	120,000,000	159,000,000	177,180,000	195,549,000	214,116,450
Staff Pension Contributions [NSSF]	12,000,000	15,900,000	17,718,000	19,554,900	21,411,645
Skills Development Levy 4.0% payroll	4,800,000	6,360,000	7,087,200	7,821,960	8,564,658
WCF Contributions (1%)	1,200,000	1,590,000	1,771,800	1,955,490	2,141,165
Repair & Maintenance - IT Equipment	817,740	838,184	859,138	880,617	902,632
Repair & Maintenance - M/Vehicles	858,627	880,093	902,095	924,647	947,764
Security Services	9,000,000	9,225,000	9,455,625	9,692,016	9,934,316
External Consultancy & Legal Expenses	9,120,000	9,348,000	9,581,700	9,821,243	10,066,774
External Audit Expenses	2,280,000	2,337,000	2,395,425	2,455,311	2,516,693
Miscellaneous Expenses	5,801,687	5,946,729	6,095,397	6,247,782	6,403,976
Subscriptions & Donations	5,700,000	5,842,500	5,988,563	6,138,277	6,291,733
Board & Technical Committee Expenses	5,680,000	5,822,000	5,967,550	6,116,739	6,269,657
<b>Sub-total</b>	<b>233,890,534</b>	<b>281,137,797</b>	<b>304,501,992</b>	<b>328,144,967</b>	<b>352,079,125</b>
Finance Costs/Bank charges	2,104,000	2,156,600	2,210,515	2,265,778	2,322,422
<b>Sub Total</b>	<b>2,104,000</b>	<b>2,156,600</b>	<b>2,210,515</b>	<b>2,265,778</b>	<b>2,322,422</b>
<b>Total Administration Costs</b>	<b>235,994,534</b>	<b>283,294,397</b>	<b>306,712,507</b>	<b>330,410,744</b>	<b>354,401,547</b>

## Appendix

### 7.9 Capital Commitments

Capital Commitment/Detail	2022	2022	2022	2022	2022
	Tshs	Tshs	Tshs	Tshs	Tshs
<b>Authorized Share Capital</b>					
The share capital of the company is Tanzania shilling two billion divided into 100,000 ordinary shares of Tshs 20,000 each, and the company shall have powers to increase or reduce the said capital and to divide the shares in the capital for the time being, whether original or increased, in different classes, and to attach thereto respectively and preferential, deferred, qualified or special rights, privileges or conditions and so that unless the conditions of issue of shares, whether preference or otherwise, or any such rights, privileges or conditions shall not be altered or modified except in accordance with the articles of association registered with.					
<b>Authorised Share Capital</b>					
Authorised number of shares	100,000	100,000	100,000	100,000	100,000
Price of share	20,000	20,000	20,000	20,000	20,000
<b>Total authorised share capital</b>	<b>2,000,000,000</b>	<b>2,000,000,000</b>	<b>2,000,000,000</b>	<b>2,000,000,000</b>	<b>2,000,000,000</b>
<b>Paid up share Capital</b>					
Number of shares subscribed	30	30	30	30	30
Price of share	20,000	20,000	20,000	20,000	20,000
<b>Total Paid up Capital</b>	<b>600,000</b>	<b>600,000</b>	<b>600,000</b>	<b>600,000</b>	<b>600,000</b>
<b>Directors of the company</b>					
Ali Kassim Mohamed	10	10	10	10	10
Amour Mustafa Abbas	10	10	10	10	10
Jamila Said Hamduni	10	10	10	10	10
<b>Total shares taken</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>
<b>Percentages of shares taken</b>					
Ali Kassim Mohamed	33%	33%	33%	33%	33%
Amour Mustafa Abbas	33%	33%	33%	33%	33%
Jamila Said Hamduni	33%	33%	33%	33%	33%

## Appendix

Capital Commitment/Detail	2022	2022	2022	2022	2022
	Tshs	Tshs	Tshs	Tshs	Tshs
Total	100%	100%	100%	100%	100%
<b>Changes in Equity</b>					
Opening capital	-	600,000.00	600,000.00	600,000.00	600,000.00
Addition during the year	600,000.00	-	-	-	-
Closing balance	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00
<b>Retained Earnings</b>					
Opening balance	-	-112,250,026	-24,868,496	90,501,472	235,507,273
Profit for the year	-112,250,026	87,381,530	115,369,968	145,005,801	177,251,070
Total equity and Reserves	-112,250,026	-24,868,496	90,501,472	235,507,273	412,758,343

## Appendix

### 8.0 Statement of changes in Equity

	2022	2022	2022	2022	2022
	Tshs	Tshs	Tshs	Tshs	Tshs
Changes in Equity					
Opening capital	-	600,000.00	600,000.00	600,000.00	600,000.00
Addition during the year	600,000.00	-	-	-	-
Closing balance	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00
Retained Earnings					
Opening balance	-	-112,250,026	-24,868,496	90,501,472	235,507,273
Profit for the year	-112,250,026	87,381,530	115,369,968	145,005,801	177,251,070
Total equity and Reserves	-112,250,026	-24,868,496	90,501,472	235,507,273	412,758,343
TOTAL	-111,650,026	-24,268,496	91,101,472	236,107,273	413,358,343