

KARIBU CAMPS AND LODGES LIMITED

FEASIBILITY STUDY ON EXPANSION

OF

LUXURY TENTED CAMPS & TOUR OPERATION

AT

**SERENGETI NATIONAL PARK- BOLOGONJA SERENGETI DISTRICT
MARA REGION**

KARIBU CAMPS AND LODGES LIMITED

P. O. BOX 174

Arusha

September 2023

1.0 The Executive Summary

1.1 THE COMPANY OWNERSHIP

Karibu Camps and Lodges Limited has been incorporated in Tanzania on 23rd November 2017 as a limited liability company with registration 139512. Its principal activity is the operation of tourist hotels, lodges and camps. Other activities which the company will involve itself are –

- a) Daily game drives in the National parks and organized leisure trips outside the park.
- b) Accommodation in high standard rooms
- c) Special meals according to guest's preference
- d) Transfers of guests from and to the Lodge

1.2 The project

The project proposal being considered in this document is for Messrs. **Karibu Camps and Lodges Limited** who has decided to establish tour operation and luxury tented camping activities. The company will purchase vehicles such as 4WD tourist safari vehicles, commercial and new safari equipment, build **25** luxury tented camps. Commencement of the project will be immediately from the date of the approval by the Tanzania investment Centre. The investment cost of the project will be of US Dollars **3,850,000**.

1.3 The promoters

The project promoters are shareholders of **Karibu Camps and Lodges Limited** who have vast experience in in Tourism industry especially in the area of administration, finance, strategic planning and marketing. The overall governing body of **Karibu Camps and Lodges Limited** is the Board of Directors, who are also the shareholders. The present shareholders of the company comprise of the following: -

NAME	Nationality	Percentage %
Pritipal Singh Chadha	Tanzanian	65
Amritpal Singh Chadha	Tanzanian	25
Ally Alphonse Msami	Tanzanian	10

1.4 THE INVESTMENT COST

The cost of implementing the proposed project is estimated to be **USD 3,850,000**. A summary of these costs is summarized hereunder. Summary for the Investment cost for **Karibu Camps and lodges Limited:**

	Foreign (USD)	Total (USD)
Land and Buildings TENTS	1,750,000	1,750,000
Various Equipment's/Machines	200,000	200,000
Motor Vehicles	1,000,000	1,000,000
Furniture & Office equipment	500,000	500,000
Pre-expenses	100,000	100,000
Others	25,000	25,000
Working capital	275,000	275,000
GRAND TOTAL	3,850,000	3,850,000

1.5 PROPOSED FINANCING PLAN

M/S Karibu Camps and Lodges Limited proposes to invest **USD 3,850,000** the for developing of this project. It is planned that some investment cost will be financed by loan which will sought from various

Banks. Furthermore, the sister company's Self-Generated Funds shall be utilized at a later stage for working capital funds. The breakdown of which is a follow:

	USD
Equity	1,000,000
Loan	<u>2,850,000</u>
Total	<u>3,850,000</u>

1.7 Location

The luxury tented lodge will be located at **SERENGETI NATIONAL PARK-BOLOGONJA SERENGETI DISTRICT - MARA REGION**

1.8 Environmental impact:

The operations of **Karibu Camps and Lodges Limited** have no negative impact on the environment. In fact, the Company takes its contribution to sustainable conservation seriously. The company understands the need to help, protect parks, reserves and wilderness areas around the camps and the wildlife that draws the company and clients there. In all the places it operated it contributes to conservation of our precious environment.

1.9 PROJECT IMPLEMENTATION PERIOD

The proposed project implementation is estimated to cover a period of 5 years beginning October 2023. The planned completion date is October 2028. The main determining factor for the completion of the project is the availability of funds, granting of TIC certificate for the project and

completion of tax exemption procedures. The main implementation activities include:

- Construction of 25 tented Luxury camps
- Procurement of motor vehicles for tour operation.
- Procurement of camping and lodge equipment's

1.10 Manpower Requirements

The plant will employ **50** people including **5** expatriates. The expatriates will be employed in order to pass state of the Art knowledge to locals. Once the project is finalized and in full operation, The company will provide intensive training to employees immediately after recruitment. Employees will continuously receive an internal training which covers both the professional and practical aspects of the company ideal and ways of operations and will be done by the management and assisted by senior and experienced employees.

1.11 FINANCIAL ANALYSIS

Assumptions on the financial projections indicate that the project is profitable and will generate profit from the early years.

Profit and Loss accounts

Over the projected period from the beginning of year 1 to year 10, the turnover of **M/S KARIBU CAMPS AND LODGES LIMITED** is expected to grow from **US Dollars 2.16 million** in year 1 to **US Dollars USD 2.89million in year 4**. The Tented cash flow cash flow shows the operations will generate sufficient cash to meet all its financial obligations. Profit after tax is also expected to grow from **USD 0.217 million** in year 1 to **USD 0. 573 million** from year 5.

Cash flow statements

The cash flow of M/S **Karibu Camps and lodges Limited** shows that it will generate sufficient cash to meet all its financial obligations.

1.12 ECONOMIC IMPACT

The company's main economic benefits to the country are as follows:

- a) The company Establishment project at Mara Region is expected to employ 50 people.
- b) To raise living standard for the people living in the project surroundings through generation of job opportunities and improvement of the infrastructure and facilities of the area.
- c) The government is expected to get various taxes from the operations of Karibu Camps and lodges.
- d) The project will contribute an increase of foreign exchange as it will be receiving tourist throughout the world.
- e) The project comprehends the nations effort of becoming a significant player in the East African and SADC countries by maximizing opportunities for local people in the hospitality industry and hence stimulate economic.

1.13 CONCLUSION AND RECOMMENDATION

The project if implemented will be in a position to Create 50 direct employment Opportunities and revenue to government through VAT and other taxes. In view of the above, it is recommended that the project be

implemented as is technically feasible, financially viable and economically sound.

2.0 THE PROJECT

2.1 Introduction

Tourism sector offers opportunities for investors to invest in the infrastructure and the development of tourism related services. The existing peaceful environment and political stability in Tanzania offers a great opportunity for international tourist to visit the country, which has now become the major tourist destination. The most beautiful game viewing area has prompted investors to invest various touristic projects and hence make Tanzania as a tourist destination. The country is blessed with the wildlife resources that are considered among the finest attractions.

2.2 PROJECT CONCEPT

2.2.1 The Luxury Tented Lodge

The company has embarked on a project envisaging on the establishment of a new **The Luxury Tented Lodge** and also purchase a 4WD tourist safari vehicle, commercial and new safari equipment. The project will construct permanent tented camps. The proposed project will be mainly for the provision of expedition safaris for game viewing and accommodation for the tourists visiting Tanzania National Parks and will involve the following activities: daily game drives in the national parks and organized leisure trips outside the park, accommodation in high standard rooms, privately guided safaris with each itinerary being tailor- made to suit each

group's interest, special meals according to guest's preference and transfers of guests from and to the lodge.

2.2.2 The Company will use its purchased fleet of vehicles in its tour operation activities, project sites and connection between towns and remote locations. Most of the vehicles will be fitted with radios communication system for direct communication with head offices, they will also introduce a workshop, which will be equipped with special maintenance equipment's. This will introduce maintenance and back service for its fleet of vehicles, which will make the company efficient on its tour operating activities.

To summarize, the company will carry out a variety of activities while on camping safaris. Listed below here are brief activity and facilities that will be made available for the guests.

- Day game drive – The activity is central for the camps and tour safari.

It entails park game driving with 4x4 Motor Vehicles targeting the wildlife that may be seen around the national parks included Elephants, Buffalos, Lions, Leopards, Zebra, Impalas, Giraffe, Wildebeest Eland, Cheetahs, Thomson Gazelle, warthog etc.

- Bird Watching. - Bird watching is another activity the company will undertake to show the guests better areas, which offer bird watching activity. The company will employ experts who know and advice on times of bird migration.

- Night Drives. – Is another activity that will be offered to clients, an opportunity to experience some of nocturnal mammals and birds, which are only very rarely encountered during the day it also entails drives in safari vehicles after dark.
- Photo Safaris. – Hot air balloon rides provide excellent photographic opportunities. The company will arrange for professional migration photographic safaris and advice on the best time and opportunity.

2.3 The COMPANY

The project sponsors are **Karibu Camps and Lodges Limited** whose shareholder/ directors have vast experience in Tourism industry especially in the area of administration, finance, strategic planning and marketing. The overall governing body of **Karibu Camps and Lodges Limited** is the Board of Directors, who are also the shareholders. The present shareholders of the company are as follows;

NAME	Nationality	Percentage
		%
Pritipal Singh Chadha	Tanzanian	65
Amritpal Singh Chadha	Tanzanian	25
Ally Alphonse Msami	Tanzanian	10

They have many years of world-wide experience in the field of Tourism industry. Being the members of various International and national organizations, they have gained knowledge in various type of tourist industries, Government procedures and marketing strategies in all over the

world. The intended luxury tented camp project under their leadership and guidance will be a grand success.

2.3 Implementation Programme

The proposed project implementation is estimated to cover a period of 5 years beginning October 2023. The planned completion date is 2028. The main determining factor for the completion of the project is the availability of funds, granting of TIC certificate and completion of tax exemption procedures. The main implementation activities include:

- i) Construction of Tented camps and a lodge
- ii) Procurement of motor vehicles.
- iii) Procurement of camping equipment's

The implementation timetable is considered reasonable and achievable because the management of the company had requisite experience to implement the programme.

2.4 SITE AND LOCATION

Karibu Camps and Lodges Limited is a private limited company with Registered offices in Arusha. The luxury tented Camp will be located at **Serengeti National Park- Bologonja Mara Region**

2.5 Management and Organization Structure

Being a private company, **Karibu Camps and Lodges Limited** is managed through a board of directors. The Board will appoint a reputable and experienced Managing director and technical personal who will be

responsible for the day-to-day operations. The overall governing body of **Karibu Camps and Lodges Limited** is the Board of Directors, who are also the shareholders. The board is made up 3 Directors. The board formulates and determines the policy and strategic direction of the company. The chief executive of the company is the Managing Director. The company will have a well-established management structure filled with qualified personnel for tour industry. It is expected that a total of 42 people will be employed. Once the project is finalized and in full operation **Karibu Camps and Lodges Limited** will provide intensive training to new employees immediately after recruitment. Employees will continuously receive an internal training which will cover both the professional and practical aspects of the company ideal and ways of operations. There will be top quality guides who will be committed and dedicated professionals.

3.0 THE MARKET

3.1 Market Analysis Summary

Tanzania has plenty of natural tourist resources and attractions. These includes several game parks and reserves such as Serengeti, Lake Manyara, Tarang ire, Arusha National Park (Momella), Mount Kilimanjaro, Ngorongoro Creter, Gombe in the west, Mikumi, Ruaha National Parks and Selous Game Reserved in the South of the Country. The spice Island of Zanzibar, Pemba and Mafia are other attractions. Tanzania's hospitality industry has become exuberant, such that tourism has become the second, after mining, fast growing sector in Tanzania.

The main market segment for **Karibu Camps and Lodges Limited** will comprise tourists, tour operators', travel agencies, companies' individuals as well as project promoters engaged in up country and remote area for operations. To date not only the tourist standard hotels and support facilities have improved the quality of their services, but also the non – tourist hotels in the vicinity of the Arusha region and beach hotels in Dar-es –salaam and coast, where international travelers can still enjoy excellent accommodation, restaurant services and other leisure activities like touring to tourist sites etc. have mushroomed. Modernization and addition of tourist support projects in general attract potential demand and in particular, tour operations, hunting and other tourist support services.

3.2 Market Opportunity

The probability for **Karibu Camps and Lodges Limited** to grow in this most popular and the most beautiful game viewing area is very high and because of this opportunity it has prompted the investors to establish its facilities in Serengeti **National Park- Bologonja, Mara Region**

. The facts that attracted the investor mostly are.

- Tanzania as a tourist destination is among the best in the world. The country is blessed with the wildlife resources that are considered among the finest attractions. The wildlife areas offer spectacular game viewing including the annual wildebeest migration in the Serengeti. With its 12 national parks, 17 game reserves, 50 game-controlled areas, a conservation area and marine park, the area stretches through the vast Serengeti plains to the Mt Kilimanjaro in the north, the Selous Game Reserve to the south and the exotic Island of Zanzibar, Mafia and Pemba.
- Tourism is a growing Sector and at a fast pace hence becoming a leading contributor to the Tanzania economy.
- The existing peaceful environment and political stability in Tanzania offers a great opportunity for international tourist to visit the country, which has now become the major tourist destination. In

2022 the number of tourist arrival reached 1,454,920 equivalent to increase of a 922,692 in 2021.

- The Company provides excellent photographic opportunities, with a rare excitement of game viewing for tourist who have come a long way to see the prodigious variety of wildlife in its natural habitat.

3.3 Tanzania’s Hospitality Industry – Past & Present

The growth of Tanzania’s hospitality industry may be measured by several parameters, two of which are the growth of tourist arrivals and growth of new hotels in the country.

Hotel foreign arrivals from 2015 and July -2022 are as follows:

Year	Number
2015	1,137,000
2016	1,284,000
2017	1,327,000
2018	1,506,000
2019	1,527,000
2020	621,000
2021	923,000
2022-	1,454,920
2023 Jan -August	1,600,000

Source: Internet

The sharp increase in tourist arrivals since 2023 is largely due to the lifting of Covid -19 lockdown by most countries and the continued effort of the governments to promote tourism attractions within and outside the

country. Other reasons include the advances of in technology meaning the travel now is easier, quicker and more affordable. The growth of internet means now it is easier than ever before to book holidays.

3.4 Competition

Karibu Camps and Lodges Limited as a Tanzania local investor, it has an advantage in knowledge and experience regarding the local environment, industry and markets. Besides, it will provide both accommodation and Safari in a package. The company's plan for better facilities will provide better services on daily basis hence it will not face any fierce competition. **Karibu Camps and Lodges Limited** will try its best to establish international market in various places such as UK and America. This will increase Company recognition leading to be among the best tour operators. **Karibu Camps and Lodges Limited** will work hard to offer its services so that it can gain popularity and be able to offer new destination with new product diversification due to the increasing demand on tour activities worldwide.

3.5 Target Market

The target market for **Karibu Camps and Lodges Limited** in its luxury-tented camps will comprises mainly three types of guests. There are:

- i. Tourists booked directly with agents 60%
- ii. Tourists booked by foreign/Local tour agents. 20 %
- iii. Tourist with direct bookings 20%

3.6 Market Segmentation and Analysis

There are basically two major markets. The tourist market and special photographic tourist market:

i) The Tourist Market

This comprises of tourists who visit the country on year- to-year basis with prior bookings with their local tour agents. The company will operate on exclusive confirmed bookings every year in advance. The company will target market in China, Russia and South American market.

ii) The Special Photographic Tourist Market

This comprises of the privately guided hot balloon aerial safari and company's finest safaris, with each itinerary being tailor-made to suit each group's interests. To enhance the safari, guest can request that the company include the services of an additional top naturalist/Photographer who will fly accompany with the group for all or part of the Safari.

3.7 Marketing Strategies

Karibu Camps and Lodges Limited principal objectives is to provide enjoyable and memorable game drive safaris. It will also ensure that the its reputation will be maintained in order to increase market share for tourist visiting our National Parks. In order to attain these objectives **Karibu Camps and Lodges Limited** Management will develop various market strategies that will ensure its goals will be realized. Among other features that will be applied will include:

3.8.1 Direct marketing

The Company will use the services of overseas tour agencies that book tourists in advance. The company will have to establish marketing

relationship with reputable tour safari agents in Europe to cater for market related issues.

a) Use of Marketing Tools and Programmes

The company will use local and overseas marketing programs to capture market segments envisaged. The company has website where it will advertise. The use of brochures and Journals will be applied to market.

b) Door to Door Market

Karibu Camps and Lodges Limited through its offices and agencies abroad will now and then visit or call on various international offices of potential clients for business solicitation. Such clients shall include:

- i) Sport Organizations to target Executives and Super Stars
- ii) Travel industry executives
- iii) Cooperative executives.
- iv) Senior Governments official
- v) International Organization
- vi) International Trade Fair

c) Pricing

Karibu Camps and Lodges Limited intends to continuously develop and review tariffs systems. The current tariffs charged are more competitive compared to those of other competitors.

4.0 INVESTMENT AND FINANCING

4.1 Assumptions

The financial projections to determine the viability of the project are based on the following key assumptions:

- Feasibility report is submitted for 10 years.
- Depreciation calculated in straight line method.
- Income tax has been provided for at 30%.
- To account for Inflation, we have provided for 10% increase in all expenses.
- All the figures are stated in USD for convenience.
- The stocks have been assumed to be constant.
- The project has adopted the currency exchange rate of United state Dollar 1 = US\$.2500

4.2 Summary of Capital Costs

The company shall invest US Dollars **3,850,000** to finance its capital expenditure purchases of operating equipment's, building Tented camps and training. The breakdown of the capital investments is presented in table below: -

	Foreign (USD)	Total (USD)
Land and Buildings TENTS	1,750,000	1,750,000
Various Equipment's/Machines	200,000	200,000
Motor Vehicles	1,000,000	1,000,000
Furniture & Office equipment	500,000	500,000
Pre-expenses	100,000	100,000
Others	25,000	25,000
Working capital	275,000	275,000

GRAND TOTAL	3,850,000	3,850,000
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4.3 FINANCING PLAN

M/S Karibu Camps and Lodges Limited proposes to invest **USD 3,850,000** for developing of this project. It is planned that some investment cost will be financed by loan which will sought from various Banks. Furthermore, the sister company's Self-Generated Funds shall be utilized at a later stage for working capital funds. The breakdown of which is a follow:

	USD
Equity	1,000,000
Loan	<u>2,850,000</u>
Total	<u>3,850,000</u>

4.4 The Luxury Tented Lodge

The company plans to construct a Luxury tented camp in **Serengeti National Park- Bologonja, Mara Region** that shall be designed in such a way that each camp blended into its environment and location. The company aims at making each tented camp different. The design of the tents shall assure that the guests feel comfortable. Since the camps shall not have any access to regular electrical power as are in such remote locations, it will provide its own electricity. An option will be to use a generator on site to produce **220V** electricity or use solar panels for the camp. As the company will limit sounds of a generator in camp, the generators will be silenced as much as possible. The Company shall not

burn firewood to heat the showers or baths. Instead, it will heat the water with the sun's rays or by solar panels. The only firewood that is burnt is the small amount needed for evening's campfire.

4.5 Vehicles

The company will have ordinary or extended 4x4 Land Rover and Land Cruiser with open roof almost exclusively while driving to the launch site and a game drive back to the lodge. The local conditions in Tanzania are much more suited for Land Rover & Land Cruisers with specially designed open roof hatches for photography and unobstructed viewing for all-round visibility. All the company's game viewing safari vehicles will have a similar layout. However, many have a special interest, be it photography or birding, or perhaps they just want to be on their own so that they can dictate the pace without worrying about someone else's interests.

4.6 FURNITURE AND FITTINGS

The company will procure large deluxe beds, king size and double beds, towels, face cloths, good lighting. Luxury tents always have en-suite bathroom with provision for an additional and optional outdoor shower "under the stars" to get the guest feel closer to nature.

4.7 PRE –OPERATIONAL EXPENSES

This item includes, the cost of travel, cost of the feasibility study, personnel recruitment, legal fees, bank charges, registration costs etc.

4.8 OPERATING COST STRUCTURE

The major operating costs include the cost of running the tented camps such as food, refreshments, gas fuel for generators, salaries and wages,

repairs and maintenance and electricity. Other costs include the cost of water and administrative overheads. The operation cost has been assumed to be 65% of the total revenue. the capacity utilization has been assumed to grow at a rate of 50% in year 1, 60% in year 2, 70% in year 3 while stabilized production is envisaged from the fourth year at 80% of rated capacity. 80% will be the sustainable production level.

5.0 FINANCIAL ANALYSIS

Assumptions on the financial projections indicate that the project is profitable and will generate profit from the early years and enhance the network of project sponsors. As per attached appendixes.

5.1 Profit and Loss accounts

Over the projected period from the beginning of year 1 to year 10, the turnover of **M/S KARIBU CAMPS AND LODGES LIMITED** is expected to grow from **US Dollars 2.16 million** in year 1 to **US Dollars USD 2.89million in year 4**. The Tented cash flow cash flow shows the operations will generate sufficient cash to meet all its financial obligations. Profit after tax is also expected to grow from **USD 0.217 million** in year 1 to **USD 0. 573 million** from year 5.

Cash flow statements

The cash flow of **Serengeti National Park- Bologonja, Mara Region** shows that it will generate sufficient cash to meet all its financial obligations.

6.0 ECONOMIC CONSIDERATION

6.1 Economic Impact

The economic impact of **Karibu Camps and Lodges Limited** to the country is as stated hereunder.

6.1.2 Employment:

First, the tour is expected to provide direct employment to 50` people. Its operations will also contribute to generating indirect employment in other sectors of the country's economy.

6.1.3 Government revenue

Operations of the tours and tented camps are expected to generate various taxes to the Government.

6.1.4 Environmental Impact

The operations of **Karibu Camps and Lodges Limited** have no negative impact on the environment. All liquid waste will be disposed of through the access pits that have been made. Other wastes are collected and periodically picked up by refuse collection service that dumps to their approved refuse dump pits.

7.0 CONCLUSION & RECOMMENDATIONS:

It is apparent from the above that project facilities are expected to be a profitable undertaking. The economic impact from implementing and operating **Serengeti National Park- Bologonja, Mara Region** is also

positive. In view of the above it is recommended that the proposed project be implemented at the earliest.

ANNEXETURES AND APPENDICES

KARIBU CAMPS AND LODGES LIMITED

INVESTMENT COST

	Foreign (USD)	Total (USD)
Land and Buildings TENTS	1,750,000	1,750,000
Various Equipment's/Machines	200,000	200,000
Motor Vehicles	1,000,000	1,000,000
Furniture & Office equipment	500,000	500,000
Pre-expenses	100,000	100,000
Others	25,000	25,000
Working capital	275,000	275,000
GRAND TOTAL	3,850,000	3,850,000

KARIBU CAMPS AND LODGES LIMITED

DEPRECIATION SCHEDULE

USD

	Amount	Rates	1	2	3	4	5	6	7	8	9	10
Land & buildings (Lodges)	1,750,000	5.00%	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500
Plant & Machinery	200,000	12.50%	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	-	-
Motor Vehicles	1,000,000	25.00%	250,000	250,000	250,000	250,000	-	-	-	-	-	-
Furniture & Fittings	500,000	12.50%	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	-	-
Preo-operational	100,000	20%	20,000	20,000	20,000	20,000	20,000	-	-	-	-	-
TOTAL			445,000	445,000	445,000	445,000	195,000	175,000	175,000	175,000	87,500	87,500

KARIBU CAMPS AND LODGES LIMITED
SALES SCHEDULE USD

DESCRIPTION	1	2	3	4	5	6	7	8	9	10
Revenue from game package and flight transfers	1,749,231	1,924,155	2,116,571	2,328,227	2,328,227	2,328,227	2,328,227	2,328,227	2,328,227	2,328,227
Revenue from camp shop sales and other sales	118,180	129,998	142,999	157,298	157,298	157,298	157,298	157,298	157,298	157,298
Revenue From Tanapa Park and Camping Fees	226,284	248,912	273,805	301,182	301,182	301,182	301,182	301,182	301,182	301,182
Revenue from service charge	66,317	92,199	99,493	110,512	110,512	110,512	110,512	110,512	110,512	110,512
Total Revenue from various activities	2,160,016	2,395,264	2,632,868	2,897,219	2,897,219	2,897,219	2,897,219	2,897,219	2,897,219	2,897,219

KARIBU CAMPS AND LODGES LIMITED

PROJECTED PROFIT & LOSS ACCOUNTS USD

Year	1	2	3	4	5	6	7	8	9	10
Sales Revenue	2,160,016	2,395,264	2,632,868	2,897,219	2,897,219	2,897,219	2,897,219	2,897,219	2,897,219	2,897,219
Total Sales	2,160,016	2,395,264	2,632,868	2,897,219	2,897,219	2,897,219	2,897,219	2,897,219	2,897,219	2,897,219
Cost Of Goods Sold (65%of sales revenue)	1,404,010	1,556,922	1,632,378	1,883,193	1,883,193	1,883,193	1,883,193	1,883,193	1,883,193	1,883,193
Operating Profit	756,006	838,342	1,000,490	1,014,026	1,014,026	1,014,026	1,014,026	1,014,026	1,014,026	1,014,026
Depreciation	445,000	445,000	445,000	445,000	195,000	175,000	175,000	175,000	87,500	87,500
PROFIT BEFORE TAX	311,006	393,342	555,490	569,026	819,026	839,026	839,026	839,026	926,526	926,526
LESS: INCOME TAX @ 30%	93,320	118,003	166,647	170,708	245,708	251,708	251,708	251,708	277,958	277,958
PROFIT AFTER TAX	217,686	275,339	388,843	398,318	573,318	587,318	587,318	587,318	648,568	648,568
Reserves	217,686	493,025	881,868	1,280,186	1,853,520	2,440,838	3,028,157	3,615,475	4,264,043	4,912,611

KARIBU CAMPS AND LODGES LIMITED
PROJECTED CASH FLOWS

	0	1	2	3	4	5	6	7	8	9	10
<i>Inflows</i>											
Equity	3,850,000										
Depreciation		445,000	445,000	445,000	445,000	195,000	175,000	175,000	175,000	87,500	87,500
Net Profit		217,689	275,339	388,843	398,318	573,318	587,318	587,318	587,318	648,568	648,568
Total Inflows	3,850,000	662,689	720,339	833,843	843,318	768,318	762,318	762,318	762,318	736,068	736,068
<i>Outflows</i>											
Investment	3,850,000										
Taxation		93,320	118,003	166,647	170,708	251,708	251,708	251,708	251,708	277,958	277,958
Total Outflows	3,850,000	93,320	118,003	166,647	170,708	251,708	251,708	251,708	251,708	277,958	277,958
Net Cash Flows	-	569,369	602,336	667,196	672,610	516,610	510,610	510,610	510,610	458,110	458,110