



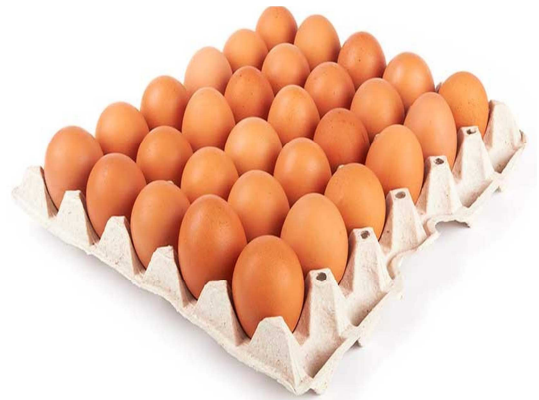
SUNRISE Integrated Farms Ltd

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BUSINESS PLAN

FOR ESTABLISHMENT OF COMMERCIAL POULTRY FARMING

Submitted to:

TANZANIA INVESTMENT CENTRE (TIC)

P.O. BOX 938

DAR ES SALAAM



Submission Date:

October, 2023

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1. EXECUTIVE SUMMARY

1.1 Purpose for establishment of the company

The company was established purposely for carrying out the Mega poultry farming activities which include farming of layers chickens and other related farming activities. At the beginning, the company is going to deal specifically with layers chickens and the further expansion to other categories of chickens will be implemented sometime in future.

The company is planning to carry out the poultry farming by using the modern technology something which will result into high yield and beneficial results.

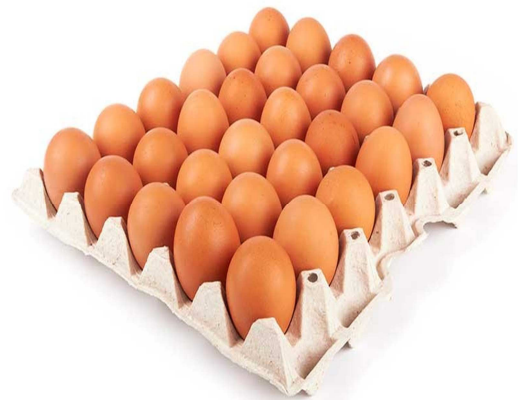
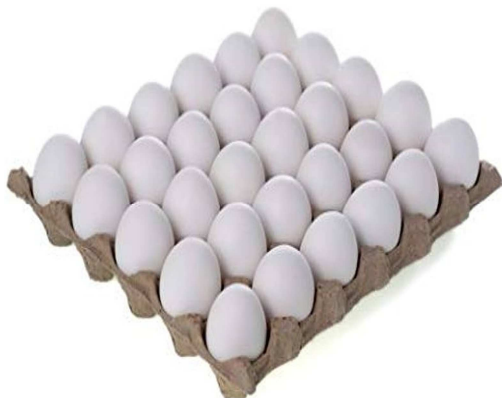
1.2 Principal activities of the company

The Company is going to specialize in poultry farming activities especially farming of layers chickens for production of eggs and other related chicken by-products.

Therefore, the main products of the company will be;

(1) Eggs

The eggs with good color, bigger in size and with the full of nutrients will be available for the customers.



(2) Chicken

The company is going have the variety of species of layers chickens for the purpose of production of high quality eggs in Tanzania.



(3) Chicken Manure

The company is also expecting to earn revenue from chicken manure which will be sold to farmers and other customers for agricultural and other related uses. The chicken manure is enriched with high level of the organic materials which help in improving soil structure, aeration and drainage which leading to high yield of crops especially for vegetables.



1.3 Current operational status of the company

The company is present on the final point of finishing construction activities of the Warehouse, Chicken Houses, Other Buildings and importation of cages before embarking operational activities.

1.4 Main promoter/Contact Person of the company

The main promoter and contact person of the Company are given below:

Name: **MR. STEPHEN KIBWANA**

Position: **MANAGING DIRECTOR**

Address:

P.O.BOX 32480,
Dar es Salaam,
Tanzania.

E-mail: stephenkibwana@yahoo.com

AND

Name: **MKUNDE STEPHEN KIBWANA**

Position: **DIRECTOR**

Address:

P.O.BOX 32480,
Dar es Salaam,
Tanzania.

Email: mkkibwana@hotmail.com

Mob: 0719 196 462/ 0773 252 999

1.5 Company Vision and Mission

Vision

Our vision is to become the leading poultry farming company in East Africa.

Mission

SUNRISE INTEGRATED FARMS LTD's Mission is to produce eggs through intensive poultry farming.

2. SUMMARY OF COMPANY LEGAL FORMATION

2.1 Company's Registration Details

SUNRISE INTEGRATED FARMS LTD is the Tanzanian limited Company which was officially registered on 23rd December, 2020 and assigned with Registration No: **148018499**. A company has the business License for carrying out the Commercial Poultry Farming Activities having the License No: **B 4244996**. The company's TIN Number is **148 – 018 – 499** which was issued by the Tanzania Revenue Authority (TRA).

2.2 Authorized share capital of the company

The Company authorized Share Capital is Two Billion Tanzanian Shillings (**2,000,000,000/- TZs**) which is divided into **1000** shares with each share valued at Two Million Tanzanian Shillings (**2,000,000/- TZS**).

2.3 Shareholding structure of the company

The company shareholding structure and nationality of the Shareholders is given in the schedule below:

S/N	SHAREHOLDER'S NAME	NATIONALITY	NUMBER OF SHARES
1	STEPHEN JACOB KIBWANA	Tanzania	500
2	MKUNDE STEPHEN KIBWANA	Tanzania	500

3. DESCRIPTION OF THE PROJECT LOCATION

3.1 Location of the project

The headquarters and the Commercial Poultry Farming project of SUNRISE INTEGRATED FARMS LTD is located at Miono Area, Chalinze District – Coastal Region.

3.2 Size of the area

The company has land of more than 100 acres which has been set aside specifically for this project.

3.3 Utilities, infrastructure and amenities at the project area

SUNRISE INTEGRATED FARMS LIMITED is located at Miono Area, Chalinze District Council – Coastal Region.

- **Utilities Information**

The area is already connected with Electricity and Sunrise Integrated Farms Ltd has already secured the Three Phase Electricity specifically for this project.

The water is also ready connected in the project and plan is to drill the well so as to have reliable supply of water for this project

- **Infrastructure Status of the Project**

The project is located at approximately 10km from Chalinze – Segera Main Road which is the high way with tarmac. The road which is heading to the Project is Saadani road; it is rough road but is well maintained and it is all-weather road.

4. DESCRIPTION OF THE PROJECT OBJECTIVES

4.1 The Objectives of the Project

SUNRISE INTEGRATED FARMS LTD has opted for the investment in Commercial Poultry Farming with the following objectives:

1) Demand Gap

Until date, the potential of the poultry sector in Tanzania has remained untapped, which opens opportunities for investments to revamp the sector and related industries. The Tanzanian poultry sector is ripe for investment with opportunities with population especially in urban areas relying heavily on the fast foods especially chicken and eggs which are normally eaten with other foods like chips.

Just few big companies exist in the market and some small scale farmers who are feeding the market in Tanzania therefore there is the huge market gap which our company is intended to fill especially in production of good eggs.

2) Creation of Employment Opportunities

It is the passion of the Sunrise Integrated Farms Ltd to support the government in addressing the issues related with unemployment. The company is intended to provide more than 200 direct employment opportunities in the next 5 years and in the beginning more than 92 people will be directly employed.

3) Technology and Skills Transfer

In this project Sunrise Integrated Farms Ltd is going to use modern cages and systems from China. Everything related to chicken farming will be done using the modern technology like automated egg collection, automated chicken drinking system, automated feeding and automated chicken manure removal.

Our intention is to adopt this technology to Tanzania and help other local investors with plans to carry out the same project.

Other specific Objectives include:

- To ensure availability of products in the market while they are still fresh and at affordable price by establishing very strong distribution channels and network.

- To boost local suppliers and distributors of raw materials by using the locally available raw materials in all our operational activities.

- To increase the government revenue through payment of taxes.

- To support the surrounding communities of location of the projection through public relation activities.

5. SUMMARY OF SECTOR PERFORMANCE

The agricultural industry of which poultry farming and egg production is a subset of is no doubt among the leading industry in most countries of the world; it is the industry that produces chicken and eggs for the populace. Because of the significant role the agriculture sector plays, the government of most countries ensures that they go all the way to subsidize seedlings, fertilizers, farm implements and machinery for farmers and also encourage entrepreneurs to go into commercial farming (poultry farming inclusive).

6.1 Current status of the poultry industry in Tanzania

Poultry production in Tanzania: The population of chickens in Tanzania stands at 92.8 million of which comprising of 42.7 million indigenous chickens and 50.1 million exotic chickens. The annual egg production stands at 4.9 billion eggs.

In the 2021/2022 financial year hatcheries in Tanzania produced 92,092,000 Day-Old Chicks (DOC) comprising of 7,384,000 layers, 84,708,000 broiler and dual-purpose chicks. There are 28 hatcheries and the parent stock farms have a capacity of 2,283,000 parent stock. In the financial year 2021/2022 Tanzania produced and recorded (formal market) 91,403.9 MT of poultry meat (source: Budget Speech Ministry of livestock and Fisheries 2022/23).

6.2 Poultry Consumption

The per capita consumption of eggs is increasing over the years due to the increasing in population (particularly the middle class), mining and a growing tourism industry in Tanzania. The consumption eggs have increased drastically from 75 eggs in 2014 to 106 eggs per capita in 2015, the consumption of eggs in Tanzania is at 106 eggs/capita/annum, much less than the recommended consumption by FAO which is 300 eggs/capita/annum. Total egg production were increased from 4.5 to 4.9 billion from 2020-2021 to 2021-2022, stipulating an increase of 8.8 per cent for the period ended April 30th, 2022 (MLF Budget Speech, 2022).

Nevertheless, majority of Tanzanians consume 1-3 eggs per week (an average consumption of 106eggs/capita/annum) as compared to the recommended consumption amount by FAO of 300eggs/capita/annum. Thus, to meet the FAO recommendations, production must be tripled. Since eggs from indigenous chicken cannot meet this demand, eggs from exotic breeds will continue to play an important role in the supply chain (Poultry study Tanzania July 2020).

6. SUMMARY OF MARKET ANALYSIS

6.1 Market Overview

The target market for our products is the entire population of Tanzania which is estimated to be around **60** million people. The economy of Tanzania is on the rise and that growth is mostly accompanying with the need for good and quality food products like chicken and eggs.

The main market focal point for our market will start from Dar es Salaam City and then expand in other regions of Tanzania. The main goal is to continue adding more product lines as the company expands like chicks breeding.

6.2 Target Market

SUNRISE INTEGRATED FARMS LTD is targeting local market chiefly the people living in the major cities like Dar es Salaam, Tanga, Dodoma, Zanzibar, Morogogo, Arusha, Bagamoyo, etc.

We shall design proper and modern marketing strategies to ensure that our market share will be more than 20 percent in the next five years. This will be done together with the creation of the most efficient distribution channel.

- The Walk in customers
- Food Vendors & Suppliers
- Hotels
- Events Hall
- Supermarkets.

The main categories for our target market can further be described as follows:

- 1) **Work in Customers/individuals**–It includes people in communities or client who are not in other channel and wish to buy our product.

- 2) **Foods Vendors** –These are the mostly prominent customers for the company. They include all the food suppliers in the hotels and supermarkets whereby we are going to create a reliable source for their needs.
- 3) **Hotels** –The hotels and restaurant will be making the orders for the products and the company will deliver direct to them.
- 4) **Supermarkets** –We will create the connection with supermarkets for the delivering of the products.

6.3 Marketing Strategies

Sunrise Integrated Farms Ltd is going to use the following marketing strategies in order to achieve the intended sales targets and also be able to reach the customers;

(a) Use of Selling Outlets

The company plan is to have its own selling outlets which will be situated in strategic areas of the city or town where the population is dense and easy for the customers to access our products. The proposed outlets will be situated in the following areas:

- **DAR ES SALAAM**
 - ✧ Bunju - 1 outlet
 - ✧ Tegeta - 1 outlet
 - ✧ MbeziBeach -1 outlet
 - ✧ Kunduchi - 1 outlet
 - ✧ Mwenge - 1 outlet
 - ✧ Mbagala - 1 outlet
 - ✧ Gongola Mboto - 1 outlet
 - ✧ Kariakoo - 1 outlet

- ✧ Posta- 1 outlet
- ✧ Tabata - 1 outlet
- ✧ Kigamboni - 1 outlet
- ✧ Msasani- 1 outlet
- ✧ GobaCentre - 1 outlet
- ✧ Mbezi/Kimara - 1 outlet

- **TANGA** — 2 outlets
- **MOROGORO** — 2 outlets
- **BAGAMOYO** — 1 outlet
- **CHALINZE** — 1 outlet

(b) The use of Agents

The company is also going to establish the reliable market networks with agents in various strategic locations in the following key regions/cities:

- Dar es Salaam
- Morogoro
- Kibaha
- Bagamoyo
- Dodoma
- Zanzibar

Mode of Delivery/ Distribution

The company is going to have distribution trucks (Refrigerated Canters) which will deliver the goods to agents and other key customers directly

6.4 The Market Need

Poultry products play very vital role in the food sector in Tanzania. The chicken and eggs are mostly used for fast food in Tanzania both in urban and rural areas. This creates the huge demand and the need in the market especially when it comes to the food.

SUNRISE INTEGRATED FARMS LTD saw the opportunity of investing in the farming of poultry which are currently having the high demand. The market for the poultry is very big in Tanzania as there are few established companies dealing with the poultry activities.

6.5 Market Trends

There is positive growth trend of food products especially chicken, eggs and other related by-products. Communities are on the verge of social development, they are in need of good meals and different categories of food. There are also increase of the new hotels and supermarkets which create huge demand for chicken and eggs.

Based on above fact, the demand for the chicken and eggs is very high something which substantiate the success of the company.

7. PROJECT DESCRIPTION

7.1 Description of the Business Idea

The commercial poultry farming is going to be done using the modern technology of cages where the following activities will be automated:

- Automated Feeding System
- Automated Drinking System
- Automated Eggs Collection System
- Automated Cleaning System where the chicken feces are removed using the special conveyor belt.

At the beginning, the company is going to start with **21,120** layers chicken and they are expected to start laying after **5-6 months**. This will be the first batch of the company.

The company is expecting to have the second batch 2 after 8 months in order to ensure the sustainability of the project.

The chicken will be faced out after **one and half year** and they will be sold and slaughtered for meat uses.

The process of keeping chicken in the cages offers many benefits, allowing large-scale and efficient egg farming while achieving far fewer birds' health problems when compared to other types of farming. This is largely due to the high bird's hygiene standards that can be achieved through mechanized feed delivery and the removal of fecal matter. Automated egg collection and efficient use of land also means that conventional cage farming is less costly, allowing eggs to be supplied to the consumers at lower price which is an important issue to consumers.

7.2 Annual Production Capacity

S/N	PRODUCT CATEGORY	DESCRIPTION	ANNUAL PRODUCTION CAPACITY
1	Eggs	Trays	432,000
2	Chicken	Pc	68,000
3	Chicken Manure	Tons	5,300

7.3 Employment Creation

According to projections, SUNRISE INTEGRATED FARMS LTD will provide more than 92 full time employment opportunities and casual labors when the project is at peak.

There will also be indirect employment opportunities which will be created by the operation of the business activities. This includes the working with suppliers and service providers.

In the next five years the company will be in the position to provide more than 200 direct employment opportunities as the business will be at the optimal level of expansion.

The Description of the employment structure is given in the schedule below:

SUNRISE INTEGRATED FARMS LTD
EMPLOYEES REQUIREMENTS
FOR COMMERCIAL FARMING PROJECT

S/N	POSITION	MALE	FEMALE	TOTAL	LOCAL	FOREIGN
	ADMINISTRATIVE DEPARTMENT					
1	Managing Director	1		1	-	-
2	Finance and Administration Officer		1	1	-	-
3	Human Resource Manager		1	1	-	-
4	Sales and Marketing Officer	1		1	-	-
5	Selling Outlets Attendants	6	12	18	-	-
6	Office Secretary		2	2	-	-
7	Drivers	5	2	7	-	-
8	Security Personnel	4	2	6	-	-
9	Cleaners		2	2	-	-
					-	-
					-	-
	PRODUCTION DEPARTMENT				-	-
1	Veterinary Officer	1		1	-	-
2	Chicken Attendants	6	8	14	-	-
3	Technician	1		1	-	-
4	Cleaners	2	4	6	-	-
					-	-
					-	-
	MILLING &				-	-

	WAREHOUSE					
1	Procurement Officer	1		1	-	-
2	Store Keeper	1	1	2	-	-
3	Milling & Packaging Personnel	6	4	10	-	-
4	Other Subordinates	2	4	6	-	-
					-	-
					-	-
	FARMING DEPARTMENT				-	-
1	Farm Manager	1		1	-	-
2	Farm Personnel	4	7	11	-	-
					-	-
	TOTAL	42	50	92	0	0

7.4 Technology Used & Skills Transfer

The commercial poultry farming is going to be done using the modern technology of cages where the following activities will be automated:

- Automated Feeding System
- Automated Drinking System
- Automated Eggs Collection System
- Automated Cleaning System where the chicken feces are removed using the special conveyor belt.

The cages and other equipment will be imported from China and the manufacturer is going to provide the experts for the installation of equipment who will collaborate with local technicians.

It will be an ample opportunity for the local technician to gain skills and knowledge of the installation of the equipment.

The project will also be the source of transfer of skills of how to use modern cages and other equipment in Commercial Poultry farming. The other local companies and individuals will get an opportunity to learn from Sunrise Integrated Farms Ltd.

9. PROJECT INVESTMENT COST

9.1 Total Project Cost

The project is expected to cost about **12,723,174,000/- TZS** when it reaches optimal operational level. The cost covers:

- i. Fixed Assets-**11,923,174,000/- TZS**
- ii. Working Capital – **800,000,000/- TZS**

The project will be implemented on phases basis and in the beginning the company is going to acquire the loan of **ONE BILLION TANZANIA** Shilling (**1,000,000,000/- TZS**) in which the repayment will be done in 10 years period.

The project is planned to be implemented in three phases and the project cover only local investment.

The costs breakdown can be given in the schedule below:

SUNRISE INTEGRATED FARMS LTD

INVESTMENT PLAN

A:	FIXED ASSETS						
S/NO.	ITEM NAME	HS CODE DESCRIPTION	MODEL/ SPECIFICATIONS	UOM	QNTY	UNIT PRICE	TOTAL
							TZS
1	LAND & BUILDING						
1.1	Land		For Project	Acres	100	1,448,740	144,874,000
1.2	Growers House (1 Building)		17M x 85m		1	410,000,000	410,000,000
1.3	Layers House (2 Buildings)		17M x 85m	Pc	2	450,000,000	900,000,000
1.4	Warehouse Construction			Pc	1	572,000,000	572,000,000
1.5	Office Building			Pc	1	50,000,000	50,000,000
1.6	Water Drilling & Well Construction			Pc	1	48,000,000	48,000,000
	SUB TOTAL						2,124,874,000

2	MACHINERY & EQUIPMENT						
2.1	Automatic Layer Equipment (Cages Systems) - Automatic water system, Egg collection System, Auto feeding system, Auto manure removal system, Exhaust fan, Exhaust fan controller etc.)	8436290000	Automated Layers Cage	Set	20	225,000,000	4,500,000,000
2.2	Full Automatic Brooder Cage		Automated Brooder Cage	Set	5	150,000,000	750,000,000
2.3	Full Automated Animal Feeding Machine		3 tons per Hour	Set	1	135,000,000	135,000,000

2.4	Full Automated Animal Feeding Machine		5 tons per Hour	Set	1	465,000,000	465,000,000
2.5	Full Automated Animal Feeding Machine		10 tons per Hour	Set	1	750,000,000	750,000,000
2.6	Generator	85016200	100 – 500 KVA	PC	5	40,000,000	200,000,000
2.7	Transformer		315 KVA	PC	1	33,000,000	33,000,000
2.8	Transformer		200 KVA	PC	1	25,000,000	25,000,000
2.9	Transformer		500 KVA	PC	1	50,000,000	50,000,000
SUB TOTAL							6,908,000,000
3	VEHICLES & MOTOR CYCLES						
3.1	Tractors	8701200000	Horsepower (75 to 600)	PC	7	75,000,000	525,000,000
3.2	Trucks	8704223000	(3-15 Tons)	PC	10	90,000,000	900,000,000
3.3	4WD Pick - ups	8704100000	Double cabin	PC	5	150,000,000	750,000,000
3.4	Motor Cycles			PC	15	2,700,000	40,500,000
3.5	Fork Lift		2 tons	PC	10	5,000,000	50,000,000

	SUB TOTAL						2,175,000,000
4	OFFICE EQUIPMENT						
4.1	Computers		Desktops	PCS	15	1,000,000	15,000,000
4.2	Computers		Laptops	PCS	10	1,200,000	12,000,000
4.3	Printers			PCS	5	600,000	3,000,000
4.4	Scanner			PCS	3	300,000	900,000
4.5	Photocopy Machines			PCS	5	3,000,000	15,000,000
4.6	Telephone Receivers		PCS	PCS	10	200,000	2,000,000
4.7	Flat Screen Television		52 Inches	PCS	4	1,600,000	6,400,000
4.8	CCTV Camera			Set	15	4,000,000	60,000,000
4.9	Digital Cameras			PCS	2	500,000	1,000,000
	SUB TOTAL						115,300,000
5	OTHER ITEMS						
5.1	Water Pumps		2HP (150 meter)	PCS	3	5,000,000	15,000,000
5.2	Galvanized Corrugated Roofing Sheet		0.32mm with 28 Gauge (11mx1.2m Each)	PCS	25,000	21,000	525,000,000

5.3	Water Storage Tanks - 10,000lts			PCS	30	2,000,000	60,000,000
SUB TOTAL							600,000,000
TOTAL FIXED ASSETS							11,923,174,000
B:	WORKING CAPITAL						
S/NO.	ITEM NAME		DESCRIPTION	UOM	QNTY	UNIT PRICE	TOTAL
							TZS
1	Purchase of Chicks			Pc	80,000	2,500	200,000,000
2	Chicken Feeding		Initial Feeding	Assorted	1	445,000,000	445,000,000
3	Vaccination Costs		Initial Costs	Assorted	1	40,000,000	40,000,000
4	Machinery & Equipment Installation Costs				1	45,000,000	45,000,000
5	Administrative		Initial		1	70,000,000	70,000,000

	Expenses						
	TOTAL WORKING CAPITAL						800,000,000
	GRAND TOTAL (A+B)						12,723,174,000

9.2 Project Financing Pattern

The project will be implemented on phases basis and in the beginning the company is going to acquire the loan of **ONE BILLION TANZANIA** Shilling (**1,000,000,000/- TZS**) in which the repayment will be done in 10 years period.

PHASE 1					
S/N	LOCAL EQUITY	LOCAL LOAN	FOREIGN EQUITY	FOREIGN LOAN	TOTAL (TZS)
1	3,723,174,000/- TZS	1,000,000,000/- TZS	-	-	4,723,174,000/- TZS
PHASE 2					
2	2,000,000,000/- TZS	2,000,000,000/- TZS	-	-	4,000,000,000/- TZS
PHASE 2					
3	2,000,000,000/- TZS	2,000,000,000/- TZS	-	-	4,000,000,000/- TZS

10. PROJECT IMPLEMENTATION SCHEDULE

10.1 Implementation Schedule

The implementation timeline of the project can be analyzed on the schedule below:

S/N	Activity/Task Name	Starting Date	Ending Date	Comments/Status
1	Land Acquisition	January - 2019	June- 2019	Completed
2	Land Clearance	June-2019	January- 2020	Activity Completed
3	Company Registration	November- 2020	December- 2020	Completed
4	Building Permit Application	December- 2019	February- 2020	Completed
5	Water Connection	December- 2019	February- 2020	Completed
6	Milling & Warehouse Building Construction	October- 2020	To Date	75% Completed
7	Office Building	January- 2022	To Date	80% Completed
8	Title Deeds Application	January- 2021	September- 2023	Completed
9	Construction of Chicken Houses (Three Main Houses- Each with Size of 17mx 85m)	January- 2023	To Date	50% Completed
10	Electricity Connection	November- 2022	To Date	80% Completed
11	Construction of Changing House	July- 2023	To Date	40% Completed
12	Loan Application	August- 2023	December-	On Progress

			2023	
14	Importation of Chicken Cages and Other Equipment	January- 2024	March- 2024	Activity to be done
15	Installation of Machinery & Equipment	April- 2024	May- 2024	Activity to be done
14	Ordering of Day Old Chicks from Interchick Company	May- 2024	June- 2024	Activity to be done
15	Starting of Operation	June - 2024	-	Activity to be done

11 PROJECT FINANCIAL PROJECTIONS

11.1 Projected Income Statement

SUNRISE INTEGRATED FARM LTD PROJECTED INCOME STATEMENT FIVE YEARS PROJECTIONS

Item	Year 1	Year 2	Year 3	Year 4	Year 5
SALES ESTIMATES					
Eggs Sales	1,882,700,000	2,494,480,000	3,327,200,000	4,759,920,000	6,132,640,000
Sales of Chicken	0	234,000,000	252,000,000	270,000,000	345,000,000
Sales of Chicken Manure	31,320,000	46,040,400	67,679,388	99,488,700	146,248,390
GROSS SALES	1,914,020,000	2,774,520,400	3,646,879,388	5,129,408,700	6,623,888,390
OPERATING COSTS					
Item	Year 1	Year 2	Year 3	Year 4	Year 5

Salary & Wages	142,100,000	170,520,000	204,624,000	245,548,800	294,658,560
Chicks Purchases	103,100,000	123,720,000	148,464,000	178,156,800	213,788,160
Chicken Feeding	692,000,000	899,600,000	1,034,540,000	1,189,721,000	1,368,179,150
Vaccination Costs	15,000,000	19,500,000	25,350,000	32,955,000	42,841,500
Electricity Expenses	12,000,000	15,600,000	20,280,000	26,364,000	34,273,200
Water Expenses	500,000	700,000	980,000	1,372,000	1,920,800
Internet & Telephone Expenses	600,000	840,000	1,176,000	1,646,400	2,304,960
Fuel	17,200,000	24,080,000	33,712,000	47,196,800	66,075,520
Machines & Equipment Repairs	2,000,000	2,800,000	3,920,000	5,488,000	7,683,200
Building Repair & Maintenance	5,000,000	7,000,000	9,800,000	13,720,000	19,208,000
Transport & Travel Costs	3,200,000	4,480,000	6,272,000	8,780,800	12,293,120
Property Taxes/Land Rent	4,480,000	5,376,000	6,451,200	7,741,440	9,289,728
Auditing Services	2,000,000	2,800,000	3,920,000	5,488,000	7,683,200
Insurance	4,200,000	5,880,000	8,232,000	11,524,800	16,134,720
Advertising & Promotion	3,000,000	4,200,000	5,880,000	8,232,000	11,524,800
Office Stationery	900,000	1,260,000	1,764,000	2,469,600	3,457,440
Depreciation	329,750,000	300,237,500	273,624,475	249,617,544	216,133,066
Miscellaneous	1,500,000	2,100,000	2,940,000	4,116,000	5,762,400
Total Operating Expense	1,338,530,000	1,590,693,500	1,791,929,675	2,040,138,984	2,333,211,524

Profit Before Tax	575,490,000	1,183,826,900	1,854,949,713	3,089,269,717	4,290,676,865
Corporate Tax (30%)	172,647,000	355,148,070	556,484,914	926,780,915	1,287,203,060
NET PROFIT	402,843,000	828,678,830	1,298,464,799	2,162,488,802	3,003,473,806

11.2 Projected Cash Flow

SUNRISE INTEGRATED FARM LTD PROJECTED CASH FLOWS FIVE YEARS PROJECTIONS

ITEM/YEAR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	Amount (TZS)	Amount (TZS)	Amount (TZS)	Amount (TZS)	Amount (TZS)
Beginning Cash Balance	0	545,040,000	641,504,400	1,051,378,588	1,747,355,923
CASH INFLOWS:					
Accts Rec Collection	119,800,000	228,400,000	257,300,000	272,090,075	383,490,000
Loan Proceeds	1,000,000,000	0	0	0	0
Sales & Receipts	1,914,020,000	2,774,520,400	3,646,879,388	5,129,408,700	6,623,888,390

Total Cash in	3,033,820,000	3,002,920,400	3,904,179,388	5,401,498,775	7,007,378,390
Available Cash Balance	3,033,820,000	3,547,960,400	4,545,683,788	6,452,877,363	8,754,734,313
CASH OUTFLOWS:					
Salary & Wages	142,100,000	170,520,000	204,624,000	245,548,800	294,658,560
Chicks Purchases	103,100,000	123,720,000	148,464,000	178,156,800	213,788,160
Chicken Feeding	692,000,000	899,600,000	1,034,540,000	1,189,721,000	1,368,179,150
Vaccination Costs	15,000,000	19,500,000	25,350,000	32,955,000	42,841,500
Electricity Expenses	12,000,000	15,600,000	20,280,000	26,364,000	34,273,200
Water Expenses	500,000	700,000	980,000	1,372,000	1,920,800
Internet & Telephone Expenses	600,000	840,000	1,176,000	1,646,400	2,304,960
Fuel	17,200,000	24,080,000	33,712,000	47,196,800	66,075,520
Machines & Equipment Repairs	2,000,000	2,800,000	3,920,000	5,488,000	7,683,200
Building Repair & Maintenance	5,000,000	7,000,000	9,800,000	13,720,000	19,208,000
Transport & Travel Costs	3,200,000	4,480,000	6,272,000	8,780,800	12,293,120
Property Taxes/Land Rent	4,480,000	5,376,000	6,451,200	7,741,440	9,289,728
Auditing Services	2,000,000	2,800,000	3,920,000	5,488,000	7,683,200
Insurance	4,200,000	5,880,000	8,232,000	11,524,800	16,134,720
Advertising & Promotion	3,000,000	4,200,000	5,880,000	8,232,000	11,524,800
Office Stationery	900,000	1,260,000	1,764,000	2,469,600	3,457,440

Miscellaneous	1,500,000	2,100,000	2,940,000	4,116,000	5,762,400
Subtotal	1,008,780,000	1,290,456,000	1,518,305,200	1,790,521,440	2,117,078,458
Other Cash Outflows					
Increase of Stock and Other Working Capital	380,000,000	491,000,000	631,000,000	1,220,000,000	1,349,000,000
Purchase of Fixed Assets	1,100,000,000	1,000,000,000	1,220,000,000	1,570,000,000	2,216,000,000
Loan Repayment (Principal)	0	125,000,000	125,000,000	125,000,000	125,000,000
Subtotal	1,480,000,000	1,616,000,000	1,976,000,000	2,915,000,000	3,690,000,000
Total Cash Outflow	2,488,780,000	2,906,456,000	3,494,305,200	4,705,521,440	5,807,078,458
Ending Cash Balance	545,040,000	641,504,400	1,051,378,588	1,747,355,923	2,947,655,855

11.3 Projected Balance Sheet

SUNRISE INTEGRATED FARM LTD PROJECTED BALANCE SHEET FIVE YEARS PROJECTIONS

AS AT END OF	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
CURRENT ASSET					
Accumulated Cash	545,040,000	641,504,400	1,051,378,588	1,747,355,923	2,947,655,855
Debtors and Prepayment	119,800,000	228,400,000	257,300,000	272,090,075	383,490,000
Stock & Stores	134,700,000	142,600,000	282,500,000	390,100,000	460,400,000
Total	799,540,000	1,012,504,400	1,591,178,588	2,409,545,998	3,791,545,855
CURRENT LIABILITIES					
Trade Creditors	133,520,000	155,085,000	206,380,500	277,531,000	356,709,000
Other Creditors & Accruals	12,025,000	14,490,000	25,401,000	37,200,000	51,200,000
Bank Overdraft	0	50,000,000	100,000,000	200,000,000	300,000,000
Total	145,545,000	219,575,000	331,781,500	514,731,000	707,909,000

NET CURRENT ASSETS	653,995,000	792,929,400	1,259,397,088	1,894,814,998	3,083,636,855
FIXED ASSETS (NET)	4,680,250,000	4,380,012,500	4,106,388,025	3,856,770,481	3,640,637,415
TOTAL	5,334,245,000	5,172,941,900	5,365,785,113	5,751,585,480	6,724,274,270
FINANCED BY:					
Owners' Equity	3,931,402,000	3,744,263,070	3,867,320,314	3,489,096,678	3,620,800,464
Loan	1,000,000,000	600,000,000	200,000,000	100,000,000	100,000,000
Accumulated Profit	402,843,000	828,678,830	1,298,464,799	2,162,488,802	3,003,473,806
TOTAL	5,334,245,000	5,172,941,900	5,365,785,113	5,751,585,480	6,724,274,270

11.4 Loan Repayment Schedule

Year/Item	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Loan Amount & Interest	'000'									
Opening Balance	1,000,000	1,000,000	1,000,000	875,000	750,000	625,000	500,000	375,000	250,000	125,000
Interest (at 5%)	50,000	50,000	50,000	43,750	37,500	31,250	25,000	18,750	12,500	6,250
Sub Total	1,050,000	1,050,000	1,050,000	918,750	787,500	656,250	525,000	393,750	262,500	131,250
Repayment										
Principal		0	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Interest	50,000	50,000	50,000	43,750	37,500	31,250	25,000	18,750	12,500	6,250
Sub Total	50,000	50,000	175,000	168,750	162,500	156,250	150,000	143,750	137,500	131,250
Closing Balance	1,000,000	1,000,000	875,000	750,000	625,000	500,000	375,000	250,000	125,000	0

12 CONCLUSION

The population of chickens in Tanzania currently stands at 83,280,000 comprising of 38,770,000 indigenous chicken and 44,510,000 exotic chickens. Annual egg production stood at 4.05 billion eggs. In the 2019/2020 financial year hatcheries in Tanzania produced 70,323,000 Day-Old Chicks (DOC) comprising of 60,463,872 broiler, 1,999,128 layers and 7,860,000 dual-purpose chicks.

There are 26 hatcheries and the parent stock farms have a capacity of 1,200,000 parent stock. In the financial year 2019/2020 Tanzania produced and recorded (formal market) 80,601.3 MT of poultry meat (MLF, 2020). The extensive scavenging system in Tanzania has been predominant and currently accounts for over 46% of the current poultry population.

Based on the above fact the conclusion can be made by saying that the establishment of this project will be something very important in transformation of poultry farming sector in Tanzania.

The implementation of this project is going to be very beneficial to our economy and agricultural development and it will offer the following:

- a) Employment opportunities** – The project is expected to have about 92 permanent employees with projection of having more than 200 personnel in the next five years.

- b) Increase of tax revenues** – The financial projections indicate that the project will be in the position of paying huge taxes to local and central government

c) Women Empowerment - Women will get more opportunities than men in this project. The number of women to be employed in this project is exceeding that of men.

d) Technology & Skills Transfer – The project is going to use modern technology from China in all aspect of chicken rearing and everything will be automated therefore it will provide room for technology and skills transfer to our country.