The Registered Trustees of Tanzania Community Empowerment Association (TANCEAT)

Business Plan

Prepared By:

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Project: **THE REGISTERED TRUSTEES OF TANZANIA COMMUNITY EMPOWERMENT ASSOCIATION (TANCEAT)**

1.0 Project Brief

1.1. Name of the Project: **TANCEAT COMMERCIAL FARM POULTRY PROJECT**

1.2. Promoters: **TANCEAT**

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1.5. Project Location: Kitunda, Ilala

1.6. **Product descriptions:**

- **Raw Materials:** Broiler Chicks, Chicken Feeds and Chicken manure, Yellow corn, White maize and Soya beans.
- **Final Product:** Maize Flour, Organic Fertilizers, Broiler Feeds, Broiler fertile eggs, Broiler Chicken, Broiler chicks, Chicken sausages and Broiler's Meat.
- **Presentation:** Decentralized 450 Modern members' Sheds**,** Centralized 10 parent stock chicken sheds, Animal feeds production, integrated Hatchery and slaughter system, Biogas and solar panel Farm, Member's broiler farming system and urban community village.
- **Physical Characteristics:** Measurements (Live birds, Acres, Kilograms and Cartons)
- **Level of purity Data:** At a standard level (TBS, WFP, ISO and TVLA)
- **Production Capacity:**

1.7. **Poultry Farm**

- 4,500 incubators for hatching eggs at 10,560 pieces each per time;
- Broiler Chicken 43,00,000-44,000,000BPM at a completion stage
- 75,000-80,000 members will be involved for the all period;
- Av. weight: 1.4-1.6KGS/Bird, Feed Rate to maturity 4.7 – 5.0 Kgs/ Bird Feed, Feeders 16-18/1000 Birds and 4 Drinkers per 100 birds
- Direct jobs created: 200,000+ people

- Indirect jobs created: 1,000,000-1,200,000 people
- Make up water: 15000m^3
- Land area: 500,000 Ha,

1.8. **Fish Farm**

- Cage capacity 6,370m^3
- Circumference: 50m
- Diameter: 15.9m
- Rate of fish stocking: 200-300/m^3
- Stocking per Cage: 1,500,000 Fingerlings
- Fingerlings production: 1,500,000,000/y
- Number of Cages: 360 pieces (**Farmed in 6 blocks of 10 groups of 6 cages each**)
- Number of Cage Blocks: 10 Blocks
- Feeds: 400,000 TPA
- Targeted otput: 450,000-500,000 TPA
- Farm employees: 12,000 members

1.9. **Sub Projects**: Biogas Farm, Solar panel Farm, BSF Farm, Water Hyacinth Harvesting, Organic Fertilizers and Packaging processing plant

1.10. **Project funding for:** Main projects (Poultry Farm, Fish Farm) and other sub projects (Biogas Farm, Solar panel Farm, BSF Farm, Water Hyacinth harvesting, Packaging processing plant and Organic Fertilizer) and urban community village.

1.11. **Total Project Value:**

YEARS	YEAR 1	YEAR 2		YEAR 3	YEAR 4	YEAR 5
BROILER PARENT STOCK	**10,000**	**100,000**		**1,700,000**		**1,810,000**
STAGES	OUTGROWERS	PROTOTYPES		IMPLEMENTATION		CONTINUATION
PHASES	PILOT	START UP	TESTING	INITIAL	FULL IMPLEMENTATION	EXPANSION
IMPLEMENTATION TIME	12 MONTHS	6 MONTHS	6 MONTHS	12 MONTHS	12 MONTHS	12 MONTHS
AMOUNT REQUIRED ($)	**2,311,036**	**11,091,400**	**166,953,501**	**230,511,050**	**1,184,960,534**	**1,640,264,186**
GRACE PERIOD	12 MONTHS	12 MONTHS		12 MONTHS	12 MONTHD	12 MONTHS
REPAYMENT PERIOD	36 MONTHS	48 MONTHS		120 MONTHS	120 MONTHS	120 MONTHS

1.12. **Implementation period:** 60 Months

2.0 EXECUTIVE SUMMARY

This business is about establishment of an agri-business project in Tanzania based at TANCEAT facilities. The project will strategically be hosted at Tanzania mainland and Zanzibar in the on consideration of logistics, available resources and cost minimization. It will encompass six sub-projects, which are; poultry production sub-project, fish production sub-project, and cereals production sub-project. This business plan document has been put in place to provide technical backing for the management of the proposed project to secure funding for developing and executing the entire project's components. The document provides economic, market, environment, and management, financial and social viability of the project that gives comfort to the management, the financial partners, and technological partners to put together their efforts towards attaining their objectives.

Basically, the business idea emanates from a great opportunity of having underdeveloped sector of poultry production in Tanzania national republic coupled with high market prices of poultry products due to existing wide gap between demand and supply which stimulated the formation of Tanzania Community Empowerment Association Trust (TANCEAT) as a Tanzanian Community based association group formed by 75,000+ members of broiler chicken farmers, broiler animal feed producers, Veterinary doctors and other associate professionals. Members include women, elders, youth and people living with disability aiming to work together as a consortium team by forming a commercial farming group chain and team, in order to eliminate gaps existing between them, through cost reduction by using dead capital and underdeveloped resources available, through team work, volunteering, contribution and equal participation, focusing on profit maximizations,' and poverty reductions, through targeted market price, cold capital in order to achieve **green economy** as well as **blue economy** by attaining environmental friendly project, using maggots from black soldier flies (BSF). The maggots fed from **garbage** collected by members from their homes and various markets, **water hyacinth** from Lake Victoria as an alternative source of protein for animal feeds and organic fertilizers from poultry litter after biogas [methane and carbon dioxide] extraction as a value chain addition.

The same reason can be advanced for the fish farming sector which is at infant

stage in the country while in fact, fish production trends worldwide show high production level of fish from aquaculture than from fish hunting (both from sea and fresh water sources). If the sectors can be exploited adequately, it can be a means to create livelihood for Tanzanians, assist the country with its agenda of food security and create a spectacular means of income generation for the business executing firms.

From political point of view, economic situation of Tanzania provides fertile and fruitful ground to venture into white meat production business with an emphasis of processing to add value. Furthermore, the country is stable and gives assurance and tranquility to engage in a huge and long-term investment. There are also indications for people of Tanzania to have their buying power improving day by day. This is due to increased government spending on development of the public infrastructure like, SGR, road construction, airports expansion, enhancement of air transportation, expansion of sea and dry ports, etc. Furthermore, there is stability of economic indicators which support increased production of goods and services. Increased production means increased ability to spend and rising of demand for various products and services, not to mention about food items specifically, which must be acquired on daily basis. Thus, management of the proposed project intends to operationalize the business idea and has clear objectives to attain, which are; to engage into commercial scale fish farming and processing so as to increase shelf life of the fish, creating value addition and escalate demand for fish for both domestic and overseas market, to engage in the production of poultry animals (chicken) which meet international standards and then make them available to customers at competitive prices, to utilize the by-products of fish (fish frames), maize with rice leftovers, soya beans and farmed caterpillars and maggots to produce animal feeds to be used in the farming of fish, and poultry animals, and provide livelihoods to Tanzanians through employment and through importing of knowledge and skills to enable them to engage into own production activities, among others.

The motto is to work together as a consortium team by forming a commercial broiler farming group chain and team in order to eliminate gaps existed between stakeholders through cost reduction by using dead capital and redundant resources available. By way of team work, volunteering, contribution and equal

participation, focusing on profit maximizations,' and poverty reductions, through targeted market price, cold capital in order to achieve green economy as well as blue economy by attaining environmentally friendly project, using maggots produced from black soldier flies (BSF) and water hyacinth.

The maggots are produced from garbage collected by members from their homes and various markets. The water hyacinth will be collected from Lake Victoria as an alternative source of protein for animal feeds and fertilizers production.

TANCEAT was incorporated and registered on 18th October, 2021 as a private group owned trustee by ministry of Home Affairs, thereafter to RITA for assets and liability ownerships.

It is managed by highly skilled, experienced and motivated Tanzanian group members who need to produce quality poultry products at affordable prices for consumption of low-income earners through their targeted major surrounding markets. There is a huge potential market for chicken chicks, poultry meat, maize flours, chicken manure and fertile hatching eggs products in East and Central Africa at large. TANCEAT is well positioned to take advantage of this opportunity.

The main objective of TANCEAT is to acquire the whole poultry value chain of production from seed to table by using available and present resources (feed producers, chicks' producer, veterinary doctors, broiler farmers and other resources). TANCEAT focus on its core activities of project through innovation, product implementation and sale.

The trust is owned 100% percent by Tanzanians of low-income earners. (Please see the copy of members' constitutions).

This business plan is prepared as a tool for managerial decision-making, guidance and solicitation of term loan fund from financiers specifically for purchasing property, plants and equipment, raw materials and other working capital mobilizing resources.

In fact, for the case of demand analysis, there is assurance of adequate market for all the envisaged products where both; production capacity and planned level of production are far below the forecasted demand. Nonetheless, it is important to undertake promotional campaigns at least at the beginning to create awareness

to the public regarding existence of the project and its products. Thereafter, as for the case of any business, direct marketing will be carried out annually and budget for that has been earmarked.

Finally, financial analysis shows that, to execute the project, a total of US$3,236,091,707 equivalents to TZS 7,928,424,674,800 would be required. Out of this amount, US$ 2,311,036 (TZS 5,662,038,200) would be needed to put up facilities for year one [Pilot], US$ 178,044,901 (TZS 436,210,007,450) needed for year two [startup & testing phase], US$ 230,511,050 (TZS 564,752,500) needed for year three [initial implementation phase], US$ 1,184,960,534 (TZS 2,903,153,308,300) needed for year four [full implantation phase] and US$ 1,640,264,186 (TZS 4,018,647,255,700) for year five [expansion & continuation phase]. In addition to that, of the US$ 3,397,894,292 capital requirement for the project US$ 161,804,585 (4.8%) equivalent to TZS 393,294,139,000 is equity contribution while US$ 3,236,091,707 (95.2%) equivalent to TZS 7,871,428,935,650 is expected to come from loan arrangements. Apart from the financial resource requirement, the project would also require appropriate cadres of human resource in terms of qualifications, experience, and moral behaviors to execute the entire project to the required magnitude and culture. Moreover, the project would require necessary support from the Government for its realization.

The term loan of $3.236 billion in total is required in order to facilitate acquisition of property, plants and equipment, additional raw of materials, packaging bags and working capital, hence to increase and improve project investments for product fortifications of maize flour packaging, animal feeds production value additions for broiler's to broiler meat. The source of financing is planned to be term loan from your bank or organization.

2.1 Total investment amount

The total investment cost of the project including working capital is estimated at $3.236 billion. From the total investment cost the highest share ($3.224 billion or 99.60%) is accounted by CAPEX followed by initial working capital cost OPEX (11.80million or 0.40%).

The project can create employment for more than 150,000 people. The establishment of such chicken poultry farming and processing project which will have a foreign exchange effect to the country by increasing the level of export.

The project will also generate income for the Government in terms of tax revenue and payroll tax.

A summary of the total investment required as shown in the table below:-

Summary of Total Investment required for the main and sub projects:

Investment components [5 years project]	Main projects [$]	Sub projects [$]	Total project costs [$]
Broiler Parent stock	308,365,934	-	**308,365,934**
Hatchery Plant	101,750,063	-	**101,750,063**
Broiler Poultry Farm	1,506,439,415	-	**1,506,439,415**
Slaughter plant	194,102,431	-	**194,102,431**
Tilapia Fish Farm	495,582,000	-	**495,582,000**
Biogas Farm	-	331,220,000	**331,220,000**
Organic Fertilizers	-	65,150,000	**65,150,000**
Packaging plant	-	9,280,000	**9,280,000**
Solar Panel Farm	-	64,795,000	**64,795,000**
Water Hyacinth Harvesting	-	10,860,000	**10,860,000**
Maggots Farming	-	69,534,400	**69,534,400**
Electric section	387,931	-	**387,931**
Animal Feed Processing	25,080,400	-	**25,080,400**
Truck/ Vehicles	5,320,000	-	**5,320,000**
Land and Urban Farm	36,425,532	-	**36,425,532**
Working capital	11,798,601	-	**11,798,601**
Total Investment	**2,685,252,307**	**550,839,400**	**3,236,091,707**

2.2 An overview of the proposed business

The proposed project will be executed in various places in Tanzania but the headquarter will be situated at Bagamoyo in the Coast Region. To start with, the farm will have a magnitude of 3,076 acres which are in the process of being acquired presently. Based on the model of the business, there will be some small pieces of land here and there for individual small producers who will supply the raw materials and some commodities to the Trustee's head office for processing and marketing.

The main line of business for the proposed project will be production of poultry, mainly chicken. Available data indicates that, there is no commercial level poultry farming in Tanzania. It is on that basis, demand of poultry meat in the country is not

promising due to high price. In fact, this has rendered the per capita consumption of poultry meat to be only 5.6 kg which is smaller compared to the levels in Kenya and Uganda, the neighboring countries. This production component will be integrated with fish farming (aquaculture), mainly by use of fish cages. The types of fish to be kept in farms are Tilapia and Nile perch. The intention is to tape the fish market domestically and overseas. Some of the harvested fish (about 60% of each type) will be sold raw to the domestic market through the established outlets. The remaining 40% will be processed into fillets and will actually be intended for overseas market.

These two sub-projects (poultry and fish production) will be supported by production of cereals, legumes, bananas and other varieties from 251,560 acres of land targeted. The main items under this sub-project will be Maize, rice, soya beans, and bananas. Rice and maize will provide leftovers that will be applied in the production of fish and poultry feeds. Furthermore, soya beans will be used as a cheap source of protein for both, fish and poultry feeds. This will also be supplemented by fish frames from fish filleting. In addition to that, banana pulp will be used in the

manufacturing of packaging materials to package the various products which will be offered to the markets. Apart from that, the organization will allocate part of its land for production of chili, aloe vera, cactus, coriander, rosemary and parsley to be used in the application of medicine for chicken.

In order to have the intended products to the market, the Company intends to install processing factories which will hatch the fertilized eggs, process animal feeds, mill grains (maize and rice), slaughter and package chicken, and process fish fillets. A cursory study conducted shows that, Bagamoyo is a prime location for the envisaged project due to its soil condition to support agriculture and its proximity to the market that includes but not limited to Kagera, Dar es Salaam, Arusha, Dodoma and Morogoro Regions. Furthermore, Bagamoyo can be easily accessed by road, and air apart from having availability of services and utilities such as water, electric power, educational institutions, etc.

3.0 OVERVIEW OF THE TRUST EXECUTING THE PROJECT

3.1 Legal Status

It was incorporated and registered on 18th October, 2021 as a private group owned trust by ministry of Home Affairs, thereafter to RITA for assets and liability ownerships. See the attached constitution and other relevant legal documents regarding its legal existence.

3.2 License and Permits

The trust is operating with a valid business license where its products are registered and recognized by relevant authorities including Ilala Municipal council and Tanzania Revenue Authority (TRA). Certificate of Registration of premises from Ministry of livestock and fisheries for animal feeds production.

3.3 Vision

The vision of this organization is to become a regional center of Excellency in white meat products and technology.

3.4 Mission

The mission of the trust is to break the gap existed between poultry farmers, poultry feed producers, veterinary doctors and other associate professionals by formulating a consortium team work, which will benefit through dividing chicken on table after every function attaining its responsibilities. Poultry farmers will keep chicken, millers will produce chicken feeds and doctors will doctor the flocks likewise other professional will accomplish their parts.

3.5 Planning Objectives

- Expanding innovative formulation of protein initiatives through Black Soldier Flies (BSF), production;
- Sale of maize flours, broiler fertile eggs, chicken chicks, broilers feed pellets, layers feed pellets, methane, carbon dioxide, fish fillets, fingerlings, broilers feed additives, organic fertilizers and technology;
- To facilitate parent stocks of 1,810,000 bird and construct of broiler chicken coops [house] for the project from prototype to implementation;
- To support the production of 240,000-500,000 broiler chicken from members per every month of first 6 months pilot;
- To sale and support value addition for broilers produced through slaughtering and packaging;
- To increase maize milling machine from 2 to 10 machine in order to meet our targets;
- To produce in conformity with International, WFP, National Good Manufacturing Practices (GMP) standards and in accordance with the National and WFP guidelines;
- To acquire adequate working capital for the efficient and effective operation of both the raw materials and minor plant upgrade.

3.6 Values

The following are the values of the company:

- Reliability;
- Honesty;
- Production at high quality and international acceptable standards;
- Adherence to GMP and TBS qualifications and requirement.

4.0 BUSINESS DESCRIPTION

4.1 Magnitude of the Project

This section presents a detailed description of the project at hand. It also shows the objectives of the project and finally, introduces the end products which will be availed to the intended markets.

4.2 Detailed Presentation of the Projects

Basically, this project has got three components (sub-projects) namely; production of poultry (chicken), production of fish which include tilapia (Sato) and Nile perch (Sangara), and production of cereals and other items which include rice, maize, soya beans, chili, aloe vera, cactus, coriander, rosemary and banana. In total, the entire range of the projects requires 251,560 Acres of land for their actualization. It should be noted that, this is first phase implementation of the project, once technology is acquired and success is recognized, production can be scaled up. The land requirement for the sub-projects is presented in the Table below.

Table 2: Land requirement for the Proposed sub-projects

S/N	Proposed Sub Project	Land Size (Acres)
Sub – Project 1: Poultry Production		
1	Poultry farm – Chicken	500
	Hatchery for chicken and fish	5
Sub – total 1		**505**
Sub – Project 2: Fish Production		
2	Fish cages for Tilapia and Nile Perch	200
	Leamon farm	100
	Grass farm	100
	Warms and caterpillars farm	50
	Ponds for parent stocks and fingerlings	50
Sub – total 2		**500 Acres and 180 fish cages**
Sub – Project 3: Cereals, Soya beans, chili, and Banana production		
3	Rice production	50,000
	Maize production	50,000
	Soya beans production	50,000
	Banana tree plantation	50,000
	Chili production and other products	50,000
Sub – total 3		**250,000**
Land requirement for Other Uses		
4	Land requirement for factories	40
	Land requirement for some houses (6,000 houses)	1,000
	Land requirement for office buildings	20
Total		**1,060**
Grand Total		**251,560**

Descriptions of the subprojects are put forward in the section that follows:

4.3 Sub – Project 1: Poultry Production

Poultry farming will involve chicken only. The area allocated for chicken farm is 505 acres of land for parent stocks which will be at Kagera, Arusha, Mbeya and Lindi while broilers will be raised in Dar es salaam and Pwani region. It is proposed to keep chicken to also reap the market for these birds. Farming chicken at commercial level like the one being proposed is not common in the country and not existing in any region. For the 505 acres of land earmarked, 500 acres will have shades for shelter and for feeding the birds. The remaining five 5 acres will be left for hatchery purposes for both chicken and fish. The area will also have a veterinary clinic for research and other related services. It is planned to produce at least 36,000,000 chickens per month.

4.4 Sub Project 2: Fish Production

These subproject intents to keep two types of fish to start with, namely Tilapia and Nile perch. It is required to have a minimum of 180 fish cages (90 cages) for each of Nile perch and Tilapia. Each fish cage will have a capacity of 6,370 m^3 and will be capable of holding 1,500,000 fish per cycle. While Nile perch will be harvested once a year, tilapia will be farmed and harvested twice a year (after every six months). In addition to that, there will be required ten (100) acres of land for special grass production (to be used in the preparation of fish feeds), another ten (100) acres of land for lemon production (also to be used in the preparation of fish feeds) and at least 50 acres of land for warms and caterpillars' production (to be used in the preparation of fish and poultry feeds as well as in the production of organic fertilizer). Furthermore, there will be 50 acres of land that will be dedicated for keeping the mother stocks and for fingerlings. This will make a total of 50 acres of land and 180 cages for fish production alone.

Fish farms are proposed to be automated intensive one. That is, the cages will be actively managed; in terms of feeding the fish with designed diets, in the form of formulated pellets and crumble. Normally, if farms are well maintained with advanced technical infrastructure and highly trained professionals for constant monitoring of cages conditions, the yield is at least 750,000 kg per cycle for Tilapia and 1,500,000 kg of Nile perch per cycle. The intention is to have Nile perch from

Egypt and GIFT type of Tilapia from Asia. It is proposed to visit some other countries like Egypt for the case of Africa, Malaysia, India or Indonesia for the case of Asia, Netherlands for the case of Europe or the USA to learn more about fresh fish farming.

4.5 Sub – Project 3: Cereals and Soya Beans Production

This sub-project will deal with five products, namely; production of maize, production of paddy (rice), production of soya beans, production of chili, production of bananas and production of organic manure. A detail of the products is put forward hereunder

One of the machineries to be installed by the project is the maize milling plant. It is expected to obtain supply of raw maize from local small producers in the nearby areas. However, to ensure constant supply and quality maize, it is intended to grow maize as well in the proposed farm. This will ensure processing of maize flour throughout a year. To actualize the idea, 50,000 acres of land will be earmarked for growing maize. Furthermore, cultivation of maize will be supported by irrigation system to expect harvests twice a year.

As for the case of maize, there will be a rice farm that will be supported by irrigation scheme. Another 50,000 acres of land will also be allocated for rice farming. It is also anticipated to obtain some paddy from local producers to feed the intended rice miller for production around the year. As part of the project objective, peasants will further be trained and supported so that they can produce big quantity of rice with good quality.

In addition to that, there are plans to introduce a medium size farm of at least 50,000 acres to grow soya beans. This is a good and cheap source of protein for animal feeds (both fish and poultry). It is also expected to buy more soya beans from local producers to supplement what will be harvested from own farm. Other commodities which will be produced are chili, aloe vera, cactus, coriander, rosemary, parsley (to help preparation of organic medicine to prevent chicken diseases), banana trees to provide raw materials for manufacturing of packaging materials, and organic manure that will be processed from warms, rice leftovers, chicken litter, etc.

4.6 Processing Plants

The three sub-projects projects will be supported by processing plants which will

add value to the raw production of meat (fish and poultry), cereals, etc. The entire project will require more than 10 processing plants or units which are:

1) Fish processing plant;
2) Laboratory with hatchery for fish and poultry;
3) Poultry slaughtering plant;
4) Sausages processing unit;
5) Maize milling plant;
6) Rice milling plant;
7) Fish feeds production plant;
8) Poultry feeds production plant;
9) Organic Fertilizer Processing plant, and;
10) Packaging materials production unit;
11) Etc.

The plants are further elaborated below to give a clear picture with regards to their size and capacities.

4.7 Fish Processing Plant

Processing plant is central for a commercial scale fish farming project. The importance of the processing plant is to increase the life span (shelf life) and to add value to the fish. Value addition to the fish through handling and processing for export is a fertile area for investment which can provide high returns. For that reason, it is proposed to establish a fish filleting plant to be embedded within other production lines. The plant will include production line for fish filleting and packaging. It is proposed to fillet about 40% of the Tilapia and the Nile perch especially for overseas market. The remaining 60% will be sold whole in the domestic market, mainly through the established outlets.

4.8 Fish laboratory with Hatchery

Laboratory is very important in fish production and handling business. It is used to analyze fish such as determining the level of salinity. It is also used for fish hatchery, breeding activities and for research purposes. Once established, it can be utilized by other players because currently there are very few fish laboratories in Tanzania. Furthermore, since there are few and petty fish farmers in the country, there

are also few and petty producers of fingerlings. It is thus important to have own hatchery and breeders to produce and breed fingerlings to the required controlled sex and quality. Once established and well managed, it can also be a source of income for producing and selling quality fingerlings to local producers. The same facility will have a section for poultry hatchery and laboratory (veterinary clinic). Based on that, five (5) acres of land have been apportioned for modern laboratory and hatchery.

4.9 Poultry Slaughtering and Packaging Plant(s)

As part of the project, it is also proposed to have an automatic, mobile slaughtering and packaging unit for poultry animals which depends to the nature of our communities. This will provide high efficiency in preparation of poultry meat and will also ensure high level of hygiene and quality standards. It is planned to have a slaughter machine that can handle at least 200,000 birds per day using halal concept.

4.10 Sausages processing unit

Poultry meat processing produces significant amount of meat that does not qualify to be packaged for marketing purposes. This is not due to the quality of meat, but the small size of pieces cut from here. Also, some parts of poultry meat do not find good market when marketed as they appear. This type of meat is normally processed into sausages which is one of the loved products that come from poultry meat. It is therefore proposed to install a sausage processing plant to be one of the production lines to be operated under the project at hand. This plant is proposed to have a capacity of processing at least 5 tons of sausages daily.

4.11 Maize milling plant

One of the ingredients of poultry feeds is the leftovers of processed grains like maize or rice and the like. In the short run, this raw material can be acquired from local producers. However, as time goes on, it will be difficult to obtain it from close by producers. This will be caused by the depletion of the sources and the hiking of prices after noticing of demand increase. The best option to tackle this problem is to have own maize mill processing plant apart from those of the pilot phase that will cater for three matters; first, is to supply the necessary raw materials in the processing of poultry and fish feeds, second is to become a source of food for

some members, and third, is to utilize the available market to sell maize flour. It is intended to have a moderate size plant that has a capacity of processing about 100 tons of maize per 24-hour in addition of 12 machines of 30 ton per day from pilot phase.

4.12 Rice milling plant

Paddy that will be harvested from own farms will also be processed into refined rice, graded, and then packed into several quantities as per market requirements. Thus, apart from processing maize and paddy, the project will provide market opportunity to local producers for their grains and other agricultural products. The raw paddy as well as maize

will also be obtained from other nearby areas. It is planned to have processing plants for rice which can handle at least 5 tons of paddy per 24-hour.

4.13 Fish and Soya Feeds Production Plant

Fish processing activities produce a lot of leftovers which can be a good raw material for other products like animal feeds. To make use of these leftovers in a better way that will provide additional income resourcefully, it is proposed to have a production line for animal feeds for the poultry and for fish. Other raw materials for fish feeds will be special type of grass that will be planted as part of the project. Furthermore, apart from using fish frames and leftovers as source of protein for fish feeds production, the farm will produce cheaply, some warms and caterpillars. In addition to that, soya beans will be used in production of animal feeds (poultry and fish). This is also a good and cheap source of protein for animal feeds. Once again, this line of production will be embedded within the processing plants intended to be established. It is intended to have a processing plant that can produce at least 600,000 tons of fish feeds annually.

4.14 Poultry feeds production plant

The processed grain will produce several tons of leftovers. To make use of these raw materials in a better way that will provide additional income, it is also planned to have a production line for poultry feeds, which will also be applied at the established poultry farm. Other raw materials for poultry feeds will be soya beans and others that will be outsourced from local suppliers in case of need. This line of production will be embedded together with other processing plants intended to be

established. That is, there will be adequately sized shades which will accommodate all the intended production lines for the entire businesses. For that regards, it is planned to have a processing plant that can produce at least 1,200,000 tons of poultry feed per annum.

4.15 Organic Fertilizer Processing Plant

Slaughtering of poultry animals and their shades will provide adequate and most appropriate by-products for production of organic fertilizer. Thus, it is important to utilize these materials for that purpose. Apart from that, warms will also be used in the production of organic fertilizer. The manure will be applied into own farms like that of rice, maize, and soya bens, etc. Furthermore, surplus organic fertilizer will be sold to the market to support production of other agricultural commodities. Thus, the factory to be installed for fertilizer production will have a capacity of producing at least 370,000 tons of fertilizer per annum. Actually, production and marketing of organic fertilizer will be an additional income generating activity for TANCEAT.

4.16 Packaging materials production unit

To optimize production costs as well as institute efficiency in production and packaging, it is important to have own unit that can produce varying types and sizes of packaging materials needed. The plant can also be used to produce the materials for local producers of other products in case of orders. This will further add into the revenues of the entire project. It is planned to have a plant that can produce at least 5 tons of packaging materials per annum.

4.17 Other Requirements

Apart from the processing plants which will add value to various raw products, there are other requirements which will support either the processing plants or business operations themselves. These requirements are; plantation of special grass and lime trees to form part of ingredients for fish feeds, farming of soya beans, cold storage facilities, other storage facilities (warehouse), and haulage facilities. Others are; domestic outlets, houses for some staff, and training of staff. Description of these facilities follows hereunder.

4.18 Cold and Blast Freezing Storage Facilities

To enable implementation of the proposed project, it is vital to ensure availability of adequate cold storage facilities. It is therefore proposed to have large scale cold storage facilities within the location of the designated farms. In addition to that,

there is need to have small but adequate storage facilities at all points of sales which will be established as outlets for the domestic market.

4.19 Other Storage Facilities (Warehouses)

To enable smooth and sustainable production, it is necessary to have adequate storage facilities within the production area. These facilities will be used to store raw materials like maize, rice, cereals leftovers, etc. waiting for processing. The facilities will also be used to store finished goods awaiting to be sent to the market. The facilities will be designed close to the shades intended to house the processing plants. It is intended to have an area of about 3,000 square meters of storage facility (warehouses). The area will be demarcated to separate the storage for raw materials from that of the final processed goods.

4.20 Haulage Facilities

The project will require at least 22 hauling trucks for transporting fish, poultry meat, rice, maize flour, and other goods from one point to another. The trucks should be; 10 ordinary ones of 20 – 30-ton capacity each and 12 trucks loaded with freezers having about 15 tons capacity. The trucks with freezers will be used to transport fish and poultry meat from cages to processing plants as well as from plants to designated sales outlets. Furthermore, there is a need for having at least 6 pick-ups (two for each sub-project) for officer's mobility.

4.21 Domestic Outlets

It is also proposed to have at least four outlets for supplying the products to the domestic market. These outlets should start with Dar es Salaam (one outlet), Dodoma (one outlet), Arusha (one outlet) and one outlet at Bagamoyo where the project will be actualized. Thereafter, the number of outlets can be increased in other regions when need arises. Each outlet should have a small office and a cold storage facility to store the fish, poultry meat and other commodities to the required standard and quality.

4.22 Shades for Installing the Machineries

It is important to have all the processing machineries housed at one area. This will be implemented by constructing several adequate size shades that will have an area of at least 4,000 square meters. The shades should be designated to be somewhere close to all facilities to take care of logistical predicaments and to increase efficiency of the project's activities.

4.23 Office Building

Office building is important for any big project. This is the hub for all activities. It also provides a centre for organizing the administrative part of the project in general. For that reason, it is proposed to construct office building close to the shades which will house the processing plants and storage. The building will be small but adequate to accommodate administrative duties for the entire project. About two acres of land has been apportioned for office space to include area for parking, gardening and other office uses.

4.24 Surveillance System

It is vital to ensure security of premises and investment put on the ground. Surveillance system will not only lower down insurance costs but also will provide security and safety to the assets and lives of people engaged in the production process. It is therefore proposed as part of the project components to install surveillance system around the premises occupied by the sub-projects in question. Once installed, there will be no other costs like monthly fees and the like.

4.25 Water Supplying Units

To make the project succeed, it should not depend on public water supply system. Based on that, it is intended to drill boreholes within the farms. In addition to that, it is intended to tap rainwater in some strategic positions or look for the possibility of utilizing rivers that crosses the intended farm. Thereafter, water distribution system will be installed to supply water to poultry farms, at employees' houses and at processing plants as deemed appropriate. For that matter, it will be necessary to have a small water treatment plant to have safe and clean water for the envisaged uses. If this is done, availability of adequate quantity of water will be ascertained in the proposed farm areas.

4.26 Houses for members

Houses for members are part of the components of the proposed project. This kind of arrangement is necessary for the betterment of the project. The member housing will not provide income to the business, the project will bear the liability of the total finances, the payment will originate from outreach sales on the annual basis. Within about ten years, the construction costs for the houses will be recovered and the houses will remain under the ownership of the respective organization. This system will improve the living standard for the business participants and will in fact safeguard the

revenues of the organization because, most people will reside close to project operations. For that regards, it is proposed to have 6,000 units to start with, to be built in a stand-alone housing mode to provide privacy and a small area for gardening. Due to that, 1,000 acres of land are proposed for construction of staff houses. The number of houses will be increased on annual basis until all the individuals secure descent accommodation.

4.27 Training of Staff

The issue of training when engaging in fish and poultry farming is of great necessity. It is important because business in the fish farming and poultry industry in particular make use of some form of intervention in the rearing process to enhance production, including holding in captivity and protecting from predators, pests, and disease. In addition to that, rearing animals requires care, and it is possible to be involved in accidents mainly due to human error. Not only that, but also, the issue of handling meat products intended for marketing requires quality control mechanisms to ensure among others, the products are of high and acceptable quality standards. To ensure all these, training of those involved in various activities becomes inevitable. Therefore, it is vital to have people who will be knowledgeable in the business. Apart from engaging in training of some forms, it is highly recommended as part of training to visit some countries which have advanced in the business of fish and poultry keeping. With that regards, countries like Nigeria, Egypt, Malaysia and even USA are highly recommended for visitation upon making prior arrangements.

4.28 Objectives of the Project

The project being proposed intends to meet the following objectives:

4.28.1 To engage into commercial scale fish farming and processing so as to increase shelf life of the fish, creating value addition and escalate demand for fish for both domestic and overseas market.

4.28.2 To engage in the production of poultry animals (chicken) which meet international standards and then make them available to customers at competitive prices.

4.28.3 To Utilize the by-products of fish (fish frames), maize with rice leftovers, soya beans and farmed caterpillars and warms to

produce animal feeds to be used in the farming of fish, and poultry animals.

4.28.4 To provide livelihoods to Tanzanians through employment and through imparting of knowledge and skills to enable them to engage into own production activities.

4.28.5 To provide sustainable means of income generation for the project stakeholders.

4.29 End Products of the Project

The three sub-projects presented above are pillars of the entire project without which there will be no core products intended for marketing. At the end of the processes and activities of the farms, the final products that will be traded in the envisioned markets are as indicated in Tables 3 through 5 and are aligned with the sub-projects themselves.

Table 3: Final Products for Poultry Production Sub – Project

S/N	Product	Unit
1	Whole Chicken	Pieces
2	Chicken cut	Pieces
3	Chicken offal	Pieces
4	An old day chick	Pieces
5	Eggs	Pieces
6	Animal feeds - Poultry	Tons
7	Sausages	Kg
8	Houses	Pieces

Table 4: Final Products for Fish Production Sub – Project

S/N	Product	Unit
1	Tilapia (whole)	Kg
2	Tilapia Fillets	Kg
3	Nile perch (whole)	Kg
4	Nile perch Fillets	Kg
5	Tilapia Fingerlings	Pieces
6	Nile perch Fingerlings	Pieces
7	Fish feeds	Tons
8	Fish leftovers	Kg
9	Houses	Pieces

Table 5: Final Products for Cereals, Legumes and Other Products Sub – Project

S/N	Product	Unit
1	Maize flour	Tons
2	Rice Grade 1	Tons
3	Rice Grade 2	Tons
4	Rice Grade 3	Tons
5	Maize and Rice Leftovers	Tons
6	Bags (Packaging materials)	Kg
7	Soya beans (Kg)	Kg
8	Banana (Kg)	Kg
9	Chilli (Kg)	Kg
10	Collections from houses	Pieces
11	Organic fertilizer	Tons

5.0 TECHNOLOGY APPLICATION FOR THE PROJECT

The project at hand intends to put in place appropriate and up to date technologies in the course of production of the intended products. The types of technologies that will be employed are as outlined hereunder.

5.1 Cross breading

Applied research has uncovered that, when some types of tilapia are crossbreed, they produce a hybrid tilapia which is bigger than the parents. It is also claimed that, the hybrid grows much faster and appears to have better taste. In fact, this technology has already been tested here in Tanzania. Thus, cross breading will be applied to produce fingerlings which will be farmed in the project's farms and those which will be supplied to local growers. Furthermore, stock parents from Asia like the GIFT and those from Egypt will be adopted and further crossbreed.

5.2 Mass Reproduction of Fish and Chicks

Another technique that will be applied for both fish and poultry animals is the mass reproduction of fingerlings and chicks respectively. This will be done in the hatchery that will be designated for reproduction purposes among other uses. Designated employees will be trained and supervised to implement the reproduction process of the animals. The produced fingerlings and chicks will be used in the own project and also supplied to local producers at highly reduced price to let them obtain quality fingerlings and chicks.

5.3 Sex Change for Fish

Male fish grow faster and attain bigger size and weight within a shorter time period than female fish. For commercial purposes, it is necessary and advised to farm male fish which can result into high productivity and therefore assist farmers in reduction of poverty. This technology of sex change will be applied under this project to ensure that, more male fingerlings are produced for farming purposes. The number of female fish will be kept to the minimum just for reproduction purposes. In fact, few female fish are needed when farming fish because, unlike male fish. Since the female fish do not varnish during reproduction process, female stock parents can be used in the reproduction of eggs for more than two years and keep on reproducing after every three months.

5.4 Production of Warms and Maggots

Fish feed requires more quantity of protein than poultry feed. In fact, one of the requirements of intensive fish farming is application of adequate quantity of protein in the fish feed. Warms and maggots are the best and cheapest source of protein in the manufacturing of fish and poultry feeds. They are normally dried and can also be sold in the market because other local producers of animal feeds make use of warms and maggots in their production processes. Therefore, it is proposed to have a small farm for that purpose. Twenty-five (25) acres of land will be allocated for production of warms and maggots. The technology for producing warms and maggots is available locally and small growers can be trained and assisted to have their own small farms for producing warms and maggots at home level to support fast growth of their animals. Furthermore, warms are excellent source of organic fertilizer ever used on earth. This practice will also be applied in this project.

5.5 Production of Soya Beans

In addition to warms and maggots, another source of cheap protein for production of fish and poultry feeds is the soya beans. Soya beans are known to be a good substitute of other sources of protein in terms of its availability and cost optimization. There is contention that, when poultry animals are given feeds prepared from soya, the meat smells good. For that reason, it is also proposed to have a farm of at least 50,000 acres for producing soya beans.

5.6 Application of Special type of Grass or Herbs in Fish Feed Production

Research has indicated that, some type of grass is good when applied in the production of fish feeds. It enables the fish being farmed grow faster and attain expected weight in a shorter period. As part of the fish production process, it is proposed to plant some type of grass that will be used as ingredient in the preparation of fish feeds. For that matter, ten (10) acres of land have been apportioned for planting of this special type of grass.

5.7 Usage of lime in Fish Feed Production

Apart from application of grass in preparation of fish feed, research has also shown that, lemon improves growth of fish and makes their meat have better taste. Due to that, it is also planned to mix fish feed with lime juice to have fish of good taste and which grow

much faster. Like the case of grass, it is proposed to demarcate another ten (10) acres of land for production of lime.

5.8 Solar Panel Farm

The project at hand intends to take an opportunity of a present shed roofs of the farm by fixing the panels and generate power. The pane farm will be applied to generate energy for the all-project facilities like pumps which use solar power in pumping water from sources (like rivers and created water reservoirs) to specific points. Thereafter, water will be released to intended uses like irrigation using gravity. This method will utilize green technology for water pumping and will not have additional daily costs once installed. Apart from that, most of the systems like production facilities and employees' houses will be powered by use of solar energy that will form the main source of power. Other sources of energy to support solar power is; electric power from TANESCO connection, some standby generators and usage of biogas.

5.9 Usage of Biogas Energy for Various Applications

The project will use the Biogas as source of heat, light and energy which will be produced from chicken litter. Methane and carbon dioxide will be generated from production line. The biogas plant will be installed on the same premises of broiler commercial farm which is expected to produce four million cubic liters of biogas per day equivalent to 2.40 million cubic liters of methane and 1.60 million liters of carbon dioxide. Wastes extraction will be the first stage from the production flow charts followed by aerobic digesting process and finally ended with biogas purifications.

5.10 Usage of Banana Pulp for production of Packaging Materials

Pulp is the raw materials for paper production from banana stem. The project intends to produce packages for variety uses in form of packaging. Trays, boxes and papers will be generated by the project as a cost cut. Banana fibers materials have been selected as project materials due to the source of availability and cheapest to find. The materials have a long-time history in use. The project anticipated to produce 72 tons of banana pulp per day. The flow chart production starts with banana stem extraction followed by pulp production and finalized by end products.

5.11 Maize Flour and animal feed packages

The brand is available in 6 different packages:

- Bag of 25kgs,
- Bag of 10kgs,
- Bag of 5kgs,
- Bag of 2kgs,
- Bag of 1kgs, and
- Animal feeds Packaging;
- Bags of 50kgs (both starter, grower and finisher)

5.12 Raw Materials

The raw material for maize flour is maize, water and packaging. And animal feeds are as listed below

MATERIALS FOR ANIMAL FEED

1	Dry Cassava	13	Thionine
2	Yellow Corn	14	Valine
3	White Maize	15	Maize Bran
4	Broken Rice	16	Enzyme
5	Soya Bean Meal	17	Olaquindox
6	Broken Wheat	18	Molasses
7	Uduvi	19	Chlorine Chloride
8	Maggot/Fish meal	20	Dcp
9	Leucaena	21	Toxfine Binder
10	Limestone	22	Pellet Binder
11	Broiler Premix	23	Viroba
12	Lysin	24	Palm Oil
13	Methionine	25	Water Hyacinth

5.13 Make or buy?

TANCEAT focus its core activities on the innovation, formulation, production and sale of maize flour, broiler pellet feed, layers pellet feed, poultry and fish meat, milling services for other customers who come with their formula and sell the raw materials for those who are not using our plant facility.

At TANCEAT, we buy all raw materials including broilers chicken and packaging materials. We manufacture the animal feed products, maize flours and produce chicken for sell to our esteemed member customers.

5.14 Presentation:

TANCEAT broiler project will offer quality broilers to its customers in terms of taste, size presentation and price. In addition to whole chickens will produce packed chicken and fish cuts of 250g, 500g, 750g and 1kg, 2kg and raw chicken (live birds) so as to accommodate all its customers.

5.15 Positioning

TANCEAT is positioned itself as a regional center of Excellency in white meat products and technology.

5.16 Pricing Strategy

We price our products according to the quality of our products. However, we consider the prevailing market price of the same products. Our strategy is to increase sales volume; therefore, we tend to set our prices at least lower than our competitors in order to retain our customers and attract more new customers without affecting much profitability of the specific product. The current maize flour market price range between TZS 1,800-2,000 per kilo but our product prices range from TZS 1,300-1,400 per kilogram, likewise the market selling price of broiler starter is TZS 90,000 and TZS 85,000 for finisher TANCEAT sells at broiler starter TZS 85,000 and finisher TZS 80,000 both per bags of 50kgs, this mostly contributes to product competitiveness.

6.0 PRODUCTION PLAN

6.1 Development Status

The machines contracted from members were established specifically for manual and semi manual processing of maize flour and packaging in order to give members employments and bring service to nearby home state. The machines are located to all districts of Dar es salaam and Coastal region. The operation is scheduled to continue at full operations after receiving this requested soft loan from your bank. The machines and equipment is in good order and in use, but only shortage production capacity and working capital.

The maize flour and animal feed production using the 2 machine each hired from members have to be replaced and install our project milling machine assets for each district in order to reach to remote members easily and supply services for product produced at optimum capacity and conform to International standard, while bran is collected as poultry feed materials.

One of the Milling Machine Hired from the Association Members

TANCEAT Maize Flour Production

We have acquired new maize milling machine at Mkuranga district which is expected to start operation during this pilot phase of 2023. We have committed our self to install 12 machines of 30-ton capacity per day for each district of DSM and Coastal Region through the same system of membership contribution. Each member is responsible for $0.122 daily saving (say $4.082 per month) for machine and capital contribution. The whole fund accumulated for the month is given to the ranked district machine. We have estimated to collect $58,775.51 per month for this maize project in 2023.

6.2 Past Performance

Financial performance is good as is evidenced by the past twelve months Audited Financial statement, 2022 and semi - annual management Accounts for June report, 2023.

Each district is managed and organized by chairperson and secretary for the past twelve months; they managed to coordinate more than 12,000+ members in totality. The new organization's management together with zone leaders has been instituted with organizational culture that emphasizing a result oriented and quality conscious approach through training and injection of new skills. Systems, procedures and controls that conform to modern acceptable standards of performance have been put in place.

Technical performance our machines were recently conducted and it was advised to perform re-engineering process plant machines automation. Also, the organization's management has been instituted with organizational culture that emphasized a result oriented and quality conscious approach through training and injection of new skills. Systems, procedures and controls that conform to modern acceptable standards of performance have been put in place.

6.3 Current Status

The organization is now operating under capacity of production, due to insufficient raw materials of more than 400TPM for feeding 200,000 broilers planned for members per month. TANCEAT is organizing both chicks from reliable producers and feeds for members, while members left for broilers production.

6.4 Present and Future Plans

- Expanding innovative formulation of protein initiatives through Black Soldiers Fly (BSF), production and sale of maize flours, chicken chicks, broilers pellets, layers pellets, and TANCEAT organic fertilizers;
- Each district has been subdivided into four zones and each zone have one leader for centers coordination;
- Each district will be centralized for full autonomy production control by managing sales collection versa expending costs;
- Budgets will be prepared from each district and consolidated by chief head of TANCEAT finance;
- Each district will have its maize milling unit of capacity more than 30 tons per day headed by independent manager (none members), 360TPD of maize will be extracted from 12 machines of each district;
- The production using hired machines between Aug 2022 and December, 2022 by our accumulated funds and had attained sales volume and other collections of at least TZS 902,570,260/= per year 2022;
- More than 20 tons of animal feeds are produced daily for market member's consumption and sale. When this pilot program is in place the capacity production will change all scenario of production.
- From November, 2023, 200,000 chicks will be distributed to targeted 50 members for each following month;
- Organic fertilizers and fish farming production will commensurate in year five plan;
- Modernization of the existing system, introduction of broilers parent stock, hatchery & members evolvements in production of maggots from black soldiers' flies, will cut off the cost of broiler production and increase protein in the society.

7.0 INNOVATION AND IMPLEMENTATION

The organization is now introducing 10,000 parent stocks for out growers, 100,000 parent stocks for prototype and 1,700,000 for full parent stock implementation and expansion.

The first phase of **outgrowing** [10,000 broiler parent stocks] broiler will farm from district centers, production will be centralized through districts centers. Centers will occupy more than 5 acres of land for 5 poultry houses with a capacity of 5,000 broilers per house shed. The total of 50 poultry house will be constructed in Dar es salaam, Coastal regions and managed by five members per each chicken house with an average of 1000 broilers per member. Each member will have to pass in this center before graduated and transferred to prototype, all necessary requirement of training and coaching principles must be met.

During **prototype** stage 100,000 parent stocks will be introduced for urban commercial farm, 450 broiler houses with the capacity of 15,000 broilers per chicken house will be constructed within nine (9) land blocks. The all project prototype activities averaging 50 poultry houses per block will be constructed left with 250 houses per block for final implementation, all unit complete chains of production line, property, plant and equipment for prototype at Kyerwa District, Kagera region will be fully completed and ready for cutting and pasting to the whole project plan.

The **full implementation and expansion** of 1,700,000 broiler parent stocks project by escalading the prototype for the all nine (9) blocks of 300 members each responsible broiler farm, final implementation and takeoff of four regional centers for broiler parent stocks.

NINE [9] BLOCKS OF THREE HUNDRED [300] MBEMBERS FOR COMMERCIAL FARM

NO.	**BLOCK ONE** [Three centers]	**BLOCK TWO** [Three centers]	**BLOCK THREE** [Three centers]
A1	300 Members will be producing chicken. Each member will keep 15,000 broilers per month.	300 Members will be producing chicken. Each member will keep 15,000 broilers per month.	300 Members will be producing chicken. Each member will keep 15,000 broilers per month.
B2	300 Members will be producing chicken. Each member will keep 15,000 broilers per month.	300 Members will be producing chicken. Each member will keep 15,000 broilers per month.	300 Members will be producing chicken. Each member will keep 15,000 broilers per month.
C3	300 Members will be producing chicken. Each member will keep 15,000 broilers per month.	300 Members will be producing chicken. Each member will keep 15,000 broilers per month.	300 Members will be producing chicken. Each member will keep 15,000 broilers per month.

- 2,700 Chicken house will be build in three [3] blocks of 180 acres each with 60 plots of three [3] acres plot. Each plot with five [5] chicken houses.

- Each plot of three [3] acres is planned for five [5] members and six [6] groups of five [5] members gives 30 members. Ten [10] groups gives 300 members and three [3] centers will grant one block. And the whole project will be in three blocks.

- Each block of Three [3] centers will be stand alone management from hatchery plant, broiler farm production to slaughter. Except feeding production lines starter, growers and finisher will be produced in isolation say each block will produce one type of feed.

The proposed project will be executed in various places in Tanzania but the headquarter will be situated at Dar es salaam region. But we will start with, the farm which have a magnitude of 25,000 acres from Kyerwa district. Based on the model of the business, there will some small pieces of land here and there for individual small producers who will supply the raw materials and some commodities to the Entity's head office for processing and marketing.

7.1 Renovation and upgrading Plan

Plans are there to renovate and improve the project in order to increase production performance. The significant renovation and upgrading plans are focused on:

- Rehabilitating the hired plant warehouse in order to conform to the National Good Manufacturing Practices (GMP) standards and in accordance with the National food grade guidelines;
- Reconnect the milling machinery and equipment in the milling section and packaging section in order to produce at optimum capacity and conform to National Good Manufacturing Practices (GMP) standards and in accordance with the National food grade guidelines.

7.2 The Renovated Plant

The building, machinery and equipment for the plant from members are ready but in order to successfully continue with production and attain the targeted capacities, additional working capital is highly needed. Additional production staff and a second shift are needed for efficient, effective and optimum production to meet the demand of animal feeds in the domestic and neighboring countries market.

7.3 Types of Products

TANCEAT produces now six types of maize products and two type of animal feeds i.e. 25kg packages, 10kgs, 5kgs, 70kgs of maize bran and expecting to produce 1kg and 2kg of maize flour then followed by chicken feeds pellets (50kgs finisher and 50kgs starter) and broiler meat, fish fillets, methane, organic fertilizers as a future products for innovative and value addition product.

7.4 Packaging Materials

Our packaging materials products are made from boxes and pp woven bags, kraft papers and roll, material 100% virgin pp and recyclable, color is white, blue or green depends on product. The packaging bag have the dimensions range from 5-50cm width and length 8cm as specified with the quantity filled, with GSM 40-250gms and with a single fold and single stitched.

7.5 Costs of Production

There are existing standard costs of production per unit per products of flour mill and animal feed produced hereunder. Therefore, all the projected costs of production in this business plan as shown in the projected income statement (Annexure: 1) are based on the ongoing raw materials Project Standard Costing. However, in general the costs of production in this project include at least cost of raw materials (CIF), cost of packaging materials (CIF) and overheads.

MAIZE FLOUR PRICE ANALYSIS [TZS]			
QUANTITY	10,000	6,600	7,000
Weight in KGS	Price per Kg	66%	70%
Purchase Price	930		

TOTAL	**930**	**9,300,000**	**9,300,000**
Processing	50	500,000	500,000
Purchase of packaging materials	125	825,000	875,000
Labor cost (Packaging)	3	90,000	90,000
Selling cost	10	66,000	70,000
Total Production cost per kg	**1,118**	**10,781,000**	**10,835,000**
Profit margin	582		
Selling price	1,500	9,900,000	10,500,000
Maize bran	400	3,400	3,000
Selling		1,360,000	1,200,000
Total sales		**11,260,000**	**11,700,000**

Total production cost		1,633	1,548

SELLING FLOUR PRICE		1,500	1,500
SELLING BRAN PRICE		400	400
TOTAL PRICE		**1,900**	**1,900**

PROFIT/(LOSS)		267	352

PROFIT MARGIN		582	582
NET OFF PROFIT		**849**	**934**

7.6 Labor Requirement

Additional number of personnel is required in order to improve and increase production at the plant which is planned for renovation and upgrading. Also, installation and reconnection of the equipment automatically leads to require more staff especially production staff. In order to increase production volume and meet the demand, it is planned to reduce plants idle time by introducing a second shift schedule.

Personnel plan is considered vital during this planning period and is attached in the note: 2.

7.7 Operating Expenses

In addition to direct production costs, operating expenses are categorized as administrative, selling and financing expenses as shown in the projected income statement (Annexure 1).

7.8 Production Capacity

Following below is the list of machinery and equipment, their installed and achievable capacities and functions. Projected production capacities for the first year are also shown in the Projected Income Statement (Annexure 1)

7.9 Existing hired Members Machinery and Equipment

The list of existing hired machinery and Equipment from members and their achievable capacities summarized in the following table:-

S/N	NAME	AREA	CAPACITY	REMARKS
1	SUZANA MTWEVE	KITUNDA RELINI	20TPD	Working
2	MARY A. MWANGA	MAZIZINI	10TPD	Working
3	IGNAS MAFITA	BUZA	5TPD	Working
4	JOSEPH MAPUNDA	KWEMBE	5TPD	Working
5	TANCEAT-MKURANGA	MKURANGA	30TPD	Working
6	EMMANUEL DALLO	BUGURUNI	5TPD	Working

7.10 Upgraded hired Machinery and Equipment Required

The list of upgraded hired machinery and Equipment, their functions, installation will be achievable during operations.

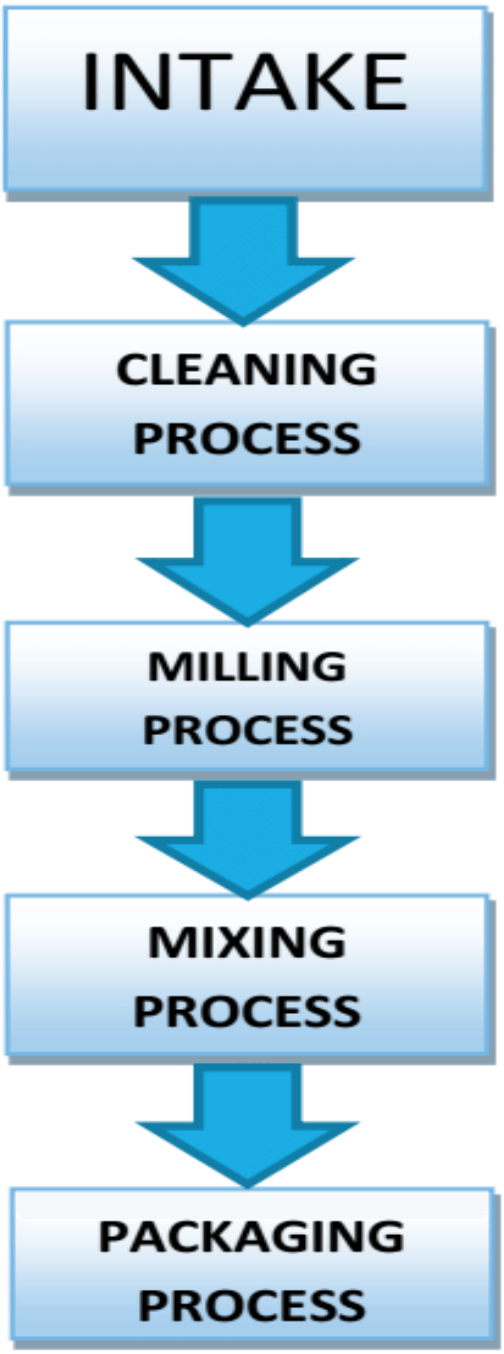
7.11 Suppliers of Raw Materials

The list of reliable suppliers of raw materials is:

- GNM International;
- Madina company limited, for maize supply;
- Sanku, packaging suppliers and minerals for fortification;
- RRB Holding BV (Netherland)
- Cargil international Brazil
- E.t.c.

7.12 Production Process

The typical production flow charts for all types of products i.e. Maize flour and animal feed is attached herewith. Please see the diagram below.



7.13 Production Technology

We use the best production technology to produce our products. The above lists of existing machinery and equipment reflect our best production technology and techniques. Also, the list of equipment in our quality control department as shown in the annexure proves our best production technology.

7.14 Quality Control

Our quality control department is equipped with qualified staff to ensure quality of our products to conform to the National Good Manufacturing Practices (GMP) standards and in accordance with the National food grade guidelines.

The involvements of senior staffs in the production control for accuracy packing and formula ingredient follow up gives the indication of the management plan and control for better quality product performance. Also the periodical inspection of our packaging and labeling equipment makes our factory to satisfy our customers need.

7.15 Working Routine/Capacity

Working days and schedules are as follows:

- Normal working routine is from Monday to Friday 8.00am to 5.00pm and all the members are required to report at 7.45am to undergo GMP cleaning conditions before they start at 8.00am.
- It may be required to work on Saturdays or Sundays when there is pending or uncompleted work or work on shift.

Planned shifts are:

- Day shift starts at 8.00am to 6.00pm
- Night shift starts at 7.00pm to 7.00am.

Extended work time is necessary when needed to complete work or to meet the required order or production target.

Over time pay is normally paid for extended time as a motivation.

7.16 Environmental Aspects

As any other maize flour and animal feed products manufacturer, TANCEAT undergoes and abides to environmental rules and regulations by the governing authority. We comply with all Environmental Impact requirements with the District Environmental Management Council (DEMC).

7.17 Safety

Safety of each and every staff and visitors including the community around our production plant is vital. We take all standard measures and procedure to protect staff, visitors and the community from any hazards. We also adhere to OSHA requirement and respective certificates are in place.

8.0 MARKET AND COMPETITON

8.1 Market Analysis

Tanzania consumes 90% of its maize production. A further increase in consumption is expected in 203/24 season due to increased demand in refugee camps arising from political crisis in neighboring countries i.e. Burundi and DRC (USDA Foreign Agricultural Service reports).

According to the Ministry of Agriculture, Livestock and Fisheries, production is projected to increase by 7% to 6.3Mil tons. Tanzania has consistently had surplus maize stocks enabling it to meet its domestic food needs. In the past five years, maize ending stocks have grown by 12% and this growth has been more significant in the last two years.

However, the National Food Reserve Agency (NFRA) which is responsible for maintaining national reserves and address shortages during emergency, has an installed capacity of 246,000 tons but operates around 150,000 tons in every three months. This is roughly 3% of the total maize produced in the country limiting the possibility of supporting Tanzania to either support its neighbors nor itself in case of a serious production crisis.

For the past five years, prices have been stable with a few exceptions in 2019/20 and 2020/22 seasons. 2019/20 season maize prices were higher leading to a bumper crop in 2020/22 season. The 2019/20 bumper crop weighed heavily on maize prices. In 2020/22 prices went up due to drop in production by 12% to 5.9Mil tons from 6.7Mil tons in the previous season. With such a pattern, we expect prices to drop in 2023/24 season due to the projected increase in production. However, prices could increase if cross border trade will be encouraged given the production crisis in most parts of Southern Africa.

For poultry industry, Tanzania has a poultry flock comprising approximately 72 million chickens. Approximately 40 million are indigenous breeds and 32 million are commercial poultry, which include 24 million for meat and 8 million for laying eggs. Of the 4.7 million agricultural households in Tanzania, 3.7 million households keep poultry.

Projected annual chicken meat and egg production in Tanzania would rise to 465,600 tons and 4.2 billion eggs, respectively. This would bring the production-consumption deficit for chicken meat from 130,000 to a surplus of 258,000 tons between 2018 and 2023.

Consumption of poultry meat and eggs – and of animal-source foods in general – has increased rapidly in past decades. Growing demand has mostly been driven by population growth, urbanization and rising incomes in developing countries.

8.2 Maize futures prices trend

Chicago Board of Trade (CBOT) maize futures performed better in 2018/19 season than in 2020/21 season. Average prices in 2020 dropped by 8.9% to 148.9USD/Mt from 163.5USD/Mt. Despite the decline, maize still outperformed other grains due to a drop in global production in 2019 to some 24.4Mil tons from 25Mil plus tons in 2018 (Agrimonies, 2020).

A recent forecast by Rabobank shows that CBOT maize futures will settle at 152USD/MT in both Q2 and Q3 and slightly drop by 2.6% to 148USD/MT in Q4. With the expected increase in US plantings, global maize prices are likely to undergo a downward pressure from the increased supply.

The Government of Tanzania supports local millers Industries by giving exclusive tax exemptions on both raw materials and some tax on exportation for all items that can be made locally and abolition of import duty and VAT on machinery, equipment, raw and packaging materials. Also, the government gives 15% price advantage to local company against foreign companies.

8.3 Present Customers

Our most dependable existing customers are:

- Meat master with local demand of more than 20 tons per month;
- GNM International with un-executed demand of more than 1056 tons per month broiler meat;
- Yakfy traders limited (SMC-Private) Limited demand of variety broiler meat;
- Madina Posh demand of 150 tons per month broiler meat;
- Local broiler markets;
- Members who are committed to buy and sell 100kg of flour per month per each member;
- Whole sellers
- Retail small mills
- Organized market

8.4 Prospective Customers

We look forward to entering strongly in the East African countries market through the East African Community considering that our production location is based in Dar es salaam where there now known as a business city.

8.5 Market Size and Trends

However, the global market has no significant impact to our local market. Tanzania is a small player in the global crop trade. At the regional level, the forecasted production crisis in Southern Africa is likely to have significant impact on East African Countries' crop market if cross boarder trading will be enhanced. It is also worth noting

the Non-Tariff Barriers existing in various regional blocks including East African Community, the actual fate of cross border trade cannot be stated with certainty.

Our view regarding Tanzanian food market; since the supply side have consistently had a direct effect on the food market, we expect prices to drop in 2021/22 season based on the projected increase in production in this coming season. We also expect more stocks uptake by traders and processors as a result of depressed prices targeting better margins towards 2021/22. With this fact it seems there is need for further investment & expansion in animal feed industry.

8.6 Competition and Competitors

There is no significant competition in this business as the market is huge and unmet. However, although we occupy about notional percentages of the market share in the Tanzania animal feed industry, the following are considered to be competitors that we share the same market in our area:

- Azania maize flour;
- Mo sembe;
- Musauzi;
- Neema sembe,
- Inerchick;
- Mkuza;
- Local chicken producers, etc

8.7 Sales Projection

Total sales estimate for one year of projection is $14.20 million. The estimates are based on actual sales of March, 2023 as indicated in financial management of 2023 (attached). Also, the planned renovation, replacement of hired machinery and equipment and the reconnecting plant installation will significantly improve and increase production.

8.8 Competitive Advantages

- Strong management with quality education background and experience;
- Long term existing good working relationship with both manufacturers/suppliers and customers of animal feed products;
- Sound internal control systems;
- Good working relationship with financial institutions the situation which gives TANCEAT good credibility and traceable banking history;
- Strong market penetration capacity due to long term market experience and quality products;
- Availability of both domestic and international markets of our assorted quality maize flour and animal feed products

8.9 Marketing And Sales Strategy

Poultry global market report 2021. COVID-19 impact and recovery 2030 provides the strategists, marketers and senior management with the critical information they need to assess the global poultry market as it emerges from COVID 19 shut down.

The United States of America is the world's largest poultry meat producer, with 17 percent of global output, followed by China and Brazil. China is by far the world's largest egg producer, with 38 percent of global production, followed by the United States (7 percent) and India (7 percent).

Asia Pacific was the largest region in the global poultry market accounting for 32% of the market in 2020. Western Europe was the second largest region accounting 28% of the global poultry market. Africa was a smallest region in the global poultry market.

Poultry manufacturing growth is aided by stable economic growth forecasted in many developed and developing countries. The International Monetary Fund (IMF) predicts that the global GDP growth will be 4.1% in 2022 and 3.2% in 2023. The Russia-Ukraine war disrupted the chances of global economic recovery from the COVID-19 pandemic, at least in the short term. Recovering commodity prices after a significant decline in the historic period is further expected to aid the market growth.

Developing economies are also expected to register stable growth during the forecast period. Additionally, emerging markets are expected to continue to grow slightly faster than the developed markets in the forecasted period. Stable economic growth is expected to increase investments in end user poultry market, thereby driving poultry manufacturing forecast period.

Due to low production and input shortages of chicks and feeds, people in Dar es Salaam are now consuming some broiler chickens that are produced in neighboring country like Kenya. The findings from the market analysis revealed that most customers do not like the taste of these imported chickens. They were described as fatty and tasteless. This finding underscores a need to augment efforts of the local broiler producers and to increase the supplies of home-grown broilers. In addition, TANCEAT producers have to take an additional step and produce a quality broiler that their potential buyers want.

8.10 SWOT Analysis

The internal and external factors situational analysis around TANCEAT now can be summarized as follows:

Internal Environment	External Environment
Strengths • Strong Management Team; • Sound Internal Control Systems; • Qualified and Experienced Personnel; • Quality Products; • Reliable Market and good relationship with clients and suppliers; • Good working relationship with financial institutions	Opportunities • Sole manufacturer of animal feed in Tanzania; • The market is unmet; • Support from the government and other Regional Markets such as SADC
Weaknesses • Lack of adequate fund to produce at optimum; • Current unconnected equipment does not meet required standards needs reconnection;	Threats • Unreliable source of electricity affects our production capacity; • Importers of poor quality products

8.11 Marketing Plan

Marketing is not a problem for all products manufactured at TANCEAT because most of production is based on orders and the market of animal feed products is huge and unmet.

We have secured our markets through fidelity, burglary, fire and life insurance to members this will eliminate and reduce risk from our products.

8.12 Sales System

We sell most of our products through orders. Our principal customers are contracted demand, members, retailers and whole sellers. This is due to the reason that on top of our quality products, the affordable prices of our unit product has acquired and monopolized share in the surrounding area.

8.13 Pricing

Pricing of our maize flour, animal feed products, chicken meat are controlled by the prevailing market price and quality of our products. The government gives 15% price

advantage to local company against foreign companies. Therefore, we are able to price our locally manufactured products at slightly low price compared to imported feeds.

8.14 Products

We produce our products at high quality in conformity with National Good Manufacturing Practices (GMP) standards and in accordance with the National food grade guidelines.

8.15 Advertisement and Promotion

The nature of our production and selling system require advertisement and promotion. However, we participate in community and advertisement activities as a way of promoting our products.

8.16 Placement/Location

The location of our machines is strategically located in Dar es Salaam and Coastal communities. The location is a center for maize millers and poultry farmers which are well developed in infrastructure networks including tarmac roads and airport.

9.0 ORGANIZATION PLAN

Trust Description

9.1 Trust Structure

TANCEA is a non-governmental organization established in Tanzania and registered under the Societies Act (CAP. 337 R.E 2002). And November, 2021 was registered under RITA for trust ownership (TANCEAT), full responsibility and accountability.

9.2 Office bearers

The Office bearers and Trustees:

Members	Qualified Professional	Title	Nationality
CPA Benedict Kasele	Certified Public Accountant	Chairman	Tanzanian
Mrs. Janeth Brown	Teacher	Vice Chairperson	Tanzanian
Mrs. Eliesh Frank	Human Resource	Secretary	Tanzanian
Advocate Jane Ignance Gerald	Advocate	Lawyer	Tanzanian
Mr. Samwel Mathias	Marketing	Sales& Marketing	Tanzanian
CPA Furgence Mathias	Certified Public Accountant	CEO	Tanzanian
Dr. Charles E Mugaya	Veterinary Doctor	Hatchery	Tanzanian
Dr. Getruda Oscar	Veterinary Doctor	Aquaculture	Tanzanian
Mr. Salum Kibwana Suleiman	Procurement	Logistic Officer	Tanzanian
Ms Beatrice Athanas	Finance	Accountant	Tanzanian

9.3 Organization Structure

The company is organized in three main organs i.e. the Board of Trustee, Management and Members. The Trustee's organization chart is attached in the annexure: 13.

9.4 Board of Trustees

The Board of Trustees (BoT) which has the main role of overseeing the management is made up of 7 members with strong merits, high integrity, and various education background and administration experiences. The BoT is made up of trustees of the organization and appointed people with merit.

9.5 Management and members

The management is made up with well qualified and experienced personnel. Senior officers including the managing director and deputy managing director, machine managers and heads of departments as indicated in the following section below.

The members of this project are organized and working in 10 groups of devoted 30 members which formulate a committed and voluntary organized operating Centre of 300 members and Zone is formulated from each 5 centers which end up by creating Unit from 10 zone combined. And for better management and supervision these 30 members group is grouped into six (6) groups of five (5) members with one principal supervisor.

TANCEAT is proud of having qualified and motivated supporting member team for efficient and effective production of high-quality products.

9.6 Qualification, Experience and Responsibility of Key Personnel

9.6.1 Machine Manager

The Machine Manager will be the head of all the machine activities he/she will report to the Head of procurement. The Machine Manager shall have an experience in milling production and quality control, and responsible for organizing, controlling, smooth operations of the plant, implementation of quality management systems in the organization, development of new products, machinery and in-house projects and training of personnel at all levels.

9.6.2 Quality Assurance Manager

The Quality Assurance Manager will be the head of Quality Assurance Department and he/she will report to the machine Manager and Deputy Managing Director. He/she will have an experience in food processing and Production/Quality Assurance area. He/she will have the specific responsibilities besides collaborating with the Quality Assurance production in implementing the Quality Assurance functions.

9.6.3 Production Manager (General Production Unit)

The Production Manager will be the head of Production at the machine and he/she will report to the Head of procurement. He/she is with an experience in the Manufacturing of food products and experience in poultry farming activities.

The Production Manager will be responsible for the shop floor planning and scheduling of production and ensuring of production meets targeted quantities of planned products, and efficient utilization of machine and manpower. The Production Manager will prepare production SOPs, trains workers in the department. Moreover, the Production Manager will be responsible to control and evaluate yield and losses in production, maintenance and calibration of equipment in production areas, maintaining of statutory records and the general management of the departmental activities.

9.6.4 Production plant mechanics engineer

The Production plant mechanics engineer will report to the Production Manager. He has an experience in production.

9.6.5 Warehouse Manager

The Warehouse manager will be the head of Warehouse department and will report to the General Manager. Should have an experience in animal feed Industry and also is the Warehouse Manager and overall, in-charge for the officers of the entire warehouse functions and control on issues, receipts, storage of raw materials and packing materials.

9.6.6 Plant Engineer

The Plant Engineer will be the head of Engineering Department and reports to the Head of production. He/she should have an experience in general mechanics and Electrical in various industries.

Accountant (Post Graduate Diploma in Accountancy)
The accountant is the head of the accounts department, reports to the General Manager and Director of Finance will be the accountant and head of accounts department with Postgraduate Diploma in Accountancy with an experience in financial transaction and expense control.

9.6.7 Personnel Plan

During this planning period the personnel is as indicated in the annexure: 7 under Personnel Plan. The personnel plan is planned to ensure efficiency and cost effectiveness of production, internal control systems, quality of products, production capacity and meeting targets.

9.6.8 Management and members

The management is made up with well qualified and experienced personnel. Senior officers including the managing director and deputy managing director, machine managers and heads of departments as indicated in the following section below.

The members of this project are organized and working in 10 groups of devoted 30 members which formulate a committed and voluntary organized operating Centre of 300 members and Zone is formulated from each 5 centers which end up by creating Unit from 10 zone combined. And for better management, control and supervision these 30 members group is grouped from six (6) groups of five (5) members with one principal supervisor.

TANCEAT is proud of having qualified and motivated supporting member team for efficient and effective production of high-quality products.

9.6.9 Descriptive Financial Statement

Forecasted income statements demonstrate that profits of $1.146 Million will be realized in year one of this plan, out of year total of $14.20 Million from the estimated sales volumes **(Annexure: 1).** Also the forecasted cash flows show that each cash balance of the business will grow in the first twelve months of the first year from $0.405Million to $1.540 Million respectively **(Annexure: 2)** and the statement of financial position will grow concurrently with the project.

9.6.10 Financial Projections

The two years financial projections are detailed as indicated in the annexure AA-EE. The included financial projections are yearly cash flows projections, statement of comprehensive income and statement of financial position projections.

10.0 SENSITIVITY ANALYSIS

Sensitivity analysis has been worked out as follows: (Note: 8)

Factor	IRR
Base case	9.00%
2% Changes in price/unit of product	9.49%
11% change in DCF rate	10.09%
2% fall in Average Daily Revenue per unit	9.49%
2% increase in Operating cost	9.49%

The project is most sensitive to the fall in selling prices of products. A 2% fall in prices will yield an IRR of 9.49%. The proposed prices of the products have factored in the location advantage and the farmers. It is most likely that the proposed prices will increase in raw materials due to increased farming costs and emerged of animal feed producers in the market.

11.0 INTERNAL RATE OF RETURN (IRR)

The project IRR is as shown in Note: 7 the key indicators are as follows:

- Net Present Value (NPV) $1.92 Billion
- IRR 9.50%

Note that: the IRR of 9.49% and 10.09% are greater than the cost of fund (9%) and the NPV are positive suggesting a viable business venture.

12.0 FINANCING AND COLLATERAL ARRANGEMENT

The funding of $3.236 Billion will stimulate the collection of TZS 804.74 million from Tanzania Community Empowerment Association Trust (TANCEAT) members' activities. It was budgeted from our internal generation's activities to collect TZS 1.113 Billion from 12.000+ members in year 2022 through association fund raising and to be capitalizing to TANCEAT. We managed to collect TZS 319.2 million for the entire period of 2022 out of TZS 1.113 Billion expected. We didn't meet the expectation due to most of our members being low income earners and living under $1 per day, therefore, introduction of maize flours and broiler production activities to individual members (economic independence) will boost their income and earnings, and make them capable to pay their dues to the association at the tune of TZS 804.74 million for more investment facilitation. Please see table below of association activities.

TANCEAT EXPECTED vs COLLECTED MEMBERS ACTIVITIES(TZS)

ACTIVITIES	NATURE	COLLECTED	RATE	EXPECTED	BALANCE
Identity card	USAJILI	5,247,000.00	10,000	127,850,000	122,603,000
Constitution	KATIBA	3,783,000.00	3,000	38,355,000	34,572,000
Regulation	KANUNI	3,571,000.00	3,000	38,355,000	34,784,000
Members Contract	MKATABA	37,056,250.00	13,000	166,205,000	129,148,750
Seminars	SEMINA	16,043,000.00	1,000	12,785,000	-
Members supply	MEMBERS	84,664,301.00	6,000	76,710,000	-
Book for transactions	VITABU	46,720,500.00	10,000	127,850,000	81,129,500
Members supply	MEMBER	18,350,000.00	250,000	25,000,000	6,650,000
Investment machine	MEMBERS	86,240,000.00	100,000	180,000,000	93,760,000
Uniforms	T-SHIRTS	17,528,000.00	25,000	319,625,000	302,097,000
		319,203,051		**1,112,735,000**	**804,744,250**

- The total financing amount as elaborated in this project is proposed to be borrowed from your Bank;
- The proposed repayment period for term loan is proposed to be fifteen (15) years;

- The project will be covered by the Collateral owned by organization from this project.

12.1 Economic Benefits of the Project

- Empowerments and capacity building –TANCEAT will empower more than 120,000 people. The project is estimated to start with 12,000 members at a pilot stage ranging from skilled laborers to unskilled workers.
- Tax Income – the project, together with the prospective buyer will pay income taxes, property taxes, corporate taxes and other taxes to the Tanzania government.
- Provision of TOT group centers of Education – the project complements the government efforts to provide decent education to its society through veterinary member doctors.
- Value creation – The organization will mobilize resources to create a modern poultry farm and residential property which will substantially add to the country's capital formation and Gross Domestic Product (GDP).

13.0 RECOMMENDATIONS AND KEY SUCCESS FACTORS

In order to achieve good results TANCEAT broiler project will ensure that:

- Proper fowl or coops run structures are properly maintained so that the incidence of predators is minimized.
- Fertile broiler eggs and chicks are purchased from reliable suppliers to obtain stock of chicks that is free from diseases and deformities.
- There is regular vaccination to avoid contamination.
- Proper disinfection of the structures and disposal of bi-products to avoid infections.

14.0 ECONOMIC IMPACT EVALUATION

TANCEAT broiler project is envisaged to empower the producers with expert knowledge and skills in the practical production, processing and marketing of quality broilers. In turn their economic, social, health and nutritional status will improve.

15.0 CONCLUSION AND RECOMMENDATIONS

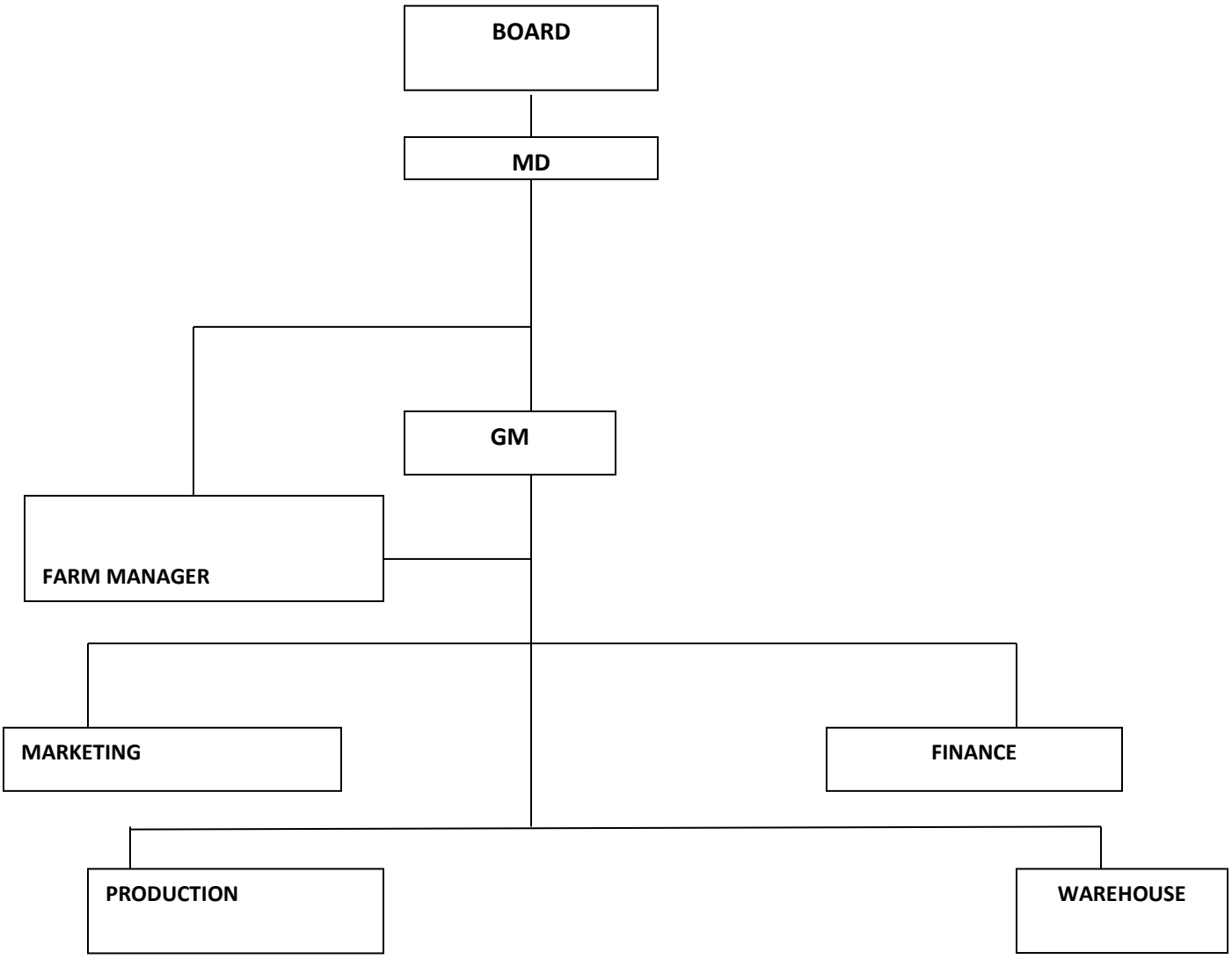
TANCEAT'S business as explained and supported by projections of financial results indicated above, seem to worthy undertaking. This is because among other things:

- The business's operations have motivating financial rewards to the members and the operations lead to maximization of member's wealth.
- It is expected source of income to the government and members.
- The business is in line with the government policies in the agricultural sector.
- The business has many benefits to the wellbeing of the Tanzanian society because apart from creating employment, its services have a positive impact on the community and hence improving the people's standards of living.
- The assessment of the viability of the proposed project demonstrates the project is a long-term investment and a profitable venture. On the basis of the analysis, the investment will yield an IRR, which is greater than the cost of capital.
- In view of our observations it is recommended to the trustees to undertake the project, and find an external partner such as banks to participate in the co-financing of the project.

ATTACHMENTS

Organization Chart (Annexure:13)

B&M ORGANOGRAM



TANZANIA COMMUNITY EMPOWERMENT ASSOCIATION TRUST

P.O.BOX 11340
DAR ES SALAAM

ANNEX 1

Currency used :USD *INCOME STATEMENTS PROJECTIONS FOR YEAR ONE*

PERIOD						
MONTHS	***1***	***2***	***3***	***4***	***5***	***6***
CAPACITIES	*50%*			*60%*		
Sales from Broiler farm	-	-	-	-	-	-
Other income-out growers [Broilers]	*675,000*	*675,000*	*675,000*	*810,000*	*810,000*	*810,000*
-Animal feeds	*52,245*	*52,245*	*52,245*	*52,245*	*52,245*	*52,245*
-Tanceat sembe	*61,224*	*61,224*	*61,224*	*61,224*	*61,224*	*61,224*
-Maize bran	*18,367*	*18,367*	*18,367*	*18,367*	*18,367*	*18,367*
TOTAL SALES	***806,837***	***806,837***	***806,837***	***941,837***	***941,837***	***941,837***
DIRECT EXPENSES (II)						
Production Costs:						
Raw materials	*593,222*	*593,222*	*593,222*	*593,222*	*593,222*	*1,186,444*
production overheads	*59,322*	*59,322*	*59,322*	*59,322*	*59,322*	*59,322*
TOTAL DIRECT EXPENSES	***652,544***	***652,544***	***652,544***	***652,544***	***652,544***	***1,245,766***
NON PRODUCTION COST (III)						
Salary and wages- Admin	*9,440*	*9,440*	*9,440*	*9,440*	*9,440*	*9,440*
Administrative Expenses	*16,524*	*16,524*	*16,524*	*16,524*	*16,524*	*16,524*
Selling and Distribution Expenses	*4,526*	*4,526*	*4,526*	*4,526*	*4,526*	*4,526*
Finance Costs	*17,333*	*17,333*	*17,333*	*17,333*	*17,333*	*17,333*
TOTAL NON MANUFACTURING COSTS	*47,822*	*47,822*	*47,822*	*47,822*	*47,822*	*47,822*
Contribution Margin (I-II)	*154,292*	*154,292*	*154,292*	*289,292*	*289,292*	*(303,930)*
Net Surplus/(Deficit) c/d ((I-II)-III)	***106,470***	***106,470***	***106,470***	***241,470***	***241,470***	***(351,752)***
Net Surplus/Deficity b/d	-	*106,470*	*212,941*	*319,411*	*560,882*	*802,352*
Cummulative Surplus/(Deficity)	*106,470*	*212,941*	*319,411*	*560,882*	*802,352*	*450,601*
MEMBERS ALANYSIS						
Net Surplus/Deficit per member	*5*	*5*	*5*	*12*	*12*	-
Investment Account(10%)	*1*	*1*	*1*	*1*	*1*	-
Reserved Surplus (30%)	*2*	*2*	*2*	*4*	*4*	-
Distributed Surplus (60%)	***3***	***4***	***4***	***8***	***8***	***-***

ANNEX 1

Currency used : USD ONE YEAR INCOME STATEMENTS PROJECTIONS CONTINUES.....

PERIOD	2		0	2		1/2	TOTAL
MONTHS	7	8	9	10	11	12	AMOUNTS
		70%			95%		$
Sales from Broiler farm	208,511	208,511	208,511	282,979	282,979	282,979	1,474,468
Other income-out growers [Broilers]	945,000	945,000	945,000	1,282,500	1,282,500	1,282,500	11,137,500
-Animal feeds	52,245	52,245	52,245	52,245	52,245	52,245	626,939
-Tanceat sembe	61,224	61,224	61,224	61,224	61,224	61,224	734,694
-Maize bran	18,367	18,367	18,367	18,367	18,367	18,367	220,408
TOTAL SALES	**1,285,347**	**1,285,347**	**1,285,347**	**1,697,315**	**1,697,315**	**1,697,315**	**14,194,009**
DIRECT EXPENSES (II)							
Production Costs:							-
Raw materials	1,186,444	1,186,444	1,186,444	1,186,444	1,186,444	1,186,444	11,271,220
production overheads	59,322	59,322	59,322	59,322	59,322	59,322	711,867
TOTAL DIRECT EXPENSES	**1,245,766**	**1,245,766**	**1,245,766**	**1,245,766**	**1,245,766**	**1,245,766**	**11,983,086**
NON PRODUCTION COST (III)							
Salary and wages- Admin	9,440	9,440	9,440	9,440	9,440	9,440	113,276
Administrative Expenses	16,524	16,524	16,524	16,524	16,524	16,524	198,284
Selling and Distribution Expenses	4,526	4,526	4,526	4,526	4,526	4,526	54,310
Finance Costs	17,333	17,333	17,333	17,333	17,333	17,333	207,993
TOTAL NON MANUFACTURING COSTS	47,822	47,822	47,822	47,822	47,822	47,822	573,863
Contribution Margin (I-II)	39,581	39,581	39,581	451,549	451,549	451,549	2,210,923
Net Surplus/(Deficit) c/d ((I-II)-III)	**(8,241)**	**(8,241)**	**(8,241)**	**403,727**	**403,727**	**403,727**	**1,637,059**
Net Surplus/Deficity b/d	450,601	442,360	434,119	425,878	829,605	1,233,332	1,637,059
Cumulative Surplus/(Deficity)	442,360	434,119	425,878	829,605	1,233,332	1,637,059	1,637,059
MEMBERS ALANYSIS							
Net Surplus/Deficit per member	-	-	-	20	20	20	101
Investment Account(10%)	-	-	-	2	2	2	10
Reserved Surplus (30%)	-	-	-	6	6	6	40
Distributed Surplus (60%)	**-**	**-**	**-**	**14**	**14**	**14**	**60**

TANZANIA COMMUNUTY EMPOWERMENT ASSOCIATION TRUST

ANNEXURE 2

Currency used :USD CASH FLOW STAMENTS FOR YEAR ONE

PERIOD						
MONTHS	1	2	3	4	5	6
Sales	806,837	806,837	806,837	941,837	941,837	941,837
RECEIPTS						
Collection from Receivables	403,418	403,418	403,418	470,918	470,918	470,918
Cash Sales	363,077	363,077	363,077	423,827	423,827	423,827
Term Loan	2,311,036	-	-	-	-	-
TOTAL RECEIPTS	3,077,531	766,495	766,495	894,745	894,745	894,745
PAYMENTS						
Chicken feed raw materials	485,719	485,719	485,719	485,719	485,719	485,719
production overheads	59,322	59,322	59,322	59,322	59,322	59,322
Property, plant and Equipments	2,074,566	100,000	100,000	100,000	100,000	100,000
Salary and wages- Admin	9,440	9,440	9,440	9,440	9,440	9,440
Administrative Expenses	39,184	39,184	39,184	39,184	39,184	39,184
Selling and Distribution Expenses	4,526	4,526	4,526	4,526	4,526	4,526
Members surplus	-	63,882	63,882	144,882	144,882	-
Loan repayment	-	-	-	-	-	-
Finance Costs	-	-	-	-	-	-
TOTAL PAYMENTS	2,672,757	762,073	762,073	843,073	843,073	698,191
Balance Carried Down	-	404,775	409,196	413,618	465,290	516,962
Net Cash Movements	404,775	4,422	4,422	51,672	51,672	196,554
Balance Brough Forward	404,775	409,196	413,618	465,290	516,962	713,516

Currency: USD CASH FLOW PROJECTED STATEMENT PROJECTED FOR YEAR ONE CONTINUES.....

PERIOD							TOTAL
MONTHS	7	8	9	10	11	12	AMOUNTS
Sales	1,285,347	1,285,347	1,285,347	1,697,315	1,697,315	1,697,315	$
RECEIPTS							
Collection from Receivables	642,674	642,674	642,674	848,658	848,658	848,658	7,097,004
Cash Sales	578,406	578,406	578,406	763,792	763,792	763,792	6,387,304
Term Loan	-	-	-	-	-	-	2,311,036
TOTAL RECEIPTS	1,221,080	1,221,080	1,221,080	1,612,450	1,612,450	1,612,450	15,795,345
PAYMENTS							
Chicken feed raw materials	485,719	485,719	485,719	485,719	485,719	485,719	5,828,630
production overheads	59,322	59,322	59,322	59,322	59,322	59,322	711,867
Property, plant and Equipments	600,000	600,000	600,000	700,000	700,000	700,000	6,474,566
Salary and wages- Admin	9,440	9,440	9,440	9,440	9,440	9,440	113,276
Administrative Expenses	39,184	39,184	39,184	39,184	39,184	39,184	470,207
Selling and Distribution Expenses	4,526	4,526	4,526	4,526	4,526	4,526	54,310
Members surplus	-	-	-	242,236	242,236	242,236	1,144,238
Loan repayment	-	-	-	-	-	-	-
Finance Costs	-	-	-	-	-	-	-
TOTAL PAYMENTS	1,198,191	1,198,191	1,198,191	1,540,427	1,540,427	1,540,427	14,797,093
Balance Carried Down	713,516	736,405	759,294	782,184	854,206	926,229	998,252
Net Cash Movements	22,889	22,889	22,889	72,023	72,023	72,023	-
Balance Brought Forward	736,405	759,294	782,184	854,206	926,229	998,252	998,252

TANZANIA COMMUNITY EMPOWERMEMENT ASSOCIATION TRUST

ANNEX: 3 Currency used :USD — PROJECTED INCOME STATEMENT FOR FIFTEEN YEARS

PERIOD/YEARS	1	2	3	4	5	6
Sales from Fertile Eggs	-	21,159	465,502	7,659,624	15,319,249	15,319,249
Sales from Broilers farm	1,474,468	124,002,631	1,509,258,391	1,509,258,391	1,509,258,391	1,962,035,908
Sales from fish farm	-	-	-	-	2,893,384,111	2,893,384,111
Other income-out growers [Broilers]	11,137,500	11,583,000	11,698,830	35,096,490	35,447,455	35,801,929
-Animal feeds	626,939	35,744,681	42,536,170	132,712,851	63,804,255	64,442,298
-Biogas farm	-	-	-	-	1,556,942,160	1,556,942,160
-Organic Fertilizers	-	-	-	-	3,906,382,979	3,906,382,979
-Packaging project	-	-	-	-	144,410,287	144,410,287
-Tanceat sembe	734,694	2,204,082	6,612,245	26,448,980	79,346,939	238,040,816
-Maize bran	220,408	224,816	229,313	233,899	238,577	243,348
TOTAL SALES	**14,194,009**	**173,780,369**	**1,570,800,451**	**1,711,410,235**	**10,204,534,402**	**10,817,003,085**
DIRECT EXPENSES (II)						
Production Costs:						
Raw materials	11,271,220	145,621,930	1,383,408,332	1,397,242,415	8,928,379,034	9,490,866,913
production overheads	711,867	7,830,532	7,908,837	122,227,479	124,672,029	127,165,469
TOTAL DIRECT EXPENSES	**11,983,086**	**153,452,461**	**1,391,317,169**	**1,519,469,895**	**9,053,051,063**	**9,618,032,383**
NON PRODUCTION COST (III)						
Salary and wages- Admin (Note 4)	113,276	226,552	233,348	240,349	247,559	254,986
Administrative Expenses (Note 5)	198,284	218,112	229,018	240,469	252,492	265,117
Selling and Distribution (Note 4)	54,310	108,621	108,621	108,621	108,621	108,621
Finance Costs	207,993	94,741	1,313,386	2,758,282	11,194,444	22,184,392
TOTAL NON PRODUCTION COSTS	573,863	648,025	1,884,373	3,347,721	11,803,116	22,813,115
Contribution Margin (I-II)	2,210,923	20,327,908	179,483,282	191,940,340	1,151,483,339	1,198,970,703
Surplus (Deficity) ((I-II)-III)	1,637,059	19,679,882	177,598,909	188,592,620	1,139,680,223	1,176,157,587
Taxation	491,118	5,903,965	53,279,673	56,577,786	341,904,067	352,847,276
Net Surplus (Deficity) ((I-II)-III)	**1,145,942**	**13,775,918**	**124,319,236**	**132,014,834**	**797,776,156**	**823,310,311**
Net Surplus/(Deficity) b/d	-	1,145,942	14,921,859	139,241,095	-	797,776,156
Cummulative Surplus/ (Deficity)	1,145,942	14,921,859	139,241,095	271,255,929	797,776,156	1,621,086,467
Break Even Analysis						
Sales Value	14,194,009	173,780,369	1,570,800,451	1,711,410,235	10,204,534,402	10,817,003,085
Variable Costs	11,983,086	153,452,461	1,391,317,169	1,519,469,895	9,053,051,063	9,618,032,383
Contribution	2,210,923	20,327,908	179,483,282	191,940,340	1,151,483,339	1,198,970,703
Fixed Costs	573,863	648,025	1,884,373	3,347,721	11,803,116	22,813,115
CM Ratio	0.16	0.12	0.11	0.11	0.11	0.11
Break Even Point in Sales value						
Annum (p.a)	3,684,173	5,539,876	16,491,639	29,849,501	104,600,131	205,817,822
Month(p.m)	307,014	461,656	1,374,303	2,487,458	8,716,678	17,151,485
Daily(P.d)	10,234	15,389	45,810	82,915	290,556	571,716

ANNEX 3

Currency used: USD *PROJECTED INCOME STATEMENT FOR FIFTEEN YEARS CONTINUES…….*

PERIOD/YEARS	***7***	***8***	***9***	***10***	***11***
Sales from Fertile Eggs	*15,319,249*	*15,319,249*	*15,319,249*	*15,319,249*	*15,319,249*
Sales from Broilers farm	*2,001,276,626*	*2,041,302,159*	*2,082,128,202*	*2,123,770,766*	*2,166,246,181*
Sales from fish farm	*2,893,384,111*	*2,893,384,111*	*2,893,384,111*	*2,893,384,111*	*2,893,384,111*
o *Out growers [Broilers]*	*36,159,949*	*36,521,548*	*36,886,764*	*37,255,631*	*37,628,188*
o *Animal feeds*	*65,086,721*	*65,737,588*	*66,394,964*	*67,058,914*	*67,729,503*
o *Biogas farm*	*1,556,942,160*	*1,556,942,160*	*1,556,942,160*	*1,556,942,160*	*1,556,942,160*
o *Organic Fertilizers*	*3,906,382,979*	*3,906,382,979*	*3,906,382,979*	*3,906,382,979*	*3,906,382,979*
o *Packaging project*	*144,410,287*	*144,410,287*	*144,410,287*	*144,410,287*	*144,410,287*
o *Tanceat sembe*	*714,122,449*	*1,428,244,898*	*2,856,489,796*	*3,427,787,755*	*4,113,345,306*
o *Maize bran*	*248,215*	*253,180*	*258,243*	*263,408*	*268,676*
TOTAL SALES	***11,333,332,745***	***12,088,498,158***	***13,558,596,754***	***14,172,575,259***	***14,901,656,639***
DIRECT EXPENSES (II)					
Production Costs:					
Raw materials	*9,870,501,590*	*10,561,436,701*	*11,828,809,105*	*12,420,249,560*	*13,041,262,038*
production overheads	*129,708,779*	*132,302,954*	*134,949,013*	*137,647,994*	*140,400,954*
TOTAL DIRECT EXPENSES	***10,000,210,369***	***10,693,739,655***	***11,963,758,119***	***12,557,897,554***	***13,181,662,992***
NON PRODUCTION COST (III)					
Salary and wages- Admin (Note 4)	*262,636*	*270,515*	*278,630*	*286,989*	*295,599*
Administrative Expenses (Note 5)	*278,373*	*292,291*	*306,906*	*322,251*	*338,364*
Selling and Distribution (Note 4)	*108,621*	*108,621*	*108,621*	*108,621*	*108,621*
Finance Costs	*19,642,160*	*17,099,928*	*14,808,126*	*12,516,324*	*10,224,522*
TOTAL NON PRODUCTION COSTS	*20,291,789*	*17,771,354*	*15,502,282*	*13,234,185*	*10,967,105*
Contribution Margin (I-II)	*1,333,122,377*	*1,394,758,503*	*1,594,838,635*	*1,614,677,705*	*1,719,993,647*
Surplus (Deficit) ((I-II)-III)	*1,312,830,588*	*1,376,987,148*	*1,579,336,353*	*1,601,443,520*	*1,709,026,542*
Taxation	*393,849,176*	*413,096,144*	*473,800,906*	*480,433,056*	*512,707,963*
Net Surplus (Deficity) ((I-II)-III)	***918,981,412***	***963,891,004***	***1,105,535,447***	***1,121,010,464***	***1,196,318,579***
Net Surplus/(Deficity) b/d	*1,621,086,467*	*2,540,067,879*	-	*1,105,535,447*	*2,226,545,911*
Cummulative Surplus/ (Deficity)	*2,540,067,879*	*3,503,958,883*	*1,105,535,447*	*2,226,545,911*	*3,422,864,491*
Break Even Analysis					
Sales Value	*11,333,332,745*	*12,088,498,158*	*13,558,596,754*	*14,172,575,259*	*14,901,656,639*
Variable Costs	*10,000,210,369*	*10,693,739,655*	*11,963,758,119*	*12,557,897,554*	*13,181,662,992*
Contribution	*1,333,122,377*	*1,394,758,503*	*1,594,838,635*	*1,614,677,705*	*1,719,993,647*
Fixed Costs	*20,291,789*	*17,771,354*	*15,502,282*	*13,234,185*	*10,967,105*
CM Ratio	*0.12*	*0.12*	*0.12*	*0.11*	*0.12*
Break Even Point in Sales value					
Annum (p.a)	*172,507,488*	*154,025,936*	*131,793,394*	*116,160,940*	*95,016,651*
Month(p.m)	*14,375,624*	*12,835,495*	*10,982,783*	*9,680,078*	*7,918,054*

Daily(P.d)	*479,187*	*427,850*	*366,093*	*322,669*	*263,935*

***ANNEX 3 Currencies** used: USD PROJECTED INCOME STATEMENT FOR FIFTEEN YEARS CONTINUES……..*

PERIOD/YEARS	***12***	***13***	***14***	***15***
Sales from Fertile Eggs	*15,319,249*	*15,319,249*	*15,319,249*	*15,319,249*
Sales from Broilers farm	*2,209,571,105*	*2,253,762,527*	*2,298,837,778*	*2,344,814,533*
Sales from fish farm	*2,893,384,111*	*2,893,384,111*	*2,893,384,111*	*2,893,384,111*
o *out growers [Broilers]*	*38,004,470*	*38,384,514*	*38,768,359*	*39,156,043*
o *Animal feeds*	*68,406,798*	*69,090,866*	*69,781,774*	*70,479,592*
o *Biogas farm*	*1,556,942,160*	*1,556,942,160*	*1,556,942,160*	*1,556,942,160*
o *Organic Fertilizers*	*3,906,382,979*	*3,906,382,979*	*3,906,382,979*	*3,906,382,979*
o *Packaging project*	*144,410,287*	*144,410,287*	*144,410,287*	*144,410,287*
o *Tanceat sembe*	*4,936,014,367*	*5,923,217,241*	*7,107,860,689*	*8,529,432,827*
o *Maize bran*	*274,050*	*279,531*	*285,121*	*290,824*
TOTAL SALES	***15,768,709,575***	***16,801,173,464***	***18,031,972,507***	***19,500,612,604***
DIRECT EXPENSES (II)				
Production Costs:				
Raw materials	*13,823,737,761*	*14,791,399,404*	*15,826,797,362*	*17,092,941,151*
production overheads	*143,208,973*	*146,073,152*	*148,994,615*	*150,484,561*
TOTAL DIRECT EXPENSES	***13,966,946,733***	***14,937,472,556***	***15,975,791,977***	***17,243,425,713***
NON PRODUCTION COST (III)				
Salary and wages- Admin (Note 4)	*304,467*	*313,601*	*323,009*	*332,699*
Administrative Expenses (Note 5)	*355,282*	*373,046*	*391,698*	*411,283*
Selling and Distribution (Note 4)	*108,621*	*108,621*	*108,621*	*108,621*
Finance Costs	*7,932,720*	*5,640,919*	*3,349,117*	*1,230,198*
TOTAL NON PRODUCTION COSTS	*8,701,090*	*6,436,186*	*4,172,444*	*2,082,801*
Contribution Margin (I-II)	*1,801,762,841*	*1,863,700,908*	*2,056,180,530*	*2,257,186,892*
Surplus (Deficit) ((I-II)-III)	*1,793,061,752*	*1,857,264,722*	*2,052,008,085*	*2,255,104,091*
Taxation	*537,918,526*	*557,179,417*	*615,602,426*	*676,531,227*
Net Surplus (Deficit) ((I-II)-III)	***1,255,143,226***	***1,300,085,305***	***1,436,405,660***	***1,578,572,863***
Net Surplus/(Deficity) b/d	*3,422,864,491*	*-*	*1,300,085,305*	*2,736,490,965*
Cumulative Surplus/ (Deficit)	*4,678,007,717*	*1,300,085,305*	*2,736,490,965*	*4,315,063,829*
Break Even Analysis				
Sales Value	*15,768,709,575*	*16,801,173,464*	*18,031,972,507*	*19,500,612,604*
Variable Costs	*13,966,946,733*	*14,937,472,556*	*15,975,791,977*	*17,243,425,713*
Contribution	*1,801,762,841*	*1,863,700,908*	*2,056,180,530*	*2,257,186,892*
Fixed Costs	*8,701,090*	*6,436,186*	*4,172,444*	*2,082,801*
CM Ratio	*0.11*	*0.11*	*0.11*	*0.12*
Break Even Point in Sales value				
Annum (p.a)	*76,150,396*	*58,021,904*	*36,590,854*	*17,994,032*
Month(p.m)	*6,345,866*	*4,835,159*	*3,049,238*	*1,499,503*
Daily(P.d)	*211,529*	*161,172*	*101,641*	*49,983*

ANNEX: 3 MEMBERS SURPLUS ALANYSIS PER FIFTEEN YEARS

PERIOD/YEARS	**1**	**2**	**3**	**4**	**5**	**6**
Net Surplus/Deficit per member	*286*	*3,444*	*31,080*	*33,004*	*199,444*	*205,828*
Investment Account (10%)	*28.6*	*344*	*3,108*	*3,300*	*19,944*	*20,583*
Reserved Surplus (30%)	*85.9*	*1,033*	*9,324*	*9,901*	*59,833*	*61,748*
Distributed Surplus (60%)	***171.9***	***2,066***	***18,648***	***19,802***	***119,666***	***123,497***

MEMBERS SURPLUS ALANYSIS PER FIFTEEN YEARS CONTINUES…….

PERIOD/YEARS	*7*	*8*	*9*	*10*	*11*
Net Surplus/Deficit per member	*229,745*	*240,973*	*276,384*	*280,253*	*299,080*
Investment Account (10%)	*22,975*	*24,097*	*27,638*	*28,025*	*29,908*
Reserved Surplus (30%)	*68,924*	*72,292*	*82,915*	*84,076*	*89,724*
Distributed Surplus (60%)	***137,847***	***144,584***	***165,830***	***168,152***	***179,448***

MEMBERS SURPLUS ALANYSIS PER FIFTEEN YEARS CONTINUES…….

PERIOD/YEAR	*12*	*13*	*14*	*15*
Net Surplus/Deficit per member	*313,786*	*325,021*	*359,101*	*394,643*
Investment Account (10%)	*31,379*	*32,502*	*35,910*	*39,464*
Reserved Surplus (30%)	*94,136*	*97,506*	*107,730*	*118,393*
Distributed Surplus (60%)	***188,271***	***195,013***	***215,461***	***236,786***

TANZANIA COMMUNITY EMPOWERMENT ASSOCIATION TRUST

ANNEX: 4 CURRENCIES USED: USD CASHFLOW PROJECTION FOR FIFTEEN YEARS

Period/Years	***1***	***2***	***3***	***4***	***5***
Sales	***14,194,009***	***173,780,369***	***1,570,800,451***	***1,711,410,235***	***10,204,534,402***
Collections from receivables	*7,097,004*	*121,646,258*	*1,099,560,315*	*1,197,987,164*	*7,143,174,081*
Cash sales	*6,387,304*	*43,445,092*	*392,700,113*	*427,852,559*	*2,551,133,600*
Term Loan	*2,311,036*	*166,953,501*	*230,511,050*	*1,184,960,534*	*1,640,264,186*
TOTAL COLLECTION	***15,795,345***	***332,044,851***	***1,722,771,478***	***2,810,800,257***	***11,334,571,867***
PAYMENTS					
Chicken feed raw materials	*5,828,630*	*149,990,588*	*1,456,728,974*	*1,573,267,292*	*1,573,267,292*
production overheads	*711,867*	*7,830,532*	*7,830,532*	*7,830,532*	*7,830,532*
Property, plant and Equipments	*6,474,566*	*171,000,000*	*234,000,000*	*1,140,000,000*	*9,639,000,000*
Salary and wages- Admin	*113,276*	*226,552*	*226,552*	*226,552*	*226,552*
Administrative Expenses	*470,207*	*218,112*	*218,112*	*218,112*	*218,112*
Selling and Distribution Expenses	*54,310*	*108,621*	*108,621*	*108,621*	*108,621*
60% members surplus	*1,144,238*	*1,377,592*	*12,431,924*	*13,201,483*	*7,977,762*
30% members cumulative reserve	-	*137,759*	*6,215,962*	*6,600,742*	*3,988,881*
Loan repayment	-	*770,345*	*4,467,479*	*37,858,179*	*60,138,939*
Finance Costs	-	*207,993*	*1,136,888*	*15,760,630*	*33,099,389*
TOTAL	***14,797,093***	***331,868,094***	***1,723,365,042***	***2,795,072,142***	***11,325,856,077***
Cash Movements					
Balance Carried Down	-	*998,252*	*1,175,009*	*581,445*	*16,309,560*
Net Cash Movement	*998,252*	*176,757*	*(593,564)*	*15,728,115*	*8,715,790*
Balance Brought Forward	***998,252***	***1,175,009***	***581,445***	***16,309,560***	***25,025,350***

ANNEX: 4 CURRENCIES USED: USD CASHFLOW PROJECTION FOR FIFTEEN YEARS CONTINUES……..

Period/Years	***6***	***7***	***8***	***9***	***10***
Sales	***10,817,003,085***	***11,333,332,745***	***12,088,498,158***	***13,558,596,754***	***14,172,575,259***
Collections from receivables	*7,571,902,160*	*7,933,332,922*	*8,461,948,711*	*9,491,017,728*	*9,920,802,682*
Cash sales	*2,704,250,771*	*2,833,333,186*	*3,022,124,539*	*3,389,649,189*	*3,543,143,815*
Term Loan	-	-	-	-	-
TOTAL COLLECTION	***10,276,152,931***	***10,766,666,108***	***11,484,073,250***	***12,880,666,916***	***13,463,946,496***
PAYMENTS					
Chicken feed raw materials	*7,592,693,531*	*8,048,255,142*	*8,692,115,554*	*9,387,484,798*	*10,557,212,126*
production overheads	*127,165,469*	*127,165,469*	*127,165,469*	*127,165,469*	*137,647,994*
Property, plant and Equipments	*2,130,000,000*	*1,850,000,000*	*1,948,000,000*	*2,690,000,000*	*2,120,000,000*
Salary and wages- Admin	*254,986*	*254,986*	*254,986*	*254,986*	*286,989*
Administrative Expenses	*265,117*	*265,117*	*265,117*	*265,117*	*322,251*
Selling and Distribution Expenses	*108,621*	*108,621*	*108,621*	*108,621*	*108,621*
60% members surplus	*78,214,480*	*91,898,141*	*96,389,100*	*110,553,545*	*112,101,046*
30% members cumulative reserve	*39,107,240*	*45,949,071*	*48,194,550*	*55,276,772*	*56,050,523*
Loan repayment	*174,937,859*	*338,964,277*	*338,964,277*	*305,573,577*	*305,573,577*
Finance Costs	*134,333,332*	*266,212,702*	*235,705,917*	*205,199,132*	*177,697,510*
TOTAL	***10,277,080,633***	***10,769,073,526***	***11,487,163,591***	***12,881,882,017***	***13,467,000,637***
Cash Movements					
Balance Carried Down	*25,025,350*	*24,097,648*	*21,690,230*	*18,599,889*	*17,384,789*
Net Cash Movement	*(927,702)*	*(2,407,418)*	*(3,090,341)*	*(1,215,100)*	*(3,054,141)*
Balance Brought Forward	***24,097,648***	***21,690,230***	***18,599,889***	***17,384,789***	***14,330,648***

Period/Years	***11***	***12***	***13***	***14***	***15***
Sales	***14,901,656,639***	***15,768,709,575***	***16,801,173,464***	***18,031,972,507***	***19,500,612,604***
Collections from receivables	*10,431,159,648*	*11,038,096,702*	*11,760,821,425*	*12,622,380,755*	*13,650,428,823*
Cash sales	*3,725,414,160*	*3,942,177,394*	*4,200,293,366*	*4,507,993,127*	*4,875,153,151*
Term Loan	-	-	-	-	-
TOTAL COLLECTION	***14,156,573,807***	***14,980,274,096***	***15,961,114,791***	***17,130,373,882***	***18,525,581,974***
PAYMENTS					
Chicken feed raw materials	*11,190,644,854*	*12,085,896,442*	*13,052,768,158*	*12,661,437,890*	*13,421,124,163*
production overheads	*137,647,994*	*137,647,994*	*137,647,994*	*148,994,615*	*148,994,615*
Property, plant and Equipments	*2,195,800,000*	*2,105,000,000*	*2,177,000,000*	*3,756,000,000*	*4,514,000,000*
Salary and wages- Admin	*286,989*	*286,989*	*286,989*	*323,009*	*323,009*
Administrative Expenses	*322,251*	*322,251*	*322,251*	*391,698*	*391,698*
Selling and Distribution Expenses	*108,621*	*108,621*	*108,621*	*108,621*	*108,621*
60% members surplus	*119,631,858*	*125,514,323*	*130,008,531*	*143,640,566*	*157,857,286*
30% members cumulative reserve	*59,815,929*	*62,757,161*	*65,004,265*	*71,820,283*	*78,928,643*
Loan repayment	*305,573,577*	*305,573,577*	*305,573,577*	*282,522,472*	*164,026,419*
Finance Costs	*150,195,888*	*122,694,266*	*95,192,644*	*67,691,022*	*40,189,400*
TOTAL	***14,160,027,960***	***14,945,801,624***	***15,963,913,029***	***17,132,930,176***	***18,525,943,854***
Cash Movements					
Balance Carried Down	*14,330,648*	*10,876,495*	*45,348,968*	*42,550,730*	*39,994,436*
Net Cash Movement	*(3,454,153)*	*34,472,472*	*(2,798,238)*	*(2,556,294)*	*(361,880)*
Balance Brought Forward	***10,876,495***	***45,348,968***	***42,550,730***	***39,994,436***	***39,632,555***

ANNEX: 4 CURRENCIES USED: USD CASHFLOW PROJECTION FOR FIFTEEN YEARS CONTINUES……..

TANZANIA COMMUNUTY EMPOWERMENT ASSOCIATION TRUST

ANNEX: 5 CURRENCY USED USD FINANCIAL POSITION PROJECTION FOR PERIOD OF FIFTEEN YEARS

PERIOD	**1**	**2**	**3**	**4**	**5**
Currency	$	$	$	$	$
ASSETS					
Non - current Assets					
Standby Generator	293,103	1,172,414	1,172,414	1,172,414	1,172,414
Motor vehicles	6,136,000	30,680,000	30,680,000	30,680,000	30,680,000
Property, plant & Equipments	6,474,566	6,474,566	240,474,566	1,380,474,566	11,019,474,566
Farm & chicken coops	17,952,000	62,527,000	62,527,000	62,527,000	62,527,000
TOTAL NBV	**30,855,669**	**100,853,980**	**334,853,980**	**1,474,853,980**	**11,113,853,980**
10% INVESTMENT ACCOUNT					
Members surplus investments at start	-	114,594	1,492,186	13,924,110	27,125,593
Addition Investment for the period	114,594	1,377,592	12,431,924	13,201,483	79,777,616
Members surplus Investment at end	**114,594**	**1,492,186**	**13,924,110**	**27,125,593**	**106,903,209**
BIOLOGICAL ASSETS					
Parent stock	7,686,195	8,194,331	8,250,384	2,047,943	15,369,308
Back Fly Soldiers	185,000	188,700	377,400	754,800	1,509,600
	7,871,195	**8,383,031**	**8,627,784**	**2,802,743**	**16,878,908**
CURRENT ASSETS					
Stock	3,594,926	2,875,941	55,652,687	60,778,796	362,122,043
Accounts Receivables	1,135,521	1,737,804	64,402,818	39,362,435	306,136,032
Cash and Bank	998,252	1,175,009	581,445	16,309,560	25,025,350
TOTAL CURRENT ASSETS	**5,728,698**	**5,788,753**	**120,636,950**	**116,450,791**	**693,283,425**
TOTAL ASSETS	**44,570,157**	**116,329,250**	**477,665,423**	**1,620,478,307**	**11,929,409,921**
EQUITY AND LIABILITIES					
EQUITY					
Capital	37,389,525	37,389,525	37,389,525	755,110,149	9,000,000,000
Surplus/Deficit for the period	1,145,942	13,775,918	124,319,236	132,014,834	797,776,156
Total Equity	**38,535,467**	**51,165,443**	**161,708,761**	**887,124,983**	**9,797,776,156**
Non - current Liabilities					
Long term Loan	2,311,036	12,632,091	175,118,113	367,770,984	1,492,592,579

Amount Due to Related parties		48,769,027	63,630,901	291,053,834	188,406,960
TOTAL	**2,311,036**	**61,401,118**	**238,749,014**	**658,824,818**	**1,680,999,539**
Current Liability					
Accounts payables	3,723,654	3,762,690	77,207,648	74,528,506	450,634,226
TOTAL	**3,723,654**	**3,762,690**	**77,207,648**	**74,528,506**	**450,634,226**
TOTAL EQUITY AND LIABILITY	**44,570,157**	**116,329,250**	**477,665,423**	**1,620,478,307**	**11,929,409,921**
FINANCIAL RATIOS					
Current Asset Ratio	1.54	1.54	1.56	1.56	1.54
Liquidity Ratio	0.57	0.77	0.84	0.75	0.73
Working Capital	2,005,044	2,026,064	43,429,302	41,922,285	242,649,199
Profitability ratio	11.53%	11.32%	11.31%	11.02%	11.17%
Debt-Equity Ratios(times)	0.06	1.20	1.476	0.7	0.17

ANNEX: 5 FINANCIAL POSITION PROJECTIONS FOR PERIOD OF FOUR YEARS CONTINUES……

PERIOD	**6**	**7**	**8**	**9**	**10**
Currency	$	$	$	$	$
ASSETS					
Non- current Assets					
Standby Generator	1,172,414	1,172,414	1,172,414	1,172,414	1,172,414
Motor vehicles	30,680,000	30,680,000	30,680,000	30,680,000	30,680,000
Property, plant & Equipments	12,169,967,919	12,169,967,919	12,169,967,919	12,169,967,919	12,169,967,919
Farm & chicken coops	62,527,000	62,527,000	62,527,000	62,527,000	62,527,000
TOTAL NBV	**12,264,347,333**	**12,264,347,333**	**12,264,347,333**	**12,264,347,333**	**12,264,347,333**
10% INVESTMENT ACCOUNT					
surplus investments at start	106,903,209	189,234,240	224,905,905	128,518,002	150,628,711
Addition Investment	82,331,031	91,898,141	96,389,100	22,110,709	22,420,209
surplus Investment at end	**189,234,240**	**281,132,381**	**321,295,005**	**150,628,711**	**173,048,920**
BIOLOGICAL ASSETS					
Parent stock	92,213,932	21,786,133	92,516,966	20,116,166	90,605,871
Back Fly Soldiers	1,509,600	1,509,600	1,509,600	1,509,600	1,509,600
	93,723,532	**23,295,733**	**94,026,566**	**21,625,766**	**92,115,471**
CURRENT ASSETS					
Stock	384,721,295	200,004,207	213,874,793	119,637,581	100,463,180
Accounts Receivables	324,510,093	339,999,982	157,150,476	81,351,581	184,243,478
Cash and Bank	24,097,648	21,690,230	18,599,889	17,384,789	14,330,648
TOTAL CURRENT ASSETS	**733,329,036**	**561,694,420**	**389,625,159**	**218,373,951**	**299,037,307**
TOTAL ASSETS	**13,279,124,540**	**13,128,960,266**	**13,067,784,462**	**12,653,466,160**	**12,827,039,431**

EQUITY AND LIABILITIES

EQUITY

Capital	9,000,000,000	9,000,000,000	9,253,208,694	9,253,208,694	9,253,208,694
Surplus/Deficit for the period	823,310,311	918,981,412	963,891,004	1,105,535,447	1,121,010,464
Total Equity	**9,823,310,311**	**9,918,981,412**	**10,217,099,698**	**10,358,744,141**	**10,374,219,158**

Non- current Liabilities

Long term Loan	2,957,918,906	2,618,954,629	2,279,990,352	1,974,416,775	1,668,843,198
Due to Related parties	94,564,353	231,539,797	321,334,311	178,362,176	589,602,825
TOTAL	**3,052,483,259**	**2,850,494,426**	**2,601,324,663**	**2,152,778,951**	**2,258,446,023**

Current Liability

Accounts payables	403,330,970	359,484,429	249,360,101	141,943,068	194,374,250
TOTAL	**403,330,970**	**359,484,429**	**249,360,101**	**141,943,068**	**194,374,250**

TOTAL EQUITY AND LIABILITY	**13,279,124,540**	**13,128,960,267**	**13,067,784,463**	**12,653,466,160**	**12,827,039,431**

FINANCIAL RATIOS

Current Asset Ratio	1.82	1.56	1.56	1.54	1.54
Liquidity Ratio	0.86	1.01	0.70	0.70	1.02
Working Capital	329,998,066	202,209,991	140,265,057	76,430,883	104,663,057
Profitability ratio	10.87%	11.58%	11.39%	11.65%	11.30%
Debt-Equity Ratios(times)	0.31	0.287	0.3	0.21	0.22

ANNEX: 5 FINANCIAL POSITION PROJECTIONS FOR PERIOD OF FOUR YEARS CONTINUES……

PERIOD	**11**	**12**	**13**	**14**	**15**
Currency	$	$	$	$	$
ASSETS					
Non- current Assets					
Standby Generator	1,172,414	1,172,414	1,172,414	1,172,414	1,172,414
Motor vehicles	30,680,000	30,680,000	30,680,000	30,680,000	30,680,000
Property, plant & Equipments	12,169,967,919	12,169,967,919	12,169,967,919	12,169,967,919	12,169,967,919
Farm & chicken coops	62,527,000	62,527,000	62,527,000	62,527,000	62,527,000
TOTAL NBV	**12,264,347,333**	**12,264,347,333**	**12,264,347,333**	**12,264,347,333**	**12,264,347,333**
10% INVESTMENT ACCOUNT					
surplus investments at start	173,048,920	292,680,778	418,195,101	444,196,807	587,837,373
Addition Investment	119,631,858	125,514,323	26,001,706	143,640,566	157,857,286
surplus Investment at end	**292,680,778**	**418,195,101**	**444,196,807**	**587,837,373**	**745,694,659**
BIOLOGICAL ASSETS					
Parent stock	17,949,699	88,328,519	15,770,402	85,723,718	12,284,695
Back Fly Soldiers	1,509,600	1,509,600	1,509,600	1,509,600	1,509,600
TOTAL	**19,459,299**	**89,838,119**	**17,280,002**	**87,233,318**	**13,794,295**
CURRENT ASSETS					
Stock	131,816,630	139,669,467	149,374,726	63,903,168	68,973,703

Accounts Receivables	193,721,536	204,993,224	218,415,255	540,959,175	253,507,964
Cash and Bank	10,876,495	45,348,968	42,550,730	39,994,436	39,632,555
TOTAL CURRENT ASSETS	**336,414,662**	**390,011,660**	**410,340,710**	**644,856,779**	**362,114,222**
TOTAL ASSETS	**12,911,392,472**	**13,160,882,612**	**13,134,655,252**	**13,582,765,202**	**13,384,440,909**
EQUITY AND LIABILITIES					
EQUITY					
Capital	9,994,208,008	9,994,208,008	10,232,015,182	10,232,015,182	11,267,797,646
Surplus/Deficit for the period	1,196,318,579	1,255,143,226	1,300,085,305	1,436,405,660	1,578,572,863
Total Equity	**11,190,526,587**	**11,249,351,234**	**11,532,100,487**	**11,668,420,842**	**12,846,370,509**
Non- current Liabilities					
Long term Loan	1,363,269,621	1,057,696,044	752,122,467	446,548,891	164,026,419
Due to Related parties	142,290,879	604,227,871	604,227,871	1,048,638,564	142,290,879
TOTAL	**1,505,560,500**	**1,661,923,915**	**1,356,350,338**	**1,495,187,455**	**306,317,298**
Current Liability					
Accounts payables	215,305,383	249,607,462	246,204,426	419,156,906	231,753,102
TOTAL	**215,305,383**	**249,607,462**	**246,204,426**	**419,156,906**	**231,753,102**
TOTAL EQUITY AND LIABILITY	**12,911,392,471**	**13,160,882,612**	**13,134,655,252**	**13,582,765,202**	**13,384,440,909**
FINANCIAL RATIOS					
Current Asset Ratio	1.56	1.56	1.67	1.54	1.56
Liquidity Ratio	0.95	1.00	1.06	1.39	1.26
Working Capital	121,109,278	140,404,197	164,136,284	225,699,873	130,361,120
Profitability ratio	11.47%	11.37%	11.05%	11.38%	11.56%
Debt-Equity Ratios(times)	0.135	0.1	0.12	0.13	0.024

ANNEXTURE 6 NET PRESENT VALUE

CURRENCY USED: USD DISCOUNTING CASH FLOWS FOR PERIOD OF FIFTEEN YEARS

PERIOD(YEARS)	**0**	**1**	**2**	**3**	**4**	**5**
Taxable profit	**-**	**1,145,942**	**13,775,918**	**124,319,236**	**132,014,834**	**797,776,156**
Less: Depreciation charges	-	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Taxable Net Cash flows	-	**(335,466,493)**	**(322,836,517)**	**(212,293,198)**	**(204,597,600)**	**461,163,722**
Tax 30%	-	-	(96,850,955)	(63,687,959)	(61,379,280)	138,349,116
Cash flows After Tax	-	**(335,466,493)**	**(225,985,562)**	**(148,605,239)**	**(143,218,320)**	**322,814,605**
Add back depreciation	-	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Net Operating Cash flows	-	**1,145,942**	**110,626,873**	**188,007,196**	**193,394,114**	**659,427,039**
Non Current Assets	(2,311,036)	(11,091,400)	(166,953,501)	(230,511,050)	(1,184,960,534)	(1,640,264,186)
Working capital	(11,798,601)	(41,498,502)	(10,212,766)	(15,319,149.00)	(45,000,000)	11,798,601
Net Cash flows	**(14,109,637)**	**(51,443,961)**	**(66,539,394)**	**(57,823,003)**	**(1,036,566,420)**	**(969,038,545)**
Discounting Factor 9%	1.00	0.917	0.842	0.772	0.706	0.650
PRESENT VALUE	**(14,109,637)**	**(47,174,112)**	**(56,026,170)**	**(44,639,359)**	**(732,230,519)**	**(629,778,151)**
NET PRESENT VALUE(NPV)	**2,186,203,810**					

PERIOD(YEARS)	**0**	**1**	**2**	**3**	**4**	**5**

Taxable profit	**-**	**1,145,942**	**13,775,918**	**124,319,236**	**132,014,834**	**797,776,156**
Less: Depreciation charges	-	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Taxable Net Cash flows	-	**(335,466,493)**	**(322,836,517)**	**(212,293,198)**	**(204,597,600)**	**461,163,722**
Tax 30%	-	-	(96,850,955)	(63,687,959)	(61,379,280)	138,349,116
Cash flows After Tax	-	**(335,466,493)**	**(225,985,562)**	**(148,605,239)**	**(143,218,320)**	**322,814,605**
Add back depreciation	-	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Net Operating Cash flows	-	**1,145,942**	**110,626,873**	**188,007,196**	**193,394,114**	**659,427,039**
Non Current Assets	(2,311,036)	(11,091,400)	(166,953,501)	(230,511,050)	(1,184,960,534)	(1,640,264,186)
Working capital	(11,798,601)	(41,498,502)	(10,212,766)	(15,319,149)	(45,000,000)	11,798,601
Net Cash flows	**(14,109,637)**	**(51,443,961)**	**(66,539,394)**	**(57,823,003)**	**(1,036,566,420)**	**(969,038,545)**
Discounting Factor 10%	1.00	0.909	0.826	0.751	0.683	0.621
PRESENT VALUE	**(14,109,637)**	**(46,762,560)**	**(54,961,539)**	**(43,425,076)**	**(707,974,865)**	**(601,676,033)**
NET PRESENT VALUE(NPV)	**1,918,286,723**					
Internal Rate of Return (IRR)	9.50%					
Cost of Capital	9.00%					

CURRENCY USED: USD DISCOUNTING CASH FLOWS FOR PERIOD OF FIFTEEN YEARS CONTINUES.....

PERIOD(YEARS)	**6**	**7**	**8**	**9**	**10**
Taxable profit	**823,310,311**	**918,981,412**	**963,891,004**	**1,105,535,447**	**1,121,010,464**
Less: Depreciation charges	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Taxable Net Cash flows	**486,697,877**	**582,368,978**	**627,278,570**	**768,923,013**	**784,398,030**
Tax 30%	146,009,363	174,710,693	188,183,571	230,676,904	235,319,409
Cash flows After Tax	**340,688,514**	**407,658,284**	**439,094,999**	**538,246,109**	**549,078,621**
Add back depreciation	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Net Operating Cash flows	**677,300,948**	**744,270,719**	**775,707,433**	**874,858,543**	**885,691,055**
Non Current Assets	-	-	-	-	-
Working capital	10,212,766	15,319,149	45,000,000	-	(10,212,766)
Net Cash flows	**687,513,714**	**759,589,868**	**820,707,433**	**874,858,543**	**875,478,289**
Discounting Factor 9%	0.596	0.547	0.502	0.460	0.422
PRESENT VALUE	**409,964,428**	**415,495,658**	**411,913,061**	**402,784,873**	**369,802,029**

PERIOD(YEARS)	**6**	**7**	**8**	**9**	**10**
Taxable profit	**823,310,311**	**918,981,412**	**963,891,004**	**1,105,535,447**	**1,121,010,464**
Less: Depreciation charges	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Taxable Net Cash flows	**486,697,877**	**582,368,978**	**627,278,570**	**768,923,013**	**784,398,030**
Tax 30%	146,009,363	174,710,693	188,183,571	230,676,904	235,319,409
Cash flows After Tax	**340,688,514**	**407,658,284**	**439,094,999**	**538,246,109**	**549,078,621**
Add back depreciation	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Net Operating Cash flows	**677,300,948**	**744,270,719**	**775,707,433**	**874,858,543**	**885,691,055**
Non Current Assets	-	-	-	-	-
Working capital	10,212,766	15,319,149	45,000,000	-	-
Net Cash flows	**687,513,714**	**759,589,868**	**820,707,433**	**874,858,543**	**885,691,055**
Discounting Factor 10%	0.565	0.513	0.467	0.424	0.386
PRESENT VALUE	**388,101,492**	**389,821,520**	**382,860,017**	**371,027,508**	**341,433,902**

CURRENCY USED: USD DISCOUNTING CASH FLOWS FOR PERIOD OF FIFTEEN YEARS CONTINUES.....

PERIOD(YEARS)	**11**	**12**	**13**	**14**	**15**

Taxable profit	**1,196,318,579**	**1,255,143,226**	**1,300,085,305**	**1,436,405,660**	**1,578,572,863**
Less: Depreciation charges	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Taxable Net Cash flows	**859,706,145**	**918,530,792**	**963,472,871**	**1,099,793,226**	**1,241,960,429**
Tax 30%	257,911,844	275,559,238	289,041,861	329,937,968	372,588,129
Cash flows After Tax	**601,794,302**	**642,971,554**	**674,431,010**	**769,855,258**	**869,372,300**
Add back depreciation	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Net Operating Cash flows	**938,406,736**	**979,583,989**	**1,011,043,444**	**1,106,467,692**	**1,205,984,735**
Non Current Assets	-	-	-	-	-
Working capital	(15,319,149)		-	10,212,766	15,319,149
Net Cash flows	**923,087,587**	**979,583,989**	**1,011,043,444**	**1,116,680,458**	**1,221,303,884**
Discounting Factor 9%	0.388	0.351	0.326	0.299	0.275
PRESENT VALUE	**357,696,440**	**343,344,188**	**329,802,371**	**334,110,793**	**335,247,916**

PERIOD(YEARS)	**11**	**12**	**13**	**14**	**15**
Taxable profit	**1,196,318,579**	**1,255,143,226**	**1,300,085,305**	**1,436,405,660**	**1,578,572,863**
Less: Depreciation charges	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Taxable Net Cash flows	**859,706,145**	**918,530,792**	**963,472,871**	**1,099,793,226**	**1,241,960,429**
Tax 30%	257,911,844	275,559,238	289,041,861	329,937,968	372,588,129
Cash flows After Tax	**601,794,302**	**642,971,554**	**674,431,010**	**769,855,258**	**869,372,300**
Add back depreciation	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Net Operating Cash flows	**938,406,736**	**979,583,989**	**1,011,043,444**	**1,106,467,692**	**1,205,984,735**
Non Current Assets	-	-	-	-	-
Working capital	-	-	-	-	-
Net Cash flows	**938,406,736**	**979,583,989**	**1,011,043,444**	**1,106,467,692**	**1,205,984,735**
Discounting Factor 10%	0.351	0.319	0.290	0.263	0.239
PRESENT VALUE	**328,911,561**	**312,095,459**	**292,899,286**	**291,332,943**	**288,712,745**

ANNEX: 7 SENSITIVITY ANALYSIS OF THE PROJECT

WHEN DISCOUNTING FACTOR CHANGES FOR THE PERIOD OF FIFTEEN YEARS

PERIOD(YEARS)	**0**	**1**	**2**	**3**	**4**	**5**
Taxable profit	**-**	**1,145,942**	**13,775,918**	**124,319,236**	**132,014,834**	**797,776,156**
Less: Depreciation charges	-	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Taxable Net Cash flows	-	**(335,466,493)**	**(322,836,517)**	**(212,293,198)**	**(204,597,600)**	**461,163,722**
Tax 30%	-	-	(96,850,955)	(63,687,959)	(61,379,280)	138,349,116
Cash flows After Tax	-	**(335,466,493)**	**(225,985,562)**	**(148,605,239)**	**(143,218,320)**	**322,814,605**
Add back depreciation	-	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Net Operating Cash flows	-	**1,145,942**	**110,626,873**	**188,007,196**	**193,394,114**	**659,427,039**
Non Current Assets	(2,311,036)	(11,091,400)	(166,953,501)	(230,511,050)	(1,184,960,534)	(1,640,264,186)
Working capital	(11,798,601)	(41,498,502)	(10,212,766)	(15,319,149)	(45,000,000)	11,798,601
Net Cash flows	**(14,109,637)**	**(51,443,961)**	**(66,539,394)**	**(57,823,003)**	**(1,036,566,420)**	**(969,038,545)**
Discounting Factor 10%	1.00	0.909	0.826	0.751	0.683	0.621
PRESENT VALUE	**(14,109,637)**	**(46,762,560)**	**(54,961,539)**	**(43,425,076)**	**(707,974,865)**	**(601,676,033)**
NET PRESENT VALUE(NPV)	**1,918,286,723**					

WHEN DCF CHANGES TO 11%

PERIOD(YEARS)	**0**	**1**	**2**	**3**	**4**	**5**

Taxable profit	**-**	**1,145,942**	**13,775,918**	**124,319,236**	**132,014,834**	**797,776,156**
Less: Depreciation charges	-	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Taxable Net Cash flows	-	**(335,466,493)**	**(322,836,517)**	**(212,293,198)**	**(204,597,600)**	**461,163,722**
Tax 30%	-	-	(96,850,955)	(63,687,959)	(61,379,280)	138,349,116
Cash flows After Tax	-	**(335,466,493)**	**(225,985,562)**	**(148,605,239)**	**(143,218,320)**	**322,814,605**
Add back depreciation	-	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Net Operating Cash flows	-	**1,145,942**	**110,626,873**	**188,007,196**	**193,394,114**	**659,427,039**
Non Current Assets	(2,311,036)	(11,091,400)	(166,953,501)	(230,511,050)	(1,184,960,534)	(1,640,264,186)
Working capital	(11,798,601)	(41,498,502)	(10,212,766)	(15,319,149)	(45,000,000)	11,798,601
Net Cash flows	**(14,109,637)**	**(51,443,961)**	**(66,539,394)**	**(57,823,003)**	**(1,036,566,420)**	**(969,038,545)**
Discounting Factor 11%	1.00	0.901	0.812	0.731	0.659	0.593
PRESENT VALUE	**(14,109,637)**	**(46,351,009)**	**(54,029,988)**	**(42,268,616)**	**(683,097,271)**	**(574,639,857)**
NET PRESENT VALUE(NPV)	**1,676,702,222**					
Internal Rate of Return (IRR)	10.07%					
Cost of Capital	9.00%					

WHEN DISCOUNTING FACTOR CHANGES FOR THE PERIOD OF FIFTEEN YEARS CONTINUES……

PERIOD(YEARS)	6	7	8	9	10
Taxable profit	**823,310,311**	**918,981,412**	**963,891,004**	**1,105,535,447**	**1,121,010,464**
Less: Depreciation charges	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Taxable Net Cash flows	**486,697,877**	**582,368,978**	**627,278,570**	**768,923,013**	**784,398,030**
Tax 30%	146,009,363	174,710,693	188,183,571	230,676,904	235,319,409
Cash flows After Tax	**340,688,514**	**407,658,284**	**439,094,999**	**538,246,109**	**549,078,621**
Add back depreciation	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Net Operating Cash flows	**677,300,948**	**744,270,719**	**775,707,433**	**874,858,543**	**885,691,055**
Non Current Assets	-				
Working capital	10,212,766	15,319,149	45,000,000	-	-
Net Cash flows	**687,513,714**	**759,589,868**	**820,707,433**	**874,858,543**	**885,691,055**
Discounting Factor 10%	0.565	0.513	0.467	0.424	0.386
PRESENT VALUE	**388,101,492**	**389,821,520**	**382,860,017**	**371,027,508**	**341,433,902**

WHEN DCF CHANGES TO 11%

PERIOD(YEARS)	6	7	8	9	10
Taxable profit	**823,310,311**	**918,981,412**	**963,891,004**	**1,105,535,447**	**1,121,010,464**
Less: Depreciation charges	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Taxable Net Cash flows	**486,697,877**	**582,368,978**	**627,278,570**	**768,923,013**	**784,398,030**
Tax 30%	146,009,363	174,710,693	188,183,571	230,676,904	235,319,409
Cash flows After Tax	**340,688,514**	**407,658,284**	**439,094,999**	**538,246,109**	**549,078,621**
Add back depreciation	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Net Operating Cash flows	**677,300,948**	**744,270,719**	**775,707,433**	**874,858,543**	**885,691,055**
Non Current Assets	-	-	-	-	-
Working capital	10,212,766	15,319,149	45,000,000	-	-
Net Cash flows	**687,513,714**	**759,589,868**	**820,707,433**	**874,858,543**	**885,691,055**
Discounting Factor 11%	0.535	0.482	0.434	0.391	0.352
PRESENT VALUE	**367,819,837**	**366,122,316**	**356,187,026**	**342,069,690**	**311,763,251**

WHEN DISCOUNTING FACTOR CHANGES FOR THE PERIOD OF FIFTEEN YEARS CONTINUES……

PERIOD(YEARS)	11	12	13	14	15
Taxable profit	**1,196,318,579**	**1,255,143,226**	**1,300,085,305**	**1,436,405,660**	**1,578,572,863**
Less: Depreciation charges	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Taxable Net Cash flows	**859,706,145**	**918,530,792**	**963,472,871**	**1,099,793,226**	**1,241,960,429**
Tax 30%	257,911,844	275,559,238	289,041,861	329,937,968	372,588,129
Cash flows After Tax	**601,794,302**	**642,971,554**	**674,431,010**	**769,855,258**	**869,372,300**
Add back depreciation	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Net Operating Cash flows	**938,406,736**	**979,583,989**	**1,011,043,444**	**1,106,467,692**	**1,205,984,735**
Non Current Assets					
Working capital	-	-	-	-	-
Net Cash flows	**938,406,736**	**979,583,989**	**1,011,043,444**	**1,106,467,692**	**1,205,984,735**
Discounting Factor 10%	0.351	0.319	0.290	0.263	0.239
PRESENT VALUE	**328,911,561**	**312,095,459**	**292,899,286**	**291,332,943**	**288,712,745**

WHEN DCF CHANGES TO 11%

PERIOD(YEARS)	11	12	13	14	15
Taxable profit	**1,196,318,579**	**1,255,143,226**	**1,300,085,305**	**1,436,405,660**	**1,578,572,863**
Less: Depreciation charges	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Taxable Net Cash flows	**859,706,145**	**918,530,792**	**963,472,871**	**1,099,793,226**	**1,241,960,429**
Tax 30%	257,911,844	275,559,238	289,041,861	329,937,968	372,588,129
Cash flows After Tax	**601,794,302**	**642,971,554**	**674,431,010**	**769,855,258**	**869,372,300**
Add back depreciation	336,612,434	336,612,434	336,612,434	336,612,434	336,612,434
Net Operating Cash flows	**938,406,736**	**979,583,989**	**1,011,043,444**	**1,106,467,692**	**1,205,984,735**
Non Current Assets	-	-	-	-	-
Working capital	-	-	-	-	-
Net Cash flows	**938,406,736**	**979,583,989**	**1,011,043,444**	**1,106,467,692**	**1,205,984,735**
Discounting Factor 11%	0.317	0.286	0.258	0.232	0.209
PRESENT VALUE	**297,474,935**	**280,161,021**	**260,849,209**	**256,700,505**	**252,050,810**

NOTE: 2 SALARY AND WAGES

INDIRECT OVERHEADS	NUMBER OF EMPLOYEE	COST IN TZS $ EMPLOYEE	TOTAL COST/MONTH $ EMPLOYEES	TOTAL COST/ANNUM $ EMPLOYEES
Marketing Department	4	431	1,724	20,690
Financial Controller	4	862	3,448	41,379
Warehouse Controller	5	647	3,233	38,793
Casual/Floor Workers	4	259	1,034	12,414
Total	**17**	**2,198**	**9,440**	**113,276**
SELLING AND DISTRIBUTION OVERHEADS				
Sales and Supervisors	4	647	2,586	31,034
Drivers	4	431	1,724	20,690
Sub-total			4,310	51,724
Staff welfare	**5%**		**216**	**2,586**
Total Salary and Wages		**1,078**	**4,526**	**54,310**

NOTE: 3 ADMINISTRATIVE EXPENSES

TRANSACTIONS	MONTHLY	ANNUALLY
PSSSF	1,397	16,759
Rent, Rates, and Taxes	16,810	201,724
Telephone, Postage and Faxes	1,724	20,690
Printing and stationary	3,448	41,379
Fuel, Diesel and lubricants	5,172	62,069
Insurance Expenses	1,293	15,517
Members Food and services	21,552	21,552
Licenses and levies	1,078	12,931
Travel and accommodation	6,466	77,586
Total	**58,940**	**470,207**
Depreciation	28,051,036	336,612,434
Total	28,109,976	337,082,641

NOTE: 4 SALES BUDGET FOR PERIOD

ITEMS	Plan/capacity	QUANTITY/MONTH	UNITS	PRICE	PACKAGING	SALES MONTH	ANNUAL SALES
BROILER FARM:	**36,000,000**			$		**139,622,295**	**1,675,467,544**
Fertile Eggs	27,000,000	27,000,000	Pieces	0.52	Tray	13,965,517	167,586,207
Chicks	6,000,000	6,000,000	Chicks	0.85	Box	5,106,383	61,276,596
Broilers meat [ton]	45,000	45,000	KGS	1,500.00	Bags	67,500,000	810,000,000
Chicken paws [Ton]	2,400	2,400	ton	1,450.00	Bags	3,480,000	41,760,000
Chicken heart [Ton]	321	321	ton	1,200.00	Bags	385,714	4,628,571
Chicken head and necks [Ton]	1,320	1,320	ton	1,000.00	Bags	1,320,000	15,840,000
Chicken gizzard [Ton]	800	800	ton	1,200.00	Bags	960,000	11,520,000
Chicken intestine [Ton]	1,600	1,600	ton	900.00	Bags	1,440,000	17,280,000
Chicken liver [Ton]	1,000	1,000	ton	1,200.00	Bags	1,200,000	14,400,000
Chicken sausages [Ton]	4,000	4,000	ton	2,130.00	Bags	8,520,000	102,240,000
Animal Feed[idle capacity]	60,000	1,200,000	ton	29.79	Bags	35,744,681	428,936,170
FISH FARM:	**1,146,600,000**					**241,115,343**	**2,893,384,111**
Fingerlings	68,796,000	27,518,400	Fingerlings	0.09	Bags	2,341,991	28,103,898
Fish [ton]	232,187	92,875	ton	1,250.00	Bags	116,093,250	1,393,119,000
Fish fillet [ton]	232,187	92,875	ton	1,250.00	Bags	116,093,250	1,393,119,000
Fish left over [ton]	51,597	30,958	ton	212.77	Bags	6,586,851	79,042,213
BIOGAS FARM	**101,700,000**					**129,745,180**	**1,556,942,160**
Methane [Cubic meter]	61,020,000	46,227,273	KGS	1.3	KGS	59,013,540	708,162,476
Carbon dioxide [Cubic meter]	40,680,000	21,870,968	KGS	3.23	KGS	70,731,640	848,779,684
ORGANIC FERTILZER:	**3,000,000**					**325,531,915**	**3,906,382,979**
Liquid Fertilizers [ltrs/Hour]	175,000	126,000,000	liter	2.13	liter/tank	268,085,106	3,217,021,277
Pellets Fertilizers [Bags/Day]	100,000	3,000,000	Bags	19.15	Bags	57,446,809	689,361,702
PACKAGING PROJECT:	**72,000**					**12,034,191**	**144,410,287**
Flux papers [KGS]	12,000	13,043	KGS	86.81	Carton	1,132,285	13,587,419

Jumbo papers [KGS]	12,000	13,043	KGS	86.81	Carton	1,132,285	13,587,419
Egg trays [KGS]	12,000	18,720,000	KGS	0.34	Tray	6,372,766	76,473,191
Boxes papers [KGS]	12,000	13,043	KGS	86.81	Carton	1,132,285	13,587,419
Kraft papers [KGS]	12,000	13,043	KGS	86.81	Carton	1,132,285	13,587,419
Toilet papers [KGS]	12,000	13,043	KGS	86.81	Carton	1,132,285	13,587,419
Total Sales						**848,048,923**	**10,176,587,081**

PRODUCTION COSTS

RAW MATERIALS

ITEMS		PRODUCTION QTY/MONTH	UNITS	QTY/(p.a)	Cost/Item $	TOTAL COST/MONTH $	ANNUAL COSTS $
Animal feeds	bags	2,745,300	50kgs	2,745,300	36.73	100,847,755	1,210,173,061
Broiler slaughter cost	KGS	45,000	kgs	540,000	0.128	68,936	827,234
Other production costs	5%					5,045,835	60,550,015
Total						**105,962,526**	**1,271,550,310**

REVENUE SUMMARY FOR FIRST FIVE YEARS

YEAR/PERIOD	**1**	**2**	**3**	**4**	**5**
BROILER PARENT STOCKS:					
Opening Balance	-	11,250	123,750	2,036,250	2,036,250
Addition for the period	11,250	112,500	1,912,500	-	-
Closing Balance	**11,250**	**123,750**	**2,036,250**	**2,036,250**	**2,036,250**
Rooster (Cock)	1,250	13,750	226,250	226,250	226,250
Breeders	**10,000**	**110,000**	**1,810,000**	**1,810,000**	**1,810,000**

FERTILE EGGS PRODUCTION	**PRODUCTION RATE**				
Eggs production	80%	80%	80%	80%	80%
Hen	8	8	8	8	8
Rooster (Cock)	1	1	1	1	1
Hatching rate	97%	97%	97%	97%	97%
Mortality rate	1%	1%	1%	1%	1%
Daily fertile eggs production	**8,000**	**88,000**	**1,448,000**	**1,448,000**	**1,448,000**
Monthly Fertile eggs production	240,000	2,640,000	43,440,000	43,440,000	43,440,000
Chicks production	**232,800**	**2,560,800**	**42,136,800**	**42,136,800**	**42,136,800**

Commercial farm production	232,800	2,560,800	42,136,800	42,136,800	42,136,800
Out growers	120,000	240,000	480,000	960,000	1,920,000
BROILER BIRDS	**352,800**	**2,800,800**	**42,616,800**	**43,096,800**	**44,056,800**

BROILER PRODUCTS:

Broilers meat [ton]	6,350	50,414	767,102	775,742	793,022
Chicken paws [Ton]	282	2,241	34,093	34,477	35,245
Chicken heart [Ton]	38	300	4,566	4,618	4,720
Chicken head and necks [Ton]	30	300	51,000	51,000	51,000
Chicken gizzard [Ton]	30	300	51,000	51,000	51,000
Chicken intestine [Ton]	40	400	68,000	68,000	68,000
Chicken liver [Ton]	25	250	42,500	42,500	42,500
Chicken sausages [Ton]	1,200	20,400	48,000	48,000	48,000
Animal feeds[Bags][External]	120,000	1,200,000	1,428,000	1,713,600	2,142,000

Sales value

Broilers meat [$]	9,525,600	75,621,600	1,150,653,600	1,150,653,600	1,150,653,600
Chicken paws [$]	409,248	3,248,928	49,435,488	49,435,488	49,435,488
Chicken heart [$]	45,360	360,103	5,479,303	5,479,303	5,479,303
Chicken head and necks [$]	30,000	300,000	51,000,000	51,000,000	51,000,000
Chicken gizzard [$]	36,000	360,000	61,200,000	61,200,000	61,200,000
Chicken intestine [$]	36,000	360,000	38,250,000	38,250,000	38,250,000
Chicken liver [$]	30,000	300,000	51,000,000	51,000,000	51,000,000
Chicken sausages [$]	2,556,000	43,452,000	102,240,000	102,240,000	102,240,000
Total [$]	**12,668,208**	**124,002,631**	**1,509,258,391**	**1,509,258,391**	**1,509,258,391**

Animal feeds[Bags]	3,574,468	35,744,681	42,536,170	51,043,404	63,804,255
sales total	**3,574,468**	**35,744,681**	**42,536,170**	**51,043,404**	**63,804,255**