

# Business Plan

## Western Tanganyika College Limited

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### Relocation & Expansion of Health Technical Training College

**Ujiji,  
Kigoma Region**

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#### **Presented By:**

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**July, 2024**

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## Western Tanganyika College Limited

### Project Information

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- Project Name** : Western Tanganyika College (WT-COLLEGE)
- Project Concept** : Relocation & Expansion of Health Technical Training College
- Products/Services** :
- (i) Faculty of Health Sciences
    - Pharmaceutical Sciences; Nursing;
    - Clinical Medicine; Laboratory technician
    - Dentist
  - (ii) Faculty of Allied Sciences
    - Records, Archives & Information Management
    - Community Health,
    - Health Service Management,
    - Science & Information Technology
  - (iii) Faculty of Social Sciences
    - Business Administration
    - Law
    - Hotel Management
    - Tourism Management
- Project Location** : Plot No. 299, Block A, Kasimbu, Ujiji Municipality, Kigoma Region, Western Tanzania
- Shareholders** :
- Idan Laurent Ndowa ..... 90%
  - Tadness Moses Mwakitalu ..... 10%
- Implementing Agency** : Western Tanganyika College Ltd  
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- Implementation Period** : 24-months
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## Executive Summary

### 1.1 Introduction

- This Business Plan Report has been prepared by WESTERN TANGANYIKA COLLEGE LIMITED (shortly, "WT-COLLEGE"), an investment company in the health industry based in Kigoma Region, Western part of Tanzania.
- WT-COLLEGE, a Tanzanian private limited liability company founded in 2008 and started operation in 2009, provides technical training College covering programs for the award of Basic Technician Certificate, Technician Certificate and Diploma through its college of Business Management, health and Allied Sciences located in Ujiji, Kigoma Region.
- The shareholders of WT-COLLEGE are planning to relocate and expand the existing technical college to accommodate increased number of courses and students.

### 1.2 Project Background

- For the past 15-years, WT-COLLEGE has been operating a college of Business Management, Health and Allied Sciences that provides Technician certificates courses from rented premises. The college is situated in Ujiji, Kigoma and operates from buildings owned by the Roman Catholic (RC).
- In 2012, WT-COLLEGE obtained license (Reg/BMG/032) from Tanzania's National Council for Technical and Vocational Education and Training (NACTVET) to offer three training programs on Pharmaceutical Sciences; Records, Archives and Information Management; and Business Administration.
- The college is, also, recognised by Tanzania's Ministry of Health, the Pharmacy Council of Tanzania, and the National Board of Accountants and Auditors (NBAA) with registration no. TPRS/051.
- The training courses offered by the college lead to the award of Basic Technician Certificate (NTA Level 4), Technician Certificate (NTA Level 5) and Diploma (NTA Level 6) as provided in the national health policy.
- Presently, WT-COLLEGE College has students' enrolment capacity of 600 students annually for each of the three course programs.

- The college expansion is constrained by the limited infrastructure capacity to accommodate more students.

### 1.3 Project Concept

- The Project Concept involves the relocation and expansion of a technical training college facilities in Health Science, Allied Science and Social Science.
- Relocation –
  - Currently, WT-COLLEGE operates from rented premises owned by the Roman Catholic Church. The property has limited space for further expansion.
  - The Project will undertake to construct buildings for shifting the institutions from the existing rented premises to another premises own by the company. The Project will now be situated in Kisambu suburb, Ujiji township, Kigoma.
- Expansion –
  - Presently, the project has capacity to enrol a maximum of 1,200 students which is constraining the college from enrolling increased number of students as well as from offering additional courses.
  - The Project will, therefore, involve construction of adequate buildings to accommodate over 3,600 students.
  - The project will afford the college increase the number of students and number of courses.

<b>Western Tanganyika College Ltd</b>	
<b>Training Courses</b>	
<b>(a) Existing Courses</b>	
	Faculty of Health Sciences Pharmaceutical Sciences
	Faculty of Allied Sciences Records, Archives & Information Management
	Faculty of Social Sciences Business Administration
<b>(b) Additional Courses</b>	
	Faculty of Health Sciences Nursing Clinical Medicine Laboratory Technician Dentist
	Faculty of Allied Sciences Community Health Health Service Management Science & Information Technology
	Faculty of Social Sciences Law Hotel Management Tourism Management

#### **1.4 Investment Components**

- Investment in the proposed Technical College project will involve land and land development, buildings and civil works, utilities connection and installation, furniture and equipment and other support facilities.
  
- Land Procurement –
  - WT-COLLEGE has procured land measuring 134,584 square meters (sqm) located in Kasimbu area, Ujiji Municipality, Kigoma Region for the development of the proposed project. This is an empty land and it is within 100 meters from Lake Tanganyika.
  
- Infrastructure Development -
  - WT-COLLEGE will develop lecture rooms, laboratory and library buildings as well as administration block, kitchen and dining blocks and other building amenities. The buildings will be connected to water and electricity.
  - The project will procure furniture and equipment and other support facilities including motor vehicle and other facilities.
  
- Other Project Requirements –
  - The investment will, also, include initial working capital fund to finance operating costs of the college expansion project.
  - The project will entail mobilisation of qualified professionals for training service provision and other support workforce to provide for human resource requirements.

#### **1.5 Investment Costs**

- The projected investment costs comprise of capital expenditure for the infrastructure development and working capital for the operating expenses and other assets.
- The Capital Investment will be in the first and second year while the working capital costs will be in the third year when the college becomes operational.

<b>Western Tanganyika College Ltd</b>					
<b>Investment Plan</b>					
Amount in TZS '000'					
	<b>Investment Plan</b>				
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Total</b>	<b>USD Equiv.</b>
Exchange Rate (USD/TZS)	2,750	2,750	2,750		
Land	95,565	-	-	95,565	<b>34,751</b>
Buildings & Civil Works	2,117,347	1,475,559	-	3,592,906	<b>1,306,511</b>
Utilities	-	-	-	-	-
Furniture & Fixtures	27,432	254,192	-	281,624	<b>102,409</b>
Equipment & Tools	-	347,073	-	347,073	<b>126,208</b>
Scholarstic Materials	23,237	81,330	11,619	116,185	<b>42,249</b>
Motor Vehicles	-	-	-	-	-
<b>Physical Assets</b>	<b>2,263,581</b>	<b>2,158,153</b>	<b>11,619</b>	<b>4,433,353</b>	<b>1,612,128</b>
Pre-operating expenses					
Administrative Costs	133,000	-	-	133,000	<b>48,364</b>
Loan interest at implementation	840,000	280,000	-	1,120,000	<b>407,273</b>
Other Finance Costs	63,500	-	-	63,500	<b>23,091</b>
<b>Pre-operating expenses</b>	<b>1,036,500</b>	<b>280,000</b>	<b>-</b>	<b>1,316,500</b>	<b>478,727</b>
<b>Capital Expenditure</b>	<b>3,300,081</b>	<b>2,438,153</b>	<b>11,619</b>	<b>5,749,853</b>	<b>2,090,855</b>
Working Capital	17,894	863	88,976	107,733	<b>39,176</b>
<b>Total Investment</b>	<b>3,317,975</b>	<b>2,439,017</b>	<b>100,594</b>	<b>5,857,586</b>	<b>2,130,031</b>

## 1.6 Proposed Financing Plan

- The financing structure of the proposed project will involve equity financing and external financing. The external financing will be in the form of long-term loans for capital expenditure; and short-term loans for working capital requirements.
- The equity financing will be in the form of ordinary equity from the shareholders. This includes the value of land. The proposed financing plan is as below:

<b>Western Tanganyika College Ltd</b>					
<b>Financing Plan</b>					
Amount in TZS '000'					
	<b>Investment Plan</b>				
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Total</b>	<b>USD Equiv.</b>
<b>Exchange Rate (USD/TZS)</b>	2,750	2,750	2,750		
<b>Equity Financing</b>					
Share Capital	100,000	-	-	<b>100,000</b>	<b>36,364</b>
Shareholders' Fund (CAPEX)	360,081	1,158,153	11,619	<b>1,529,853</b>	<b>556,310</b>
Shareholders' Fund (W/Capital)	17,894	863	88,976	<b>107,733</b>	<b>39,176</b>
<b>Equity Financing</b>	<b>477,975</b>	<b>1,159,017</b>	<b>100,594</b>	<b>1,737,586</b>	<b>631,849</b>
<b>External Financing</b>					
Long-Term Loan -1	2,000,000	-	-	<b>2,000,000</b>	<b>727,273</b>
Long-Term Loan -2	-	1,000,000	-	<b>1,000,000</b>	<b>363,636</b>
<b>Sub-total</b>	<b>2,000,000</b>	<b>1,000,000</b>	<b>-</b>	<b>3,000,000</b>	<b>1,090,909</b>
Loan interest at implementation	840,000	280,000	-	<b>1,120,000</b>	<b>407,273</b>
Short-term Loan	-	-	-	-	-
<b>External Financing</b>	<b>2,840,000</b>	<b>1,280,000</b>	<b>-</b>	<b>4,120,000</b>	<b>1,498,182</b>
<b>Total Financing</b>	<b>3,317,975</b>	<b>2,439,017</b>	<b>100,594</b>	<b>5,857,586</b>	<b>2,130,031</b>
<b>Exposure</b>					
Shareholders' Commitment	14%	48%	100%	30%	30%
External Financing	86%	52%	0%	70%	70%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

### 1.7 Status of the Project

- Land – the company has already procured the land for project which measures 134,584 sqm which is strategically located and adequate for the proposed project.
- Project design – the company has engaged professionals to provide for architectural design, structural design and bills of quantities for the project.
- The project design provides for development of both Specialise Hospital and the College in one compound.
- Statutory requirements – the company is already certified as an education institution in the provision of technical training programs.



### 1.8 Project Promoters

- WT-COLLEGE is a Tanzania registered private limited liability company by shares 100% owned by two Tanzanian shareholders who have, since 2009, been managing the WT-COLLEGE which is an education institution in the health and social sciences.

### 1.9 Project Outputs

- The proposed integrated project is expected to contribute to development of the health sector in the Kigoma region and the country in general.
- The project outputs will be qualified personnel in the provision of health and social services in the country. The ultimate outputs of the project include
  - Support provision of health care services and facilitate humanitarian assistance through health care programs
  - Minimize death rates hence increase life-span of the people.
  - Increase the number of medical/healthcare personnel in the country
  - Create a platform for practical training to health sciences students



## 1.12 Project Liquidity Analysis

### Western Tanganyika College Ltd

#### Projected Cash Flow Statements

Amount in TZS 'million'

	Year 1	Year 3	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Sources of Funds</b>										
Equity Financing	669	101	-	-	-	-	-	-	-	-
External Financing	2,000	1,000	-	-	-	-	-	-	-	-
Revenues	673	701	3,613	3,786	3,962	4,138	4,317	4,504	4,705	4,908
<b>Cash Inflows</b>	<b>3,342</b>	<b>1,802</b>	<b>3,613</b>	<b>3,786</b>	<b>3,962</b>	<b>4,138</b>	<b>4,317</b>	<b>4,504</b>	<b>4,705</b>	<b>4,908</b>
<b>Applications of Funds</b>										
Capital Expenditure	2,651	12	-	-	-	13	-	-	-	14
Change in Net Working Capital	18	1	89	5	5	5	5	5	6	6
Direct Operating Costs	271	282	1,492	1,563	1,635	1,707	1,780	1,857	1,938	2,021
Indirect Operating Costs	425	433	776	851	928	1,005	1,084	1,142	1,166	1,190
Provisional Tax	-	-	294	134	159	187	217	338	396	457
Interest Payment	-	-	11	575	521	459	387	306	212	105
Principal Loan Repayment	-	-	-	378	433	496	568	650	744	852
<b>Total Applications</b>	<b>3,365</b>	<b>728</b>	<b>2,662</b>	<b>3,507</b>	<b>3,681</b>	<b>3,871</b>	<b>4,041</b>	<b>4,297</b>	<b>4,462</b>	<b>4,645</b>
<b>Cash Surplus/(Deficit)</b>	<b>-23</b>	<b>1,074</b>	<b>951</b>	<b>280</b>	<b>281</b>	<b>267</b>	<b>275</b>	<b>207</b>	<b>243</b>	<b>263</b>
Opening Cash Balance	-	-23	1,051	2,002	2,282	2,563	2,830	3,105	3,312	3,555
<b>Closing Cash Balance</b>	<b>-23</b>	<b>1,051</b>	<b>2,002</b>	<b>2,282</b>	<b>2,563</b>	<b>2,830</b>	<b>3,105</b>	<b>3,312</b>	<b>3,555</b>	<b>3,819</b>

## 1.13 Loans Repayment

### Western Tanganyika College Ltd

#### Loan Repayment And Interest Payment Schedule

Amount in TZS 'million'

	Year 1	Year 3	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Long-Term Loan -1</b>										
Principal Amount	2,000,000	TZS '000'								
Interest rate	14%	p.a.								
Loan tenure	10	Years								
Repayment period	7	Years								
Grace period										
On Principal	36	months								
On Interest	36	months								
<b>Loan Repayment Schedule</b>										
Opening Balance	-	2,840	2,840	2,840	2,579	2,281	1,939	1,548	1,100	587
Additions	-	2,840	-	-	-	-	-	-	-	-
Interest Payment	-	-	-	389	351	308	258	202	137	62
Principal Repayment	-	-	-	261	298	342	391	448	513	587
<b>Closing Balance</b>	<b>2,840</b>	<b>2,840</b>	<b>2,840</b>	<b>2,579</b>	<b>2,281</b>	<b>1,939</b>	<b>1,548</b>	<b>1,100</b>	<b>587</b>	<b>-</b>
<b>Long-Term Loan -2</b>										
Principal Amount	1,000,000	TZS '000'								
Interest rate	14%	p.a.								
Loan tenure	9.0	Years								
Repayment period	7.0	Years								
Grace period										
On Principal	24	months								
On Interest	24	months								
<b>Loan Repayment Schedule</b>										
Opening Balance	-	-	1,280	1,280	1,163	1,028	874	698	496	265
Additions	-	1,280	-	-	-	-	-	-	-	-
Interest Payment	-	-	-	175	158	139	116	91	62	28
Principal Repayment	-	-	-	117	135	154	176	202	231	265
<b>Closing Balance</b>	<b>-</b>	<b>1,280</b>	<b>1,280</b>	<b>1,163</b>	<b>1,028</b>	<b>874</b>	<b>698</b>	<b>496</b>	<b>265</b>	<b>0</b>
<b>TOTALS:</b>										
Opening Balance	-	2,840	4,120	4,120	3,742	3,309	2,813	2,246	1,596	852
Additional	-	2,840	1,280	-	-	-	-	-	-	-
Interest Payment	-	-	-	564	509	446	375	292	198	90
Principal Repayment	-	-	-	378	433	496	568	650	744	852
<b>Closing Balance</b>	<b>2,840</b>	<b>4,120</b>	<b>4,120</b>	<b>3,742</b>	<b>3,309</b>	<b>2,813</b>	<b>2,246</b>	<b>1,596</b>	<b>852</b>	<b>0</b>

## 1.14 Objective of the Study

- The objective of this Business Plan is to evaluate the technical and financial feasibility of relocating and expanding the College of Health and Allied Sciences.
- The study, also, provides valuable information to potential external financing partner to participate in the co-financing of the proposed project in the Tanzania's healthcare sector.

## Project Concept

### 2.1 Introduction

- Presently, WT-COLLEGE has gained experience and knowledge in operation and management of education institution that produces professionals at the level of technical standards in the health as well as social sciences.
- The Project Concept involves the establishment of a Specialised Hospital as a healthcare service facility in Ujiji, Kigoma, western Tanzania. The project will, also, involve the development of modern college facilities within the Specialised Hospital compound.

### 2.2 Technical Training Services

- The project entails development of a new modern training college facility with capacity to enrol 3,600 students that will provide for technicians in the health and allied sciences as well as the social science.
- WT-COLLEGE-College will undertake to shift its operations from the existing rented premises to the proposed new premises. The project will develop research and training facilities in the fields of health and allied science.
- The College will continue to offer NTA Level 4 to 6 course programs as prescribed by the relevant authorities. The courses are in the following fields –
  - Pharmaceutical Science
  - Records, Archives & Information Management
  - Business Administration

### 2.3 Hospitality Services

- The college will offer hospitality services including hostel for accommodation services, and cafeteria for provision of food and drinks.

## Projects Description

### 3.1 Policy Requirements

- NACTVET is empowered to register, accredit and approve technical institutions and the training programmes. NACTVET is, also, mandated to ensure that the quality of education and training required for the granting of awards is being met and maintained throughout the delivery of programme(s).
- To maintain quality assurance, NACTVET has to ensure that all technical institutions have adequate learning and teaching facilities. Currently, NACTVET has registered a total of 430 institutions distributed across different subject boards.
- There are 192 registered health and allied sciences training institutions in Tanzania offering certificate and diploma level programmes.

Tanzania: Technical Institutions (April 2021)				
S/n	Board	Abbrev.	Number of Institutions	%
1	Business, Tourism & Planning	BTP	155	36%
2	Health and Allied Sciences	HAS	182	42%
3	Science & Allied technologies	SAT	93	22%
<b>Total</b>			<b>430</b>	<b>100%</b>

### 3.2 Entry Qualifications

The minimum entry qualifications for the prospective students studying technical course programs in pharmaceutical science, Business Administration, and Records, Archives & Information Management are as provided by NACTVET as follows:

- Pharmaceutical Sciences –
  - Basic Technician Certificate (NTA Level 4)
    - Holder of Certificate of Secondary Education Examination (CSEE) with five passes in non-religious subjects including 'D' passes in Chemistry, English, Physics, Mathematics and Biology.
  - Technician Certificate (NTA Level 5)
    - Holder of Certificate of Secondary Education Examination (CSEE) with five passes in non-religious subjects including 'D' passes in Chemistry, English, Physics, Mathematics and Biology. AND Possession of Basic Technician Certificate (NTA Level 4) in Pharmaceutical Science.

- Ordinary Diploma (NTA Level 6)
  - Holder of Certificate of Secondary Education Examination (CSEE) with five passes in non-religious subjects including 'D' passes in Chemistry, English, Physics, Mathematics and Biology; Possession of Basic Technician Certificate (NTA Level 4) in Pharmaceutical Sciences; AND Possession of Technician Certificate in Pharmaceutical Science.
  
- Business Administration –
  - Basic Technician Certificate (NTA Level 4)
    - Holder of Certificate of Secondary Education Examination (CSEE) with four 'D' passes in non-religious subjects or NVA Level 2 or 3 (Trade Test Grade 1) from VETA in any relevant field.
  
  - Technician Certificate (NTA Level 5)
    - Holder of Basic Technician Certificate in Business Administration or Advanced Certificate of Secondary Education Examination (ACSEE) with one principal pass and subsidiary in non-religious subjects or other business-related fields.
  
  - Ordinary Diploma in Business Administration (NTA Level 6)
    - Holder of Certificate of Technician; Certificate in Business Administration.
  
- Records, Archives & Information Management
  - Basic Technician Certificate (NTA Level 4)
    - Holder of Certificate of Secondary Education Examination (CSEE) with four 'D' passes in non-religious subjects or NVA Level 2 or 3 (Trade Test Grade 1) from VETA in any relevant field.
  
  - Technician Certificate (NTA Level 5)
    - Holder of Basic Technician Certificate in Records, Archives & Information Management or Advanced Certificate of Secondary Education Examination (ACSEE) with one principal pass and a subsidiary in non-religious subjects.
  
  - Ordinary Diploma (NTA Level 6)
    - Holder of Certificate of Secondary Education Examination (CSEE) with four passes in no-religious subjects.

## Investment Components

### 4.1 Introduction

- The proposed integrated project in Training College entails investment in land and land development, buildings and civil works, college furniture and equipment and other facilities.

### 4.2 Description of the Investments

The project will entail the following for the development of the project:

#### (i) Land And Land Development

- The company has procured ample land measuring 134,000 sqm equivalents to 33.1 acres. In the initial design, the project will occupy land area measuring 40,468 sqm (10-acres). The remaining 23 acres land will be set for development of other related projects in the future.
- The project will not procure additional land for the implementation of the project as the available land is adequate for the intended investment.

#### (ii) Buildings and Civil Works

- The project will entail construction of new buildings and civil works for the hospital and the college project. The buildings will include the following facilities:
- College Buildings –
  - The college buildings encompass a number of functional areas for provision of the technical education and they include the following:
    - Classroom/lecture buildings – these include construction of lecture rooms, computer rooms, library, laboratory, abolition blocks, and other building facilities.
    - Dining hall buildings – these involves construction of dining hall which will have kitchen, food stores and dining facilities.
    - Hostel buildings – these include construction of hostels which will accommodate students.
    - External works – these include playgrounds, feeder roads and pavements, perimeter (security) wall, gardening and other external works.

#### (iii) Utilities

- This will entail procurement and installation and connections of electricity, water system including water treatment plant, water pump and water pipes.

- It will entail installation of security system including hazard alarms such as fire and theft detectors. This also involves sewage system and waste management system for the college.

**(iv) Office Equipment**

- The project will entail procurement of the following office equipment for the college projects This office equipment include:
  - Computers; printers; photocopier machines and accessories;
  - Laptop computers; scanners; fax machine; cameras
  - Communication equipment and other office equipment.

**(v) Teaching Materials and Equipment**

- The project will procure the following scholastic materials:
  - Text books for all the classes
  - Laboratory equipment and reagents
  - Desk-top computers and accessories
  - Presentation equipment and other teaching tools

**(vi) Motor Vehicles**

- The project will procure motor vehicles including motor vehicles for delivery of supplies and office motor vehicles.
- The project will, also, procure ambulance to transportation of critically sick people.

**(vii) College Furniture and fittings**

- This will entail procurement of classroom chairs, tables and cabinets for students and teachers and office tables, chairs and cabinets.
- This will, also, entail procurement of mattresses, curtains, and other fixtures and fittings for the hostels.

**(viii) Pre-operating costs**

- The project pre-operating costs include professional fees, initial resource mobilisation costs, initial marketing costs, launching costs and initial staff recruitment costs.
- Other costs are financial costs including loan commitment fees, legal fees, valuation costs and other professional costs.

**(ix) Working capital**

- The project will require initial working capital to meet initial financial obligations including the direct and the indirect operating costs such as payment for the purchase of consumables for the hotel and college as well as payment of salaries and wages.

## The Project Promoter

### 5.1 Introduction

- Western Tanganyika College Ltd (WT-COLLEGE) is the project Sponsor. It is an investment company in the health industry. The company operates technical education institution in the health, social and allied sciences under the brand name of WESTERN TANGANYIKA COLLEGE.

### 5.2 Company History

- WT-COLLEGE is a private academic institution formerly registered in 2008 and commenced operation in 2009 with the view to address the quality gap in the Tanzania's technical level education in the health and social science fields.
- With a modest start, the promoters established training program to offer certificates in Business Administration. Later, the company expanded its programs to include certificates and Diploma courses in Pharmaceutical Science and Records, Archives and Information Technology.
- WT-COLLEGE was, in 2012, granted the accreditation (Reg/BMG/032) to operate college of health, social and allied sciences by the National Council for Technical and Vocational Education and Training (NACTVET).
- The WT-COLLEGE college is, also, recognised by Tanzania's Ministry of Health, the Pharmacy Council of Tanzania, and the National Board of Accountants and Auditors (NBAA) via registration no. TPRS/051.

### 5.3 Company Operation

- WT-COLLEGE provides training courses lead to the award of Basic Technician Certificate (NTA Level 4), Technician Certificate (NTA Level 5) and Diploma (NTA Level 6) as provided in the national health policy.
- Triggered by the current student's enrolment of over 450-students, of whom 190-students majoring in Pharmaceutical Science, and over 265-students studying Business Administration and Records, Archives & Information Management courses, WT-COLLEGE management is strategically planning to relocate and expand the existing education facilities from the rented premises; and develop a private Specialised Hospital to increase healthcare access.

#### 5.4 Company Legal Status

- WT-COLLEGE is a private limited liability company dully registered in May 2008 under Tanzania’s Company Laws with the objectives of, among others, to establish, operate and manage training institutions and health-related projects.
- The company has been granted with the following certifications:
  - Certificate of Incorporation No. 65425 issued in May, 2008,
  - NACTVET licence no. Reg/BMG/032
  - NBAA licence no. TPRS/051
- The company will, in due course, seek for permits and licenses to invest and operate the proposed Specialised Hospital project.

#### 5.5 Company Ownership

- WT-COLLEGE is owned by two Tanzanian shareholders. The authorised and subscribed share capital of the company is TZS 100 million divided into 10,000 shares of TZS 10,000 each. The shares distribution structure is as follows:

Shareholders’ name	Shares Owned (%)	Nationality
Idan Lurent Ndowa	90%	Tanzanian
Tadness Moses Mwakitalu	10%	Tanzanian
<b>Total</b>	<b>100%</b>	

#### 5.6 Business Performance

##### (i) Enrolment

- Though it started to operate in 2009, the College obtained its first operating license in February 2012. The college has experienced stable and growing students’ enrolment rates over the years with a total enrolment reaching 1,183 in January October, 2023
- The current school enrolment is as summarized below:

<b>WT-COLLEGE- College: Students’ Enrolment</b>					
		Level 4	Level 5	Level 6	<b>Total</b>
1	Pharmaceutical Science	120	80	62	<b>262</b>
2	Business Administration	30	18	10	<b>58</b>
3	Records, Archives & Information Management	33	24	3	<b>60</b>
	<b>Total</b>	<b>183</b>	<b>122</b>	<b>75</b>	<b>380</b>

- The College has potential for increased enrolments considering that the college is now operating in rented premises with limited infrastructure for increased enrolment. With the existing facilities, the college is currently operating at full enrolment capacity.

### **(ii) Financial Performance**

- The College project as a business venture, heavily relies on the students' enrolment rate to become financially viable. With record annual revenues of over TZS 360 million in 2023, the financial performance is very promising.
- The past financial performance of the WT-COLLEGE is as presented in the Company's Audited Financial Statements for the year ended December 2023. The report demonstrates that the project has registered good financial performance.

### **(iii) Academic Performance**

- WT-COLLEGE – college is mandated to have its students examined for Basic Technician Certificate (NTA Level 4), Technician Certificate (NTA Level 5) and Diploma (NTA Level 6) as provided by NACTVET and NBAA.
- Performance in the enrolment rate is largely a reflection of good performance in the academics.

## **5.7 Advisory Board**

- WT-COLLEGE's strategic and policy making functions are under the Advisory Board whose members comprise of founders, Mr. Idan L Ndowa and Mrs. Tadness M. Mwakitalu and other professionals from different disciplines. The profiles of the Advisory Board are enclosed to this report.
- The names of the Advisory Board members are as enclosed in the report.

## Status Of the Project

### 6.1 Present Operation

- Presently, WCT College operates three course programs but operating from rented premises.
- The company does not operate a healthcare service facility.



### 6.2 Statutory Requirements

- The WT-COLLEGE-College is fully registered with the National Council for Technical and Vocational Education Training (NACTVET) as well as National Board of Accountants and Auditors (NBAA). The College is, also, recognised by the Ministry of Health and the Pharmacy Council of Tanzania (PCT).
- The college will seek to obtain licenses and permits for development and management of the proposed Specialised Hospital project.

### 6.3 Infrastructure Development

- This Business Plan is for relocation and expansion of WT-COLLEGE-College and establishment of a Specialised Hospital.
- Apparently, WT-COLLEGE has procured land measuring 134,584 sqm for the development of the project. The company has, further, contracted civil engineers and quantity surveyors to undertake the design and establish the project investment costs.
- The consultants have produced the structural designs of the buildings and civil works, the bills of quantities, and other costs associated with the project.

### 6.4 Human Resources

- Presently, the College has a total of 18 staff contingent including teaching and non-teaching staff. The project will employ additional staff following the planned expansion program. The project will, also, seek to deploy professionals to provide healthcare services for the hospital project.

## The Business Case

### 7.1 Overview

- Globally, poor women and children are the most vulnerable and the least served. In the less developed countries like Tanzania, disease and death take the highest toll among mothers and children who make up over two-thirds of the population.
- Perinatal mortality may be as much as ten times higher than that of infants born in Developed countries; the infant mortality rate may be six to twenty times greater than that in the Developed Countries; the death rate among pre-school children is also up to ten times high. Furthermore, in poor countries, half of the total mortality may occur in children under 5 years of age compared to only 5% in Developed countries.

### 7.2 Healthcare Services in Tanzania

- Tanzania is a resource strained country with a weak healthcare system which is challenged by high maternal mortality, child mortality, HIV/AIDS, pneumonia, and malaria, among others. Tanzania's population also has some of the lowest rates of access to health personnel in the world.
- Tanzania's healthcare system is decentralized and has different levels of service that comprise of dispensaries, health centres, district hospitals, regional hospitals, national level hospitals and consultant hospitals.
- The country's private sector contributes to 53.6% of the health services provided while the public sector accounts for 46.4%. The year 2022 census shows that the population of Tanzania is at 62 million, an increase of 37% from 2012. The country child population is projected to double from about 29 million to 59 million come year 2050. This population trend is expected to exert pressure on health services provision.

### 7.3 Healthcare Services in Kigoma

- The two integrated projects will be located in Ujiji Municipality, Kigoma Region, one of Tanzania's 31 administrative regions situated in the western Tanzania along the shores of Lake Tanganyika.

- Kigoma Region shares its borders with three countries and four regions of the country. It borders Kagera region and Burundi in the North; Shinyanga and Tabora Regions in the East; Rukwa region to the South and the Democratic Republic of Congo (DRC) to the West.
- The population of Kigoma is diverse, consisting of various ethnic groups. The region is, also, home to a significant number of refugees, primarily from neighbouring countries such as Burundi and the Democratic Republic of Congo.
- Kigoma Region has a predominantly rural population with limited access to healthcare facilities. The healthcare infrastructure in Kigoma Region is relatively underdeveloped. The region lacks well-equipped hospitals, clinics, and health centers, particularly in remote areas.
- Shortages of medical supplies, equipment, and essential medications are prevalent in the region. Insufficient infrastructure and resources hinder the delivery of adequate healthcare services.
- The proposed project aims to reduce the healthcare resource gap in the region and the neighbouring regions and countries.

#### **7.4 Project Outputs**

The project is expected to deliver the following outputs:

- (i) Production of Professional Human Resource –
  - The proposed college expansion project will address the shortage of healthcare workers in the country.
  - The proposed quality of the new college will, inevitably, result in production of highly qualified technicians in the health, allied and social sciences.
- (ii) Increased Access to healthcare services –
  - The proposed project will indirectly result into increased capacity of Kigoma region to provide healthcare services to an increased number of people.
  - The project inevitably increase access to quality healthcare services in Kigoma region and the surrounding regions as well as to the neighbouring countries.

## Investment & Financing Plans

### 8.1 Investment Plan

- WT-COLLEGE will invest in physical and human resources the development of the proposed project.
- The project will be implemented within 24-months period and will entail an estimated total investment cost of TZS 5.8 billion as summarised below:

Investment Plan						
Amount in TZS '000'						
	Investment Plan					
	Year 1	Year 2	Year 3	Total	USD Equiv.	
Exchange Rate (USD/TZS)	2,750	2,750	2,750			
Land	95,565	-	-	95,565	34,751	
Buildings & Civil Works	2,117,347	1,475,559	-	3,592,906	1,306,511	
Utilities	-	-	-	-	-	
Furniture & Fixtures	27,432	254,192	-	281,624	102,409	
Equipment & Tools	-	347,073	-	347,073	126,208	
Scholarstic Materials	23,237	81,330	11,619	116,185	42,249	
Motor Vehicles	-	-	-	-	-	
<b>Physical Assets</b>	<b>2,263,581</b>	<b>2,158,153</b>	<b>11,619</b>	<b>4,433,353</b>	<b>1,612,128</b>	
Pre-operating expenses						
Administrative Costs	133,000	-	-	133,000	48,364	
Loan interest at implementation	840,000	280,000	-	1,120,000	407,273	
Other Finance Costs	63,500	-	-	63,500	23,091	
<b>Pre-operating expenses</b>	<b>1,036,500</b>	<b>280,000</b>	<b>-</b>	<b>1,316,500</b>	<b>478,727</b>	
<b>Capital Expenditure</b>	<b>3,300,081</b>	<b>2,438,153</b>	<b>11,619</b>	<b>5,749,853</b>	<b>2,090,855</b>	
Working Capital	17,894	863	88,976	107,733	39,176	
<b>Total Investment</b>	<b>3,317,975</b>	<b>2,439,017</b>	<b>100,594</b>	<b>5,857,586</b>	<b>2,130,031</b>	

### 8.2 Financing Plan

- The shareholders of WT-COLLEGE are planning to finance the proposed project through their own equity and external loan financing.
- With the intent to complete the project, the company is seeking for long-term loan facilities, preferably with a tenure of 10-years including 3-years of grace.
- The company will, further, seek for short-term working capital funds from the shareholder.

Financing Plan						
Amount in TZS '000'						
	Investment Plan					
	Year 1	Year 2	Year 3	Total	USD Equiv.	
Exchange Rate (USD/TZS)	2,750	2,750	2,750			
<b>Equity Financing</b>						
Share Capital	100,000	-	-	100,000	36,364	
Shareholders' Fund (CAPEX)	360,081	1,158,153	11,619	1,529,853	556,310	
Shareholders' Fund (W/Capital)	17,894	863	88,976	107,733	39,176	
<b>Equity Financing</b>	<b>477,975</b>	<b>1,159,017</b>	<b>100,594</b>	<b>1,737,586</b>	<b>631,849</b>	
<b>External Financing</b>						
Long-Term Loan -1	2,000,000	-	-	2,000,000	727,273	
Long-Term Loan -2	-	1,000,000	-	1,000,000	363,636	
<b>Sub-total</b>	<b>2,000,000</b>	<b>1,000,000</b>	<b>-</b>	<b>3,000,000</b>	<b>1,090,909</b>	
Loan interest at implementation	840,000	280,000	-	1,120,000	407,273	
Short-term Loan	-	-	-	-	-	
<b>External Financing</b>	<b>2,840,000</b>	<b>1,280,000</b>	<b>-</b>	<b>4,120,000</b>	<b>1,498,182</b>	
<b>Total Financing</b>	<b>3,317,975</b>	<b>2,439,017</b>	<b>100,594</b>	<b>5,857,586</b>	<b>2,130,031</b>	
<b>Exposure</b>						
Shareholders' Commitment	14%	48%	100%	30%	30%	
External Financing	86%	52%	0%	70%	70%	
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	

## Tanzania Business Environment

### 9.1 An Overview

- Tanzania is the largest country in East Africa in terms of land with 883,749km<sup>2</sup> (881,289km<sup>2</sup> mainland 2,460km<sup>2</sup> Zanzibar), plus lakes totalling to 59,100km<sup>3</sup>. The country has about 1,400km of coastline along the Indian Ocean.
- The country is well situated geographically bordering Burundi, Kenya, Malawi, Mozambique, Rwanda, Uganda, Zambia and the Democratic Republic of Congo (DRC).
- Tanzania has a tropical type of climate. In the highlands, temperatures range between 100 and 200 Celsius during cold and hot seasons respectively. The rest of the country has temperatures never falling lower than 200 Celsius. The hottest period spreads between November and February (250 – 310 Celsius) while the coldest period occurs between May and August (150 – 200 Celsius).



### 9.2 Socio-Economic Development

#### [a] Population

- Tanzania population has increased more than four times from 12.3 million people in 1967 to 61.7 million people in 2022. The average annual intercensal growth rate according to the 2012 Population and Housing Census is 2.7 percent.
- Below table provides a summary of the country's population trend from 1967 to 2022:

Tanzania: Population Trend (in "million")								
Year	1967	1978	1988	2002	2012	2020	2021	2022
Population	12.3	17.5	23.1	34.4	44.9	57.6	59.4	61.7

*Source: National Economic Survey, 2021*

## [b] Urbanisation

- Tanzania cities and towns are rapidly urbanizing. This urbanization is a manifest of rural-to-urban migration as well as natural population increase.
- The four largest cities are Dar-es-salaam, Mwanza, Arusha and Mbeya.
- In 2022, Tanzania's urban population was 37% which is an increase from 6% in 1967 and 34% a decade ago. The current population growth rate is 3.2%.

Tanzania (Mainland): Population Trend (1967 - 2022)							
Year	1967	1978	1988	2002	2012	2018	2022
<b>Urban</b>							
Population	685,092	2,257,921	3,991,882	7,554,838	12,701,238	17,785,328	21,965,444
% of Population	6%	13%	18%	23%	29%	34%	37%
<b>Dar-es-salaam</b>							
Population	272,821	769,445	1,205,443	2,336,055	4,364,541	5,147,070	5,383,728
% of Population	2%	5%	5%	7%	10%	10%	9%
<b>Tanzania: (Mainland)</b>							
Population	11,975,757	17,036,499	22,507,047	33,461,849	43,625,354	52,619,314	59,851,347
Growth Rate	-	3.30%	2.80%	2.90%	2.70%	2.70%	3.20%

## [c] Macro-economic Performance

- Tanzania maintains an economy highly dependent on agriculture, contributing an estimated 30% to the country's Gross Domestic Product (GDP) and employing nearly 70% of the working population.
- The economy continued expanding steadily in the aspect of GDP, and become more stable on inflation and exchange rates.
- For the past 6-years, both Real and Nominal GDP have been increasing annually at a rate of between 6.5% and 9.6% for the Nominal GDP; and between 4.8% and 7.0% for the Real GDP. In 2021, the growth in the GDP was occasioned by strategic investment in infrastructure projects, increased mineral production and increased credit to private sector which stimulated economic activities.

Tanzania: Trend in Real GDP Growth, Inflation & USD Exchange Rates									
Year	2013	2014	2015	2016	2017	2018	2019	2020	2021
GDP Growth	7.3%	7.0%	7.0%	7.0%	7.1%	7.0%	7.0%	4.8%	4.9%
Inflation Rate	7.9%	6.1%	5.6%	5.2%	5.3%	3.5%	3.4%	3.3%	3.7%
Exchange Rate (TZS/USD)	1,598	1,653	1,985	2,177	2,229	2,242	2,307	2,306	2,310

Source: Annual Report 2017/18, Bank of Tanzania, Economic Survey 2021

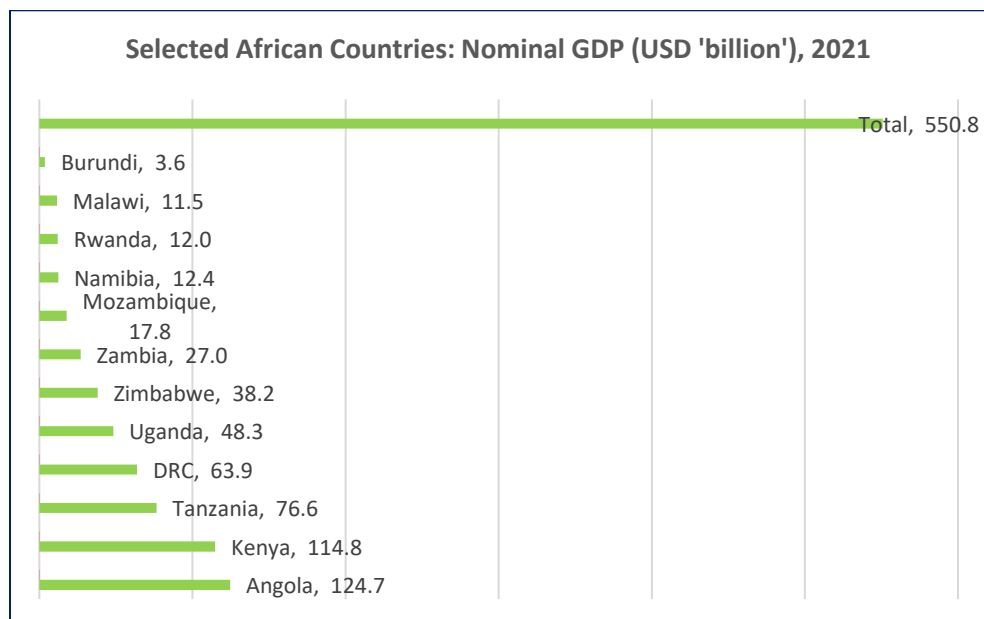
Tanzania: Trend in Real And Nominal GDP						
Year	2016	2017	2018	2019	2020	2021
<b>Nominal GDP</b>						
TZS 'Trillion'	108.3	118.7	129.0	139.6	151.6	161.5
% Change	-	9.6%	8.7%	8.2%	8.6%	6.5%
<b>Real GDP</b>						
TZS 'Trillion'	100.8	107.6	115.1	123.2	129.1	135.5
% Change	-	6.7%	7.0%	7.0%	4.8%	4.9%

### 9.3 Regional Market

- The growth in intra-trade in the East and Central Africa regional market for goods and services may be determined by the growth in the economy, the population, the cargo transit business within the region and other factors.

#### (a) Gross Domestic Products (GDP)

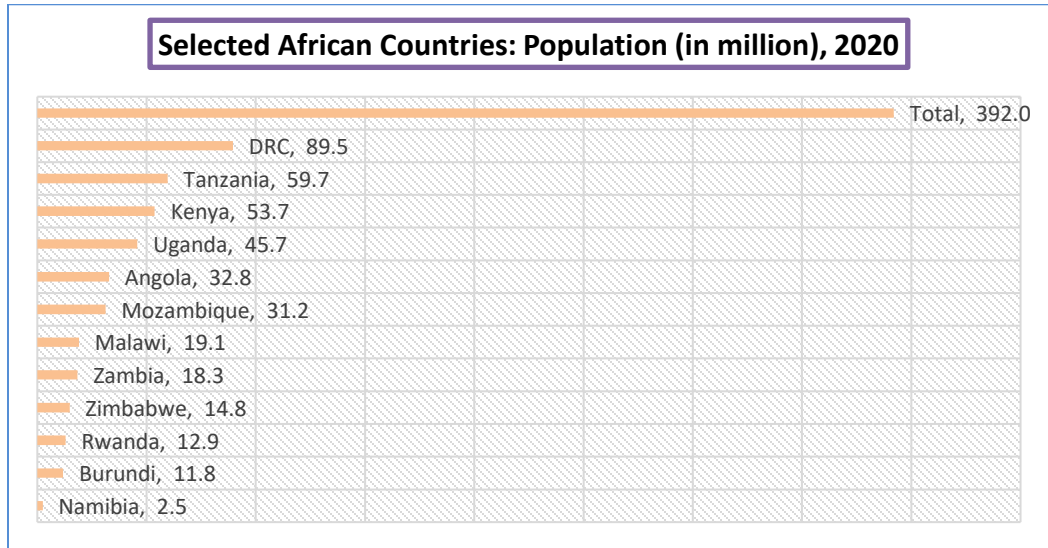
- Africa has emerged as one of the fastest growing regions of the world. Most of the Southern African countries experienced economic growth of between 3% and 7%. The below graph presents the Nominal GDP for some of the selected African countries in the southern and eastern African region.



#### (b) Population.

- Africa, and especially Sub-Saharan Africa, has experienced an unprecedented rate of urban growth, outpacing other regions. The six countries of Tanzania, Zambia, Malawi, DRC, Rwanda and Burundi have a combined population of about 211.3 million people (in year 2020).
- The populations in urban areas for most African countries are currently are estimated at about 40% of total population and expected to increase annually.

- The below graph depicts population distribution for some eastern and southern African countries.



### (c) Transit Trade Volumes

- Tanzania is the natural gateway to one of the fastest growing regions in the world with increasing trade volumes. In 2021, transit cargo handled at Dar es Salaam port increased by 20.2 percent to 6,421,598 tons compared to 5,340,287 tons handled in 2020. This was attributed to initiatives by TPA to widen the market base especially in Zambia and DRC.
- The container transit trade flows have witnessed the highest growth, increasing at a compounded annual growth rate of 19%.
- Transit traffic growth is mainly driven by economic growth, growth in agriculture, forestry and fisheries, energy, mining and development of rail and road infrastructure.
- Transit trade is growing at a rate of 15% compared to the 10% growth in the total traffic of Dar-es-salaam port.

Tanzania: Transit Cargo (in Tons)						
	2017	2018	2019	2020	2021	Growth
Country						
Zambia	2,021.2	1,504.0	1,763.0	1,159.1	1,507.7	30%
DRC	1,176.7	1,779.6	1,914.1	1,840.6	2,357.9	28%
Burundi	415.9	379.7	453.2	476.8	507.0	6%
Rwanda	1,061.2	911.8	1,238.6	1,239.2	1,366.3	10%
Malawi	276.0	311.2	336.7	407.4	471.3	16%
Uganda	271.9	188.6	140.9	153.9	138.8	-10%
Others	85.4	98.5	25.3	63.2	72.5	15%
<b>Total</b>	<b>5,308.3</b>	<b>5,173.4</b>	<b>5,871.8</b>	<b>5,340.2</b>	<b>6,421.5</b>	<b>20%</b>

## Overview of Tanzania's Health Sector

### 10.1 Introduction

- Tanzania's healthcare system is decentralized and has different levels of service that comprise of dispensaries, health centres, district hospitals, regional hospitals, national level hospitals and consultant hospitals.
- The private sector contributes to 53.6% of the health services provided while the public sector accounts for 46.4%. Over 1/3 of the country's general health services are by for-profit, not-for-profit, and faith-based organizations (FBOs).
- FBOs are the second largest provider of health services in the country, taking up 23.3% of health infrastructure, while the state owns 60%. However, 41.1% of hospitals are owned by FBOs while 40% are owned by the state, making FBOs the largest providers of hospital services in the country.

### 10.2 Health Sector Policy

- Tanzania's Development Vision 2025 provides the direction for long-term development strategy for the country. The vision mentions health as one of the priority sectors contributing to a higher quality of life for all Tanzanians.
- The National Health Policy 2007 and the Health Sector Strategic Plan (HSSP V) 2021–2026 guide health policy in Tanzania Mainland. The main objective of the health policy is to improve the health and well-being of all Tanzanians, with a focus on those most at risk, and to engender a health system that is responsive to the needs of the people.

### 10.3 Health Sector Performance

- Tanzania is a resource strained country with a weak healthcare system which is challenged by high maternal mortality, child mortality, HIV/AIDS, pneumonia, and malaria. Tanzania's population also has some of the lowest rates of access to health personnel in the world.
- Despite the contribution made by the private sector, the private healthcare system is not included in national health planning processes. There are 269 hospitals in Tanzania, of which 120 are public (under the Ministry of Health) and 149 are private (either for profit, FBOs, or non-governmental organizations).

- The year 2022 census shows that the population of Tanzania is at 62 million, an increase of 37% from 2012. The country child population is projected to double from about 29 million to 59 million come year 2050. This population growth trend is expected to exert more pressure on the quality and accessibility of healthcare services in the country.
- Over two thirds of Tanzanians live in rural areas and rely on local health facilities, which are the dispensaries and health centres. The central hospitals are more expensive as they are oriented to international standards.

#### **10.4 Healthcare Financing**

- Tanzania's healthcare financing is complimented by international donors who contribute up to 40% of the health budget.
- Health insurance coverage is still low with only 32% of Tanzanians as of 2019 covered by health insurance. Of that number, only 1% are members of private health insurance.
- The Government of Tanzania in 2022/23 budget has identified some of the following issues which will be of great importance or priority; Strengthening the delivery of vaccines for children under age of five; and strengthening the quality of delivery of health services in the country.
- However, ventures operating locally will face several challenges such as need for skilled human resources, availability of modern technology and the ability to reach sufficient scale to compete with international suppliers.

#### **10.5 Opportunities for the Private Health Sector**

- Besides the challenges, private sector opportunities in the health sector still exist in several areas including:
  - Public-private partnerships where industrialization is involved
  - The country's strategic location acts as a gateway to surrounding landlocked countries.
  - Investment in training and education as well as retention.
  - Manufacturing of pharmaceuticals locally to prevent drug stockouts.

## Overview of Technical Training

### 11.1 Introduction

- Hospitals and health centres are critical clinical training sites for medical and allied health-care sciences students in Tanzania. The enrollment of students in health-care training institutions offering certificates and diplomas has increased tremendously from 16,450 in 2014/2015 to 36,465 in 2020/2021.
- The growth of new health-care training institutions has further escalated the number of enrolled students.

### 11.2 Stakeholders In Technical Training

- The key stakeholders in the healthcare training includes, Ministry of Health, Community Development, Gender, Elderly and Children (MoHCDGEC), NACTVET, Tanzania Nurses and Midwifery Council (TNMC).
- The Ministry of Health has a responsibility for; ensuring the availability and development of healthcare sector professionals, the mobilization and management resources and implementation of health plans.
- Tanzania Nurses and Midwifery Council oversees the provision, protection, promotion and preservation of public health safety and welfare through regulation and control of nursing and midwifery education and practice.
- These and many other bodies in the healthcare sector play important role in regulating the provision of health care and determining the supply of healthcare workers.

### 11.3 Providers of Healthcare Training

- Healthcare facilities, including hospitals, health centers, clinics, outpatient care centers, dispensaries and specialized care centers, such as birthing centers and psychiatric care centers, play essential roles in supporting the training of sector professionals.
- Practical workplace learning in these facilities offer students insights into a range of workplace conditions, patient care services and access to registered practitioners.

- The National Guidelines for Health Training Institutions and Teaching Health Facilities (2020) states that the registration of any health training school requires that an institution has its own teaching hospital/health centre or a memorandum of understanding with healthcare facilities that guides the provision of practical training.
- The guidelines further define clinical placement as an arrangement in which health and allied students are placed in an environment that provides health care or related services to patients and/or the public.

#### **11.4 Curriculum Development**

- In Tanzania, most health training programmes under NACTVET use curriculum developed by the Ministry of Health (MoHCDGEC) which synchronizes teaching and assessment across the sector.
- This results in the healthcare training institutes having relatively similar training calendars to ensure that the required teaching and practical/clinical/field experiences are conducted before examinations (Continuous Assessment Tests and End of Semesters Exams).
- students have to pay external examination fee which currently amount to TZS 150,000 in every certificate and Diploma level.

#### **11.5 Quality Assurance**

- NACTVET is empowered to register and accredit technical institutions capable of delivering programmes, which are approved by the same.
- NACTVET is, also, mandated to ensure that the quality of education and training required for the granting of awards is being met and maintained throughout the delivery of programme (s).
- To maintain quality assurance, NACTVET has to ensure that all technical institutions have adequate learning and teaching facilities.

## Products And Services

### 12.1 Introduction

- The project is set to provide health care services to the community as well as trained workforce for the health sector.
- This integrated project will inevitably increase WT-COLLEGE improve health and health status of Tanzanians in Kigoma region and nearby communities with a focus on deploying specialists for vulnerable groups of the critical health problems that will include

### 12.2 The WT-COLLEGE College

- The WT-COLLEGE College will provide training courses that lead to the awards:
  - Basic Technician Certificate (NTA Level 4),
  - Technician Certificate (NTA Level 5), and
  - Diploma (NTA Level 6).
- The project will train in the following course programs:
  - (a) Pharmaceutical Science;
  - (b) Records, Archives and Information Management;
  - (c) Business Administration
- Students Personal Services
  - The project will, further, provide the students with the following additional services:
    - Hostel that will provide accommodation services to distant students.
    - Restaurant services which will provide affordable food to the students – breakfast, lunch and dinner.
    - Affordable healthcare services from the specialised hospital. The students will be afforded with special discount rates.
    - Sports facilities to help improve on health standards of the students
    - Modern library and laboratory facilities
    - In-house practical training

## Market Analysis

### 13.1 Introduction

- WT-COLLEGE is expanding its technician training college. Tanzania still lags behind in the equitable provision of health services where adequate availability of health providers, medical equipment and diagnosis accuracy are dominantly found in the urban areas than in the rural areas.
- The government in collaboration with different stakeholders including the private sector continue to invest heavily in the health sector to improve the quality and equity delivery of health services to the entire population.
- The continued investment in the healthcare facilities has resulted in an associated need to train more healthcare professionals. The training of sector technicians brings NACTVET and healthcare facilities together, where NACTVET as a regulator of skills development and the healthcare facilities as a provider of work placements for students.

### 13.2 Target Population

- WT-COLLEGE College project is positioned to serve the residents of Kigoma region and surrounding regions including Tabora, Shinyanga, Katavi and Kagera Regions.
- The hospital project will, further, provide its services to people from the neighbouring countries of Burundi and the DRC.

### 13.3 Technical Training Provision

- To create a critical mass of intermediate and full professional human resources that can meet the economic and social needs of the country NACTVET has defined and established a range and levels of awards in technical education and training.
- Hospitals and health centres are critical clinical training sites for medical and allied health-care sciences students.
- The enrollment of students in health-care training institutions in Tanzania offering certificates and diplomas has increased tremendously from 16,450 in 2014/2015 to 36,465 in 2020/2021.

- The growth of new health-care training institutions has further escalated the number of enrolled students. According to survey done in 2021, comparison of the current number of student enrollments (total healthcare

Regions	Non-Degree	Degree	Total
1 Arusha	355	-	355
2 Dar-es-salaam	9,464	7,060	16,524
3 Dodoma	3,350	4,792	8,142
4 Iringa	1,095	103	1,198
5 Kilimanjaro	2,962	1,807	4,769
6 Mbeya	3,401	762	4,163
7 Morogoro	1,114	2,143	3,257
8 Mwanza	4,049	2,758	6,807
<b>Total</b>	<b>25,790</b>	<b>19,425</b>	<b>45,215</b>

trainees) to available clinical opportunities in healthcare facilities, show that the student population (45,615) is more than four-times the available capacity of healthcare facilities to provide clinical placements in the surveyed regions.

### 13.4 Growth of Healthcare Facilities

- Over the past five years (2015 - 2020), the Government of Tanzania has successfully strengthened the healthcare sector by providing quality health services throughout the country for all groups, including maternal health services.
- This has resulted in the increased number of healthcare facilities as presented in the table.
- In addition, the Government has continued to improve service delivery by placing medicines, medical equipment, reagents and skilled specialists in the healthcare facilities.
- The sector has, also, seen the building of 23 regional referral hospitals and the refurbishment of operating rooms, inpatient wards, outpatients (OPD) and maternal and pediatric wards.
- Some facilities have been supplied with state-of-the-art surgical and laboratory equipment. In addition, infrastructure investment through construction, renovation and expansion have been undertaken in 13 health training colleges.

Facilities	Year 2015	Year 2020	Change	
			No.	%
1 Healthcare facilities	7,014	8,783	1,769	25%
2 Dispensaries	6,044	7,242	1,198	20%
3 District Hospitals	77	148	71	92%

### 13.5 Technical Training in Kigoma

- In Kigoma region, there are a few technical training colleges including government and privately-owned institutions. The centres which provide similar services as WT-COLLEGE College in Kigoma region include:
  - Kigoma Training College
  - Kigoma Clinical Teachers College
  - Ujiji Health Center
  - Upendo Foundation Health Center
  - Kigoma International Health Center

### 13.6 WT-COLLEGE Enrolment Targets

- The College projected enrolment for the health, allied and social sciences technical courses have been presented in the attached Annex 11 (ii) of the financial projected and as summarised below:

Western Tanganyika College Ltd

#### Projected Student Enrolment Assumptions

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Projected Enrolment</b>										
<b>Pharmaceutical Sciences</b>										
Increase in Enrolment	-	2.0%	10.0%	10.0%	10.0%	10.0%	5.0%	5.0%	5.0%	5.0%
Level 4	70	71	255	280	308	338	354	371	389	408
Level 5	65	66	237	260	286	314	329	345	362	380
Level 6	62	63	226	248	272	299	313	328	344	361
<b>Sub-total</b>	<b>197</b>	<b>200</b>	<b>718</b>	<b>788</b>	<b>866</b>	<b>951</b>	<b>996</b>	<b>1,044</b>	<b>1,095</b>	<b>1,149</b>
Enrolment rate	44%	44%	53%	58%	64%	70%	74%	77%	81%	85%
<b>Records, Archives &amp; Information Management</b>										
Increase in Enrolment	-	2.0%	10.0%	10.0%	10.0%	10.0%	5.0%	5.0%	5.0%	5.0%
Level 4	50	51	107	117	128	140	147	154	161	169
Level 5	48	48	100	110	121	133	139	145	152	159
Level 6	42	42	88	96	105	115	120	126	132	138
<b>Sub-total</b>	<b>140</b>	<b>141</b>	<b>295</b>	<b>323</b>	<b>354</b>	<b>388</b>	<b>406</b>	<b>425</b>	<b>445</b>	<b>466</b>
Enrolment rate	31%	31%	33%	36%	39%	43%	45%	47%	49%	52%
<b>Business Administration</b>										
Increase in Enrolment	-	2.0%	10.0%	10.0%	10.0%	10.0%	5.0%	5.0%	5.0%	5.0%
Level 4	55	56	117	128	140	154	161	169	177	185
Level 5	50	51	107	117	128	140	147	154	161	169
Level 6	45	45	94	103	113	124	130	136	142	149
<b>Sub-total</b>	<b>150</b>	<b>152</b>	<b>318</b>	<b>348</b>	<b>381</b>	<b>418</b>	<b>438</b>	<b>459</b>	<b>480</b>	<b>503</b>
Enrolment rate	33%	34%	24%	26%	28%	31%	32%	34%	36%	37%
<b>Total Enrolment</b>	<b>487</b>	<b>493</b>	<b>1,331</b>	<b>1,459</b>	<b>1,601</b>	<b>1,757</b>	<b>1,840</b>	<b>1,928</b>	<b>2,020</b>	<b>2,118</b>
<b>Enrolment rate</b>	<b>36%</b>	<b>37%</b>	<b>37%</b>	<b>41%</b>	<b>44%</b>	<b>49%</b>	<b>51%</b>	<b>54%</b>	<b>56%</b>	<b>59%</b>

- The above college students' enrolment estimates are considered achievable given the quality of the college' facilities, the quality of the staff, the fees structure, the promotional and advertisement initiatives and the target market.

### 13.7 WT-COLLEGE College Fees

- WT-COLLEGE College charges competitive tuition fees and other surcharges comparable to similar colleges in Tanzania. The proposed fees for the college are presented in Annex 11 (i) of the financial projections.

- The fees include tuition fees and other surcharges associated with the different cost items. The tuition fees and other surcharges are as presented below:

Western Tanganyika College Ltd			College Fee Structure Assumptions		
Health Science Technical Education			Social & Allied Sciences Technical Education		
College Fees			College Fees		
Level 4	700,000	TZS/Student/Semester	Level 4	355,000	TZS/Student/Semester
Level 5	700,000	TZS/Student/Semester	Level 5	355,000	TZS/Student/Semester
Level 6	700,000	TZS/Student/Semester	Level 6	355,000	TZS/Student/Semester
Defaults & write-offs	10%	of school fees income	Defaults & write-offs	15%	of school fees income
Other Incomes			Other Incomes		
Application fee	10,000	TZS/Applicant	Application fee	10,000	TZS/Applicant
Registration Fee	10,000	TZS/New Student	Registration Fee	20,000	TZS/New Student
Caution Money	20,000	TZS/New Student	Caution Money	20,000	TZS/New Student
Student Identification Cards (IDs)	10,000	TZS/New Student	Student Identification Cards (IDs)	10,000	TZS/New Student
Student Union	15,000	TZS/Student/Year	Student Union	5,000	TZS/Student/Year
Medical Capitation	50,400	TZS/Student/Year	Medical Capitation	50,400	TZS/Student/Year
College T-Shirts	30,000	TZS/Student	Stationery	10,000	TZS/Student
Uniforms	70,000	TZS/Student/Year	Library fee	10,000	TZS/Student/Year
Laboratory Fee	60,000	TZS/Student/Year	Certificate Copy	15,000	TZS/Student/Year
Quality Assurance Fee	150,000	TZS/Student/Year	Quality Assurance Fee	150,000	TZS/Student/Year
Internal Exam Fee	15,000	TZS/Student	Internal Exam Fee	15,000	TZS/Student
Ministry Exam fee	150,000	TZS/Student	Ministry Exam fee	-	TZS/Student
Graduation Fee	50,000	TZS/Student	Graduation Fee	50,000	TZS/Student
Number of Semesters	2	Semesters/Year	Number of Semesters	2	Semesters/Year

## Marketing Strategies

### 14.1 Introduction

- The motivation of WT-COLLEGE for giving healthcare services including training services is the expected financial returns from the projects. Meanwhile, the patient (or consumer) expectations should be satisfied faultlessly, and that is why healthcare providers are applying the marketing processes and principles in their institutions.
- The healthcare sector differs from others because of its characteristic features. In healthcare services, the issue is sometimes a matter of life and death, which is the main reason for this differentiation.

### 14.2 The Strategy

- The project will develop and implement the following strategies to market its proposed projects:
  - Digital Marketing –
    - Digital marketing is one of the most effective ways to reach out to potential customers. The facility will use various online platforms such as Google AdWords, social media, email marketing, and influencer marketing to promote our services and reach the target audience.
  - Event Sponsorship –
    - The facility will sponsor local health-related events, such as charity walks, health fairs, and seminars. This approach will allow WT-COLLEGE to showcase its services, network with potential customers, and build brand awareness.
  - Referral Programs –
    - WT-COLLEGE hospital will incentivize its current patients to refer their friends and family to the hospital. This will be done by offering discounts, free consultations, or other perks for successful referrals.
  - Community Outreach –
    - WT-COLLEGE college will partner with local schools, community centers, and non-profit organizations to educate the community about health-related topics. This approach will help to establish the facility as a trusted and reliable source of information and care.

- Television and Radio Ads –
  - Although expensive, television and radio advertising can be effective in reaching a large audience. The facility will create engaging ads that highlight the unique value proposition and target specific demographics to increase the likelihood of success.
- Search Engine Optimization (SEO) –
  - WT-COLLEGE will optimize its website for search engines to improve its ranking on search results pages. This will increase the likelihood of potential customers finding WT-COLLEGE college and hospital when searching for best college in health-related subjects in the area and best hospital in Kigoma region.

### **14.3 Competitive Advantages**

- WT-COLLEGE will have the following competitive advantages:
  - ☞ Strategically located in the middle to high income residences of Kigoma and it is easily accessible.
  - ☞ The environment is very conducive for healthcare service and training provision as it is situated in a quiet area and the buildings will be well constructed providing unique scenery for the patients and students.
  - ☞ WT-COLLEGE will recruit and retain qualified, motivated and well-remunerated teachers with salary and benefits above those in comparable facilities.

## College Operational Plan

### 15.1 College Training Guide

- WT-COLLEGE College will operate in accordance with the law of the land. The college already has in place a complete training program planning guide that provides direction for increased efficiency and effectiveness in its training programs. The company's training program guide addresses the following important issues in the operation of the technical college:
  - Development of comprehensive training program plan
  - Identification of training goals and objectives
  - Assessment of training needs
  - Address logistical requirements of the training program
  - Measuring and communicating the success of the training program
- WT-COLLEGE College will operate in accordance with the College Training Guide.

### 15.2 Managing Academics

- Quality Assurance –
  - NACTVET has been empowered to register and accredit technical institutions. WT-COLLEGE College is subjected to the following measures: Internal quality assurance and External monitoring and assessment
- Quality Control –
  - WT-COLLEGE has developed processes and procedures that provide confidences to the stakeholders as required by the NACTVET guidelines. These include:
    - Appointed a Quality-officer and set up a quality center
    - Implemented a well-functioning Internal Quality assurance system
    - A system for periodic self-assessment of Internal Quality Assurance
    - Validation of the programs on a regular base.
- Quality Monitoring –
  - NACTVET undertakes to monitor the quality of the College and its programs by organizing external quality assessments.
  - The process of monitoring includes the reporting on the Internal Quality Assurance system, institutional accreditation, programme accreditation contains the following sub-processes:

## Organisation & Management Plan

### 16.1 The Board

- The project will be under the general management of WESTERN TANGANYIKA COLLEGE LIMITED. The company has a Board of Directors responsible for the major policy and strategic issues. The Board has a Board Chairman.
- The Board is comprised of the shareholders and other non-shareholders.

### 16.2 Company Structure

- The daily management issues of the College project will be under the Company Chief Executive Officer (CEO) who will be in-charge of all matters of the two integrated projects. The CEO will report to the Board of Directors.
- At management level, the CEO will be assisted by two teams: College Director, and the Corporate Executive Team.
- At Advisory Level, the CEO will be assisted by College Advisory Board. The College Director will be assisted by College Principal.
- The office of the CEO will be known as the "Corporate Office" and will have functional Corporate Executives in the following departments:
  - Finance & Administration,
  - Legal Services, Audit,
  - Publicity & Marketing and
  - Estate Management,
  - Procurement & Stores.

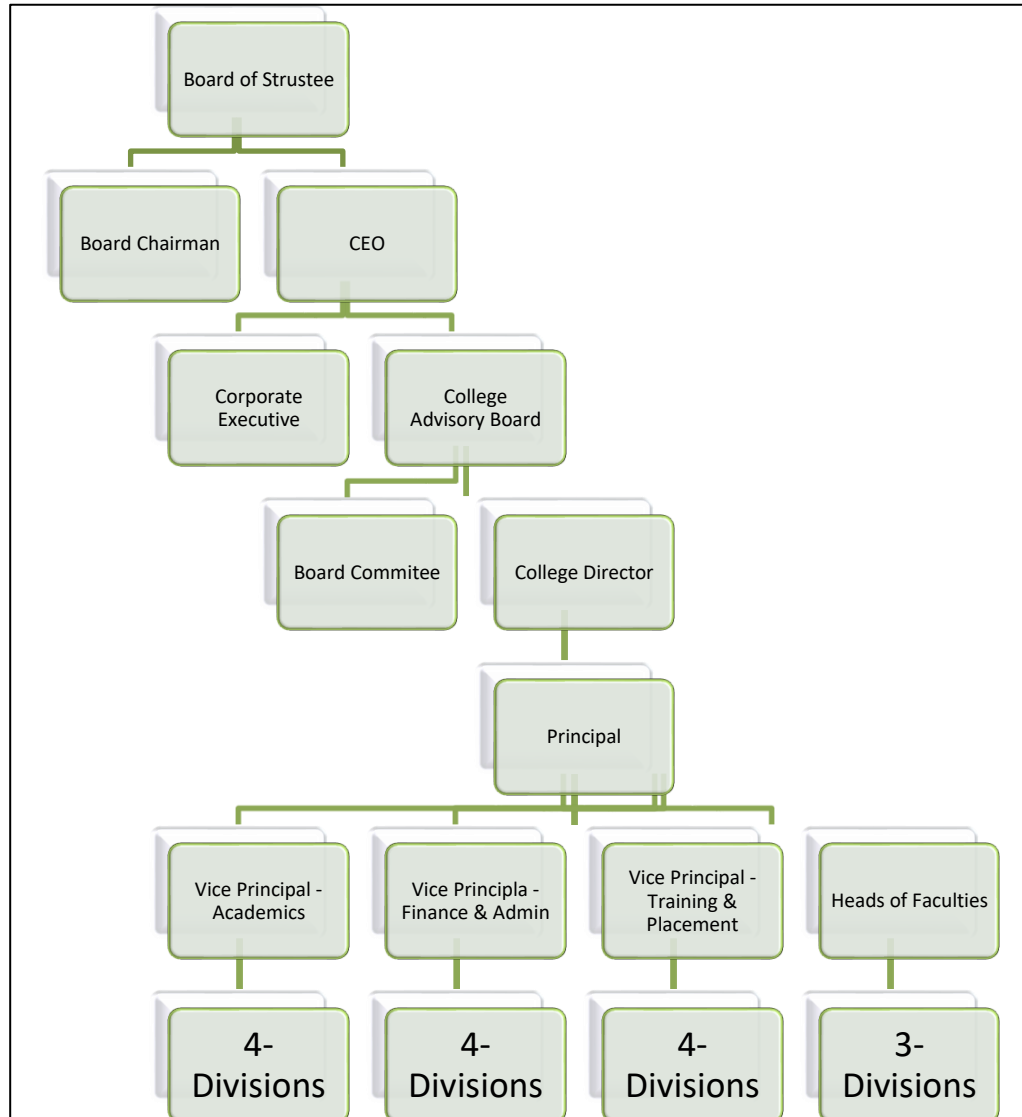
### 16.3 College Organisation Structure

- College Organisation structure will comprise of College Advisory Board, Board Committees, and Operational Management
- College Advisory Board –
  - The overall strategic issues are the responsibility of the College Advisory Board. The Board is the supreme policy making body charged with the responsibility of making decisions on curriculum development, staffing, discipline and general operation of the College.

- College Board Committee –
  - The College Advisory Board will be assisted by a College Board Committee as an advisory organ of the College. The committee will advise the Board on operational matters and include Students Representatives from the Students Union.
  
- Operational Management –
  - The day to day running of the College will be the responsibility of the College Director, who will coordinate the administrative, academic and financial matters of the College. The College Director will directly be reporting to the College Advisory Board, and assisted by College Principal.
  - The College Principal will be assisted by four Head of functional Departments and corresponding Divisions. The structure of the departments is as follows:

<b>Academics</b>	Students Service Centre
	Exams Control Centre
	Research Centre
	Training Infrastructure (Library, Laboratory, IT Lab)
<b>Finance &amp; Administration</b>	Accounts
	Audit
	Human Resource - Teaching Staff
	Human Resource - Non-teaching Staff
	Estate Management
<b>Training &amp; Placement</b>	Admission Services
	Planning & Budget
	Information Centre
	Quality Assurance
<b>Faculty Heads</b>	Health Science
	Allied Science
	Social Science

- College Organisation Chart –
  - The organisation structure of the College Project will be hierarchical from the Board of Directors to the Operational Management Team.
  - The College organisation Chart will be as follows:



## Implementation Plan

### 17.1 Project Approval

- This is a long-term project and scheduled to be completed in 24-months period. WT-COLLEGE has undertaken due diligence on the project and has internally approved the implementation of the project.

### 17.2 Project Implementation Management

- WT-COLLEGE management team will appoint a Project Manager to undertake management and supervisory issues of the project implementation. The company's management team will provide the strategic and major business decisions of the project.
- The Project Manager will undertake all supervisory issues related to the project, and where appropriate consult specialized consultants such as lawyers, architects, quantity surveyors, business consultants, etc. to provide professional advice.

### 17.3 Implementation Status

- The land for the development of the proposed projects is already in place. Implementation of the project is subject to availability of finance resources from external lenders for construction and procurement of physical assets.

### 17.4 Pre-Construction Phase

- WT-COLLEGE will commission consultants who will undertake preliminary designs which adhere to the government building regulations. WT-COLLEGE will engage consultants to carry out the following activities:
  - Detailed working drawings, appropriate technical specifications for the construction contract to execute the works,
  - Preparation of schedule of materials including finishes and decorations and other building materials,

- Design and production of detailed working drawings for services such as power and lighting points, electrical fittings, security system, firefighting system, (AC) air conditioning works, water supply, waste and foul water drainage and communication systems.

### **17.5 Construction Phase**

- The construction of the buildings will commence immediately upon disbursement of funds for project development from external financiers, and the construction work is scheduled to be completed within 24-months.
- WT-COLLEGE will contract reputable building contractors to undertake the construction works.
- During Construction Phase, WT-COLLEGE will commission the following professional consultants in the implementation of the project;
  - (i) Quantity surveyor and
  - (ii) Service, civil and structural engineers.
  - (iii) Other professionals from Health sector
- These professionals will follow up the construction works with site visits, inspections and meetings as per programmed activities as well as on client's request. The consultants ensure the work output is of the required quality and technical specifications for the value of money are met.
- The consultants will prepare financial appraisal, final accounts and payment evaluation and certification of the contractors' interim claims and advice client for payment and conduct regular inspection of the project before approval of payments.

## Strategies for Sustainable Services

### 18.1 Introduction

- To ensure the long-term sustainability of the hospital, WT-COLLEGE hospital will provide a wide range of medical services, including inpatient and outpatient care, emergency services, diagnostics, surgical procedures, and specialized treatments. Additionally, the hospital will offer ancillary services such as a pharmacy, laboratory, and radiology services.
- The company's sustainability strategies will encompass a number of issues as explained hereunder.

### 18.2 The Strategies

#### (a) Pricing Strategy –

- The pricing strategy will be based on a mix of government reimbursement, private insurance, and out-of-pocket payments. The hospital will negotiate contracts with insurance providers and implement a transparent billing system to ensure affordability and accessibility for all income levels.
- Revenue growth will primarily be driven by an increasing patient volume, expanding service offerings, and effective cost management.

#### (b) Outreach Programs –

- To ensure holistic healthcare development, the hospital will implement community outreach programs focusing on health education, preventive care, and early detection initiatives. These programs will be tailored to the specific needs of the local population, addressing prevalent diseases, maternal and child health, and lifestyle-related issues.

#### (c) Environmental Management –

- When it comes to the construction and operation of a hospital, there are several environmental sustainability measures, waste management practices, and energy efficiency strategies that should be implemented.
- The key considerations that WT-COLLEGE hospital will implement include:

- (i) Sustainable site selection and design –
  - WT-COLLEGE hospital has chosen a site that minimizes disruption to natural habitats and ecosystems, optimize building orientation to maximize natural light and reduce energy requirements and incorporate green spaces, such as gardens and rooftop vegetation, to enhance air quality and provide a calming environment.
- (ii) Energy efficiency –
  - WT-COLLEGE hospital will install energy-efficient lighting systems, such as LED lights, and motion sensors to minimize energy wastage, utilize energy-efficient HVAC systems and properly insulate the building to reduce heating and cooling demands and integrate renewable energy sources, such as solar panels or geothermal systems, to generate clean energy on-site.
- (iii) Waste management –
  - WT-COLLEGE hospital will establish comprehensive waste management plans to segregate waste generated during construction and operation and properly dispose of hazardous waste in accordance with local regulations.
- (iv) Indoor air quality –
  - The hospital will be installed with low-emission building materials, paints, and finishes to minimize the release of volatile organic compounds (VOCs) and install high-quality air filtration systems to ensure clean indoor air and reduce the spread of airborne diseases.
- (v) Education and awareness –
  - Management of WT-COLLEGE hospital will provide training and awareness programs for staff, patients, and visitors to promote environmentally responsible behaviours and practices. And by integrating these sustainability measures, waste management practices, and energy efficiency strategies, hospitals can contribute to a healthier environment, reduce operational costs, and provide a sustainable healthcare facility.

## Support Networks

### 19.1 Introduction

- To successfully improve the health of populations, it is necessary to address the drivers of health, including establishing partnership among the stakeholders.
- WT-COLLEGE hospital has identified international organizations, non-governmental organisations (NGOs), and universities that align with WT-COLLEGE goals and objectives. Consideration is taken on the expertise in the specific areas where WT-COLLEGE projects aim to enhance services, training, and research.

### 19.2 WT-COLLEGE Potential Partners

- WT-COLLEGE hospital will partner with a number local and international organisations in the health sector including the following:
  - World Health Organization (WHO),
  - Tanzania Red Cross,
  - Medical Professionals Association,
  - *Chama Cha Madaktari* (MAT),
  - Health insurance schemes – NHIF and other private insurance providers.
- WT-COLLEGE hospital will also cooperate with Health-related NGOs focusing on specific diseases or health issues, such as:
  - Cancer foundations,
  - Malaria organisations,
  - HIV/AIDS organizations, and
  - Other specialty disease organisations
- WT-COLLEGE will, also, cooperate with universities renowned for medical research and education, both local and international for the purpose of exposing our services, exchange of knowledge, best practices, and the latest research findings, enabling healthcare professionals to enhance their skills and stay updated on advancements in their respective fields and scouting the important specialists from them.

## SWOT Analysis

### 20.1 Strengths

- WT-COLLEGE has years of experience in offering pharmaceutical science program.
- WT-COLLEGE already has college staff contingent with basic knowledge and expertise
- Market presence of training program outside of government agencies.
- WT-COLLEGE ability to respond to the needs of community organizations and government agencies that address health and wellness issues.

### 20.2 Weaknesses

- Financial constrains for working capital requirements.
- There is no one providing this kind of combined service right now in the area, so it is difficult to compare our work to the industry standards.
- Difficulties in adapting effective marketing to the business model.

### 20.3 Opportunities

- Growing community's awareness on registering students on science subjects.
- The increase of awareness from the community to attend health centers when they become sick.
- Presence of families willing and able to pay for the services.
- Growing bilateral relationships between Tanzania, DRC and Burundi as potential markets for healthcare and training services

### 20.4 Threats

- Presence of growing local competition in offering training programs
- Government funded agencies are able to access interest free fund.
- Economic recession would prevent people spending more money.
- Insurance companies not allowing clients coverage for some of the offered healthcare services.

## Project Risks & Uncertainties

- There are several risks, which may face the project. These risks include inflation, instability of foreign exchange, political environment, market fluctuations and management problem.
- Inflation risk –
  - There is a potential risk that inflation might raise at higher rates than projected. This may increase the replacement costs and reduce the capital capacity. While this risk is usually prevailed in Developing Countries like Tanzania, the government appears committed to continue maintaining the macroeconomic stability and bring inflation further down.
- Exchange rate risk –
  - Significant amount of capital expenditure required for construction of the project would be in USD Currency. Thus, the project is exposed to a moderate exchange rate risk in Tanzania. The shilling depreciation against other major currencies may impact the investment. The current exchange rate is around TZS 2,600 to 1 USD. The government of Tanzania is working to ensure macro-economic conditions are stable for a strong and stable local currency.
- Market risks –
  - There is risk that the market for healthcare services and technician training in Kigoma region and the neighbouring may drop due to various reasons including increased level of poverty of the population. The government of Tanzania in collaboration with the private sector and donor agencies have been in the forefront to address issues of economic development and increased employment in the region. WT-COLLEGE hospital will design affordable fees' structure commensurate with the economic condition of the community.
- Managerial risks –
  - Management of healthcare and training institutions requires specialized professions. WT-COLLEGE will deploy well experienced and professional individuals in managing and operating the project. The company is expected to bring-in experts to provide technical support in running the project.

## Financial And Economic Evaluation

### 22.1 Introduction

- This section represents financial plan, results of the financial analysis and future projections. The main objective of the financial analysis is to examine both commercial profitability and economic viability of the proposed project.
- The financial plan is divided into three sections:
  - (i) Financial projections
  - (ii) Investment & Financing Assumptions
  - (iii) Operations Assumptions – College Unit
- The financial assumptions which lead to the financial results are detailed as follows:
  - Annexes 5 to 10 – Investment & Financing Assumptions
  - Annexes 11 to 15 – Operations Assumption: College Unit
- The financial results (Financial Projections) are attached in the Annexes 1 to 4 and they include the following financial reports:
  - Projected Profit and Loss statements,
  - Projected Cash flow statements,
  - Projected balance sheets,
  - Projected Internal Rate of Return Schedule

### 22.2 General Financing Assumptions

- The project will be financed through equity and external financing.
- The exchange rate of USD to TZS has been assumed at USD 1 = TZS 2,600
- The company will inject additional funds from the College fees.

### 22.3 Investment And Financing Assumptions

- This section provides the following assumptions:
  - Summary of the Investment Plan
  - Detailed Investment Plan
  - Financing Plan
  - Sources and Uses of Funds

- Loan Repayment Schedule
- Assets Depreciation and Amortisation schedule

**(a) Project Investment Plan**

- The Projected Investment Plan is presented in Annex 5, and the Detailed Investment Plan is in Annex 6 as summarised below:

<b>Annex 5</b>						
<b>Western Tanganyika College Ltd</b>						
<b>Investment Plan</b>						
Amount in TZS '000'						
	<b>Investment Plan</b>					
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Total</b>	<b>USD Equiv.</b>	
Exchange Rate (USD/TZS)	2,750	2,750	2,750			
Land	95,565	-	-	95,565	<b>34,751</b>	
Buildings & Civil Works	2,117,347	1,475,559	-	3,592,906	<b>1,306,511</b>	
Utilities	-	-	-	-	-	
Furniture & Fixtures	27,432	254,192	-	281,624	<b>102,409</b>	
Equipment & Tools	-	347,073	-	347,073	<b>126,208</b>	
Scholarstic Materials	23,237	81,330	11,619	116,185	<b>42,249</b>	
Motor Vehicles	-	-	-	-	-	
<b>Physical Assets</b>	<b>2,263,581</b>	<b>2,158,153</b>	<b>11,619</b>	<b>4,433,353</b>	<b>1,612,128</b>	
Pre-operating expenses						
Administrative Costs	133,000	-	-	133,000	<b>48,364</b>	
Loan interest at implementation	840,000	280,000	-	1,120,000	<b>407,273</b>	
Other Finance Costs	63,500	-	-	63,500	<b>23,091</b>	
<b>Pre-operating expenses</b>	<b>1,036,500</b>	<b>280,000</b>	<b>-</b>	<b>1,316,500</b>	<b>478,727</b>	
<b>Capital Expenditure</b>	<b>3,300,081</b>	<b>2,438,153</b>	<b>11,619</b>	<b>5,749,853</b>	<b>2,090,855</b>	
Working Capital	17,894	863	88,976	107,733	<b>39,176</b>	
<b>Total Investment</b>	<b>3,317,975</b>	<b>2,439,017</b>	<b>100,594</b>	<b>5,857,586</b>	<b>2,130,031</b>	

- With the proposed 36-months of grace on the loan, the project stands to incur TZS 1.12 billion as capitalised interest expenses.
- The project will require additional working capital in Year 3 estimated at TZS 88 million.

**(b) Project Financing Plan**

- The project financing plan is presented in Annex 7
- The project is proposed to be financed through equity and external financiers such as banks as follows:

<b>Annex 7</b>					
<b>Western Tanganyika College Ltd</b>					
<b>Financing Plan</b>					
Amount in TZS '000'					
	<b>Investment Plan</b>				
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Total</b>	<b>USD Equiv.</b>
<b>Exchange Rate (USD/TZS)</b>	2,750	2,750	2,750		
<b>Equity Financing</b>					
Share Capital	100,000	-	-	<b>100,000</b>	<b>36,364</b>
Shareholders' Fund (CAPEX)	360,081	1,158,153	11,619	<b>1,529,853</b>	<b>556,310</b>
Shareholders' Fund (W/Capital)	17,894	863	88,976	<b>107,733</b>	<b>39,176</b>
<b>Equity Financing</b>	<b>477,975</b>	<b>1,159,017</b>	<b>100,594</b>	<b>1,737,586</b>	<b>631,849</b>
<b>External Financing</b>					
Long-Term Loan -1	2,000,000	-	-	<b>2,000,000</b>	<b>727,273</b>
Long-Term Loan -2	-	1,000,000	-	<b>1,000,000</b>	<b>363,636</b>
<b>Sub-total</b>	<b>2,000,000</b>	<b>1,000,000</b>	<b>-</b>	<b>3,000,000</b>	<b>1,090,909</b>
Loan interest at implementation	840,000	280,000	-	<b>1,120,000</b>	<b>407,273</b>
Short-term Loan	-	-	-	-	-
<b>External Financing</b>	<b>2,840,000</b>	<b>1,280,000</b>	<b>-</b>	<b>4,120,000</b>	<b>1,498,182</b>
<b>Total Financing</b>	<b>3,317,975</b>	<b>2,439,017</b>	<b>100,594</b>	<b>5,857,586</b>	<b>2,130,031</b>
<b>Exposure</b>					
Shareholders' Commitment	14%	48%	100%	30%	30%
External Financing	86%	52%	0%	70%	70%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**(vi) Depreciation**

- The depreciation and amortization schedule is presented in Annex 10.
- The depreciation rates are as shown in the schedule.

- 
- Land – 0%
  - Buildings & Civil works – 4%
  - Utilities – 12.5%
  - Office equipment – 12.5%
  - Scholastic and teaching materials – 12.5%
  - Furniture and equipment – 12.5%
  - Motor vehicles – 20%
  - Pre-operating expenses – 5-year amortisation
-

## 22.4 Operating Assumptions – College Unit

- The Operating Assumptions refer to the assumptions associated with revenues generation, operating costs (direct and indirect operating costs), staffing, staff salaries and benefits, and working capital assumptions.
- The operating assumptions for the College project are as follows:

### (i) Projected Revenues Assumptions

- The revenues assumptions are presented as follows:
  - Annex 11 (i) ..... College Fee Structure Assumptions
  - Annex 11 (ii) ..... College Students Enrolment Assumptions
  - Annex 11 (iii) ..... Projected Revenues Schedule
- **College Fee Structure Assumptions: Annex 11 (i) -**
  - The projected sources of revenues to the college project include college fee and college surcharges for specific expenditure items as presented below:

Annex 11 (i)			
Western Tanganyika College Ltd			
College Fee Structure Assumptions			
Health Science Technical Education		Social Science Technical Education	
<u>College Fees</u>		<u>College Fees</u>	
Level 4	700,000 TZS/Student/Semester	Level 4	355,000 TZS/Student/Semester
Level 5	700,000 TZS/Student/Semester	Level 5	355,000 TZS/Student/Semester
Level 6	700,000 TZS/Student/Semester	Level 6	355,000 TZS/Student/Semester
Defaults & write-offs	10% of school fees income	Defaults & write-offs	15% of school fees income
<u>Other Incomes</u>		<u>Other Incomes</u>	
Application fee	10,000 TZS/Applicant	Application fee	10,000 TZS/Applicant
Registration Fee	10,000 TZS/New Student	Registration Fee	20,000 TZS/New Student
Caution Money	20,000 TZS/New Student	Caution Money	20,000 TZS/New Student
Student Identification Cards (IDs)	10,000 TZS/New Student	Student Identification Cards (IDs)	10,000 TZS/New Student
Student Union	15,000 TZS/Student/Year	Student Union	5,000 TZS/Student/Year
Medical Capitation	50,400 TZS/Student/Year	Medical Capitation	50,400 TZS/Student/Year
College T-Shirts	30,000 TZS/Student	Stationery	10,000 TZS/Student
Uniforms	70,000 TZS/Student/Year	Library fee	10,000 TZS/Student/Year
Laboratory Fee	60,000 TZS/Student/Year	Certificate Copy	15,000 TZS/Student/Year
Quality Assurance Fee	150,000 TZS/Student/Year	Quality Assurance Fee	150,000 TZS/Student/Year
Internal Exam Fee	15,000 TZS/Student	Internal Exam Fee	15,000 TZS/Student
Ministry Exam fee	150,000 TZS/Student	Ministry Exam fee	- TZS/Student
Graduation Fee	50,000 TZS/Student	Graduation Fee	50,000 TZS/Student
Number of Semesters	2 Semesters/Year	Number of Semesters	2 Semesters/Year

- **College Enrolment Assumptions: Annex 11(ii) -**

- The college Enrolment assumptions are first based on the enrolment capacity of the available and future infrastructure to accommodate the students.
- Enrolment Capacity –
  - The current capacity of the college in the rented premises for of the three course programs before is 1,350 students.
  - After the expansion project the enrolment capacity will increase to 3,600 students annually. The projected enrolment capacity is as presented below:

Annex 11 (ii)										
Western Tanganyika College Ltd										
Projected Student Enrolment Assumptions										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Enrolment capacity</b>										
<u>Pharmaceutical Sciences</u>										
Level 4	150	150	450	450	450	450	450	450	450	450
Level 5	150	150	450	450	450	450	450	450	450	450
Level 6	150	150	450	450	450	450	450	450	450	450
<b>Sub-total</b>	<b>450</b>	<b>450</b>	<b>1,350</b>	<b>1,350</b>	<b>1,350</b>	<b>1,350</b>	<b>1,350</b>	<b>1,350</b>	<b>1,350</b>	<b>1,350</b>
Number of Classrooms	6	6	17	17	17	17	17	17	17	17
<u>Records, Archives &amp; Information Management</u>										
Level 4	150	150	300	300	300	300	300	300	300	300
Level 5	150	150	300	300	300	300	300	300	300	300
Level 6	150	150	300	300	300	300	300	300	300	300
<b>Sub-total</b>	<b>450</b>	<b>450</b>	<b>900</b>	<b>900</b>	<b>900</b>	<b>900</b>	<b>900</b>	<b>900</b>	<b>900</b>	<b>900</b>
Number of Classrooms	6	6	11	11	11	11	11	11	11	11
<u>Business Administration</u>										
Level 4	150	150	450	450	450	450	450	450	450	450
Level 5	150	150	450	450	450	450	450	450	450	450
Level 6	150	150	450	450	450	450	450	450	450	450
<b>Sub-total</b>	<b>450</b>	<b>450</b>	<b>1,350</b>	<b>1,350</b>	<b>1,350</b>	<b>1,350</b>	<b>1,350</b>	<b>1,350</b>	<b>1,350</b>	<b>1,350</b>
Number of Classrooms	6	6	17	17	17	17	17	17	17	17
<b>Total Enrolment Capacity</b>										
<b>Students Enrolment Capacity</b>	<b>1,350</b>	<b>1,350</b>	<b>3,600</b>	<b>3,600</b>	<b>3,600</b>	<b>3,600</b>	<b>3,600</b>	<b>3,600</b>	<b>3,600</b>	<b>3,600</b>
Number of Classrooms	17	17	45	45	45	45	45	45	45	45

- Students Enrolment –
  - The projected students' enrolment before the expansion project is close to 500 students in all course programs. After the expansion, the college is projected to enrol increased number of students per course program.
  - With the existing course programs, the project has assumed enrolment rate of up to around 80% of the Pharmaceutical Science course; around 50% for the social science; and around 40% for the Allied science students.

- The projected students' enrolment for each of the three course programs is as presented below:

Annex 11 (ii)										
Western Tanganyika College Ltd										
Projected Student Enrolment Assumptions										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Projected Enrolment</b>										
<u>Pharmaceutical Sciences</u>										
Increase in Enrolment	-	2.0%	10.0%	10.0%	10.0%	10.0%	5.0%	5.0%	5.0%	5.0%
Level 4	70	71	255	280	308	338	354	371	389	408
Level 5	65	66	237	260	286	314	329	345	362	380
Level 6	62	63	226	248	272	299	313	328	344	361
<b>Sub-total</b>	<b>197</b>	<b>200</b>	<b>718</b>	<b>788</b>	<b>866</b>	<b>951</b>	<b>996</b>	<b>1,044</b>	<b>1,095</b>	<b>1,149</b>
Enrolment rate	44%	44%	53%	58%	64%	70%	74%	77%	81%	85%
<u>Records, Archives &amp; Information Management</u>										
Increase in Enrolment	-	2.0%	10.0%	10.0%	10.0%	10.0%	5.0%	5.0%	5.0%	5.0%
Level 4	50	51	107	117	128	140	147	154	161	169
Level 5	48	48	100	110	121	133	139	145	152	159
St:Level 6	42	42	88	96	105	115	120	126	132	138
<b>Sub-total</b>	<b>140</b>	<b>141</b>	<b>295</b>	<b>323</b>	<b>354</b>	<b>388</b>	<b>406</b>	<b>425</b>	<b>445</b>	<b>466</b>
Enrolment rate	31%	31%	33%	36%	39%	43%	45%	47%	49%	52%
<u>Business Administration</u>										
Increase in Enrolment	-	2.0%	10.0%	10.0%	10.0%	10.0%	5.0%	5.0%	5.0%	5.0%
Level 4	55	56	117	128	140	154	161	169	177	185
Level 5	50	51	107	117	128	140	147	154	161	169
Level 6	45	45	94	103	113	124	130	136	142	149
<b>Sub-total</b>	<b>150</b>	<b>152</b>	<b>318</b>	<b>348</b>	<b>381</b>	<b>418</b>	<b>438</b>	<b>459</b>	<b>480</b>	<b>503</b>
Enrolment rate	33%	34%	24%	26%	28%	31%	32%	34%	36%	37%
<b>Total Enrolment</b>	<b>487</b>	<b>493</b>	<b>1,331</b>	<b>1,459</b>	<b>1,601</b>	<b>1,757</b>	<b>1,840</b>	<b>1,928</b>	<b>2,020</b>	<b>2,118</b>
<b>Enrolment rate</b>	<b>36%</b>	<b>37%</b>	<b>37%</b>	<b>41%</b>	<b>44%</b>	<b>49%</b>	<b>51%</b>	<b>54%</b>	<b>56%</b>	<b>59%</b>

- **Projected College Revenues schedule: Annex 11(iii) -**
  - The assumptions on the revenues generation have considered the college annual fee per student as well as the surcharges which include Application fee, Registration fee, Cushion Money, Students Identification Card (ID), Student Union, Medical Insurance, Uniforms, Laboratory, Quality Assurance fee, Exams fee and graduation fee.
  - Currently, the college revenues for the Pharmaceutical Science students account for about 70% of the total revenues, and the balance is from the students pursuing Business Administration and Records, Archives and Information Management courses.
  - The projected college revenues covering 8-years from the pharmaceutical Science students are as summarised below:

Annex 11 (iii)								
Western Tanganyika College Ltd								
Projected Revenues Schedule- College Unit								
Amount in TZS '000'								
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Health Science Technical Education								
College Fees								
Level 4		-	357,000	392,000	431,200	473,200	495,600	519,400
Level 5	91,000	92,400	331,800	364,000	400,400	439,600	460,600	483,000
Level 6	86,800	88,200	316,400	347,200	380,800	418,600	438,200	459,200
Less: Default & Writeoffs	-17,780	-18,060	-100,520	-110,320	-121,240	-133,140	-139,440	-146,160
<b>College Fee Income (Health Science)</b>	<b>160,020</b>	<b>162,540</b>	<b>904,680</b>	<b>992,880</b>	<b>1,091,160</b>	<b>1,198,260</b>	<b>1,254,960</b>	<b>1,315,440</b>
Other Incomes								
Application fee	700	710	2,550	2,800	3,080	3,380	3,540	3,710
Registration Fee	700	710	2,550	2,800	3,080	3,380	3,540	3,710
Caution Money	3,940	4,000	14,360	15,760	17,320	19,020	19,920	20,880
Student Identification Cards (IDs)	700	710	2,550	2,800	3,080	3,380	3,540	3,710
Student Union	2,955	3,000	10,770	11,820	12,990	14,265	14,940	15,660
Medical Capitation	9,929	10,080	36,187	39,715	43,646	47,930	50,198	52,618
College T-Shirts	5,910	6,000	21,540	23,640	25,980	28,530	29,880	31,320
Uniforms	4,900	4,970	17,850	19,600	21,560	23,660	24,780	25,970
Laboratory Fee	11,820	12,000	43,080	47,280	51,960	57,060	59,760	62,640
Quality Assurance Fee	29,550	30,000	107,700	118,200	129,900	142,650	149,400	156,600
Internal Exam Fee	930	945	3,390	3,720	4,080	4,485	4,695	4,920
Ministry Exam fee	9,300	9,450	33,900	37,200	40,800	44,850	46,950	49,200
Graduation Fee	3,100	3,150	11,300	12,400	13,600	14,950	15,650	16,400
Less: Default & Write-offs	-1,023	-1,040	-3,729	-4,092	-4,488	-4,934	-5,165	-5,412
<b>Other Incomes (Health Science)</b>	<b>83,411</b>	<b>84,686</b>	<b>303,998</b>	<b>333,643</b>	<b>366,588</b>	<b>402,607</b>	<b>421,629</b>	<b>441,926</b>
<b>Revenues - Health Science</b>	<b>243,431</b>	<b>247,226</b>	<b>1,208,678</b>	<b>1,326,523</b>	<b>1,457,748</b>	<b>1,600,867</b>	<b>1,676,589</b>	<b>1,757,366</b>
Revenues Growth	-	2%	389%	10%	10%	10%	5%	5%
% of total revenues	50%	48%	69%	69%	69%	69%	69%	69%

- The projected college revenues from the two others courses combined for the next 7-years are as follows:

Annex 11 (iii)								
Western Tanganyika College Ltd								
Projected Revenues Schedule- College Unit								
Amount in TZS '000'								
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Social & Allied Sciences Technical Education								
College Fees								
Level 4	74,550	75,970	159,040	173,950	190,280	208,740	218,680	
Level 5	69,580	70,290	146,970	161,170	176,790	193,830	203,060	
Level 6	61,770	61,770	129,220	141,290	154,780	169,690	177,500	
Less: Default & Write-offs	-30,885	-31,205	-65,285	-71,462	-78,278	-85,839	-89,886	
<b>College fee Income (Social S)</b>	<b>175,015</b>	<b>176,826</b>	<b>369,946</b>	<b>404,949</b>	<b>443,573</b>	<b>486,421</b>	<b>509,354</b>	
Staff Benefits								
Application fee	1,050	1,070	2,240	2,450	2,680	2,940	3,080	
Registration Fee	2,100	2,140	4,480	4,900	5,360	5,880	6,160	
Caution Money	2,100	2,140	4,480	4,900	5,360	5,880	6,160	
Student Identification Cards (IDs)	1,050	1,070	2,240	2,450	2,680	2,940	3,080	
Student Union	1,450	1,465	3,065	3,355	3,675	4,030	4,220	
Medical Capitation	14,616	14,767	30,895	33,818	37,044	40,622	42,538	
Stationery	2,900	2,930	6,130	6,710	7,350	8,060	8,440	
Library fee	2,900	2,930	6,130	6,710	7,350	8,060	8,440	
Certificate Copy	1,305	1,305	2,730	2,985	3,270	3,585	3,750	
Quality Assurance Fee	43,500	43,950	91,950	100,650	110,250	120,900	126,600	
Internal Exam Fee	1,305	1,305	2,730	2,985	3,270	3,585	3,750	
Ministry Exam fee	-	-	-	-	-	-	-	
Graduation Fee	4,350	4,350	9,100	9,950	10,900	11,950	12,500	
Less: Default & Write-offs	-11,321	-11,432	-23,918	-26,177	-28,672	-31,442	-32,922	
<b>Other Incomes (Social Scien)</b>	<b>67,305</b>	<b>86,504</b>	<b>180,988</b>	<b>198,090</b>	<b>216,961</b>	<b>237,924</b>	<b>249,139</b>	
<b>Revenues - Social Science</b>	<b>242,320</b>	<b>263,330</b>	<b>550,933</b>	<b>603,039</b>	<b>660,534</b>	<b>724,345</b>	<b>758,493</b>	
Revenues Growth	-	9%	109%	9%	10%	10%	5%	
% of total revenues	50%	52%	31%	31%	31%	31%	31%	

- The projected revenues from the college fee will account for about 72% to the total revenues of the college project, and the balance will come from the surcharges.
- The project total revenues showing the college fees and the surcharges are as presented below:

Annex 11 (iii)										
Western Tanganyika College Ltd										
Projected Revenues Schedule- College Unit										
Amount in TZS '000'										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Total Incomes</b>										
College Fees	335,035	339,366	1,274,626	1,397,829	1,534,733	1,684,681	1,764,314	1,848,934	1,937,938	2,032,532
% of total revenues	69%	66%	72%	72%	72%	72%	72%	72%	72%	72%
Other Incomes	150,715	171,190	484,986	531,734	583,550	640,531	670,768	702,905	736,575	772,405
% of total revenues	31%	34%	28%	28%	28%	28%	28%	28%	28%	28%
<b>Project Revenues</b>	<b>485,750</b>	<b>510,555</b>	<b>1,759,611</b>	<b>1,929,562</b>	<b>2,118,282</b>	<b>2,325,212</b>	<b>2,435,082</b>	<b>2,551,839</b>	<b>2,674,513</b>	<b>2,804,936</b>
Revenues Growth	-	5%	245%	10%	10%	10%	5%	5%	5%	5%

## (ii) Operating Costs – College Unit

- The projected operating costs have considered the direct operating costs and indirect operating costs.
- The projected Operating Costs schedules are presented as follows:
  - Annex 12 – Projected Direct Operating Costs
  - Annex 13 – Projected Indirect Operating costs
  - Annex 14 (i) – Projected Number of Staff
  - Annex 14 (ii) – Projected Salaries & Staff Benefits
  - Annex 15 – Projected Working Capital Schedule
- **Projected Direct Operating Costs: Annex 12 –**
  - The projected direct operating costs have been presented separating costs associated with offering Pharmaceutical Science from the Social & Allied Sciences programs.
  - Pharmaceutical Science Costs-
    - There operating costs which are specific for the pharmaceutical science students such as laboratory costs, uniform costs, and chemicals and reagents costs.



- **Projected Indirect Operating Costs: Annex 13**

- The projected indirect costs include the following cost categories:
  - Projected Salaries and Staff Benefits,
  - Projected Administrative costs,
  - Projected Publicity & sales Costs
- The Projected Salaries and Staff Benefits for the college project which are projected to account for 19% of the revenues have considered the number of staff and the assumed salary structure.
- The Administrative Expenses and the Publicity and Sales costs are assumed to account for about 6% and 2% of the college revenues, respectively. The total indirect costs are projected to account for 28% of the college revenues as presented below:

<b>Annex 13</b>			<b>Western Tanganyika College Ltd</b>						
<b>Projected Indirect Operating Costs</b>									
Amount in TZS '000'			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
General Cost Increases	2%	pa							
<b>Salaries &amp; Staff Benefits</b>									
Basic Salaries			104,880	104,880	297,720	325,080	352,440	352,440	352,440
Staff Benefits			10,488	10,488	29,772	32,508	35,244	35,244	35,244
Inflation Adjustments			-	2,307	8,857	16,009	23,763	31,516	39,270
<b>Salaries &amp; Staff Benefits</b>			<b>115,368</b>	<b>117,675</b>	<b>336,349</b>	<b>373,597</b>	<b>411,447</b>	<b>419,200</b>	<b>426,954</b>
% of Revenues			24%	23%	19%	19%	19%	18%	18%
<b>Administrative Costs</b>									
Staff development	4,000,000	TZS/year	4,000	4,080	4,162	4,245	4,330	4,416	4,505
Insurance	0.1%	of Fixed assets	-	-	9,810	9,810	9,810	9,810	9,810
Statutory taxes	0.5%	of Revenues	2,429	2,553	8,798	9,648	10,591	11,626	12,175
Committee/Board expenses	5,000,000	TZS/Qt	20,000	20,400	20,800	21,224	21,649	22,082	22,523
Rent	3,000,000	TZS/month	36,000	-	-	-	-	-	-
Auditing & Accountancy fees	2,500,000	TZS/Year	2,500	2,550	2,601	2,653	2,706	2,760	2,815
Motor Vehicles Running Costs	2,350,000	TZS/month	4,700	4,794	4,890	4,988	5,087	5,189	5,293
Repairs & maintenance (oths)	300,000	TZS/month	3,600	3,672	3,745	3,820	3,897	3,975	4,054
Stationery & courier	495,000	TZS/month	5,940	6,059	6,180	6,304	6,430	6,558	6,689
Cleaning expenses	350,000	TZS/month	4,200	4,284	4,370	4,457	4,546	4,637	4,730
Communication costs	560,000	TZS/month	6,720	6,854	6,991	7,131	7,274	7,419	7,568
Office Expenses	1,240,000	TZS/month	14,880	15,178	15,481	15,791	16,107	16,429	16,757
Security charges	660,000	TZS/month	7,920	8,078	8,240	8,405	8,573	8,744	8,919
Electric Generator fuel costs	820,000	TZS/month	9,840	10,037	10,238	10,442	10,651	10,864	11,081
Travelling expenses	100,000	TZS/month	1,200	1,224	1,248	1,273	1,299	1,325	1,351
Car Hiring expenses	150,000	TZS/month	1,800	1,836	1,873	1,910	1,948	1,987	2,027
Medical & treatment costs	420,000	TZS/month	5,040	5,141	5,244	5,348	5,455	5,565	5,676
Other Indirect costs	150,000	TZS/month	1,500	1,530	1,561	1,592	1,624	1,656	1,689
Exchange Gains/Loss			-	-	-	-	-	-	-
<b>Administrative Costs</b>			<b>132,269</b>	<b>134,270</b>	<b>116,239</b>	<b>119,041</b>	<b>121,976</b>	<b>125,043</b>	<b>127,664</b>
% of revenues			27%	26%	7%	6%	6%	5%	5%
<b>Publicity &amp; Sales Costs</b>									
Marketing & selling	2.0%	Of Incomes	9,715	10,211	35,192	38,591	42,366	46,504	48,702
Entertainment/Graduations costs	0.1%	of Other Incomes	151	154	157	160	163	166	170
Printings costs	0.5%	of Other Incomes	754	856	2,425	2,659	2,918	3,203	3,354
Other Costs	0.1%	of Other Incomes	151	171	485	532	584	641	671
<b>Publicity &amp; Sales Costs</b>			<b>10,770</b>	<b>11,392</b>	<b>38,259</b>	<b>41,942</b>	<b>46,030</b>	<b>50,514</b>	<b>52,896</b>
% of revenues			2%	2%	2%	2%	2%	2%	2%
<b>Indirect Operating Costs- College</b>			<b>258,407</b>	<b>263,337</b>	<b>490,847</b>	<b>534,580</b>	<b>579,453</b>	<b>594,757</b>	<b>607,514</b>
<b>Average Monthly Expenses</b>			<b>21,534</b>	<b>21,945</b>	<b>40,904</b>	<b>44,548</b>	<b>48,288</b>	<b>49,563</b>	<b>50,626</b>
% of revenues			53%	52%	28%	28%	27%	26%	25%
<b>Operating Costs</b>									
Direct Operating Costs									
Direct Costs - Health Science			84,886	86,204	396,174	434,802	477,802	524,717	549,532
Direct Costs - Social Science			66,916	70,700	147,916	161,894	177,333	194,460	203,612
Indirect Operating Costs- College			258,407	263,337	490,847	534,580	579,453	594,757	607,514
<b>Operating Costs</b>			<b>410,209</b>	<b>420,241</b>	<b>1,034,936</b>	<b>1,131,276</b>	<b>1,234,588</b>	<b>1,313,934</b>	<b>1,360,658</b>
% of revenues			84%	82%	59%	59%	58%	57%	56%

- **Projected number of staff: Annex 14 (i) –**

- The project has assumed to staff categories:
  - Teaching staff and
  - Non-teaching staff

- Currently, the college has staff contingent of 18 people. Following the proposed expansion, the project is estimated to employ up to 90 people for the college section alone as presented below:

<b>Annex 14 (i)</b>										
<b>Western Tanganyika College Ltd</b>										
<b>Wages &amp; Salary Assumptions - College Section</b>										
<b>Number of staff</b>										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Position</b>										
<b>Non-Teaching Staff</b>										
College Director	-	-	1	1	1	1	1	1	1	1
Administrative Officers	1	1	2	2	2	2	2	2	2	2
Publicity & Relationship Officer	-	-	1	1	1	1	1	1	1	1
Head - Finance & Administration	-	-	1	1	1	1	1	1	1	1
Head of Procurement & Stores	-	-	1	1	1	1	1	1	1	1
Accounts Clerks	1	1	3	3	3	3	3	3	3	3
Kitchen Staff	-	-	4	4	4	4	4	4	4	4
Drivers	-	-	3	3	3	3	3	3	3	3
Cleaners	-	-	4	4	4	4	4	4	4	4
Secretaries	1	1	2	2	2	2	2	2	2	2
Librarians	-	-	2	2	2	2	2	2	2	2
Laboratory Technicians	1	1	3	3	3	3	3	3	3	3
Head of IT	-	-	1	1	1	1	1	1	1	1
IT Technicians	1	1	2	2	2	2	2	2	2	2
Tailors	-	-	1	1	1	1	1	1	1	1
Security Guards	-	-	8	8	8	8	8	8	8	8
Other Support staff	1	1	4	4	4	4	4	4	4	4
<b>Non-Teaching Staff</b>	<b>6</b>	<b>6</b>	<b>43</b>	<b>43</b>	<b>43</b>	<b>43</b>	<b>43</b>	<b>43</b>	<b>43</b>	<b>43</b>
<b>Teaching Staff</b>										
<b>Health Science Technical Education</b>										
Principal	-	-	1	1	1	1	1	1	1	1
Course Coordinator	-	-	1	1	1	1	1	1	1	1
Senior Teaching Staff	2	2	6	7	8	8	8	8	8	8
Assistant Teaching Staff	4	4	12	13	14	14	14	14	14	14
<b>Sub-total</b>	<b>6</b>	<b>6</b>	<b>20</b>	<b>22</b>	<b>24</b>	<b>24</b>	<b>24</b>	<b>24</b>	<b>24</b>	<b>24</b>
<b>Social &amp; Allied Sciences Technical Education</b>										
Course Coordinator	-	-	1	1	1	1	1	1	1	1
Senior Teaching Staff	2	2	6	7	8	8	8	8	8	8
Assistant Teaching Staff	4	4	12	13	14	14	14	14	14	14
<b>Sta Sub-total</b>	<b>6</b>	<b>6</b>	<b>19</b>	<b>21</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>23</b>
<b>Teaching Staff</b>	<b>12</b>	<b>12</b>	<b>39</b>	<b>43</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>
<b>Total staff</b>	<b>18</b>	<b>18</b>	<b>82</b>	<b>86</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>90</b>

- **Projected Salaries and Staff Benefits: Annex 14(ii) -**

- Assumptions for the salaries and staff benefits for the college project has considered the following:
  - Basic salaries of the staff,
  - Staff benefits averaging 15% of the basic salaries, and
  - Annual inflation adjustment of 2% on Basic salary and Benefits.
- The staff benefits comprise of the employer contribution to the pension schemes.
- The projected salaries and staff benefits will account for about 19% of the revenues from the college project. The average monthly wage bill amount to TZS 35 million in the next five years.
- The projected salaries and staff benefits are as summarised below:

<b>Annex 14 (ii)</b>								
<b>Western Tanganyika College Ltd</b>								
<b>Wages &amp; Salary Assumptions - College Section</b>								
<b>Amount in TZS '000'</b>								
<b>Salaries &amp; Wages</b>		<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>
<b>Non-Teaching Staff</b>								
College Director	3,000,000	-	-	-	-	-	-	-
Administrative Officers	1,200,000	14,400	14,400	14,400	14,400	14,400	14,400	14,400
Publicity & Relationship Officer	1,800,000	-	-	-	-	-	-	-
Head - Finance & Administration	2,200,000	-	-	-	-	-	-	-
Head of Procurement & Stores	1,500,000	-	-	-	-	-	-	-
Accounts Clerks	400,000	4,800	4,800	4,800	4,800	4,800	4,800	4,800
Kitchen Staff	250,000	-	-	-	-	-	-	-
Drivers	250,000	-	-	-	-	-	-	-
Cleaners	250,000	-	-	-	-	-	-	-
Secretaries	180,000	2,160	2,160	2,160	2,160	2,160	2,160	2,160
Librarians	200,000	-	-	-	-	-	-	-
Laboratory Technicians	300,000	3,600	3,600	3,600	3,600	3,600	3,600	3,600
Head of IT	300,000	-	-	-	-	-	-	-
IT Technicians	200,000	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Tailors	200,000	-	-	-	-	-	-	-
Security Guards	200,000	-	-	-	-	-	-	-
Other Support staff	200,000	2,400	2,400	2,400	2,400	2,400	2,400	2,400
<b>Non-Teaching Staff</b>		<b>29,760</b>	<b>29,760</b>	<b>29,760</b>	<b>29,760</b>	<b>29,760</b>	<b>29,760</b>	<b>29,760</b>
<b>Teaching Staff</b>								
<b>Health Science Technical Education</b>								
Principal	2,500,000	-	-	30,000	30,000	30,000	30,000	30,000
Course Coordinator	600,000	-	-	7,200	7,200	7,200	7,200	7,200
Senior Teaching Staff	750,000	18,000	18,000	54,000	63,000	72,000	72,000	72,000
Assistant Teaching Staff	450,000	21,600	21,600	64,800	70,200	75,600	75,600	75,600
<b>Social &amp; Allied Sciences Technical Education</b>								
Course Coordinator	450,000	-	-	5,400	5,400	5,400	5,400	5,400
Senior Teaching Staff	680,000	16,320	16,320	48,960	57,120	65,280	65,280	65,280
Assistant Teaching Staff	400,000	19,200	19,200	57,600	62,400	67,200	67,200	67,200
<b>Teaching Staff</b>		<b>75,120</b>	<b>75,120</b>	<b>267,960</b>	<b>295,320</b>	<b>322,680</b>	<b>322,680</b>	<b>322,680</b>
Staff Benefits	10%	10,488	10,488	29,772	32,508	35,244	35,244	35,244
Inflation Adjustment	2%	-	2,307	8,857	16,009	23,763	31,516	39,270
<b>Total Remunerations</b>		<b>115,368</b>	<b>117,675</b>	<b>336,349</b>	<b>373,597</b>	<b>411,447</b>	<b>419,200</b>	<b>426,954</b>
Monthly Bill		9,614	9,806	28,029	31,133	34,287	34,933	35,580
% of Revenues		24%	23%	19%	19%	19%	18%	18%

• **Projected Working Capital Schedule: Annex 15 -**

- The projected working capital schedule presents the current assets and current liabilities.
- The college project is assumed to initially require additional funding of around TZS 100 million to finance the increased costs resulting from projected enrolment as follows:

<b>Annex 15</b>								
<b>Western Tanganyika College Ltd</b>								
<b>Projected Working Capital Requirements</b>								
<b>Amount in TZS '000'</b>		<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>
<b>Current Assets</b>								
<b>Trade Debtors</b>								
<b>Trade Debtors</b>	<b>13,769</b>	<b>13,947</b>	<b>52,382</b>	<b>57,445</b>	<b>63,071</b>	<b>69,233</b>	<b>72,506</b>	
<b>Advance Payments</b>								
<b>Advance Payments</b>	<b>2,545</b>	<b>2,622</b>	<b>38,496</b>	<b>42,226</b>	<b>46,370</b>	<b>50,908</b>	<b>53,313</b>	
<b>Inventories</b>								
<b>Inventories</b>	<b>3,868</b>	<b>4,059</b>	<b>51,690</b>	<b>56,652</b>	<b>62,165</b>	<b>68,199</b>	<b>71,404</b>	
Other current Assets	2,065	2,345	6,644	7,284	7,994	8,774	9,189	
<b>Current Assets</b>	<b>22,246</b>	<b>22,972</b>	<b>149,212</b>	<b>163,606</b>	<b>179,600</b>	<b>197,114</b>	<b>206,412</b>	
<b>Current Liabilities</b>								
<b>Trade Creditors</b>								
Health Science	1,163	1,181	5,427	5,956	6,545	7,188	7,528	
Social Science	917	968	2,026	2,218	2,429	2,664	2,789	
<b>Trade Creditors</b>	<b>2,079</b>	<b>2,149</b>	<b>7,453</b>	<b>8,174</b>	<b>8,974</b>	<b>9,852</b>	<b>10,317</b>	
Payables	2,248	2,303	5,671	6,199	6,765	7,200	7,456	
Accrued Incomes	1,331	1,399	4,821	5,286	5,804	6,370	6,671	
Other Current liabilities	1,416	1,443	2,690	2,929	3,175	3,259	3,329	
<b>Current Liabilities</b>	<b>7,074</b>	<b>7,294</b>	<b>20,635</b>	<b>22,588</b>	<b>24,718</b>	<b>26,681</b>	<b>27,773</b>	
Net Working Capital	15,172	15,678	128,578	141,018	154,882	170,434	178,639	
<b>Change in Net Working Capital</b>	<b>15,172</b>	<b>507</b>	<b>112,899</b>	<b>12,440</b>	<b>13,864</b>	<b>15,551</b>	<b>8,205</b>	

## 22.5 Financial Projections

- The financial projections of the project present the results of the assumptions on investment and financing, operating incomes and costs of both projects combined.
- The financial projections include the following reports –
  - Projected Profits and Loss Statements
  - Projected Cash flows Statements
  - Projected Balance Sheets Statements
  - Projected Internal Rate of Return Schedule

### (a) Profitability Analysis

- The profitability analysis of the project has been carried out and presented in Annex 1.
- The projections have therefore worked out the Gross Margins and EBITDA margins for the entire institution, and for each of the two projects separately.
- The profitability analysis has considered the following:
  - Pricing and prices of the products/services as well as the resultant revenues.
  - The operating costs assumptions are as presented for the College project.
  - Depreciation and amortisation of the fixed assets are as presented in Annex 10.
  - The loans interest payment and loans principle repayments schedules are as presented in Annex 9.
  - Corporate tax of 30% has been assumed on profit after the finance costs.
- The profitability assumptions show that WT-COLLEGE will generally register positive gross margins, positive EBITDA Margins and positive net profits throughout the project life-time.
- WT-COLLEGE is projecting positive Net Profits after tax with the Net Margins of over 10% in the projected period. The project analysis shows that the venture is a profitable undertaking in the long-run.

**(b) Projected cash flow statement**

- The details of sources and application of funds are presented in Annex 2.
- The main sources of revenues to the project include the following:
  - Shareholders' equity
  - External borrowings
  - Project revenues from college students
- A term loan of TZS 2.0 billion in Year-1 and TZS 1.0 billion in Year-2 of investment will be sought from external financiers. The loans will be paid in 10-years period plus 36-months of grace.
- The funds applications include capital investments, working capital, direct and indirect operating costs and loan interest and principal repayment, and corporate tax payment.
- The company will continue investing in the physical assets of the school as and when needs arise. The project does not require intermediate funds besides the initial investment.

**(c) Projected Balance Sheet**

- The project balance sheet is presented in Annex 3.
- The project's net worth will increase to TZS 4.6 billion after completion of the projects' implementation.

**22.6 Loan Principal and Interest Payment**

- The proposed loan repayment schedule is presented in ANNEX 9.
- The sources of funds for the loan payment will be the revenues generated by the project. WT-COLLEGE will be able to service the loan from proceeds resulting from incomes of the College. project.

**22.7 Viability Assessment**

- On the basis of the assumptions made on the revenue generation, capital expenditure requirements, and cash flows projections, the project is both financially feasible and economically viable.

- Three measures have been used to evaluate viability of the proposed projects. They include Net Present Value (NPV), Internal Rate of Return (IRR) and the Payback Period (PP).
- These are presented in Annex 4.
- The project IRR, NPV and the PP are as presented below:

---

### **Economic Parameters**

Cost of Loan Funds	14.0%	
Net Present Value (NPV)	2,121,364	TZS '000
Internal Rate of Return (IRR)	30.2%	
Normal Payback Period	4.0	Years
Average Returns on Investement	25.5%	

- The IRR of 30.2% is greater than the assumed cost of fund of 10% (the current average cost of funds charged by financial institutions in Tanzania), and
- The NPV is positive (TZS 2.1 billion) suggesting a viable business venture.
- The PP is 4-years period is within the financial projections period of 10-years, and thus it is considered to be a viable proposition.

### **22.8 Other Economic Benefits**

- Besides the financial gains to the shareholders of the project, the proposed project will have the additional benefits:
  - (i) Tax Income –
    - The project will pay income taxes, property taxes, Withholding tax, VAT, corporate taxes and other taxes to the government.
  - (ii) Jobs Creation –
    - The project will create more than 100 direct jobs during project development when constructing the project.
    - The project will create over 1000-indirect employment to suppliers of various consumables to the project.
    - The project will, further, create over 175 direct jobs for the college project as summarized below.

<b>Employment</b>	<b>Year 1</b>	<b>Year 3</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Total Number of Staff.....	<b>33</b>	<b>33</b>	<b>95</b>	<b>101</b>	<b>116</b>
Non-Teaching Staff	15	15	45	45	54
Teaching Staff	18	18	50	56	62

- (iii) The project will add to the country's stock of capital goods.
- (iv) Contribute to development of the health sector through –
- Support provision of health care services and facilitate humanitarian assistance through health care programs
  - Create health environment by providing treatments and medical services
  - Minimize death rates hence increase life-span of the people.
  - Increase the number of medical/healthcare personnel in the country
  - Create a platform for practical training to health sciences students
  - Increase the number of women practitioners through special women enrolment program.

## **22.9 General Comment**

- The general analysis of the project suggests that the project is financially viable and technically feasible.
- In the short-run, the project will be able to service the loan obligations from the college project.

## Financing Requirements

### 23.1 Proposed Financing Structure

- WT-COLLEGE is seeking for investment funds amounting to TZS 5.8 billion (equivalents to USD 2.1 million) to be invested in 24-month.
- The shareholders will inject TZS 1.7 billion and the balance of TZS 4.1 billion is proposed to be sourced from lending institutions of which TZS 1.1 billion is the projected amount of capitalised interest expense.

### 23.2 Uses of Funds

- The company is seeking for TZS 3.0 billion to part-finance the buildings and civil works and utilities costs and other capital expenditure.
- The proposed investment funds will be used to finance physical assets and initial working capital as follows.

<b>Annex 8</b>				
<b>Western Tanganyika College Ltd</b>				
<b>Sources AND Uses of Funds</b>				
	Amount in TZS '000'			
	Year 1	Year 2	Year 3	Total
<b>External Financing</b>				
Land	-	-	-	-
Buildings & Civil Works	2,000,000	1,000,000	-	3,000,000
Utilities	-	-	-	-
Furniture & Fixtures	-	-	-	-
Equipment & Tools	-	-	-	-
Scholarstic Materials	-	-	-	-
Motor Vehicles	-	-	-	-
<b>Physical Assets Financing</b>	<b>2,000,000</b>	<b>1,000,000</b>	-	<b>3,000,000</b>
Pre-operating expenses	840,000	280,000	-	1,120,000
Working Capital	-	-	-	-
<b>External Financing</b>	<b>2,840,000</b>	<b>1,280,000</b>	-	<b>4,120,000</b>
<b>Equity Financing</b>				
Land	95,565	-	-	95,565
Buildings & Civil Works	117,347	475,559	-	592,906
Utilities	-	-	-	-
Furniture & Fixtures	27,432	254,192	-	281,624
Equipment & Tools	-	347,073	-	347,073
Scholarstic Materials	23,237	81,330	11,619	116,185
Motor Vehicles	-	-	-	-
Pre-operating expenses	196,500	-	-	196,500
Working Capital	17,894	863	88,976	107,733
<b>Equity Financing</b>	<b>477,975</b>	<b>1,159,017</b>	<b>100,594</b>	<b>1,737,586</b>
<b>Total Financing</b>	<b>3,317,975</b>	<b>2,439,017</b>	<b>100,594</b>	<b>5,857,586</b>
<b>Exposure</b>				
External Financing	86%	52%	0%	70%
Equity Financing	14%	48%	100%	30%
Total	100%	100%	100%	100%

### 23.3 Long-Term Loans Conditions

- The Loan Repayment Schedule is presented in Annex 9.
- The following are the proposed Terms and Conditions of the required term loan to part-finance the project;

<b>Loan currency</b>	<b>Tanzania Shilling</b>
<b>Loan Type</b>	Long-term loan
<b>Loan Amount</b>	TZS 3,000,000,000
<b>Loan tenure</b>	10-years
<b>Grace Period</b>	<ul style="list-style-type: none"> <li>• 36-month on interest expenses</li> <li>• 36-month on Principal repayment</li> </ul>
<b>Mode of disbursement</b>	Direct disbursement to the account of the WT-COLLEGE/Contractors/suppliers
<b>Interest rate</b>	Floating rate of 10% p.a.

### 23.4 Security of the loan

- A first ranking fixed debenture over the assets of the firm.
- Directors' personal guarantee

## Conclusion And Recommendations

- Worldwide, health systems are investing in technology to attract patients and reduce costs. This investment is pivotal in ensuring the sustainability of the healthcare industry. Furthermore, the industry is seeing increased investment in nursing programs, a response to the labour shortages plaguing the industry. These investments are expected to stabilize the industry and ensure the continued delivery of essential healthcare services.
- Industry growth, major changes, and strong value-creation potential make healthcare an exciting industry. At the same time, cost concerns, uncertainty, and complexity make it an unnerving one. Substantial upside exists for players that can deliver value-creating solutions.
- The proposed project will deliver healthcare services and produce middle-level skilled workforce in the health sector. The assessment of the viability of the proposed project demonstrates the project is a profitable venture.
- In view of our observations, it is recommended to the promoters to undertake the project, and find an external partner such as banks to participate in the co-financing of the project.

# **WESTERN TANGANYIKA COLLEGE LTD**

Relocation & Expansion of  
Health Technical College

**Ujiji Area,  
KIGOMA Region, Tanzania**

**October. 2024**

**Financial Projections**

**Annex 1****Western Tanganyika College Ltd  
Projected Profit And Loss Statements**

Amount in TZS '000'

	Year	Year 1	Year 3	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Revenues</b>											
Faculty of Health Sciences		519,307	545,273	2,453,800	2,576,490	2,700,612	2,826,236	2,953,438	3,090,136	3,236,412	3,384,515
Faculty of Allied Sciences		79,303	80,389	504,210	526,116	548,055	570,027	592,034	614,075	636,152	658,265
Faculty of Social Sciences		74,337	75,824	654,884	683,878	712,903	741,960	771,049	800,171	832,758	865,378
<b>Total Revenues</b>		<b>672,948</b>	<b>701,486</b>	<b>3,612,894</b>	<b>3,786,484</b>	<b>3,961,570</b>	<b>4,138,223</b>	<b>4,316,521</b>	<b>4,504,382</b>	<b>4,705,322</b>	<b>4,908,158</b>
<b>Direct Operating Costs</b>											
Teaching & Labs Materials		67,395	70,324	352,299	369,325	386,507	403,851	421,367	439,881	459,641	479,597
Stationeries		4,685	4,868	25,909	27,143	28,386	29,640	30,904	32,231	33,649	35,080
Utility costs		26,323	27,484	139,047	145,761	152,535	159,373	166,278	173,571	181,372	189,250
Medical expenses		17,438	18,188	93,968	98,478	103,027	107,616	112,248	117,126	122,342	127,608
Maintenance & Repairs		40,377	42,089	216,774	227,189	237,694	248,293	258,991	270,263	282,319	294,490
Uniforms Costs		21,598	22,677	102,051	107,154	112,316	117,540	122,831	128,516	134,599	140,759
Exams & Quality Assurance		68,025	70,375	420,702	440,125	459,653	479,291	499,045	519,418	541,194	563,101
Graduation costs		19,000	19,758	107,949	113,052	118,191	123,370	128,590	134,043	139,873	145,751
Other Direct costs		6,282	6,559	33,267	34,879	36,505	38,147	39,805	41,559	43,443	45,346
<b>Direct Operating Costs</b>		<b>271,123</b>	<b>282,322</b>	<b>1,491,966</b>	<b>1,563,105</b>	<b>1,634,815</b>	<b>1,707,124</b>	<b>1,780,059</b>	<b>1,856,607</b>	<b>1,938,432</b>	<b>2,020,980</b>
<b>Gross Profits</b>		<b>401,825</b>	<b>419,164</b>	<b>2,120,928</b>	<b>2,223,379</b>	<b>2,326,755</b>	<b>2,431,100</b>	<b>2,536,462</b>	<b>2,647,775</b>	<b>2,766,889</b>	<b>2,887,178</b>
Gross Margins		60%	60%	59%	59%	59%	59%	59%	59%	59%	59%
<b>Indirect Operating Costs</b>											
Salaries & Staff Benefits		282,210	287,854	583,464	652,505	722,678	793,983	866,419	917,465	934,012	950,558
Administrative Costs		128,878	130,826	117,691	120,227	122,812	125,448	128,148	130,936	134,109	137,337
Publicity & Sales Costs		13,842	14,417	74,921	78,511	82,133	85,785	89,471	93,350	97,499	101,686
<b>Indirect Operating Costs</b>		<b>424,930</b>	<b>433,097</b>	<b>776,076</b>	<b>851,243</b>	<b>927,623</b>	<b>1,005,217</b>	<b>1,084,039</b>	<b>1,141,751</b>	<b>1,165,619</b>	<b>1,189,581</b>
<b>EBITDA</b>		<b>-23,105</b>	<b>-13,933</b>	<b>1,344,852</b>	<b>1,372,136</b>	<b>1,399,132</b>	<b>1,425,883</b>	<b>1,452,423</b>	<b>1,506,024</b>	<b>1,601,270</b>	<b>1,697,597</b>
EBITDA Margins		-3%	-2%	37%	36%	35%	34%	34%	33%	34%	35%
Depreciation & Amortisation		2,905	3,994	354,917	350,664	346,655	344,468	340,691	73,831	70,472	69,056
<b>Profits Before Int. &amp; Tax</b>		<b>-26,010</b>	<b>-17,927</b>	<b>989,935</b>	<b>1,021,471</b>	<b>1,052,477</b>	<b>1,081,415</b>	<b>1,111,732</b>	<b>1,432,192</b>	<b>1,530,798</b>	<b>1,628,541</b>
<b>Interest on Loans</b>											
Long-Term Loan -1		-	-	-	388,784	351,010	307,761	258,246	201,557	136,653	62,344
Long-Term Loan -2		-	-	-	175,227	158,201	138,709	116,393	90,842	61,590	28,099
Short-term facilities	10%	-	-	10,773	11,250	11,730	12,214	12,702	13,246	13,868	14,497
<b>Interest on Loans</b>		<b>-</b>	<b>-</b>	<b>10,773</b>	<b>575,261</b>	<b>520,941</b>	<b>458,685</b>	<b>387,341</b>	<b>305,645</b>	<b>212,111</b>	<b>104,940</b>
<b>Profits Before Tax</b>		<b>-26,010</b>	<b>-17,927</b>	<b>979,161</b>	<b>446,211</b>	<b>531,536</b>	<b>622,731</b>	<b>724,391</b>	<b>1,126,547</b>	<b>1,318,687</b>	<b>1,523,601</b>
Corporation Tax	30%	0	0	293,748	133,863	159,461	186,819	217,317	337,964	395,606	457,080
<b>Net Profits After Tax</b>		<b>-26,010</b>	<b>-17,927</b>	<b>685,413</b>	<b>312,348</b>	<b>372,075</b>	<b>435,911</b>	<b>507,073</b>	<b>788,583</b>	<b>923,081</b>	<b>1,066,521</b>
Net Margins		-4%	-3%	19%	8%	9%	11%	12%	18%	20%	22%
<b>Dividends</b>											
		-	-	-	-	-	-	-	-	-	-
<b>Retained Income</b>		<b>-26,010</b>	<b>-17,927</b>	<b>685,413</b>	<b>312,348</b>	<b>372,075</b>	<b>435,911</b>	<b>507,073</b>	<b>788,583</b>	<b>923,081</b>	<b>1,066,521</b>
Cumulative Retained Income		-26,010	-43,936	641,477	953,824	1,325,899	1,761,811	2,268,884	3,057,467	3,980,548	5,047,069

**Annex 2**  
**Western Tanganyika College Ltd**  
**Projected Cash Flow Statements**

**Amount in TZS '000'**

<b>Year:</b>	<b>Year 1</b>	<b>Year 3</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>
<b>Sources of Funds</b>										
Equity Financing										
Share Capital	100,000	-	-	-	-	-	-	-	-	-
Shareholders' Fund (CAPEX)	360,081	11,619	-	-	-	-	-	-	-	-
Shareholders' Fund (W/Capital)	17,894	88,976	-	-	-	-	-	-	-	-
External Financing										
Long-Term Loan -1	2,000,000	-	-	-	-	-	-	-	-	-
Long-Term Loan -2	-	1,000,000	-	-	-	-	-	-	-	-
Short-term Loan	-	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>2,477,975</b>	<b>1,100,594</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Revenues</b>										
Faculty of Health Sciences	519,307	545,273	2,453,800	2,576,490	2,700,612	2,826,236	2,953,438	3,090,136	3,236,412	3,384,515
Faculty of Allied Sciences	79,303	80,389	504,210	526,116	548,055	570,027	592,034	614,075	636,152	658,265
Faculty of Social Sciences	74,337	75,824	654,884	683,878	712,903	741,960	771,049	800,171	832,758	865,378
<b>Revenues</b>	<b>672,948</b>	<b>701,486</b>	<b>3,612,894</b>	<b>3,786,484</b>	<b>3,961,570</b>	<b>4,138,223</b>	<b>4,316,521</b>	<b>4,504,382</b>	<b>4,705,322</b>	<b>4,908,158</b>
<b>Cash Inflows</b>	<b>3,150,922</b>	<b>1,802,080</b>	<b>3,612,894</b>	<b>3,786,484</b>	<b>3,961,570</b>	<b>4,138,223</b>	<b>4,316,521</b>	<b>4,504,382</b>	<b>4,705,322</b>	<b>4,908,158</b>
<b>Applications of Funds</b>										
Capital Expenditure										
Land	95,565	-	-	-	-	-	-	-	-	-
Buildings & Civil Works	2,117,347	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-
Furniture & Fixtures	27,432	-	-	-	-	-	-	-	-	-
Equipment & Tools	-	-	-	-	-	-	-	-	-	-
Scholarstic Materials	23,237	11,619	-	-	-	12,780	-	-	-	14,058
Motor Vehicles	-	-	-	-	-	-	-	-	-	-
Pre-operating expenses										
Administrative Costs	133,000	-	-	-	-	-	-	-	-	-
Loan interest at implementation	-	-	-	-	-	-	-	-	-	-
Other Finance Costs	63,500	-	-	-	-	-	-	-	-	-
<b>Capital Expenditure</b>	<b>2,460,081</b>	<b>11,619</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,780</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,058</b>
Change in Net Working Capital	<b>17,894</b>	<b>863</b>	<b>88,976</b>	<b>4,765</b>	<b>4,802</b>	<b>4,841</b>	<b>4,883</b>	<b>5,434</b>	<b>6,225</b>	<b>6,287</b>
<b>Operating Costs</b>										
Direct Operating Costs	271,123	282,322	1,491,966	1,563,105	1,634,815	1,707,124	1,780,059	1,856,607	1,938,432	2,020,980
Indirect Operating Costs	424,930	433,097	776,076	851,243	927,623	1,005,217	1,084,039	1,141,751	1,165,619	1,189,581
Provisional Tax	-	-	293,748	133,863	159,461	186,819	217,317	337,964	395,606	457,080
Interest Payment										
Long-Term Loan -1	-	-	-	388,784	351,010	307,761	258,246	201,557	136,653	62,344
Long-Term Loan -2	-	-	-	175,227	158,201	138,709	116,393	90,842	61,590	28,099
Short-term facilities	-	-	10,773	11,250	11,730	12,214	12,702	13,246	13,868	14,497
Principal Loan Repayment										
Long-Term Loan -1	-	-	-	260,695	298,470	341,718	391,233	447,923	512,827	587,135
Long-Term Loan -2	-	-	-	117,496	134,522	154,014	176,330	201,881	231,133	264,624
Dividends	-	-	-	-	-	-	-	-	-	-
<b>Total Applications</b>	<b>3,174,027</b>	<b>727,900</b>	<b>2,661,539</b>	<b>3,506,429</b>	<b>3,680,633</b>	<b>3,871,198</b>	<b>4,041,203</b>	<b>4,297,205</b>	<b>4,461,953</b>	<b>4,644,687</b>
<b>Cash Surplus/(Deficit)</b>	<b>-23,105</b>	<b>1,074,180</b>	<b>951,354</b>	<b>280,055</b>	<b>280,937</b>	<b>267,026</b>	<b>275,318</b>	<b>207,177</b>	<b>243,368</b>	<b>263,471</b>
Opening Cash Balance	0	-23,105	1,051,075	2,002,429	2,282,485	2,563,421	2,830,447	3,105,765	3,312,942	3,556,311
<b>Closing Cash Balance</b>	<b>-23,105</b>	<b>1,051,075</b>	<b>2,002,429</b>	<b>2,282,485</b>	<b>2,563,421</b>	<b>2,830,447</b>	<b>3,105,765</b>	<b>3,312,942</b>	<b>3,556,311</b>	<b>3,819,782</b>

<b>Annex 3</b>										
<b>Western Tanganyika College Ltd</b>										
<b>Projected Balance Sheets</b>										
Amount in TZS '000'										
	<b>Year 1</b>	<b>Year 3</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>
<b>Fixed Assets</b>										
Land	95,565	95,565	95,565	95,565	95,565	95,565	95,565	95,565	95,565	95,565
Buildings & Civil Works	2,117,347	2,117,347	2,117,347	2,032,653	1,951,347	1,873,293	1,798,361	1,726,427	1,657,370	1,591,075
Utilities	-	-	-	-	-	-	-	-	-	-
Furniture & Fixtures	27,432	27,432	27,432	24,003	21,003	18,377	16,080	14,070	12,311	10,772
Equipment & Tools	-	-	-	-	-	-	-	-	-	-
Scholarstic Materials	23,237	31,951	27,957	24,462	21,405	31,509	27,571	24,124	21,109	32,529
Motor Vehicles	-	-	-	-	-	-	-	-	-	-
Pre-operating expenses	1,036,500	1,316,500	1,316,500	1,053,200	789,900	526,600	263,300	-	-	-
<b>Fixed Assets</b>	<b>3,300,081</b>	<b>3,588,795</b>	<b>3,584,801</b>	<b>3,229,883</b>	<b>2,879,219</b>	<b>2,545,344</b>	<b>2,200,877</b>	<b>1,860,186</b>	<b>1,786,355</b>	<b>1,729,941</b>
Less: Depreciation	-2,905	-3,994	-354,917	-350,664	-346,655	-344,468	-340,691	-73,831	-70,472	-69,056
<b>Net Fixed Assets</b>	<b>3,297,176</b>	<b>3,584,801</b>	<b>3,229,883</b>	<b>2,879,219</b>	<b>2,532,564</b>	<b>2,200,877</b>	<b>1,860,186</b>	<b>1,786,355</b>	<b>1,715,882</b>	<b>1,660,885</b>
<b>Current Assets</b>										
Cash Balances	0	1,051,075	2,002,429	2,282,485	2,563,421	2,830,447	3,105,765	3,312,942	3,556,311	3,819,782
Trade Debtors	15,228	15,884	81,238	85,148	89,094	93,075	97,093	101,332	105,866	110,443
Advance Payments	4,997	5,208	26,850	28,136	29,433	30,741	32,062	33,452	34,933	36,429
Inventories	6,160	6,413	28,917	30,303	31,703	33,117	34,545	36,058	37,678	39,314
Other current Assets	3,209	3,335	17,746	18,591	19,443	20,301	21,167	22,076	23,047	24,027
<b>Total Current Assets</b>	<b>29,594</b>	<b>1,081,915</b>	<b>2,157,179</b>	<b>2,444,663</b>	<b>2,733,094</b>	<b>3,007,681</b>	<b>3,290,633</b>	<b>3,505,860</b>	<b>3,757,835</b>	<b>4,029,995</b>
<b>Current Liabilities</b>										
Trade Creditors	3,714	3,867	20,438	21,412	22,395	23,385	24,384	25,433	26,554	27,685
Payables	3,814	3,920	12,428	13,229	14,041	14,862	15,694	16,429	17,009	17,592
Accrued Incomes	1,844	1,922	9,898	10,374	10,854	11,338	11,826	12,341	12,891	13,447
Other Current liabilities	2,328	2,373	4,252	4,664	5,083	5,508	5,940	6,256	6,387	6,518
<b>Total Current Liabilities</b>	<b>11,700</b>	<b>12,083</b>	<b>47,016</b>	<b>49,680</b>	<b>52,372</b>	<b>55,093</b>	<b>57,844</b>	<b>60,459</b>	<b>62,841</b>	<b>65,242</b>
<b>Net Current Assets</b>	<b>17,894</b>	<b>1,069,832</b>	<b>2,110,163</b>	<b>2,394,983</b>	<b>2,680,722</b>	<b>2,952,588</b>	<b>3,232,789</b>	<b>3,445,401</b>	<b>3,694,994</b>	<b>3,964,753</b>
<b>Total Net Assets</b>	<b>3,315,070</b>	<b>4,654,633</b>	<b>5,340,046</b>	<b>5,274,202</b>	<b>5,213,286</b>	<b>5,153,465</b>	<b>5,092,976</b>	<b>5,231,755</b>	<b>5,410,877</b>	<b>5,625,638</b>
<b>Financed By:</b>										
<b>Equity Financing</b>										
Share Capital	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Shareholders' Fund (CAPEX)	360,081	371,699	371,699	371,699	371,699	371,699	371,699	371,699	371,699	371,699
Shareholders' Fund (W/Capital)	-26,010	-43,936	641,477	953,824	1,325,899	1,761,811	2,268,884	3,057,467	3,980,548	5,047,069
Retained Earnings	17,894	106,870	106,870	106,870	106,870	106,870	106,870	106,870	106,870	106,870
<b>Equity Financing</b>	<b>451,965</b>	<b>534,633</b>	<b>1,220,046</b>	<b>1,532,393</b>	<b>1,904,468</b>	<b>2,340,380</b>	<b>2,847,453</b>	<b>3,636,036</b>	<b>4,559,117</b>	<b>5,625,638</b>
<b>External Financing</b>										
Long-Term Loan -1	2,840,000	2,840,000	2,840,000	2,579,305	2,280,835	1,939,117	1,547,884	1,099,962	587,135	-
Long-Term Loan -2	-	1,280,000	1,280,000	1,162,504	1,027,982	873,968	697,638	495,757	264,624	0
Short-term facilities	23,105	-	-	-	-	-	-	-	-	-
<b>External Financing</b>	<b>2,863,105</b>	<b>4,120,000</b>	<b>4,120,000</b>	<b>3,741,809</b>	<b>3,308,817</b>	<b>2,813,086</b>	<b>2,245,522</b>	<b>1,595,719</b>	<b>851,759</b>	<b>0</b>
<b>Total Financing</b>	<b>3,315,070</b>	<b>4,654,633</b>	<b>5,340,046</b>	<b>5,274,202</b>	<b>5,213,286</b>	<b>5,153,465</b>	<b>5,092,976</b>	<b>5,231,755</b>	<b>5,410,877</b>	<b>5,625,638</b>



**Annex 9****Western Tanganyika College Ltd****Loan Repayment And Interest Payment Schedule**

Amount in TZS '000'

			Year 1	Year 3	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Long-Term Loan -1</b>												
Principal Amount	2,000,000,000	TZS										
Interest rate	14%	p.a.										
Loan tenure	10.0	Years										
Repayment period	7.00	Years										
Grace period												
On Principlal	36	months										
On Interest	36	months										
<b>Loan Repayment Schedule</b>												
Opening Balance			-	2,840,000	2,840,000	2,840,000	2,579,305	2,280,835	1,939,117	1,547,884	1,099,962	587,135
Additions			2,840,000	-	-	-	-	-	-	-	-	-
Interest Payment			-	-	-	388,784	351,010	307,761	258,246	201,557	136,653	62,344
Principal Repayment			-	-	-	260,695	298,470	341,718	391,233	447,923	512,827	587,135
<b>Closing Balance</b>			<b>2,840,000</b>	<b>2,840,000</b>	<b>2,840,000</b>	<b>2,579,305</b>	<b>2,280,835</b>	<b>1,939,117</b>	<b>1,547,884</b>	<b>1,099,962</b>	<b>587,135</b>	<b>-</b>
<b>Long-Term Loan -2</b>												
Principal Amount	1,000,000,000	TZS										
Interest rate	14%	p.a.										
Loan tenure	9.0	Years										
Repayment period	7.00	Years										
Grace period												
On Principlal	24	months										
On Interest	24	months										
<b>Loan Repayment Schedule</b>												
Opening Balance			-	-	1,280,000	1,280,000	1,162,504	1,027,982	873,968	697,638	495,757	264,624
Additions			-	1,280,000	-	-	-	-	-	-	-	-
Interest Payment			-	-	-	175,227	158,201	138,709	116,393	90,842	61,590	28,099
Principal Repayment			-	-	-	117,496	134,522	154,014	176,330	201,881	231,133	264,624
<b>Closing Balance</b>			<b>-</b>	<b>1,280,000</b>	<b>1,280,000</b>	<b>1,162,504</b>	<b>1,027,982</b>	<b>873,968</b>	<b>697,638</b>	<b>495,757</b>	<b>264,624</b>	<b>0</b>
<b>TOTALS:</b>												
<b>Opening Balance</b>			<b>-</b>	<b>2,840,000</b>	<b>4,120,000</b>	<b>4,120,000</b>	<b>3,741,809</b>	<b>3,308,817</b>	<b>2,813,086</b>	<b>2,245,522</b>	<b>1,595,719</b>	<b>851,759</b>
<b>Additional</b>			<b>2,840,000</b>	<b>1,280,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Interest Payment</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>564,011</b>	<b>509,211</b>	<b>446,471</b>	<b>374,639</b>	<b>292,399</b>	<b>198,243</b>	<b>90,443</b>
<b>Principal Repayment</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>378,191</b>	<b>432,991</b>	<b>495,732</b>	<b>567,563</b>	<b>649,803</b>	<b>743,960</b>	<b>851,759</b>
<b>Closing Balance</b>			<b>2,840,000</b>	<b>4,120,000</b>	<b>4,120,000</b>	<b>3,741,809</b>	<b>3,308,817</b>	<b>2,813,086</b>	<b>2,245,522</b>	<b>1,595,719</b>	<b>851,759</b>	<b>0</b>