

JOM FUEL SUPPLIES COMPANY LTD

PROPOSAL TO PURCHASE TEN TRUCKS AND TEN TRAILERS FOR SUPPLY OF TRANSIT PETROLEUM PRODUCTS CROSS BOARDERS



FEBRUARY 2024

JOM FUEL SUPPLIES COMPANY LTD

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1. Executive Summary

JOM Fuel Supplies Co. Ltd is a Limited Liability Company registered under the laws of the United Republic of Tanzania (Company Act, 2002) by shares as per agreement among shareholders.

The company is involved in the following core business activities:

- ☐ Sales of Fuel (Petrol & Diesel - Retail)
- ☐ Fuel Cargo Transportation Services

The company intends to acquire and operate a fleet of 10 trucks which will be transporting transit petroleum products beyond Tanzania borders. The fleet will mainly comprise of fuel tankers.

2. Business Overview

2.1 Business History

JOM Fuel Supplies Company Ltd was incorporated in the the United Republic of Tanzania in 2017 with a focus on sales of petroleum products through petrol stations; with a long term vision of business diversification including transportation of transit fuel beyond Tanzanian borders. The company started by operating a hired petrol station in Muheza in 2017; which it later purchased. It currently operates and owns four (4) petrol stations in Muheza District, Handeni District, Korogwe District and and Ilala Municipality

The company continues to expand its core business of fuel retailing and now is focusing on transportation of transit petroleum products to the neighbouring countries. In light of that, the company is planning to secure an asset finance facility from CRDB Bank Plc to support purchase of 10 trucks plus its fuel tankers.

The key underlying objective of the company is firstly to capture the whole market in Tanzania through our variety distribution channels to mining and construction companies and government parastatals. Secondly is to offer the world class transportation services for petroleum products across the East African region.

2.2 Ownership

The company is a shareholding limited liability such that shareholders and Directors are involved in major decision making. This relationship has proven invaluable, and results into good governance structure. The company is currently owned with two shareholders who are also the Company Directors i.e Mr John David Charles and Francis Aaron Mwasota with 50% stake each.

2.3 Vision and Mission Statement

Our vision is to expand business investments with a core business being sale of petroleum products through petrol stations and transporting transit fuel cargo across neighbouring countries.

Mission:

The mission of JOM Fuel Supplies Co. Ltd is to become one of the best suppliers of petroleum products in Tanzania and across East Africa maintaining good corporate citizenship.

Vision:

To become the largest fuel retailer across all regions in Tanzania through excellent services Provision.

3. Proposed Asset Finance Facility to Purchase 10 Units of Trucks and 10 Units of Trailers at a cost of USD 1,175,280/= from CRDB Bank PLC

3.1 Description of Product

3.1.1 Asset Finance Loan to Purchase 10 Trucks

JOM Fuel Supplies Company Ltd intends to purchase locally 10 brand new HOWO/FAW Trucks at a unit cost of USD 41,064 *inclusive* of VAT *exclusive* of Import Duty. Therefore, the amount of facility will be USD 410,640/=.

3.1.2. Asset Finance Loan to Purchase 10 Tanker Semi Trailers

The company intends to purchase locally 10 brand new Aluminium Tankers from Aluminium Trailers Limited at a unit cost of USD 76,464 *inclusive* of VAT *exclusive* of Import Duty. Therefore, the amount of facility will be USD 764,640/=.

4. Loan Tenure and Project Return on Investment

The loan duration is expected to be 4 years as advised by our four years' income projection from the project.

4.1 Projected income statement yearly and monthly for 4 years

The projected income statement shows the project will run profitably for the entire period of four years with each truck doing at least one and half trips of transit haulage per month. And delivery to local customers 10 truck load of 38m³ in a month in mining parastatal institutions.

Yearly Projected Income statements

JOM FUEL SUPPLIES CO. LTD
PROJECTED PROFIT AND LOSS STATEMENT FOR 10 TRUCKS
FOR THE PERIOD OF FOUR YEARS

	Year 1 TZS'000	Year 2 TZS'000	Year 3 TZS'000	Year 4 TZS'000
Sales	3,271,200	3,271,200	3,271,200	3,271,200
Direct Costs	(1,319,657)	(1,319,657)	(1,319,657)	(1,319,657)
Gross Profit	1,951,543	1,951,543	1,951,543	1,951,543
Gross Margin	60%	60%	60%	60%
Operating Expenses	(210,901)	(210,901)	(210,901)	(210,901) #
Depreciation	(687,539)	(687,539)	(687,539)	(687,539)
Profit Before interest and tax	1,053,102	1,053,102	1,053,102	1,053,102
Interest Expenses	(402,021)	(310,107)	(202,359)	(76,049)
Profit Before tax	651,082	742,995	850,743	977,053
Tax Expense (30%)	(195,324)	(222,899)	(255,223)	(293,116)
Profit after tax	455,757	520,097	595,520	683,937
Margin	14%	16%	18%	21%
Add Back: Depreciation Non cash	687,539	687,539	687,539	687,539
Available Cash flow	1,143,296	1,207,636	1,283,059	1,371,476
Less Loan Principle	533,543 609,753	533,543 674,093	533,543 749,516	533,543 837,933

Monthly Projected Income statements

	January TZS'000	February TZS'000	March TZS'000	April TZS'000	May TZS'000	June TZS'000	July TZS'000	August TZS'000	September TZS'000	October TZS'000	November TZS'000	December TZS'000
Year 1												
Sales	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600
Direct Costs	(121,072)	(107,347)	(109,504)	(107,347)	(107,347)	(114,074)	(107,347)	(107,347)	(109,504)	(107,347)	(107,347)	(114,074)
Gross Profit	151,528	165,253	163,096	165,253	165,253	158,526	165,253	165,253	163,096	165,253	165,253	158,526
Gross Margin	56%	61%	60%	61%	61%	58%	61%	61%	60%	61%	61%	58%
Operating Expenses	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)
Profit Before interest and tax	133,953	147,678	145,521	147,678	147,678	140,951	147,678	147,678	145,521	147,678	147,678	140,951
Interest Expenses	(36,669)	(36,118)	(35,560)	(34,995)	(34,422)	(33,841)	(33,253)	(32,657)	(32,053)	(31,441)	(30,820)	(30,192)
Tax Expense (30%)	(40,186)	(44,303)	(43,656)	(44,303)	(44,303)	(42,285)	(44,303)	(44,303)	(43,656)	(44,303)	(44,303)	(42,285)
Profit after tax	57,098	67,256	66,305	68,380	68,952	64,825	70,121	70,717	69,812	71,934	72,554	68,474
Margin	21%	25%	24%	25%	25%	24%	26%	26%	26%	26%	27%	25%

Year 2												
Sales	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600
Direct Costs	(121,072)	(107,347)	(109,504)	(107,347)	(107,347)	(114,074)	(107,347)	(107,347)	(109,504)	(107,347)	(107,347)	(114,074)
Gross Profit	151,528	165,253	163,096	165,253	165,253	158,526	165,253	165,253	163,096	165,253	165,253	158,526
Gross Margin	56%	61%	60%	61%	61%	58%	61%	61%	60%	61%	61%	58%
Operating Expenses	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)
Profit Before interest and tax	133,953	147,678	145,521	147,678	147,678	140,951	147,678	147,678	145,521	147,678	147,678	140,951
Interest Expenses	(29,555)	(28,909)	(28,255)	(27,593)	(26,921)	(26,240)	(25,551)	(24,852)	(24,144)	(23,426)	(22,699)	(21,962)
Tax Expense (30%)	(40,186)	(44,303)	(43,656)	(44,303)	(44,303)	(42,285)	(44,303)	(44,303)	(43,656)	(44,303)	(44,303)	(42,285)
Profit after tax	64,212	74,465	73,610	75,782	76,453	72,426	77,824	78,522	77,721	79,948	80,675	76,704
Margin	24%	27%	27%	28%	28%	27%	29%	29%	29%	29%	30%	28%

Year 3												
Sales	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600
Direct Costs	(121,072)	(107,347)	(109,504)	(107,347)	(107,347)	(114,074)	(107,347)	(107,347)	(109,504)	(107,347)	(107,347)	(114,074)
Gross Profit	151,528	165,253	163,096	165,253	165,253	158,526	165,253	165,253	163,096	165,253	165,253	158,526
Gross Margin	56%	61%	60%	61%	61%	58%	61%	61%	60%	61%	61%	58%
Operating Expenses	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)
Profit Before interest and tax	133,953	147,678	145,521	147,678	147,678	140,951	147,678	147,678	145,521	147,678	147,678	140,951
Interest Expenses	(21,215)	(20,459)	(19,692)	(18,915)	(18,128)	(17,330)	(16,522)	(15,702)	(14,872)	(14,031)	(13,178)	(12,315)
Tax Expense (30%)	(40,186)	(44,303)	(43,656)	(44,303)	(44,303)	(42,285)	(44,303)	(44,303)	(43,656)	(44,303)	(44,303)	(42,285)
Profit after tax	72,552	82,916	82,173	84,459	85,247	81,336	86,853	87,672	86,993	89,343	90,196	86,351
Margin	27%	30%	30%	31%	31%	30%	32%	32%	32%	33%	33%	32%

Year 4

Sales	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600	272,600
Direct Costs	(121,072)	(107,347)	(109,504)	(107,347)	(107,347)	(114,074)	(107,347)	(107,347)	(109,504)	(107,347)	(107,347)	(114,074)
Gross Profit	151,528	165,253	163,096	165,253	165,253	158,526	165,253	165,253	163,096	165,253	165,253	158,526
Gross Margin	56%	61%	60%	61%	61%	58%	61%	61%	60%	61%	61%	58%
Operating Expenses	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)	(17,575)
Profit Before interest and tax	133,953	147,678	145,521	147,678	147,678	140,951	147,678	147,678	145,521	147,678	147,678	140,951
Interest Expenses	(11,439)	(10,552)	(9,654)	(8,743)	(7,820)	(6,885)	(5,937)	(4,976)	(4,003)	(3,017)	(2,018)	(1,005)
Tax Expense (30%)	(40,186)	(44,303)	(43,656)	(44,303)	(44,303)	(42,285)	(44,303)	(44,303)	(43,656)	(44,303)	(44,303)	(42,285)
Profit after tax	82,328	92,822	92,211	94,632	95,555	91,781	97,438	98,398	97,862	100,357	101,356	97,661
Margin	30%	34%	34%	35%	35%	34%	36%	36%	36%	37%	37%	36%

4.2 Projected Cash flow statement for 4 years

Cash flow projections for the four years shows the project will have positive net cash flow. The cumulative earning will be sufficient to cover the loan principle.

Yearly Projected Cash flow statement

JOM FUEL SUPPLIES CO. LTD
PROJECTED STATEMENT OF CASH FLOW FOR 10 TRUCKS
FOR THE PERIOD OF FOUR YEARS

	Year 1 TZS '000'	Year 2 TZS '000'	Year 3 TZS '000'	Year 4 TZS '000'
CASH FLOWS FROM OPERATING ACTIVITIES				
(Loss) /profit before taxation	651,082	742,995	850,743	977,053
Add back: Depreciation	687,539	687,539	687,539	687,539
(Loss)/profit from operations before changes in working capital items	1,338,621	1,430,534	1,538,282	1,664,592
Changes in working capital items				
Change in trade receivable	-	-	-	-
Change in Liabilities	-	-	-	-
Cash (used in)/ generated from operating activities	1,338,621	1,430,534	1,538,282	1,664,592
Tax paid	(195,324)	(222,899)	(255,223)	(293,116)
Net cash (used in) /generated from operating activities	1,143,296	1,207,636	1,283,059	1,371,476
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(2,750,155)	-	-	-
Disposal of fixed assets	-	-	-	-

Net cash used in investing activities	<u>(2,750,155)</u>	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES				
Loan Advanced	2,750,155			
Loan principal repayment Repayment	<u>(533,543)</u>	<u>(625,457)</u>	<u>(733,205)</u>	<u>(857,951)</u>
Net cash generated from financing activities	<u>2,216,612</u>	<u>(625,457)</u>	<u>(733,205)</u>	<u>(857,951)</u>
Net increase in cash and cash equivalents during the year/ period	609,753	582,179	549,855	513,525
Cash and cash equivalents at the beginning of the year/ period		<u>609,753</u>	<u>1,191,932</u>	<u>1,741,787</u>
Cash and cash equivalents at the end of the year/ period	<u>609,753</u>	<u>1,191,932</u>	<u>1,741,787</u>	<u>2,255,312</u>

4.3 Projected Statements of financial position for four years.

Notes	Year 1 TZS '000'	Year 2 TZS '000'	Year 3 TZS '000'	Year 4 TZS '000'
ASSETS				
Non-current assets				
Property, plant and equipment	2,062,616	1,375,078	687,539	-
Current assets				
Trade and other receivables				
Cash and cash equivalents	(77,786)	(183,146)	(320,830)	(494,844)
Total current assets	(77,786)	(183,146)	(320,830)	(494,844)
Total assets	1,984,831	1,191,932	366,709	(494,844)
EQUITY AND LIABILITIES				
Equity				
Retained income	(231,782)	(399,224)	(491,242)	(494,844)
Total equity	(231,782)	(399,224)	(491,242)	(494,844)
Non current liabilities				
Loan account	2,216,612	1,591,156	857,951	(0)
Total non-current liabilities	2,216,612	1,591,156	857,951	(0)
Current liabilities				
Trade payables	-	-	-	-
Total current liabilities	-	-	-	-
Total equity and liabilities	1,984,831	1,191,932	366,709	(494,844)

4.4 Fixed Assets Register.

The fixed assets register shows the project's cost and fixed assets moving schedule for four years. It shows also the loan amortisation schedule for the four years. *(Appendix. 01)*

5. Business Assumptions in preparing the projected financials

5.1 Projected Revenue

The acquired trucks will do at least one and half trips per month to Congo- Lubumbashi every month. The trailer tankers we are acquiring have a capacity to load 45 cubic meters.

We have assumed they will load a minimum of 40 cubic meters per trip.

The income per cubic meter is USD 200. This is the minimum charges we expect in the entire period. *(Appendix .02)*

5.2 Projected costs

We have used historical cost for the Congo route ranging from fuel consumed per truck, Border fees, driver mileage as well as other operational overhead cost. *(Appendix 03)*

5.3 Interest rates

We have assumed that the banks interest rate will remain stable during the period and for purpose of computations we have assumed 16% interest rate. *(Appendix 01)*

5.4 Business Outlook

The proposed business has to show steady improvement and we assume this trend will be sustained.

6. Management and Staffing

6.1 Core Management Team

1. John David Charles – Managing Director
2. Francis Aaron Mwasota – Director (Corporate Affairs)
3. John Peter Mdoe – Finance Manager

6.2 Management Team

The management team is very capable and has been working in the petroleum sector for a long time. Their practical management of the fuel transport and retail business has proved to be a vital tool in continued growth of the company and are committed to oversee this project to completion.

FIXED ASSETS (TRUCKS) REGISTER

Description	Cost (usd)	Forex	Costs	Other Charges		Total @ unit	Qty
Howo Trucks	41,064	2,340	96,089,760			96,089,760	10
Al. Trailers	76,464	2,340	178,925,760			178,925,760	10
Total							

Annual Depreciation

Time	Costs	Additions	Disposal	Total Costs	Depr Rate	Depreciation	NBV
Year 1	2,750,155,200	-	-	2,750,155,200	25%	687,538,800	2,062,616,400
Year 2	2,750,155,200	-	-	2,750,155,200	25%	687,538,800	1,375,077,600
Year 3	2,750,155,200	-	-	2,750,155,200	25%	687,538,800	687,538,800
Year 4	2,750,155,200	-	-	2,750,155,200	25%	687,538,800	-

FIXED ASSETS FINANCING PLAN

Na.	Description	Total Costs	Financing Means	Annual rate	Loan Durability
			Finance by CRDB Bank	16%	4Years
1	Howo Trucks	960,897,600			
2	Al. Trailers	1,789,257,600			
	Total	2,750,155,200			

LOAN AMORTIZATION

Bank Loan repayment Schedule

Long Tern Loan Facility (4 Years)							
Annual Interest rate (16%)							
Year 1							
Months	Beginning Balance	Interest rate	Interest Amount	Amount (P+I)	Principal	Total Repayment	Outstanding Loan
January	2,750,155,200	1.3333%	36,668,736	2,786,823,936	41,294,900	77,963,636	2,708,860,300
February	2,708,860,300	1.3333%	36,118,137	2,744,978,437	41,845,499	77,963,636	2,667,014,801
March	2,667,014,801	1.3333%	35,560,197	2,702,574,999	42,403,439	77,963,636	2,624,611,363
April	2,624,611,363	1.3333%	34,994,818	2,659,606,181	42,968,818	77,963,636	2,581,642,545
May	2,581,642,545	1.3333%	34,421,901	2,616,064,445	43,541,735	77,963,636	2,538,100,809
June	2,538,100,809	1.3333%	33,841,344	2,571,942,154	44,122,292	77,963,636	2,493,978,518
July	2,493,978,518	1.3333%	33,253,047	2,527,231,564	44,710,589	77,963,636	2,449,267,928
August	2,449,267,928	1.3333%	32,656,906	2,481,924,834	45,306,730	77,963,636	2,403,961,198
September	2,403,961,198	1.3333%	32,052,816	2,436,014,014	45,910,820	77,963,636	2,358,050,378
October	2,358,050,378	1.3333%	31,440,672	2,389,491,050	46,522,964	77,963,636	2,311,527,414
November	2,311,527,414	1.3333%	30,820,366	2,342,347,779	47,143,270	77,963,636	2,264,384,143
December	2,264,384,143	1.3333%	30,191,789	2,294,575,932	47,771,847	77,963,636	2,216,612,296
Year 2							
January	2,216,612,296	1.3333%	29,554,831	2,246,167,127	48,408,805	77,963,636	2,168,203,491

February	2,168,203,491	1.3333%	28,909,380	2,197,112,870	49,054,256	77,963,636	2,119,149,234
March	2,119,149,234	1.3333%	28,255,323	2,147,404,558	49,708,313	77,963,636	2,069,440,922
April	2,069,440,922	1.3333%	27,592,546	2,097,033,467	50,371,090	77,963,636	2,019,069,831
May	2,019,069,831	1.3333%	26,920,931	2,045,990,762	51,042,705	77,963,636	1,968,027,126
June	1,968,027,126	1.3333%	26,240,362	1,994,267,488	51,723,274	77,963,636	1,916,303,852
July	1,916,303,852	1.3333%	25,550,718	1,941,854,570	52,412,918	77,963,636	1,863,890,934
August	1,863,890,934	1.3333%	24,851,879	1,888,742,813	53,111,757	77,963,636	1,810,779,177
September	1,810,779,177	1.3333%	24,143,722	1,834,922,899	53,819,914	77,963,636	1,756,959,263
October	1,756,959,263	1.3333%	23,426,124	1,780,385,387	54,537,512	77,963,636	1,702,421,751
November	1,702,421,751	1.3333%	22,698,957	1,725,120,708	55,264,679	77,963,636	1,647,157,072
December	1,647,157,072	1.3333%	21,962,094	1,669,119,166	56,001,542	77,963,636	1,591,155,530
Year 3							
January	1,591,155,530	1.3333%	21,215,407	1,612,370,937	56,748,229	77,963,636	1,534,407,301
February	1,534,407,301	1.3333%	20,458,764	1,554,866,065	57,504,872	77,963,636	1,476,902,429
March	1,476,902,429	1.3333%	19,692,032	1,496,594,461	58,271,604	77,963,636	1,418,630,825
April	1,418,630,825	1.3333%	18,915,078	1,437,545,903	59,048,558	77,963,636	1,359,582,267
May	1,359,582,267	1.3333%	18,127,764	1,377,710,031	59,835,872	77,963,636	1,299,746,395
June	1,299,746,395	1.3333%	17,329,952	1,317,076,347	60,633,684	77,963,636	1,239,112,711
July	1,239,112,711	1.3333%	16,521,503	1,255,634,213	61,442,133	77,963,636	1,177,670,577
August	1,177,670,577	1.3333%	15,702,274	1,193,372,852	62,261,362	77,963,636	1,115,409,216
September	1,115,409,216	1.3333%	14,872,123	1,130,281,339	63,091,513	77,963,636	1,052,317,703
October	1,052,317,703	1.3333%	14,030,903	1,066,348,605	63,932,733	77,963,636	988,384,969
November	988,384,969	1.3333%	13,178,466	1,001,563,436	64,785,170	77,963,636	923,599,800

December	923,599,800	1.3333%	12,314,664	935,914,464	65,648,972	77,963,636	857,950,828
Year 4							
January	857,950,828	1.3333%	11,439,344	869,390,172	66,524,292	77,963,636	791,426,536
February	791,426,536	1.3333%	10,552,354	801,978,890	67,411,282	77,963,636	724,015,254
March	724,015,254	1.3333%	9,653,537	733,668,790	68,310,099	77,963,636	655,705,154
April	655,705,154	1.3333%	8,742,735	664,447,890	69,220,901	77,963,636	586,484,254
May	586,484,254	1.3333%	7,819,790	594,304,044	70,143,846	77,963,636	516,340,408
June	516,340,408	1.3333%	6,884,539	523,224,947	71,079,097	77,963,636	445,261,311
July	445,261,311	1.3333%	5,936,817	451,198,128	72,026,819	77,963,636	373,234,492
August	373,234,492	1.3333%	4,976,460	378,210,952	72,987,176	77,963,636	300,247,316
September	300,247,316	1.3333%	4,003,298	304,250,614	73,960,338	77,963,636	226,286,978
October	226,286,978	1.3333%	3,017,160	229,304,137	74,946,476	77,963,636	151,340,501
November	151,340,501	1.3333%	2,017,873	153,358,375	75,945,763	77,963,636	75,394,739
December	75,394,739	1.3333%	1,005,263	76,400,002	75,394,739	76,400,002	(0)
Total	75,394,739		990,535,694	76,400,002		3,740,690,894	(0)

APPENDICES

Hits	
Number of Trucks	10
Estimated price per CBM	USD 200
Capacity (Ltrs)	40000
Capacity (Cubic Meters) per Truck	40
Estimated sales per truck	USD 12,000

Assumption(1.5 trip per truck per month)

Sales Projections (Per Month)								
Months	No. of Trucks	No. of Trips/month	Capacity (CBMs)/Truck	Total capacity (CBMs)	Price/CBM(\$)	Total sales (\$)	Forex	Total sales (TZS)
January	10	1.5	40	400	200	80,000	2350	272,600,000
February	10	1.5	40	400	200	80,000	2350	272,600,000
March	10	1.5	40	400	200	80,000	2350	272,600,000
April	10	1.5	40	400	200	80,000	2350	272,600,000
May	10	1.5	40	400	200	80,000	2350	272,600,000
June	10	1.5	40	400	200	80,000	2350	272,600,000
July	10	1.5	40	400	200	80,000	2350	272,600,000
August	10	1.5	40	400	200	80,000	2350	272,600,000
September	10	1.5	40	400	200	80,000	2350	272,600,000
October	10	1.5	40	400	200	80,000	2350	272,600,000
November	10	1.5	40	400	200	80,000	2350	272,600,000
December	10	1.5	40	400	200	80,000	2350	272,600,000
Total Sales								3,271,200,000

DIRECT COSTS

Description/Month	Cost/Truck	No. of Trucks	January	February	March	April	May	June	July	August	September	October	November	December
Road permits	126,630	10			1,266,300			1,266,300			1,266,300			1,266,300
Carbon tax	89,000	10			890,000			890,000			890,000			890,000
COMESA	266,000	10						2,660,000						2,660,000
ZABS	191,000	10						1,910,000						1,910,000
Road tolls	3,736,734	10	37,367,340	37,367,340	37,367,340	37,367,340	37,367,340	37,367,340	37,367,340	37,367,340	37,367,340	37,367,340	37,367,340	37,367,340
Bridge Tolls (Kigamboni)	52,700	10	527,000	527,000	527,000	527,000	527,000	527,000	527,000	527,000	527,000	527,000	527,000	527,000
Gate Tolls (Zambia)	202,500	10	2,025,000	2,025,000	2,025,000	2,025,000	2,025,000	2,025,000	2,025,000	2,025,000	2,025,000	2,025,000	2,025,000	2,025,000
Tunduma Council	30,000	10	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Kapiri Council	30,000	10	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Fuel Expenses	6,256,000	10	62,560,000	62,560,000	62,560,000	62,560,000	62,560,000	62,560,000	62,560,000	62,560,000	62,560,000	62,560,000	62,560,000	62,560,000
Tracking devices	235,000	10	2,350,000	2,350,000	2,350,000	2,350,000	2,350,000	2,350,000	2,350,000	2,350,000	2,350,000	2,350,000	2,350,000	2,350,000
Repair and Maintainance	2,301,522	10	1,917,935	1,917,935	1,917,935	1,917,935	1,917,935	1,917,935	1,917,935	1,917,935	1,917,935	1,917,935	1,917,935	1,917,935
Insurance (Local)	354,000	10	3,540,000											
SUMATRA	135,000	10	1,350,000											
Measure (Weight and calibration)	413,486	10	4,134,857											
C28	470,000	10	4,700,000											
Total			121,072,132	107,347,275	109,503,575	107,347,275	107,347,275	114,073,575	107,347,275	107,347,275	109,503,575	107,347,275	107,347,275	114,073,575

Assumption: The costs will not change for the entire period

OPERATION COSTS														
Description/Month	Unit cost	No. of Trucks	January	February	March	April	May	June	July	August	September	October	November	December
Salaries (Note 1)	250,000	10	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
NSSF Employer Contribution	25,000	10	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
WCF Expense	2,500	10	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
SDL Expense	10,000	10	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Drivers Mileage	900,000	10	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Bank Charges	10,000	10	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
City service Levy	3,271	10	32,712	32,712	32,712	32,712	32,712	32,712	32,712	32,712	32,712	32,712	32,712	32,712
Fire extinguishers	2,085	10	20,850	20,850	20,850	20,850	20,850	20,850	20,850	20,850	20,850	20,850	20,850	20,850
Internet and Telephone expenses	2,130	10	21,300	21,300	21,300	21,300	21,300	21,300	21,300	21,300	21,300	21,300	21,300	21,300
Security and Parking fees	20,000	10	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Stationery and printing expenses	5,000	10	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Electricity	11,000	10	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
Water bills	5,000	10	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
OSHA	4,275	10	42,750	42,750	42,750	42,750	42,750	42,750	42,750	42,750	42,750	42,750	42,750	42,750
NEMC	1,250	10	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500
Rent expenses	6,000	10	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Other expenses	500,000	10	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total			17,575,112	17,575,112	17,575,112	17,575,112	17,575,112	17,575,112	17,575,112	17,575,112	17,575,112	17,575,112	17,575,112	17,575,112

Assumption: The costs will not change for the entire period

Interest expenses summary

Description/Month	January	February	March	April	May	June	July	August	September	October	November	December	Total
Year 1													
Interest on Long term Loan	36,668,736	36,118,137	35,560,197	34,994,818	34,421,901	33,841,344	33,253,047	32,656,906	32,052,816	31,440,672	30,820,366	30,191,789	402,020,728
Interest on Discounted invoices													
Total	36,668,736	36,118,137	35,560,197	34,994,818	34,421,901	33,841,344	33,253,047	32,656,906	32,052,816	31,440,672	30,820,366	30,191,789	402,020,728
Year 2													
Interest on Long term Loan	29,554,831	28,909,380	28,255,323	27,592,546	26,920,931	26,240,362	25,550,718	24,851,879	24,143,722	23,426,124	22,698,957	21,962,094	310,106,866
Interest on Discounted invoices													
Total	29,554,831	28,909,380	28,255,323	27,592,546	26,920,931	26,240,362	25,550,718	24,851,879	24,143,722	23,426,124	22,698,957	21,962,094	310,106,866
Year 3													
Interest on Long term Loan	21,215,407	20,458,764	19,692,032	18,915,078	18,127,764	17,329,952	16,521,503	15,702,274	14,872,123	14,030,903	13,178,466	12,314,664	202,358,930
Interest on Discounted invoices													
Total	21,215,407	20,458,764	19,692,032	18,915,078	18,127,764	17,329,952	16,521,503	15,702,274	14,872,123	14,030,903	13,178,466	12,314,664	202,358,930
Year 4													
Interest on Long term Loan	11,439,344	10,552,354	9,653,537	8,742,735	7,819,790	6,884,539	5,936,817	4,976,460	4,003,298	3,017,160	2,017,873	1,005,263	76,049,170
Interest on Discounted invoices													
Total	11,439,344	10,552,354	9,653,537	8,742,735	7,819,790	6,884,539	5,936,817	4,976,460	4,003,298	3,017,160	2,017,873	1,005,263	76,049,170

In support of the proposed project, we have companies willing and able to support our business by contracting our company to transport petroleum products to their clients in neighbouring countries.

1. Dalbit International based in Mauritius will give us a 2yrs contract for transport from Dares salaam to Lubumbashi, Ndola and Lusaka.

2. Africom Ltd based in Rwanda will issue a 2yrs transport contract from Dares salaam to Lubumbashi, Goma and Kigali

3. Mt Meru Zambia ltd will issue 1yr transport contract from Dares salaam to DRC.

4. INTERSTATE ENERGY Ltd will issue 1yr transport contract renewable from Dares salaam to DRC

With above mentioned we are sure that for the acquired trucks, there is a ready business for trucks to be utilized and repay back the bank.