



MACE PRE AND PRIMARY SCHOOL

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P.O. Box 2259, Dar es Salaam - Tanzania.

Business Plan

For

Operating School Project

Project Location: Plot No. 108 Block 7, Kibada, Temeke district, Dar es Salaam Region.

1.0. Project Concept

MACE School is a private school with Registration No. EM. 20431 dated 17th November, 2023 located in a well – populated residential area at Plot No. 108 Block 7, Kibada, Temeke district, Dar es Salaam Region.

MACE School is a standard private school that is composed of kindergarten and primary school, the project is predominantly funded through shareholders contribution, cashflows from tuition fees and of course from other private sources.

MACE School is a client-focused and result driven private school that provides broad-based learning approaches and experience at an affordable fee that won't in any way put a hole in the pockets of our clients (students and parents alike).

MACE School offers standard and professional teaching services in a highly secured and conducive learning environment to all our students that is kindergarten and primary school up to standard seven secondary. MACE School Management will ensure that, the school meet and surpass all our students' expectations and educational goals whenever they enroll in our school tutorial.

At MACE School, our students' overall best interest would always come first, and everything we do is guided by our values and professional ethics. MACE School Management will ensure that we hire professional educationist cum teachers in various subjects who are well experienced and passionate in imparting knowledge to students at various learning ladder.

MACE School Management will at all time demonstrate her commitment to sustainability, both individually and as an educational organization, by actively participating in our communities and integrating sustainable business practices wherever possible.

MACE School Management will ensure that we hold ourselves accountable to the highest standards by meeting our students' needs precisely and completely. MACE School Management will cultivate a working environment that provides a human, sustainable

approach to earning a living, and living in our world, for our partners, employees and for our students.

MACE School Management have plans to offer learning platforms to people with both learning disability and physical disability (especially the blind, the dumb and the deaf).

Our overall business goal is to position our school to become the leading tutorial brand in the educational industry in the whole of Dar es Salaam and neighboring regions, and also to be amongst the top 30 private schools in the Tanzania within the first 10 years of operations.

This might look too tall a dream but we are optimistic that this will surely come to pass because we have done our research and feasibility studies and we are enthusiastic and confident that Kibada Area is the right place to launch our private school.

MACE School is founded by **Mrs. Cecilia Otieno Igogo** and family. She is an educationist per excellence.

Mrs. Cecilia Otieno Igogo has both the academic qualifications and experience to run a private school that can favorably compete with other leading private schools not only in Dar es Salaam, but at MACE School so throughout the United Republic of Tanzania.

2.0 Our Products and Services

MACE School is going to offer varieties of educational services within the scope of the education board in the United Republic of Tanzania.

Our intention of starting our private school is to soundly educate people in various subjects and of course to make profits from the education cum private schools' industry and we will do all that is permitted by the law in the United Republic of Tanzania to achieve our aim and business goal. Our service offerings are listed below;

- Teaching basic literacy and numeracy

- Establishing foundations in science, mathematics, geography, history and other social sciences
- Constantly working hard to meet regulatory accreditation standards
- Administering private funding efforts
- Providing access to extracurricular activities
- Retailing of Educational Books and Materials

3.0 Our Mission and Vision Statement

- Our vision is to build a highly competitive private school that will become the number one choice for both parents and students in the whole of Dar es Salaam.
- Our vision reflects our values: integrity, service, excellence and teamwork.
- Our mission is to provide professional and conducive learning environment to students at different level of learning.
- Our overall business goal is to position MACE School to become the leading private school brand in the educational cum private school industry in the whole of Dar es Salaam, and also to be amongst the top 30 private schools in the United Republic of Tanzania within the first 10years of operations.

4.0 The over view of private schools in Tanzania

Due to financial constraints, the government has been obliged to change from being the key player to a facilitator in the provision of education. This new role of the government has led to a more conducive and attractive environment to the private sector to join and invest in the Educational Sector.

Private investment in the Education Sector will go a long way in increasing the establishment of learning institutions, thus imparting both knowledge and technology to the youth for more active participation in the agricultural sector and the whole economy at large.

Dar es Salaam is the most populous city in Tanzania with over five million inhabitants, which is nine percent of all people in Tanzania's Mainland, Dar es Salaam accounts for the highest number of private schools, with 22 percent of all private schools in the country.

According to an analysis of data from COBET, the National Examination Council of Tanzania (NECTA), and the Population and Housing Census 2022, Dar is the only city whose number of private primary schools exceeds that of public schools by seven percent.

While almost a quarter of all privately owned primary schools are located in Dar, the second quarter belongs to the regions of Mwanza, Arusha, Kilimanjaro, and Pwani, which is the closest to Dar.

In other words, 50 percent of all privately owned primary schools in Tanzania are located in just five out of 26 regions of Tanzania Mainland.

On the contrary, only three percent of private schools are located in the bottom five regions, including Katavi (nine schools), Mtwara (13 schools), Simiyu (14 schools), Rukwa (15 schools) and Lindi (15 schools).

The distribution of private schools across the country caters to the more affluent and urban segments of society. Based on the data, we see a relationship between Tanzania's population and the location of private schools.

One possible explanation is that the city attracts more affluent and educated families who can afford to pay for private schooling, which ranges from a few hundred thousand to four million per year, depending on the status of the school.

Private schools that offer international curricula are exceptionally expensive, and only a few can afford to enroll their children.

Another possible explanation is that there is a higher demand for private schools in the city due to the perceived or actual low quality of public education, which suffers from overcrowding and teacher shortages.

A third possible explanation is that private schools offer more diverse and international curricula, such as CBSE, ICSE, CIE CAIE Cambridge, IB, and state board, which may appeal to parents who want their children to have a competitive edge in the global market or to pursue higher education abroad.

The trends influence all these possible scenarios in the population size and structure.

Tanzania's population is growing alarmingly while many people, especially youths, move from rural to urban areas such as Dar, Mwanza, and Arusha.

Data suggests a high demand for private education in urban settings, especially among the residents who can afford it.

On the other hand, regions with low population densities, such as Katavi and Lindi, tend to have the least number of private schools.

Interestingly, regions with higher percentages of rural private schools also tend to have higher percentages of mixed private schools.

Kagera and Kilimanjaro are good examples. This indicates that some private schools are located in areas that are not strictly urban or rural but somewhere between.

Generally speaking, regions with higher population densities, higher urbanization levels, and higher income levels tend to have more private schools than regions with lower population densities, lower urbanization levels, and lower income levels.

5.0 Our Business Structure

It is a known fact that, the success of any business is to a larger extent dependent on the business structure of the organization and the people who occupy the available roles in the organization. MACE School will build a solid business structure that can support the growth of our private school.

MACE School Management will ensure that we hire competent hands (teaching and non-teaching staff members) to help us build the private school of our dream.

The fact that we want to become one of the leading private school brands in the industry in the whole of the United Republic of Tanzania makes it highly necessary for our organization to deliberately build a well-structured business from the onset.

MACE School Management will work hard to ensure that we only attract people with the right mindset to help us achieve our business goals and objectives in record time. Below is the business structure that we will build MACE School;

- Head of The School
- School Administrator

- Tutors for Various Subjects - Primary (kindergarten and Primary School)
- Accountant / Bursar
- Client Service Executive / Front Desk Officer
- Cleaners
- Security Officers
- Others

The board of directors is now managing a school project with the maximum number of students a school can admit and effectively educate kindergarten and primary school total enrolment capacity is 750 students.

The sufficient number of classrooms will be available to conduct classes and educational activities such as; Library, Computer Laboratory, science Laboratory, dining hall, Multipurpose Hall, Administration block, Dormitory, Swimming Pool, Staff canteen, Basketball Court and Football ground etc. The management plans to execute the following:

- Building classes, laboratories, offices, accommodations, dining hall, etc.
- Purchasing 20 buses and 10 minibuses
- Purchasing 2 double cabin pick-up
- Purchasing 2 single cabin pick-up
- Purchasing 4 light truck
- Purchasing 2 sanitary trucks
- Equipping the school with other necessary types of equipment etc.

The envisaged project will reduce the shortage of good and affordable pre and primary schools in Tanzania in Dar es Salaam particular, and the proposed school will provide all basic services required for the school education. The project's detailed designs have been carried out by a reputable local consultant and it is being finalized and will be to be submitted as an attachment when applying for exemptions.

The project will employ adequately trained and experienced teachers and administrators.

The project document presents a proposal by MACE School the company that is managing a school project limited company owned by Tanzanian investors, The project promoters are confident of mobilizing financial resources through owners' equity and cash flows from the business.

5.2 The Project Objectives

The project's main objective is to manage a modern school facility in Tanzania and to apply for a TIC Certificate of Incentives to facilitate the smooth implementation of the project.

6.0 Project Management and Manpower Requirements

For efficient planning, manning, and running of and school's activities, the school will decentralize authority and accountability to the operating schools. The relative strength and adequacy of each department will depend on this input. Staff deployment is based on one's academic qualifications and teaching experience. The number to be engaged is dependent on the total number of subjects being offered against several classes.

The preferred guidelines for teachers/student relationships between 18 to 25, while teachers should not have more than 20 periods a week, have been taken into account.

Gender	Foreign Skilled	Local Skilled	Local Unskilled	Total
Women	10	20	6	36
Men	5	15	10	30
TOTAL	15	35	16	66

6.2 Teaching staff qualification

The school plans to create a strong team of well-motivated experienced teaching staff with commensurate academic qualifications to meet the set standards. This is based on the assumption that a teacher with higher academic qualifications who has had a longer exposure to a wider range of relevant factual knowledge, intellectual and or practical skills all of which can be communicated to the student

7.0 Job Roles and Responsibilities

7.1 Head of the School / School Coordinator:

- Responsible for providing direction for the school
- Creates, communicates, and implements the organization's vision, mission, and overall direction – i.e. leading the development and implementation of the overall organization's strategy.
- Responsible for handling high profile clients and deals
- Responsible for fixing fees and signing business deals (partnership)
- Responsible for signing checks and documents on behalf of the MACE School
- Coordinates all arms of the tutorial school (tutorial center, adult education, home tutors and special education)
- Evaluates the success of the MACE School
- Reports to the board of the MACE School

7.2 School Administrator

- Responsible for overseeing the smooth running of HR and administrative tasks for the school
- Designs job descriptions with KPI to drive performance management for tutors (teachers)
- Regularly hold meetings with key stakeholders (parents and member of the school board) to review the effectiveness of the schools' Policies, Procedures and Processes
- Maintains office supplies by checking stocks; placing and expediting orders; evaluating new products.
- Ensures operation of equipment by completing preventive maintenance requirements; calling for repairs.
- Defines job positions for recruitment and managing interviewing process
- Carries out staff induction for new team members
- Responsible for training, evaluation and assessment of employees
- Responsible for arranging travel, meetings and appointments

- Updates job knowledge by participating in educational opportunities; reading professional publications; maintaining personal networks; participating in professional organizations.
- Oversees the smooth running of the daily activities of the private school.

7.3 Tutors for Various Subjects – Primary (kindergarten through sixth grade)

- Effectively teach subject / subjects as assigned by the school administrator
- Teaching basic literacy and numeracy
- Establishing foundations in science, mathematics, geography, history and other social sciences
- Accesses the progress of students under their care
- Ensure that students abide by the rules and regulations of the school administrator
- Contributes his / her quota towards growing MACE School
- Receives complaints from parents and channel it to the appropriate quarters
- Handles any other duty as assigned by the school administrator.

7.4 Marketing Executive

- Identifies, prioritizes, and reaches out to new students, and business opportunities et al
- Identifies development opportunities; follows up on development leads and contacts; participates in the structuring and financing of projects; assures the completion of development projects.
- Writes winning proposal documents, negotiate fees and rates in line with organizations' policy
- Responsible for handling business research, market surveys and feasibility studies for clients
- Responsible for supervising implementation, advocate for the customer's needs, and communicate with clients
- Develops, executes and evaluates new plans for expanding increase sales
- Documents all customer contact and information
- Represents the company in strategic meetings
- Helps to increase sales and growth for the school

7.5 School Bursar (Accountant)

- Responsible for preparing financial reports, budgets, and financial statements for the organization
- Provides managements with financial analyses, development budgets, and accounting reports; analyzes financial feasibility for the most complex proposed projects; conducts market research to forecast trends and business conditions.
- Responsible for financial forecasting and risks analysis.
- Performs cash management, general ledger accounting, and financial reporting for one or more properties.
- Responsible for developing and managing financial systems and policies
- Responsible for administering payrolls
- Ensures compliance with taxation legislation
- Handles all financial transactions for MACE School
- Serves as internal auditor for MACE School.

7.6 Client Service Executive

- Welcomes / receive parents and students by greeting them in person or on the telephone; answering or directing inquiries.
- Ensures that all contacts with parents and students (e-mail, walk-In center, SMS or phone) provides the parents and students with a personalized customer service experience of the highest level
- Through interaction with parents and students on the phone, uses every opportunity to build parent's interest in the schools' products and services
- Manages administrative duties assigned by the HR and Admin Manager in an effective and timely manner
- Consistently stays abreast of any new information on the organizations' products, promotional campaigns etc. to ensure accurate and helpful information is supplied to parents and students when they make enquiries
- Receives parcels / documents for MACE School

- Distribute mails in the organization
- Handles any other duties as assigned by the School Administrator.

7.7 Cleaners

- Responsible for cleaning the school facility at all times
- Ensures that toiletries and supplies don't run out of stock
- Cleans both the interior and exterior of the school's facility
- Handles any other duty as assigned by the school administrator

7.8 Security Officers

- Ensures that the school facility is secured at all time
- Controls traffic and organize parking
- Gives security tips to staff members from time to time
- Patrols around the building on a 24 hours basis
- Submits security reports weekly
- Any other duty as assigned by the school administrator

8.0 SWOT Analysis

MACE School engaged the services of a core professional in the area of business consulting and structuring with bias in the education sector to assist us in building a well – structured private school that can favorably compete in the highly competitive education cum private schools' industry in the United Republic of Tanzania.

Part of what the team of business consultant did was to work with the management of our organization in conducting a SWOT analysis for MACE School. Here is a summary from the result of the SWOT analysis that was conducted on behalf of MACE School;

- **Strength:**

As a private school, our core strength lies in the power of our team; our workforce. We have a team with excellent qualifications and experience in the educational sector. We are well positioned in a community with the right demography and we know we will attract loads of students from the first day we open our doors and welcome students for enrollment.

- **Weakness:**

As a new private school in Kibada-Dar es Salaam, it might take some time for our organization to break into the market and gain acceptance via reputation in the already saturated education cum private schools' industry; that is perhaps our major weakness.

- **Opportunities:**

The opportunities in the education cum private schools' industry is massive considering the number of parents who would want their wards to perform excellently well in their education and go ahead to be admitted in Secondary school and higher learning institutions.

As a standard school, MACE School is ready to take advantage of any opportunity that comes her way.

- **Threat:**

Every business faces a threat or challenge at any part of the life cycle of the business. These threats can be external or internal. This shows the importance of a business plan, because most threats or challenges are to be anticipated and plans put in place to cushion what effect they might bring to the private school.

Some of the threats that we are likely going to face as a private school operating in the United Republic of Tanzania are unfavorable government policies that might affect private schools, the arrival of a competitor within our location of operations and global economic downturn which usually affects spending / purchasing power.

There is hardly anything we can do as regards these threats other than to be optimistic that things will continue to work for our good.

9 MARKET ANALYSIS

9.1 Market Trends

The trend in the private school line of business is that the key to attracting students is the educational performance and the pass rate of their students in national exams.

Any private school that has good records will always thrive. The demand for private schools is driven by the fact that most public cum government owned schools cannot accommodate every student or potential students in a given geographical location.

In some cases, students with special needs cannot cope in public schools hence the need for private schools. The economic downturn hasn't really affected this industry, especially in countries that believe in the efficacy of education.

The areas you would need to spend heavily on is in ensuring that your school is up to standard, your advertisements, and on insurance policy cover. Lastly, it is trendier to find private schools engaging in extra - curricular activities and as a matter of fact, a private school that thrives in sports can leverage on that to attract students who are sports inclined.

9.2 Our Target Market

As a standard private, MACE School is going to offer varieties of educational services within the scope of the education board in the United Republic of Tanzania. Our intention of starting our private school is to soundly educate people in various subjects and of course to make profits from the education cum private schools' industry

Our target market as a private school cuts across people (students) of different class and people from different culture background whether African, White, Latinos, Indians, and Asians. We are coming into the education cum private schools' industry with a business

concept that will enable us work with the students at different learning stages within Tanzania and neighboring.

9.3 Marketing Strategy and Sales Strategy

MACE School Management is mindful of the fact that there is stiffer competition amongst private schools in the United Republic of Tanzania; hence we have been able to hire some of the best marketing experts to handle our sales and marketing concerns. Our sales and marketing team will be recruited base on their vast experience in the industry and they will be trained on a regular basis so as to be well equipped to meet their targets and the overall goal of the private school.

MACE School Management will also ensure that our students' excellent results from national exams and other exams speaks for us in the marketplace; we want to build a standard and first - class private school that will leverage on word-of-mouth advertisement from satisfied clients (both individuals and corporate organizations).

Our goal is to grow our private school to become one of the top 30 private schools in the United Republic of Tanzania which is why we have mapped out strategy that will help us take advantage of the available market and grow to become a major force to reckon with not only in Dar es Salaam but also in other regions in the United Republic of Tanzania and neighboring counties.

MACE School is set to make use of the following marketing and sales strategies to attract clients;

- Introduce our private school by sending introductory letters alongside our brochure to schools, parents / household and key stake holders in Dar es Salaam .
- Print out fliers and business cards and strategically drop them in schools, libraries and even student organizations.
- Creating a website, allows parents to be able to look you up, and also allows you to post general study tips, giving you an added advantage.

- Use friends and family to spread word about our private school
- Introduce MACE School to learning specialists, school coaches, school administrators, teachers, guidance counselors especially as they are with students everyday
- Post information about MACE School on bulletin boards in places like schools, libraries, and local coffee shops.
- Placing a small or classified advertisement in the newspaper, or local publication about MACE School
- Using tutorial referral networks such as agencies that will help match students with MACE School
- Joining relevant association or body that will enable you network and meet others in same industry.
- Advertising online by using an advertising platform such as Google Adwords, that will allow us place text advertisements alongside on websites with related contents, and along results from search engines.
- Advertise our private school in relevant educational magazines, newspapers, TV stations, and radio station.
- Attend relevant educational expos, seminars, and business fairs et al
- Engage direct marketing approach
- Encourage word of mouth marketing from loyal and satisfied clients

9.4 Publicity and Advertising Strategy

MACE School Management is aware of the potency of a good publicity strategy hence we have been able to work with our brand and publicity consultants to help us map out publicity and advertising strategies that will help us walk our way into the heart of our target market.

MACE School Management is set to become the number one choice for both parents and students in the whole of Dar es Salaam which is why we have made provisions for effective publicity and advertisement of our private school. Below are the platforms we intend to leverage on to promote and advertise MACE School;

- Place adverts on both print (community-based newspapers and magazines) and electronic media platforms
- Sponsor relevant community-based events / programs
- Leverage on the internet and social media platforms like; Instagram, Facebook, twitter, YouTube, Google + et al to promote our brand
- Install our Bill Boards on strategic locations all around Dar Salaam.
- Engage in road show from time to time in targeted neighborhoods in and around Dar es Salaam
- Distribute our fliers and handbills in target areas in and around Dar es Salaam region
- Passing general information via our school's social media handles like twitter, Facebook, Google hangouts etc.
- Ensure that all our teaching and non – teaching staff members wear our branded shirts and all our vehicles are well branded with our schools' logo et al.

9.5 Our Pricing Strategy

Private schools in the United Republic of Tanzania and of course in all the parts of the world charge students per term / per session and students have the options of either paying their tuitions before resumption or during the school session.

Private schools generally charge students based on loads of factors, locations, services offerings and extra – curricular activities et al At MACE School we will keep our fees below the average market rate for all of our students by keeping our overhead low and by collecting payment in advance.

In addition, we will also offer special discounted rates to all our students at regular intervals. We are aware that there are some students that would need special assistance, we will offer flat rate for such services that will be tailored to take care of such students' needs.

9.6 Payment Options

At MACE School, our payment policy will be all inclusive because we are quite aware that different people prefer different payment options as it suits them. Here are the payment options that we will make available to our clients;

- Payment by via bank transfer
- Payment via online bank transfer
- Payment via check
- Payment via bank draft
- Payment via mobile money
- Payment with cash

In view of the above, we have chosen banking platforms that will help us achieve our plans with little or no itches.

10.0 Our competitive advantage

Indeed, the private school's industry is highly competitive and the entry barriers are high. As a matter of fact, the private school industry is an industry in which it is pretty difficult for new entrants to establish themselves. So also, the reputation of the private school is of utmost importance, as private schools that have a good history of getting students into prestigious colleges often have the best reputations hence good enrollments.

With this, it is obvious that a new entrant into the private school industry cannot offer this. Reputation indeed is imperative to parents' decisions when shopping for private school for their wards. This is so because the quality of education cannot be assessed until well after it is complete.

As a major marketing tool, schools need to show parents a track record of admission to elite colleges and universities. We are quite aware that to be highly competitive in the education cum private schools' industry means that you should be able to deliver consistent quality

service, your students should be able to experience remarkable difference and improvement and you should be able to meet the expectations of both students and parents alike.

MACE School might be a new entrant into the education cum private schools' industry in the United Republic of Tanzania, but the management staffs and owners of the private school are considered gurus. They are people who are core professionals, licensed and highly qualified educationist / teachers at various levels of learning in the United Republic of Tanzania. These are part of what will count as a competitive advantage for us.

Lastly, our employees (teaching and non - teaching staff members) will be well taken care of, and their welfare package will be among the best within our category (startups private school in the United States) in the industry meaning that they will be more than willing to build the business with us and help deliver our set goals and achieve all our business aims and objectives.

10.1 SALES AND MARKETING STRATEGY

- **Sources of Income**

MACE School is established with the aim of maximizing profits in the education cum private schools' industry and we are going to go all the way to ensure that we do all it takes to attract students on a regular basis. MACE School will generate income by offering the following tutorial services;

- Teaching basic literacy and numeracy
- Establishing foundations in science, mathematics, geography, history and other social sciences
- Constantly working hard to meet regulatory accreditation standards
- Administering private funding efforts
- Providing access to extracurricular activities
- Retailing of Educational Books and Materials

10.2 Monitoring and Evaluation

The Management has full commitment to ensuring good use of the resourced and sustainable environment and the well-being of the community with which they do business. Thus, the management philosophy is through business processes, managers will strive to ensure compliance with standards and the quality of education provided by the school. Management will establish a system of getting feedback from customers every quarter not only that but management will be making performance assessments every year to fill in the existing gap.

10.3 Aspect of Project Sustainability

The project sponsors having studied market conditions, and the infrastructure in Tanzania and being in the education sector for 3 years are convinced that the project will be able to operate undisturbed. The growing need for pre and primary schools' education assures them of a steady market. The peace and tranquility that exist in Tanzania is another aspect of assured business sustainability.

10.4 Projected Risks

This is an education sector investment; no major risks have been identified for this kind of project so far. Unless a change in the country's political and economic stability occurs, the project is more likely to prosper very fast for a very long period

11.0 Project Investment Cost

The estimated capital investment cost of the project is US\$1,690,000

MACE School COST STRUCTURE

PARTICULAR	US\$
Land and Buildings	1,000,000.00
Machinery & Equipment	150,000.00
Motor Vehicles	300,000.00
Furniture & Fixtures	150,000.00
Pre exp	10,000.00
Others	25,000.00
Working Capital	200,000.00
TOTAL	1,835,000.00

11.1 Financing Pattern

The project will be financed by equity of US\$1,035,000, a loan of US\$ 800,000, and project cash flows realized from business

12.0 Financial Analysis

12.1 Considerations and Assumptions:

The corporate tax charged is 30% of the profits. The capital investment allowance is 50%. The capital assets are exempted from customs duty and Value Added Tax. The straight-line method to depreciate the project's capital items has been applied, it is assumed to be 2% annual depreciation for building and 10% for other assets.

It is assumed that the major building raw material will be procured from the local market and others will be imported. Revenues have been conservatively estimated based on the experience of the promoters and trends in the education sector.

12.2 Projected Revenue

For projection purposes, it is assumed that the economic life of the project is 10 years, and that revenue from school business commence from the first year of operation.

12.3 Projected Profit and Loss Statement

The Income and Expenditure Statement shows the projected income for the 8 years. The position depicted is that the project earns profit throughout its life, accumulated profit grows from US\$ 167,930 in the first year to US\$ 2,795,153 in the 10th year refer appendix (I)

12.3 Projected Cash Flows

This is shown in the Projected Cash Flows Statement in appendix (II). They indicate that the project will meet its entire financial obligation, the cash flow in the first year of **US\$ 282,430** and grow up to **US\$ 3,604,153** in the 10th year.

12.4 Projected Balance Sheet

The projected Balance Sheet of the projected is shown in the financial statements under **appendix (III)** Shareholders equity increases from to m US\$ **1,035,000** in the first year to US\$ **3,830,153** in 10.th year

12.5 Projected payback period

Total investment is US\$**1,835,000**, cash accumulated in 4th years is US\$ **2,183,994** which is more than the initial investment by US\$ 333,994., and the payback period is within 4 years.

12.6 Implementation Schedule

Project implementation is expected to be completed within 8 years once the project has been approved.

13.0 Economic Aspects

Implementation of this project will have the following social and economic values

- The project will significantly contribute to increasing the of quality education in Tanzania
- The project will create direct employment for **66** people on a permanent contract basis let alone temporary employees.

- It will create more business opportunities for local suppliers, which will also have a trickle-down effect on the Tanzania economy as a whole.
- It will generate substantial revenue for the government in the form of corporate tax paid for years, value-added tax and pay as you earn, etc.
- The project will have the transfer of knowledge and skills as far as managing schools is concerned

14.0 Conclusion and Recommendations

The project is technically feasible, financially viable, and economically sound, provided the sponsors will manage it efficiently.

It is recommended that the project be approved by the Tanzania Investment Centre and be granted the TIC Certificate of Incentives with its associated privileges and benefits as provided for under the Tanzania Investment Act, 1997.

Appendix (I)

MACE School PROJECTED INCOME & EXPENDITURE STATEMENT (US\$)

	1	2	3	4	5	6	7	8	9	10
Revenue (School fees)	600,000	660,000	726,000	798,600	878,460	966,306	1,062,937	1,169,230	1,286,153	1,414,769
Revenue (Selling of uniform)	9,000	9,450	9,923	10,419	10,940	11,487	12,061	12,664	13,297	13,962
Other revenue	5,000	9,000	16,200	29,160	52,488	94,478	170,061	306,110	550,998	991,796
Total revenue	614,000	678,450	752,123	838,179	941,888	1,072,271	1,245,059	1,488,004	1,850,448	2,420,527
Operating Expenses:	245,600	271,380	300,849	335,271	376,755	428,908	498,023	595,202	740,179	968,211
Profit before Depreciation &Interest	354,400	388,620	425,151	463,329	501,705	537,398	564,913	574,029	545,974	446,558
Interest	48,000	38,400	28,800	19,200	9,600	-	-	-	0	0
Depreciation	66,500	66,500	66,500	66,500	66,500	66,500	66,500	66,500	66,500	66,500
Gross Profit	239,900	283,720	329,851	377,629	425,605	470,898	498,413	507,529	479,474	380,058
Tax (30%)	71,970	85,116	98,955	113,289	127,681	141,269	149,524	152,259	143,842	114,017
Profit After Tax	167,930	198,604	230,896	264,340	297,923	329,628	348,889	355,270	335,632	266,040
Accumulated Profit	167,930	366,534	597,430	861,770	1,159,693	1,489,322	1,838,211	2,193,481	2,529,112	2,795,153

Appendix (II)

MACE School PROJECTED CASH FLOW US\$

SOURCES:		1	2	3	4	5	6	7	8	9	10
Profit before interest and depreciation	-	354,400	388,620	425,151	463,329	501,705	537,398	564,913	574,029	545,974	446,558
Equity	1,035,000										
Loan	800,000										
Total Sources	1,835,000	354,400	388,620	425,151	463,329	501,705	537,398	564,913	574,029	545,974	446,558
Applications:											
Capital expenditure	1,600,000	-	-	-	-	-					
working Capital & Others	235,000										
Cash	-	282,430	303,504	326,196	350,040	374,023	396,128	415,389	421,770	402,132	332,540
Tax	-	71,970	85,116	98,955	113,289	127,681	141,269.288	149,523.95	152,258.576	143,842.176	114,017.342
Sub total	1,835,000	354,400	388,620	425,151	463,329	501,705	537,398	564,913	574,029	545,974	446,558
Total applications	1,835,000	354,400	388,620	425,151	463,329	501,705	537,398	564,913	574,029	545,974	446,558
Accumulated cash		282,430	585,934	912,130	1,262,170	1,636,193	2,032,322	2,447,711	2,869,481	3,271,612	3,604,153

MACE School PROJECTED BALANCE SHEET US\$

Fixed Assets		1	2	3	4	5	6	7	8	9	10
Opening balance	–	1,600,000	1,533,500	1,467,000	1,400,500	1,334,000	1,267,500	1,201,000	1,134,500	1,068,000	1,001,500
Total Long-term Assets	–	1,600,000	1,533,500	1,467,000	1,400,500	1,334,000	1,267,500	1,201,000	1,134,500	1,068,000	1,001,500
Less depreciation	–	66,500	66,500	66,500	66,500	66,500	66,500	66,500	66,500	66,500	79,000
Closing balance	–	1,533,500	1,467,000	1,400,500	1,334,000	1,267,500	1,201,000	1,134,500	1,068,000	1,001,500	922,500
Working capital	235,000	235,000	235,000	235,000	235,000	235,000	235,000	235,000	235,000	235,000	3,050,000
Accumulated cash	–	282,430	585,934	912,130	1,262,170	1,636,193	2,032,322	2,447,711	2,869,481	3,271,612	3,604,153
Total assets	235,000	2,050,930	2,287,934	2,547,630	2,831,170	3,138,693	3,468,322	3,817,211	4,172,481	4,508,112	7,576,653
Financed by											
Equity	1,035,000	1,035,000	1,035,000	1,035,000	1,035,000	1,035,000	1,035,000	1,035,000	1,035,000	1,035,000	1,035,000
Accumulated profit	–	167,930	366,534	597,430	861,770	1,159,693	1,489,322	1,838,211	2,193,481	2,529,112	2,795,153
Total equity	1,035,000	1,202,930	1,401,534	1,632,430	1,896,770	2,194,693	2,524,322	2,873,211	3,228,481	3,564,112	3,830,153
Long term loan	800,000	640,000	480,000	320,000	160,000	–	–	–	0	0	0
Total debts	800,000	640,000	480,000	320,000	160,000	–	–	–	–	–	–
Total equity and debts	1,835,000	1,842,930	1,881,534	1,952,430	2,056,770	2,194,693	2,524,322	2,873,211	3,228,481	3,564,112	3,830,153

MACE School PROJECTED COST STRUCTURE US\$

PARTICULAR	US\$
Land and Buildings	1,000,000.00
Machinery & Equipment	150,000.00
Motor Vehicles	300,000.00
Furniture & Fixtures	150,000.00
Pre exp	10,000.00
Others	25,000.00
Working Capital	200,000.00
TOTAL	1,835,000.00

MACE School PROJECTED LONG TERM LOAN REPAYMENT

Year	Principle	Loan Interest (6%)	Total Amount Paid	Loan Balance
1	160,000	48,000.00	208,000.00	800,000.00
2	160,000	38,400.00	198,400.00	640,000.00
3	160,000	28,800.00	188,800.00	480,000.00
4	160,000	19,200.00	179,200.00	320,000.00
5	160,000	9,600.00	169,600.00	160,000.00

MACE School PROJECTED PAYBACK PERIOD US\$

Year	Profit After Tax	Depreciation	Total Cash Flow	Accumulated Cash Flow
1	167,930	66,500	234,430	158,760
2	366,534	66,500	433,034	591,794
3	597,430	66,500	663,930	1,255,724
4	861,770	66,500	928,270	2,183,994
5	1,159,693	66,500	1,226,193	3,410,187
6	1489322	66,500	1,555,822	4,966,009
7	2,193,481.00	66,500.00	2,259,981	7,225,990
8	2,529,112.00	66,500.00	2,595,612	9,821,602