

**TABORA BELMONTE HOTELS
LIMITED**

BUSINESS PLAN

PROJECT:
**PROPOSED EXPANSION OF MODERN FURNITURE
AND CEMENT BLOCKS MANUFACTURERING
FACTORY
ARUSHA / MUNICIPALAITY**

SPONSOR
TABORA BELMONTE HOTELS LIMITED
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**TABORA BELMONTE HOTELS LIMITED
MODERN FURNITURE AND CEMENT BLOCKS
MANUFACTURING FACTORY
ARUSHA MUNICIPALITY**

BUSINESS PLAN

1.0 PROJECT BACKGROUND:

1.1 The Company:

M/S Tabora Belmonte Hotel's Limited is a private company incorporated in November, 2017 by BRELA. The main objects for which it was established include; carrying on the business as general suppliers of all sorts and types of goods and services to individuals, offices, industries, shops, schools, factories, government departments, private companies etc. The authorized share capital of the company is Tshs 50,000,000 divided into 100 shares of Tshs.500,000 each. The company is owned by three (3) Shareholders / Directors with permanent residence in Arusha Municipality. The shareholders are; Carreca Construction Co. Ltd. (40 shares), Edna Johns Lukuta (25 shares) and George Dionise Rutahiwa (25 shares).

1.2 Company Business:

The company upon its establishment took over all the assets and liabilities of Tabora Belmonte Hotels, a Sole Proprietorship owned by Mr. George Dionise Rutahiwa which operated a business in hotel operations based in Tabora Municipality. As at present however, the company disposed of the hotel business and relocated to Arusha Municipality where it now trades in building hardware, concrete blocks and timber and furniture sales. The company now proposes to expand its business by constructing a modern factory for large scale manufacturing of of various household and other furniture and cement Blocks for supplies to private companies, institutional customers as well as individual customers.

1.3 Purpose of the Business Plan:

This document has been prepared to serve the following purposes;

- 1.3.1** To determine the viability of the proposed project and serve as a Business Plan for the company's development program.
- 1.3.2** To facilitate the application for Certificate of Incentives from the Tanzania Investment Centre (TIC) so as to access to exemptions on

duties, VAT deferments and other benefits and protections as statutorily provided for under the Tanzania Investment Act (1997).

- 1.3.3** To utilize the document for possible mobilization of financial credits from local Banks / Financial Institutions or Business Partners for either term loan financing or equity participation by interested partners.

1.3 Company Mission:

The company mission is to deliver high-quality products, on time and at competitive pricing.

1.4 Company Objectives:

The company objectives are: To be a top supplier of high luxury homes and office furniture products and cement blocks and other building materials to serve the local and regional markets.

1.5 Current Project investments:

As of to date, the company has already invested in the Project a total of **Tshs. 407 Million** in purchase of land, workshop building, some machinery for furniture and cement blocks manufacturing and motor vehicles all funded through company equity.

2.0 TECHNICAL ANALYSIS:

2.1 Business Location:

The company workshop and business outlet are located in Arusha Municipality. The locations are within the Municipality Business District and are therefore quite ideal since they are easily accessible and are well served with all basic economic infrastructures i.e. roads, telecommunication and Air links with other Regional Capitals of the United Republic of Tanzania.

2.2 Furniture Manufacturing:

The company proposes to expand its furniture workshop so as to enable the company to produce quality wooden furniture's to serve the high and medium cost income groups in household, office and other furniture's. The products in this regard shall therefore include; Household Furniture's, Hotel Furniture's., Office Furniture's, School Furniture's Hospital Furniture's etc.

2.3 Technical Capability:

The company has already engaged some competent personnel towards this end for both business units. The total establishment after full implementation of the expansion program is estimated at a total of 38 permanent employees irrespective of casual laborers.

2.4 Cement Blocks Fabrication:

The cement blocks fabrication unit is also already operational. The business unit is proposed to be expanded from daily production capacity of about 2,000 blocks to over 6,000 blocks per day. This entails procurement of additional machinery and equipment including motor trucks as provided in the Summary Investment Plan given in schedule I of the excel sheets. The total direct costs involved in cement blocks fabrication works out to about Tshs 1,150 per block. The same unit cost has been applied in the evaluation of this business unit.

2.4 Project Expansion Costs:

The total costs for the expansion program are estimated at **Tshs 486.1 Million** which are proposed to be financed through borrowing from local commercial Banks. The proposed borrowing has been assumed to be repaid within three years' time frame with interest at 20% per annum.

3.0 MARKETS AND MARKETING:

3.1 Furniture Market Overview:

The Market prospects for household and other furniture's are quite good given the fact that demand in this case is directly related to the growth in the building sector in Lake Region. The building sector has generally been growing very fast and continues to grow with increasing economic activities in the northern regions partly due to continued growth of tourism industry. This fact is reflected in the number of new building activities being carried out presently both in commercial housing as well as residential housing. Prospects for more business for the company are therefore quite good given the fact that the company targets to exploit the existing potential in expansion of lodges and hotels to cater for the booming tourism industry.

Apart from household furniture's, prospects in supplies of institutional furniture's such as schools and hospitals also provide high prospects in demand for same due to continuing expansion of same. This market segment is also quite promising in view of increasing investments in new schools and other learning institutions in the Region. The company thus targets to be among major suppliers of school desks and benches in the Region.

3.2 The Market for Cement Blocks:

The market for cement blocks and other building materials has also been growing rapidly due to continued growth of the construction sector in general. Construction activities in this case includes; roads and bridges, industrial and ware house facilities, commercial and residential properties and development of various public based economic infrastructures.

3.3 Competition and Marketing:

Competition from other dealers for all the business Units does exist. This fact is however not considered to be a serious threat to the company expansion plan in view of the growing market demand for the goods manufactured. As a competitive strategy however, the company will strive to strengthen itself in the market by ensuring quality of its products, timely deliveries and sales at competitive pricing so as to maintain solid customer confidence. The company will also continue to introduce itself to new possible customers, through visitation, advertisement and

tendering. With adequate equipment and financial resources, the company will also promote itself through timely and well-executed supply contracts that will portray its working excellence.

4.0 SWOT ANALYSIS:

4.1 Strengths:

The major strengths of the Project include;

- Growing market demand for building materials and furniture's especially due to continued growth of the construction sector in general.
- Established technical competence of the company in manufacture and fabrication of quality furniture's and cement blocks of different sizes.

4.2 Weaknesses:

The major weakness facing the company is lack of adequate machinery and equipment required to coop with the proposed expansion program. This proposal is therefore aimed at addressing the weakness through the proposed application for local incentives from TIC and borrowing from local Banks.

4.3 Opportunities and Threats:

The business has big opportunities for further growth if supported with required investment incentives and financing to support full implementation of the expansion program. The market demand for quality furniture and building materials is big and continues to grow with increasing investments in the housing sector in particular both residential and commercial properties. Threats from other dealers and possible new entrants into the business are not considered to be a serious problem considering the continued growth of the construction sector in general.

5.0 ORGANIZATION AND MANAGEMENT:

5.1 The Board of Directors:

The expansion project is part of the existing operations of company already based in Arusha Municipality. The Board of Directors of the company constituted by two shareholders and the company secretary is the Chief Authority Organ for all policy and business affairs of the company. The Board is led by Mr. George Dionese Rutahiwa who is professionally an Accountant with multiple businesses experiences in the construction industry including running of hotels and lodges.

5.2 Management:

The Management of the factory is led by the Factory Manager engaged from the open labor market. He reports directly to the Executive Director. He is responsible for day to day running of the business supported by experienced technical personnel in all departments of the business units.

5.3 New Job Creation:

The expansion project is expected to generate about 38 new jobs in total thereby supporting the government efforts to generate create new jobs for a pool of unemployed youths in the country. The business would also create a number of indirect jobs who include; food vendors and other general suppliers.

5.4 Training Requirement:

The local construction industry enjoys a pool of trained and experienced manpower which is locally available given the long history of the sector in industrial development of the country. Nevertheless, on the job training by the machinery supplier will need to be undertaken during plant installation and commissioning of the new machinery and equipment.

5.5 Brief Profile of the Investors:

5.5.1 Executive Director:

Full Name	George Dionise Rutahiwa
Position	Shareholder / Executive Director
Nationality	Tanzanian
Gender	Male
Permanent Residence	Arusha Municipality
Profession	Accountant / Businessman

Business Experience	He is the full time Executive Director of the company responsible for overseeing all the business affairs of the company. He has over 15 years' experience in managing various businesses in the construction industry including hotels and general trading businesses.
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5.5.2 Director:

Full Name	Edina Johns Lukuta
Position	Shareholder / Director
Nationality	Tanzanian
Gender	Female
Permanent Residence	Arusha Municipality
Profession	Lawyer / Businesswoman
Business Experience	She is the Principal Assistant to the Managing Director in all company affairs with over 10 years' experience in managing various businesses in the construction industry including hotels and general trading businesses.

6.0 FINANCIAL EVALUATION:

6.1 Assumptions and Considerations:

- 6.1.1 The business is already operational though on small scale based on available machinery and equipment. It has therefore been assumed that it will continue running as a going concern.
- 6.1.2 All revenue and costs have been taken at constant prices with 2024 as base year. Any increase in costs has been assumed to be compensated for by similar increase in revenue.
- 6.1.3 The proposed expansion program of the factory is estimated to cost a total of **Tshs. 486.1 Mill** that has all been assume to be mobilized in term loan from local commercial Banks. The loam has been assumed to be repaid over three (3) years with interest at 20% per annum. As at present, the company shareholders have already invested **Tshs. 407 Million** in the ongoing business.
- 6.1.4 Operating costs of the project have been worked out based on existing operations of the businesses.

6.2 Projected Income Statement:

Over the five years projected period, the business is projected to generate sales turnover of Tshs. 3.736 Billion increasing to Tshs. 4.119 Billion by the third year. Net profit after tax for the first year is projected at **Tshs 537.8 Million** increasing to 671.6 Million by the 3rd year as per detailed workings given in schedule VIII to this report.

6.3 Projected Cash Flow:

The projected Annual cash flow indicates a sound cash movement throughout the five years projected period. The net cash balance for the first year is projected at Tshs. balance of Tshs 526.5 Million increasing to Tshs. 560.8 Million by the second year and to Tshs. 596.4 Million by the third year. The cash flow after the expansion program indicates that the business would be able to meet all its maturing financial obligations without problems. Detailed workings are as provided in schedule X of this report.

6.4 Projected Balance Sheet:

The projected balance sheet is as given in schedule XI. It indicates that the value of net business assets is expected to grow from Tshs. 1.045 Billion in the first year to Tshs. 3.824 Billion by the end of the 5th year.

6.5 Financial Rate of Return (IRR):

The internal rate of return (IRR), after tax works out to over 50% as compared to the assumed cost of capital of 20% per annum as per details given in schedule XII. The proposal to expand the ongoing business venture is therefore technically feasible and financially viable.

7.0 ENVIRONMENTAL ASPECTS:

The business is environmentally friendly since it does not involve processing or production of any hazard materials. No major environmental hazards are therefore expected as result of the operations of this business. The disposal of any waste materials arising from processing and packaging of goods is well disposed through existing Arusha City waste collection system.

8.0 RISK ANALYSIS:

The major risk factor considered is the possible outbreak of fire. The company shall however take fire policy insurance to cover for such risk.

9.0 SECURITY FOR THE FACILITY:

The company has adequate security in landed properties to cover for the proposed credit facility from local banks. Details on the security shall be provided separately in the Valuation Report.

10.0 CONCLUSION & RECOMMENDATION:

10.1 Conclusion:

- The foregoing analysis demonstrates that the proposal by the project promoters to invest in the proposed expansion program of the existing operations in furniture and cement blocks production is technically feasible, financially viable and economically sound.
- The project is to utilize raw materials that are mostly to be procured locally. All the required machinery and equipment for the business units are to be installed in the existing factory buildings at same site.

10.2 Recommendation:

In view of the above, conclusions and considerations, it is recommended for the project promoters to proceed and invest in the proposed expansion program and register for Certificate of Incentives from the Tanzania Investment Centre (TIC) so as to access to exemptions on duties, VAT deferrals and other benefits and protections as statutorily provided for under the Tanzania Investment Act (1997).

TABORA BELMONTE HOTEL'S LIMITED
MODERN FURNITURE AND CEMENT BLOCKS MANUFACTURES
PROJECT INVESTMENT SUMMARY

			SCHEDULE I	
			Tshs.000	
S/NO.	TIC APPROVED LIST	QTY	UNIT COST	TOTAL COST
INVESTMENTS				
A MACHINERY				
1	Band saw Machine Mj346	1	1,554,000	1,554,000
2	Wood circular saw MJ-113T	1	2,421,650	2,421,650
3	Sliding Table saw MJ90B	2	5,086,500	10,173,000
4	Wood Radial arm saw MJ930	1	2,041,000	2,041,000
5	Surface planer MB505	2	3,003,000	6,006,000
6	Thickness planer MB106cm	2	3,783,000	7,566,000
7	Wood line Machine MB105	1	2,639,000	2,639,000
8	Square driller Mz1610A/D	2	1,677,000	3,354,000
9	Press drill machine	1	2,340,000	2,340,000
10	Drying kiln dryer machine for wood	1	3,100,000	3,100,000
11	Air compressor piston high	3	910,000	2,730,000
12	Slot milling Knife-10mm, 15mm, 20mm	15	41,080	616,200
13	Chanson finger joint cutter	10	17,680	176,800
14	Electric Stapler gun machine	20	128,700	2,574,000
15	Vertical hand saw Mj346	3	275,600	826,800
16	Five function combined machine width 300mm	1	5,408,000	5,408,000
17	Air compressor 1500X4-160 L	1	1,690,000	1,690,000
18	Vibrator/Compactor	3	1,216,800	3,650,400
19	Double layer Roof roll forming machines	1	15,120,000	15,120,000
20	Wood sanding machine MF 22130X	1	27,300,000	27,300,000
21	Heavy duty sewing machine for tents-Double n	3	3,900,000	11,700,000
22	Tarpaulin curtain eyelet machine	2	2,158,000	4,316,000
23	Tarpaulin welding Machine	1	11,700,000	11,700,000
24	Block Machine-QT4-40	2	15,900,000	31,800,000
25	Sand mixer	2	1,218,800	2,437,600
26	Concrete Mixer	2	2,340,000	4,680,000
27	SUB TOTAL			167,920,450
B TOOLS AND EQUIPMENT				
1	Clamp 1.5m	50	48,880	2,444,000
2	Spindle shaper with sliding table mx5116T	1	3,237,500	3,237,500
3	straight knife grinder MF 207	2	1,398,000	2,796,000
4	Portable compressor 5litres	5	338,000	1,690,000
5	Furniture Automatic Spray paint-door, flames, cc	1	5,370,000	5,370,000
6	miter saw 10'	3	309,400	928,200
7	wood Lather	1	5,200,000	5,200,000
8	Hand drill	4	54,080	216,320
9	Four sided planer	1	3,354,000	3,354,000
10	62' inches large size-horizontal bandsaw mill b:	1	5,760,000	5,760,000
11	wood chipper&Log Splitter	1	3,900,000	3,900,000
12	Wheel barrow A&B	7	72,800	509,600
13	Water pumps	4	150,800	603,200
14	Min forklift	1	15,548,000	15,548,000
15	SUB TOTAL			51,556,820
C MOTOR VEHICLES & TRUCKS				
1	Distribution Tree wheels motor cycle	2	4,500,000	9,000,000
2	Toyota Pick up	1	25,000,000	25,000,000
3	Water bouser 15,000 Litres	1	33,800,000	33,800,000
4	Fuso 4.5 CBM	1	65,000,000	65,000,000
5	Scania Dump truck 16CBM	1	120,000,000	120,000,000
6	35 KVA Generator	1	13,810,800	13,810,800
7	SUB TOTAL			266,610,800
8	TOTAL INVESTMENT COSTS			486,088,070
D TOTAL PROJECTION SUMMARY				
1	Furniture Factory Estimate Cost			117,412,470
2	Block Factory Estimate Cost			158,675,600
3	Car for Disstribution			210,000,000
4	TOTAL INVESTMENT SUMMARY			486,088,070
E AMOUNT INVESTED IN THE PROJECT				
1	Building and workshop	1		159,000,000
2	Land-Title deed	1		55,000,000
3	Motor Vehicle (Isuzu injection)	1		30,000,000
4	Block Mashine Complete set	1		36,000,000
5	Scania 124 420 (32 Ton)	1		127,000,000
6	TOTAL			407,000,000

TABORA BELMONTE HOTEL'S LIMITED
 MODERN FURNITURE AND CEMENT BLOCKS MANUFACTURES
 INVESTMENT AND FINANCING PLAN

		SCHEDULE II Tshs.000	
S/No.	Non Current Assets	Existing	Additions
1	Land	55,000	-
2	Buildings & Workshop	159,000	-
3	Furniture & Fixtures	-	-
4	Machinery & Equipment	36,000	167,920
5	Tools and Equipment	-	51,557
6	Motor Vehicles & Trucks	157,000	266,611
7	Sub Total	407,000	486,088
Current Assets			
8	Cash and Cash Equivalent	25,167	-
9	Trade & Other Receivables	77,384	-
10	Stock and Store	897,115	-
11	Sub Total	999,666	-
12	Working Capital	-	100,000
13	TOTAL	1,406,666	586,088

		FINANCING PLAN:		TOTAL		TOTAL	
S/No/	investments	Existing Structure Equity	Loans	Financing Equity	Additions Equity	Bank Loan	Financing Equity
1	Land	55,000	0	55,000	-	-	55,000
2	Buildings & Workshop	159,000	0	159,000	0	-	159,000
3	Furniture & Fixtures	-	0	-	-	0	-
4	Machinery & Equipment	36,000	0	36,000	-	167,920	203,920
5	Tools and Equipment	-	0	-	-	51,557	51,557
6	Motor Vehicles & Trucks	157,000	-	157,000	-	266,611	423,611
8	Sub Total	407,000	-	407,000	-	486,088	893,088
Current Assets:							
7	Cash and Cash Equivalent	25,167	0	25,167	-	0	25,167
8	Trade & Other Receivables	77,384	0	77,384	-	0	77,384
10	Stock and Store	897,115	0	897,115	-	0	897,115
11	Sub Total	999,666	-	999,666	-	0	999,666
12	Working Capital	0	-	0	100,000	0	100,000
13	TOTAL FINANCING	1,406,666	-	1,406,666	100,000	486,088	1,992,754
14	Financing Gearing %	100%	0%	100%	76%	24%	100%

**TABORA BELMONTE HOTEL'S LIMITED
MODERN FURNITURE AND CEMENT BLOCKS MANUFACTURES
ECONOMIC DEPRECIATION SCHEDULE**

SCHEDULE III

Tshs.000

S/No. Investments	Value	Depr. Rates %	Year				
			2024/25	22025/26	2026/27	2027/28	2028/29
1 Land	55,000	0%	-	-	-	-	-
2 Buildings & Workshop	159,000	2.0%	3,180	3,180	3,180	3,180	3,180
3 Furniture & Fixtures	-	12.5%	-	-	-	-	-
4 Machinery & Equipment	203,920	12.5%	25,490	25,490	25,490	25,490	25,490
5 Tools and Equipment	51,557	12.5%	6,445	6,445	6,445	6,445	6,445
6 Motor Vehicles & Trucks	423,611	20.0%	84,722	84,722	84,722	84,722	84,722
7 TOTAL	893,088		119,837	119,837	119,837	119,837	119,837

TABORA BELMONTE HOTEL'S LIMITED
MODERN FURNITURE AND CEMENT BLOCKS MANUFACTURES
LOAN REPAYMENT SCHEDULE

LOAN REPAYMENT SCHEDULE					SCHEDULE IV
Bank Borrowing					486,088,070
Annual Interest Rate Decl. Balance					20%
Repayment period in months					36
Amount of Interest (Tshs)					164,243,812
Monthly Equal Instalments (Tshs)					18,064,775
No of Months	Opening Balance	Monthly Instalment	Principal	Interest	Loan Balance at end of the month
2024/25					486,088,070
1	486,088,070	18,064,775	9,963,307	8,101,468	476,124,763
2	476,124,763	18,064,775	10,129,362	7,935,413	465,995,402
3	465,995,402	18,064,775	10,298,184	7,766,590	455,697,217
4	455,697,217	18,064,775	10,469,821	7,594,954	445,227,396
5	445,227,396	18,064,775	10,644,318	7,420,457	434,583,078
6	434,583,078	18,064,775	10,821,723	7,243,051	423,761,355
7	423,761,355	18,064,775	11,002,085	7,062,689	412,759,270
8	412,759,270	18,064,775	11,185,453	6,879,321	401,573,816
9	401,573,816	18,064,775	11,371,878	6,692,897	390,201,939
10	390,201,939	18,064,775	11,561,409	6,503,366	378,640,530
11	378,640,530	18,064,775	11,754,099	6,310,676	366,886,431
12	366,886,431	18,064,775	11,950,001	6,114,774	354,936,430
Sub Total		216,777,294	131,151,640	85,625,654	
2026/27					
13	354,936,430	18,064,775	12,149,167	5,915,607	342,787,263
14	342,787,263	18,064,775	12,351,653	5,713,121	330,435,610
15	330,435,610	18,064,775	12,557,514	5,507,260	317,878,095
16	317,878,095	18,064,775	12,766,806	5,297,968	305,111,289
17	305,111,289	18,064,775	12,979,586	5,085,188	292,131,703
18	292,131,703	18,064,775	13,195,913	4,868,862	278,935,790
19	278,935,790	18,064,775	13,415,845	4,648,930	265,519,945
20	265,519,945	18,064,775	13,639,442	4,425,332	251,880,503
21	251,880,503	18,064,775	13,866,766	4,198,008	238,013,737
22	238,013,737	18,064,775	14,097,879	3,966,896	223,915,858
23	223,915,858	18,064,775	14,332,844	3,731,931	209,583,014
24	209,583,014	18,064,775	14,571,724	3,493,050	195,011,290
Sub Total		216,777,294	159,925,140	56,852,154	
25	195,011,290	18,064,775	14,814,586	3,250,188	180,196,704
26	180,196,704	18,064,775	15,061,496	3,003,278	165,135,208
27	165,135,208	18,064,775	15,312,521	2,752,253	149,822,687
28	149,822,687	18,064,775	15,567,730	2,497,045	134,254,957
29	134,254,957	18,064,775	15,827,192	2,237,583	118,427,765
30	118,427,765	18,064,775	16,090,978	1,973,796	102,336,787
31	102,336,787	18,064,775	16,359,161	1,705,613	85,977,625
32	85,977,625	18,064,775	16,631,814	1,432,960	69,345,811
33	69,345,811	18,064,775	16,909,011	1,155,764	52,436,800
34	52,436,800	18,064,775	17,190,828	873,947	35,245,972
35	35,245,972	18,064,775	17,477,342	587,433	17,768,631
36	17,768,631	18,064,775	17,768,631	296,144	0
Sub Total		216,777,294	195,011,290	21,766,004	
GRAND TOTAL		650,331,882	486,088,070	164,243,812	

**TABORA BELMONTE HOTEL'S LIMITED
MODERN FURNITURE AND CEMENT BLOCKS MANUFACTURES
STAFF SALARIES**

					SCHEDULE V
					Tshs.
S/NO	STAFF	NO.	SALARY RATES	MONTHLY SALARIES	ANNUAL SALARIES
A:	Administrative Division				
1	Factory Manager	1	1,000,000	1,000,000	12,000,000
2	Finance & Administrative Manager	1	800,000	800,000	9,600,000
3	Accounts and Sales	2	500,000	1,000,000	12,000,000
4	Secretary	2	350,000	700,000	8,400,000
5	Procurement and Transport	2	400,000	800,000	9,600,000
6	Office Attendants	2	250,000	500,000	6,000,000
7	Security Guards	2	200,000	400,000	4,800,000
	Sub Total	12		5,200,000	62,400,000
B:	Furniture Manufacturing Division				
1	Production Foreman	1	500,000	500,000	6,000,000
2	Quality Controller	1	400,000	400,000	4,800,000
3	Carpenters	6	350,000	2,100,000	25,200,000
4	Parking and Storage	2	300,000	600,000	7,200,000
	Sub Total	10		3,600,000	43,200,000
C:	Cement Blocks Manufacturing				
1	Production Foreman	1	500,000	500,000	6,000,000
2	Quality Controller	1	400,000	400,000	4,800,000
3	Block Manufacturing Hands	6	150,000	900,000	10,800,000
4	Truck Drivers	2	250,000	500,000	6,000,000
5	Casual Labourers	6	100,000	600,000	7,200,000
6	Sub Total	16		2,900,000	34,800,000
7	GRAND TOTAL	38		11,700,000	140,400,000
8	NSSF (10%)			1,170,000	14,040,000
9	SDL (5%)			585,000	7,020,000
10	TOTAL STAFF SALARIES			13,455,000	161,460,000

**TABORA BELMONTE HOTEL'S LIMITED
MODERN FURNITURE AND CEMENT BLCOKS MANUFACTURES
OPERATING COSTS SCHEDULE**

**SCHEDULE VI
Tshs.**

OPERATING EXPENSES	2024/25	2025/26	2026/27	2027/28	2028/29
	1	2	3	4	5
Salaries & Wages	161,460,000	169,533,000	178,009,650	186,910,133	196,255,639
Travelling Expenses	5,800,000	6,090,000	6,394,500	6,714,225	7,049,936
Printing & Stationery	745,200	782,460	821,583	862,662	905,795
Water & Electricity	7,200,000	7,560,000	7,938,000	8,334,900	8,751,645
Communication	3,980,600	4,179,630	4,388,612	4,608,042	4,838,444
Marketing & Establishment	5,800,000	6,090,000	6,394,500	6,714,225	7,049,936
Tender Fees	2,000,000	2,100,000	2,205,000	2,315,250	2,431,013
Medical Fees	700,000	735,000	771,750	810,338	850,854
Business License	350,000	350,000	350,000	350,000	350,000
Directors Remuneration	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000
Motor Vehicle Running	15,830,000	16,621,500	17,452,575	18,325,204	19,241,464
Meal allowance	3,000,000	3,150,000	3,307,500	3,472,875	3,646,519
Bank charges and commissions	685,200	719,460	755,433	793,205	832,865
General Office Expenses	3,500,000	3,675,000	3,858,750	4,051,688	4,254,272
TOTAL	235,051,000	245,586,050	256,647,853	268,262,745	280,458,382

TABORA BELMONTE HOTEL'S LIMITED
MODERN FURNITURE AND CEMENT BLOCKS MANUFACTURES
FURNITURE AND CEMENT BLOCKS SALES

SCHEDULE VII
Tshs.

A: FURNITURE PRODUCTION AND SALES:

S/NO.	Furniture Sales	No. of Units\ Month	Unit Selling Price	Monthly Sales	Annual Sales
1	Sofars and Luxury Wooden Chairs	50	2,500,000	125,000,000	1,500,000,000
2	Single and Double Beds	30	350,000	10,500,000	126,000,000
3	Luxury Wooden Chairs	100	250,000	25,000,000	300,000,000
4	Dining Tables & Chairs	100	250,000	25,000,000	300,000,000
5	Drawers and Chests	200	20,000	4,000,000	48,000,000
6	School and other Desks	200	20,000	4,000,000	48,000,000
7	Book Cases and Cabinets	30	50,000	1,500,000	18,000,000
8	TOTAL REVENUE			195,000,000	2,340,000,000
9	Manufacturing Costs			67%	1,567,800,000

B: CEMENT BLOCKS PRODUCTION AND SALES:

S/NO.	Particulars	Packaging	Monthly Purchases Units	Unit Costs	Monthly Purchase Value	Annual Purchases Units
	Purchases of Cement	50kg bag	3,000	16,960	50,880,000	610,560,000
	Cement Bricks Fabrication	PCS	48,000	1,150	55,200,000	662,400,000
	TOTAL PURCHASES				106,080,000	1,272,960,000
	SALES PLAN:					
	Particulars	Packaging	Monthly Purchases Units <td>Selling Price</td> <td>Monthly Sales Value</td> <td>Annual Sales Value</td>	Selling Price	Monthly Sales Value	Annual Sales Value
	Goods					
	Purchases of Cement	50kg bag	3,000	18,000	54,000,000	648,000,000
	Cement Bricks Fabrication	PCS	48,000	1,300	62,400,000	748,800,000
	TOTAL SALES				116,400,000	1,396,800,000
	TOTAL BUSINESS SALES					3,736,800,000

TABORA BELMONTE HOTEL'S LIMITED
MODERN FURNITURE AND CEMENT BLOCKS MANUFACTURES
PROJECTED INCOME STATEMENT

SCHEDULE VIII

YEAR	Tshs.000'				
	2024/25 1	2025/26 2	2026/27 3	2027/28 4	2028/29 5
Projected Sales	3,736,800	3,923,640	4,119,822	4,325,813	4,542,104
Opening Stocks	340,891	357,936	375,833	394,624	414,355
Purchases & Transport	2,840,760	2,982,798	3,131,938	3,288,535	3,452,962
Goods Available for Sale	3,181,651	3,340,734	3,507,770	3,683,159	3,867,317
Less:					
Closing Stocks	482,929	507,076	532,429	559,051	587,003
Cost of Sales	2,698,722	2,833,658	2,975,341	3,124,108	3,280,313
Gross Profit	1,038,078	1,089,982	1,144,481	1,201,705	1,261,790
Operating Expenses	235,051	245,586	256,648	268,263	280,458
Operating Surplus	803,027	844,396	887,833	933,442	981,332
Capital Charges:					
Interest on Bank Loan	85,626	56,852	21,766	-	-
Depreciation	119,837	119,837	119,837	119,837	119,837
Total	205,462	176,689	141,603	119,837	119,837
Profit Before Tax	597,565	667,707	746,230	813,605	861,495
Tax Provision	59,756	66,771	74,623	81,361	86,150
Profit After Tax	537,808	600,936	671,607	732,245	775,346
Retained Earnings	537,808	1,138,744	1,810,352	2,542,596	3,317,942

**TABORA BELMONTE HOTEL'S LIMITED
MODERN FURNITURE AND CEMENT BLOCKS MANUFACTURES
WORKING CAPITAL REQUIREMENT**

YEAR	SCHEDULE IX				
	Tshs.000'				
Current Assets:	2024/25	2025/26	2026/27	2027/28	2028/29
	1	2	3	4	5
Debtors (2 Weeks)	77,850	81,743	85,830	90,121	94,627
Stocks (2.5 MonthS)	236,730	248,567	260,995	274,045	287,747
Total	314,580	330,309	346,824	364,166	382,374
Less:					
Current Liabilities:					
Sundry Creditors	214,580	230,309	246,824	264,166	282,374
Net Working Capital	100,000	100,000	100,000	100,000	100,000
Change in WC	100,000	0	0	0	0

TABORA BELMONTE HOTEL'S LIMITED
MODERN FURNITURE AND CEMENT BLOCKS MANUFACTURES
BALANCE SHEET

YEAR	SCHEDULE XI				
	2024/25	2025/26	2026/27	2027/28	Tshs. 000 2028/29
	1	2	3	4	5
Fixed Assets at Cost	893,088	893,088	893,088	893,088	893,088
Less: Acc. Depreciation	119,837	239,674	359,510	479,347	599,184
Net Fixed Assets	773,251	653,414	533,578	413,741	293,904
Current Assets					
Cash	526,493	1,087,341	1,683,774	2,535,856	3,431,038
Debtors	77,850	81,743	85,830	90,121	94,627
Stocks	236,730	248,567	260,995	274,045	287,747
Total	841,073	1,417,650	2,030,598	2,900,021	3,813,412
Current Liabilities					
Overdraft Facility	-	-	-	-	-
Creditors	214,580	230,309	246,824	264,166	282,374
Sub Total	214,580	230,309	246,824	264,166	282,374
Net Current Assets	626,493	1,187,341	1,783,774	2,635,856	3,531,038
Total Assets	1,399,745	1,840,756	2,317,352	3,049,596	3,824,942
Long Term Liabilities					
CRDB Term Loan	354,936	195,011	-	-	-
Net Total Assets.	1,044,808	1,645,744	2,317,352	3,049,596	3,824,942
Represented by:					
Equity	507,000	507,000	507,000	507,000	507,000
Retained Earnings	537,808	1,138,744	1,810,352	2,542,596	3,317,942
Total Assets	1,044,808	1,645,744	2,317,352	3,049,596	3,824,942
	0	0	0	0	0

**MODERN FURNITURE AND CEMENT BLOCKS MANUFACTURES
FINANCIAL RATE OF RETURN**

	SCHEDULE XII					
	2024	2024/25	2025/26	2026/27	2027/28	2028/29
YEAR	Mar-June	1	2			3
CASH INFLOWS						
Net Profit After Tax	0	537,808	600,936	671,607	732,245	775,346
Add Back; Depreciation	0	119,837	119,837	119,837	119,837	119,837
Interest on Bank Loan	0	85,626	56,852	21,766	-	-
Salvage Value(Fixed Assets)	0	0	0	0	0	293,904
TOTAL INFLOWS	0	743,271	777,625	813,210	852,082	1,189,086
OUTFLOWS						
Investment & Re-investments	893,088	0	0	0	0	0
Increase in W/Capital	0	100,000	0	0	0	0
TOTAL OUTFLOWS	893,088	100,000	0	0	0	0
NET CASH FLOW	(893,088)	643,271	777,625	813,210	852,082	1,189,086
Discount Rate	20%					
Discount Factors at 20%	1.000	0.833	0.694	0.579	0.482	0.402
Net Present Value	(893,088)	535,844	539,672	470,849	410,703	478,013
NPV at 20% =	1,541,993					
Discount Rate	50%					
Discount Factors at 50%	1.000	0.667	0.444	0.296	0.198	0.132
Net Present Value	(893,088)	429,061	345,266	240,710	168,712	156,959
NPV at 50% =	447,621					
			IRR>	50%		