

KILIMANJARO GOURMET TREATS LIMITED

Business Plan

for

FOOD PRODUCTS

1.0 Executive Summary

KILIMANJARO GOURMET TREATS LIMITED is a company incorporated in Tanzania with Certificate of Registration No. **178821768** issued on **15th October 2024** the company is determined to become a daily necessity for food products a place to dream of as you try to escape the daily stresses of life and just a comfortable place to have a meal and drinks in the Dar es Salaam city where large number of people meet.

The owner of business developed an interest to operate such food products business in Tanzania as part of his business investment. He intends to start with **one branch at Plot No.1050 Mwasonga Kigamboni Temeke -Dar Es Salaam Tanzania** and will employ 15 staff in the beginning later on the company plan to spread in all major city in Tanzania before starting opening branches in other East African countries such as Kenya, Uganda, South Sudan, Rwanda and Burundi.

The uniqueness of this business is that the food products will operate in a modern way take away in that busy people in a rush can pass by the restaurant and take hot food and drinks with them accompanied with snack of their choice and continue with their business, there shall be qualified staffs to provide services.

KILIMANJARO GOURMET TREATS LIMITED through food products will offer its customers the best Tanzanian prepared food, Chinese, Indians, continental etc. in the area that will be complimented with snacks, the company do not intend to start business like the usual restaurant business around the street corner; the company intention of starting a tourist restaurant business is to build a standard and one stop drive through in Dar es salaam with outlets in other key cities in the Tanzania and all over East Africa .

Although food products business might not be as big as KFC or MacDonald, but we will ensure that we put the right structure in place that will support the kind of growth we have in mind while setting up the business.

The company will ensure that we hire people that are qualified, honest, customer centric and are ready to work to help the project build a prosperous business that will benefit all the stake holders (the owners, workforce and customers). As a matter of fact, profit-sharing arrangement will be made available to all our senior management staff and it will be based on their performance for a period of ten years or more.

2.0 Project Location

KILIMANJARO GOURMET TREATS LIMITED is a business that will be located in one of the upper-class areas in Dar es salaam – The Company have been able to secure long term lease at **No.1050 Mwasonga Kigamboni Temeke -Dar Es Salaam Tanzania** . The plan is to spread across the East Africa Region, Restaurant will be strategically positioned in key areas. like,

2.1 Objectives

KILIMANJARO GOURMET TREATS LIMITED objectives for the first year of operations are:

- Become selected as the "Best New food products in the area" by the local restaurant guide.
- Turn in profits from the first month of operations.
- Maintain a 65% gross margin.

2.2 Keys to Success

The keys to success will be:

- Store design that will be both visually attractive to customers and designed for fast and efficient operations.
- Employee training to insure the best food preparation techniques.
- Marketing strategies aimed to build a solid base of loyal customers, as well as maximizing the sales of high margin products, such as espresso drinks.

2.3 Mission Statement

The company mission is to establish a world – class drive through tourist restaurant business that will make available a wide variety of food and drinks at affordable prices to the residents and nonresidents of Dar es salaam and other cities in the republic of Tanzania. The company plans to be opening chains of well – branded through Tanzania and other East Africa countries

The company will make its best effort to create a unique place where customers can socialize with each other in a comfortable and relaxing environment while enjoying the best prepared food and drinks in town. We will be in the business of helping our customers to relieve their daily stresses by providing piece of mind through great ambience, convenient location, friendly customer service, and products of consistently

high quality. The company will invest its profits to increase the employee satisfaction while providing stable return to its shareholders.

3.0 Company Ownership

KILIMANJARO GOURMET TREATS LIMITED is registered as a Limited Liability Corporation in the United Republic of Tanzania

KILIMANJARO GOURMET TREATS LIMITED will be sponsoring this project. The Company is owned investors with Chinese Nationality

Name of Shareholder	% of Shares	Nationality
Yang Lixin	30	Chinese
Ouyang Zhongzheng	70	Chinese
	100	

3.1 Objective of the study

The purpose of this study is to work out the technical and commercial viability of the project

4.0 Tourism over View

Tanzania is among the few countries in the world endowed with such a vast range of tourist attractions, Tanzania has 13 national parks, 29 game reserves, 40 controlled conservation areas and marine parks that are located in the Northern and Southern parts of the country. More than 25% of the Tanzania's land area of about one million square kilometers covered with magnificent game reserves and national parks. Tanzania is also a home to Mt. Kilimanjaro, The miles long silver sand beaches and the rich historical site of the spicy islands of Zanzibar are yet another attraction that Tanzania is blessed with.

The market survey carried out reveals that the current demand for tourist restaurant in Dar es Salaam is higher than current supply. There is wide gap between supply and demand and therefore, business opportunities exist for setting up additional tourist restaurant facilities to satisfy the market requirements.

Tanzanian official statistics show the number of tourists visiting the country has risen from 1.3 million in 2017 to 1.5 million in 2018. following the rise, tourist activities generated 2.4 billion U.S. dollars from 2.3 billion dollars earned in 2017.

The top 15 tourist markets accounted for 71.8 percent of total visitors with the United States of America taking the lead accounting for 15.6 percent, followed by Kenya and the United Kingdom. The tourism sector recorded 25 percent of earned foreign currency that contributed to 17 percent of the gross domestic product, said the official.

4.1 DAR ES SALAAM OVERVIEW

Dar Es Salaam's 2021 population is now estimated at 7,046,892. In 1950, the population of Dar Es Salaam was 83,844. Dar Es Salaam has grown by 345,242 since 2015, which represents a 5.15% annual change. These population estimates and projections come from the latest revision of the UN World Urbanization Prospects. These estimates represent the Urban agglomeration of Dar Es Salaam, which typically includes Dar Es Salaam's population in addition to adjacent suburban areas.

Dar es Salaam is a city located in Tanzania and was formerly known as Mzizima. It was once the capital city until 1974, when Dodoma was named as the capital. However, today, Dar es Salaam remains the largest city in Tanzania in terms of population. In fact, its population is the largest in all of East Africa. The total population of Dar es Salaam is over 4.3 million.

City Size and Population Density

The city's land area is 538 square miles (1,393 square kilometers), making the population density 8,100 people per square mile (3,100 per square kilometer).

Demographics

In terms of ethnicity, the majority of the population is African, with a small percentage that includes European, Asian, and Arab.

Population Growth

While Dar es Salaam's population doesn't seem that large compared to some of the world's other cities, it is one of the fastest-growing in Africa. In fact, it is the third fastest-growing city in Africa and the ninth fastest-growing in the world. The city's metro population is expected to grow to over 5 million over the next Dar es Salaam is a city located in Tanzania and was formerly known as Mzizima. It was once the capital city until 1974 when Dodoma was named as the capital. However, today, Dar es Salaam remains the largest city in Tanzania in terms of population. Its population is the largest in all of East Africa. The total population of Dar es Salaam is over 4.3 million.

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5.0 Market Analysis Summary

Tanzania is among of the countries with tourist attractions in the world, in the average the company receive almost 1.3million tourists per year. Tourist restaurants in Tanzania is still at infant stage, mostly of the restaurant provide services below standard in un friendly environment and hygienic is questionable that is why the company came up with restaurant operated in the most hygienic environment. With population of 55million and around 1.3 tourists visiting Tanzania, it is expected that tourist restaurant services will be on higher demand.

5.1 Market Segmentation

KILIMANJARO GOURMET TREATS LIMITED Chinese will focus its marketing activities on reaching

- Tourists
- Event Planners
- Corporate Organizations
- Households
- Schools
- Corporate Executives
- Business People
- Sports Men and Women
- Students

The market research shows that these are the customer groups that are most likely to buy gourmet products. Since gourmet food consumption is universal across different income categories and mostly depends on the level of higher education.

KILIMANJARO GOURMET TREATS LIMITED marketing strategy will be focused at getting new customers, retaining the existing customers, getting customers to spend more and come back more often. Establishing a loyal customer base is of a paramount importance since such customer core will not only generate most of the sales but also will provide favorable referrals.

5.3 Competitive Edge

KILIMANJARO GOURMET TREATS LIMITED will position itself as unique tourist restaurant where its patrons can not only enjoy food and drinks but also value for money and will differentiate **KILIMANJARO GOURMET TREATS LIMITED** from incumbent competitors no stiff completion is expected within 5 years.

5.4 Sales Strategy

In order to build up its client base **KILIMANJARO GOURMET TREATS LIMITED** will use banners and fliers, utilize customer referrals and cross-promotions with other businesses in the community. At the same time, customer retention programs will be used to make sure the customers are coming back and spending more at the coffee bar

5.5 KILIMANJARO GOURMET TREATS LIMITED Product Offering

KILIMANJARO GOURMET TREATS LIMITED is in the food and drinks industry to make profit and the company will ensure all the way to make available a wide range of services to clients **KILIMANJARO GOURMET TREATS LIMITED** will ensure that we do all that is permitted by law in republic of Tanzania to achieve our business goal and ambition.

Product and service offerings are listed below;

- Variety of food Chinese, Indian, Asian food in general
- Coffee beverages (cappuccino, espresso, iced coffee, decaffeinated coffee, (Irish Coffee and Brandy Coffee et al), filtered coffee, cold brew coffee, Turkish coffee, coffee with milk, coffee or espresso with whipped cream, and flavored coffee et al.), Other beverages
- Snacks

KILIMANJARO GOURMET TREATS LIMITED will also be engaged in home delivery when customers want our products to be delivered to them in any location within the city. our outlet will be well secured with the various **KILIMANJARO GOURMET TREATS LIMITED** payment options.

At **KILIMANJARO GOURMET TREATS LIMITED** our client's best interest come first and everything we do will be guided by our values and professional ethics. We will ensure that we hold ourselves accountable to the highest standards by delivering excellent services and also meeting our client's needs precisely and completely. We will cultivate a working environment that provides sustainable approach to earning a living.

6.0 Management Summary

KILIMANJARO GOURMET TREATS LIMITED is owned Chinese investors both of them with truck record of more than 10 years in managing various business. They have extensive business contacts in Tanzania and outside Tanzania that will leverage to help new venture succeed.

However, because of the investors' other commitments they will not be involved into the daily management decisions at **KILIMANJARO GOURMET TREATS LIMITED**. A professional manager will be hired who will oversee all the operations. Ten full-time employees will be employed.

6.1 The Sponsors

KILIMANJARO GOURMET TREATS LIMITED will be sponsoring this project. The Company is currently jointly owned by two shareholders as following:

Name	% Of Share	Nationality
Yang Lixin	30	Chinese
Ouyang Zhongzheng	70	Chinese
	100	

6.1 Management Team

A full-time manager will be hired to oversee the daily operations. The candidate from one of reputable restaurant will be employed he has more than five years of managerial experience in the definitely industry. This person's responsibilities will include managing the staff, ordering inventory, dealing with suppliers, developing a marketing strategy and perform other daily managerial duties. We believe that our candidate has the right experience for this role. A profit-sharing arrangement for the manager may be considered based on the first-year operational results.

The summary of employees is as following

Employment	Foreign Skilled	Local Skilled	Local Unskilled	Total
Women	2	3	4	9
Men	2	3	4	9
TOTAL	4	6	8	18

6.2 MONITORING AND EVALUATION

The Management has full commitment to ensuring services provided maintain the safety and standards required in the market. The quality control unit will establish a system of

routine checking and getting feedback from customers, management philosophy is through business process, managers will strive to ensure compliance to standards and safety of service and customers they serve.

7.0 ENVIRONMENT PROTECTION

The company intends to make environment friendly; the company will save the country's environment in particular and global environment in general

8.0 PROJECT INVESTMENT COST

The estimated capital investment cost of the project is **US\$ 505,000**.

KILIMANJARO GOURMET TREATS LIMITED COST STRUCTURE

PARTICULAR	US\$
Land and Buildings	80,000.00
Machinery & Equipment	200,000.00
Motor Vehicles	140,000.00
Furniture & Fixtures	15,000.00
Pre exp	10,000.00
Others	30,000.00
Working Capital	30,000.00
TOTAL	505,000.00

For the project to be a reality a total investment amounting to **US\$505,000** is needed

8.1 FINANCING PATTERN

The project will be financed by equity by 100%; constituting **US\$ 505,000**

8.2 PROJECT OPERATING COSTS

In order to realize its intended objective, the project will have to meet the operating costs budgeted to be 60% OF total revenue.

9.0 FINANCIAL ANALYSIS

9.1 Considerations and Assumptions:

The corporate tax charged is 30% of the profits. Capital investment allowance is 50%. The capital assets are exempted from custom duty and Value Added Tax. The straight-line method to depreciate the project's capital items has been applied.

Revenues have been conservatively estimated based on experience of the promoters and trends in the industry.

9.2 FINANCIAL STATEMENTS:

9.3 Projected Revenue

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

SALES PROJECTED REVENUE LTD

	1	2	3	4	5
Revenue	195,000	210,600	227,448	245,643	265,295

9.4 PROJECTED PROFIT AND LOSS STATEMENT

The Income and Expenditure Statement shows the projected income for the 5 years period. The position depicted is that the project earns profit throughout its life. Accumulated after tax profits grow from. US\$**187,530** in first year to US \$**867,080** in the 5 year,

**KILIMANJARO GOURMET TREATS LIMITED PROJECTED
INCOME & EXPENDITURE STATEMENT-"US \$"**

	1	2	3	4	5
Revenue	720,000.00	777,600.00	839,808.00	906,992.64	979,552.05
Operating Expenses	432,000.00	544,320.00	587,865.60	634,894.85	685,686.44
Profit before Depreciation & Interest	288,000.00	233,280.00	251,942.40	272,097.79	293,865.62
Interest	-	-	-	-	-
Depreciation	20,100.00	20,100.00	20,100.00	20,100.00	20,100.00
Gross Profit	267,900.00	213,180.00	231,842.40	251,997.79	273,765.62
Tax (30%)	80,370.00	63,954.00	69,552.72	75,599.34	82,129.68
Profit After Tax	187,530.00	149,226.00	162,289.68	176,398.45	191,635.93
Accumulated Profit	187,530.00	336,756.00	499,045.68	675,444.13	867,080.07

6.5 PROJECTED CASH FLOWS

This is shown in the financial statements. The project has a positive end of year cash flow from year 1st, i.e. US\$ 207,630 of operation to the 5th year i.e. US\$ 828,928

Appendix I

KILIMANJARO GOURMET TREATS LIMITED PROJECTED CASH FLOW US\$

	0	1	2	3	4	5
SOURCES:						
Profit before interest and depreciation	0	288,000.00	233,280.00	251,942.40	272,097.79	293,865.62
Equity	505,000.00					
Loan	-					
Total Sources	505,000.00	288,000.00	233,280.00	251,942.40	272,097.79	293,865.62
Applications:						
Capital expenditure	435,000.00	-	-	-	-	-
working Capital & Others	70,000.00	-	-	-	-	-
Cash	0	207,630.00	30,674.00	182,390.00	196,498.00	211,736.00
Tax	-	80,370.00	63,954.00	69,552.72	75,599.34	82,129.68
Sub total	505,000.00	288,000.00	94,628.00	251,942.72	272,097.34	293,865.68
Total applications	505,000.00	288,000.00	94,628.00	251,942.72	272,097.34	293,865.68
Accumulated cash		207,630.00	238,304.00	420,694.00	617,192.00	828,928.00

9.6 PROJECTED BALANCE SHEET

The projected Balance Sheet of the projected is shown in the financial statements under same heading. Total shareholders' equity increases from US\$ **505,000** in the first year of operation to US \$ **1,372,080** in the 5th year.

KILIMANJARO GOURMET TREATS LIMITED PROJECTED BALANCE SHEET US \$

Fixed Assets	0	1	2	3	4	5
Opening balance	-	435,000	414,900	394,800	374,700	361,600
Additions	-					
Total Long-term Assets	-	435,000.00	414,900.00	394,800.00	374,700.00	361,600.00
Less depreciation	-	20,100.00	20,100.00	20,100.00	20,100.00	20,100.00
Closing balance	-	414,900.00	394,800.00	374,700.00	354,600.00	341,500.00
Working capital	70,000.00	70,000.00	70,000.00	70,000.00	70,000.00	70,000.00
Accumulated cash	-	207,630.00	238,304.0	420,694.00	617,192.00	828,928.00
Total assets	70,000.00	692,530.00	703,104.00	865,394.00	1,041,792.00	1,240,428.00
Financed by						
Equity	505,000.00	505,000.00	505,000.00	505,000.00	505,000.00	505,000.00
Accumulated Net profit	-	187,530.00	336,756.00	499,045.68	675,444.13	867,080.07
Total equity	505,000.00	692,530.00	841,756.00	1,004,045.68	1,180,444.13	1,372,080.07
Long term loan	0	0	0	0	0	0
Bank overdraft	0	0	0	0	0	0
Total debts	-	-	-	-	-	-
Total equity and debts	505,000.00	692,530.00	841,756.00	1,004,045.68	1,180,444.13	1,372,080.07

9.7 PROJECTED PAYBACK PERIOD

Total investment is US \$ 505,000 cash accumulation the third year is US\$ 559,345 which is more than the initial investment by US\$ 54,345 the project payback Period is within 3 years,

The project has a relatively short payback period. It is remarkably impressing for a project whose investment is as big as US\$ 505,000 being recovered within 3 years.

PAYBACK PERIOD

Year	Profit After Tax	Depreciation	Total Cash Flow	Accumulated Cash Flow
1	187,530.00	20,100.00	207,630.00	207,630.00
2	149,226.00	20,100.00	169,326.00	376,956.00
3	162,289.68	20,100.00	182,389.68	559,345.68
4	176,398.45	20,100.00	196,498.45	755,844.13
5	191,635.93	20,100.00	211,735.93	967,580.06

10.0 ECONOMIC ASPECTS

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

- The project is an ideal option for utilization business opportunity available in Tanzania market
- The project will create employment for 18 people on permanent basis.
- It will generate substantial revenue to the government in the form of corporate tax, value added tax and pay as you earn.
- The project will have transfer of knowledge and skills as far as tourist restaurant industry is concerned

11.0 IMPLEMENTATION

Project implementation is expected to be relatively very short once project has been approved: -

S/N	ACTIVITY	PERIOD
1	Processing TIC Certificate of Incentive	December 2024
2	Rehabilitation of premises	Jan-Feb 2025
4	Furniture and fittings ordering	Dec-Jan 2026
6	Testing operations	Feb-March 2026
7	Commercial Operations	April-26

12.0 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 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