

**YI MING INVESTMENT COMPANY LIMITED**

**BUSINESS PLAN**

**FOR**

**DEVELOPMENT OF WAREHOUSES AND STORAGE  
FACILITIES**

**FIVE YEARS: 2025-2029**

**Prepared by;**

Yi Ming Investment Company Limited  
Kinondoni, Dar Es Salaam

**OCTOBER, 2025**

## CORPORATE INFORMATION

**Date of Incorporation** : 15th January, 2025

### Company Registration

**Number** : 181226153

**TIN** : 181-226-153

**Business Activity:** The company among other activities engaged in development of ware houses for provision of storage facilities services.

### Shareholders:

<b>Name</b>	<b>Nationality</b>	<b>Share taken</b>	<b>Percentage</b>
1. Lin Jinyi	China	50	50%
2. Chen Liangming	China	50	50%

### Registered Office & Address:

Postal code 14121, Plot No. 12 House No. 12, Mbezi Juu Street in Kinondoni Dar es Salaam.

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## LIST OF ABBREVIATIONS

AfCFTA	-	African Continental Free Trade Area
CEO	-	Chief Executive Officer
CIF	-	Cost Insurance and Freight
DRC	-	Democratic Republic of Congo
EAC	-	East African Community
GDP	-	Gross Domestic Product
SADC	-	Southern African Development Community
SWOT/SWOC-		Strengths, Weaknesses, Opportunities and Threats/Challenges
TIN	-	Taxpayer Identification Number
US\$	-	United Stated Dollar

## 1.0 EXECUTIVE SUMMARY

YI MING INVESTMENT COMPANY LIMITED is one of East Africa's leading companies in manufacturing and real estate development. The company is embarking on the project for development of warehouses and provision of storage services in Dar es salaam city. The proposed project aims to develop modern warehousing facilities in Dar es Salaam, Tanzania's primary commercial and logistics hub. The initiative seeks to address the growing demand for reliable and efficient storage, handling, and distribution services driven by rapid urbanization, industrial growth, and increasing import–export activities through the Port of Dar es Salaam.

The company is owned and managed by experienced persons in development and management of warehouses and logistical services. The project is expected to be financed both through owners' equity and external financing through bank loans, where the total project requirement amounts to **US\$ 2,243,000 (United States Dollar Two Million Two Hundred Forty-Three Thousand)**. During the first year of operations, the project intends to employ at least 60 locals and 5 foreigners where more than 200 indirect jobs are expected to be created through activities related to the project.

### 1.1 Company Vision, Mission and Core Values

#### Vision Statement

*To be the leading provider of modern, efficient, and sustainable warehousing and logistics solutions in Tanzania and the wider East African region.*

#### Mission Statement

*To deliver high-quality, secure, and technology-driven storage and logistics services that enhance supply chain efficiency, support trade growth, and contribute to Tanzania's industrial and economic transformation.*

**Our Belief:** Is that, success depends entirely on our exceptional teamwork approach, while constantly striving to leave our clients with an everlasting positive customer experience.

**Core Values:** Through our dedicated, competent, professional and motivated organization, modernized, and experienced personnel, we are committed to the following principles:

- **Integrity:** We uphold the highest standards of honesty, transparency, and accountability in all our operations and partnerships.
- **Customer Focus:** We are dedicated to understanding and meeting our clients' storage and logistics needs through responsive, reliable, and value-driven services.
- **Innovation:** We embrace technology and continuous improvement to enhance efficiency, safety, and sustainability across our warehousing operations.
- **Sustainability:** We are committed to environmentally responsible practices, including green building design, renewable energy use, and waste reduction.
- **Safety and Security:** We prioritize the protection of goods, people, and the environment through robust safety systems and secure operational standards.

## 1.2 Project Objectives

The main objective of our project is to develop and operate modern, efficient, and sustainable warehousing facilities in Dar es Salaam that enhance storage capacity, improve logistics efficiency, and support industrial and trade growth in Tanzania.

Specifically, the project aims to achieve the following objectives;

- To construct and equip state-of-the-art warehouse facilities providing general, bonded, and cold storage services for a wide range of goods.
- To promote trade facilitation by providing reliable storage and distribution infrastructure that supports importers, exporters, manufacturers, and small-scale traders.
- To create employment and business opportunities along the logistics value chain, contributing to local and national economic growth.

- To ensure environmental sustainability through the adoption of green technologies, renewable energy, and resource-efficient building designs.
- To improve competitiveness of Dar es Salaam as a regional logistics hub serving domestic, cross-border, and international trade.

### 1.3 Project Location

The Project is located at Postal Code 14121 Plot no. 84 house no.- Mbezi Industrial Area, in Kawe Ward within the municipality of Kinondoni In Dar es Salaam.

### 1.4 Project components and costs

The project is expected to commence its activities soon after all the preliminary arrangements and permits are obtained. Table 1.1 provides a summary of project requirements in Phase I.

**Table 1.1: Project Requirements (Cost in US\$)**

Descriptions	Quantity	Value per unit (USD)	Total value (USD)
<b>Land and Buildings:</b>			
Land	5	50,000	250,000
Warehouses	5	200,000	1,000,000
Office Bloc	1	150,000	150,000
Internal infrastructure	5	49,000	245,000
<b>Sub-total Land &amp; Buildings</b>			<b>1,645,000</b>
<b>Machinery &amp; Equipment:</b>			
Forklifts	5	15,000	75,000
Mobile cranes	1	150,000	150,000
Material handling carts and trolleys	Lamp sum		100,000
<b>Sub-total Machineries &amp; Equipment</b>			<b>325,000</b>
<b>Furniture &amp; Fixtures</b>	Lamp sum		23,000
<b>Motor vehicles</b>	2	50,000	100,000
<b>Working Capital</b>	Lamp sum		150,000
<b>Total cost</b>			<b>2,243,000</b>

The project requirement amounts to **US\$ 2,243,000 (United States Dollar Two Million Two Hundred Forty-Three Thousand)** which covers the cost of land, buildings, machineries and equipment necessary for running the project.

#### 1.4 Implementation Plan

The envisaged project is expected to be implemented from October, 2025 after all the preliminary requirements for the project are met. The implementation programme is well described in the Table 1.2

**Table 1.2: Implementation Schedule**

DESCRIPTION		PHASE I					PHASE II
No.	Activities	Oct-Dec, 2025	Jan-March 2026	Apr-June,2026	July-Sept,2026	Oct-Dec.2026	Jan 2027-Dec.2029
1	Site preparations and mobilization of resources						
2	Purchase of machineries & Equipment						
3	Recruitments of Staff, advertisement and engagements						
4	Project roll out and management of warehouses						
5	Assessment of facilities replenishments and installation.						
6	Project monitoring and evaluation						

Upon completion of site preparations, construction and procurement of equipment, then the process of hiring and engaging qualified personnel shall follow. The project shall pay attention to expertise in the sector. Then the project roll-out shall take place and warehouses shall be ready for use as per established demand. The project shall conduct periodical assessment of its machineries and equipment and replace the

obsolete ones through disposal and procurement of new ones. Project monitoring and evaluation shall be maintained throughout the duration of five years.

### **1.5. Project Benefits**

The Implementation of this project will have economic and social benefits to the community and the country at large notably:

- The project will help the community access the best, safest yet affordable storage services in the country;
- The project will support industrialization process through provision of logistics support and cargo handling for manufactured goods.
- The project will increase employment opportunities;
- The project will increase social services to the community;
- The project will increase tax revenue to the government.

## **2.0 PROJECT DESCRIPTION**

The project intends to utilise the prevailing opportunity due to geographical location of Dar es Salaam port where most of the landlocked countries in EAC and SADC countries relies on this port. Hence the company embarks on the development of modern warehousing facilities in Dar es Salaam to meet the increasing demand for efficient, reliable, and technology-driven storage and logistics services to support Tanzania's growing trade, industry, and urban economy. Dar es Salaam serves as Tanzania's primary commercial and logistics hub, handling more than 70% of the country's imports and exports through the Port of Dar es Salaam. The continued growth in trade volumes, manufacturing, and regional transit traffic has created a significant demand for modern storage facilities capable of handling diverse goods efficiently and safely.

As the demand increases, the existing warehouses in and around the city are largely outdated, limited in capacity, and lack modern facilities such as temperature control, digital inventory management, and efficient loading systems. This constraint increases logistics costs, causes delays in cargo handling, and limits the competitiveness of Tanzanian businesses in both local and regional markets.

To fill this gap, our project embarks on development of modern warehouse facilities equipped with advanced handling and digital inventory systems that will reduce cargo turnaround times, minimize losses, and improve inventory control. This will enhance competitiveness for manufacturers, importers, and exporters by lowering logistics costs and improving supply chain reliability.

### **2.1 Key Success Factors**

Providing warehouses and storage services is our core competency. The project is designed to have modern, decent, well-managed equipment with immaculately humanitarian services during service delivery. We have enough space for warehouses, modern equipment that are operated by highly professional persons, who are ready to handle cargo of nearly any dimension and structure.

### **2.3 Our Staff**

Our company is well known for its “safety-first” policy that guarantees safe handling and delivery of our clients' goods. The project shall maintain its policy to hire staff who have years of experience in warehousing and logistics sector. The hired staff shall comprise both Tanzanians and foreigners, creating opportunity for hundreds of jobs, providing fair pay in an excellent work environment. We will conduct periodical orientations and team building seminars so that our staff continue to be on the same page and properly trained to meet our objectives.

### **3.0 BUSINESS ENVIRONMENT AND SECTOR ANALYSIS**

#### **3.1 Business environment**

Businesses may be affected by factors beyond owner's control, and these need to be taken into account before making any investment decision. The company has considered many opportunities and challenges that may arise out of the expected changes. Thus, analysis of business environment key factors is paramount to this plan in order to determine external factors and how they are likely to affect the project.

*Economically;* Tanzania is now experiencing economic growth whereby the purchasing power of people is increasing and people's interactions is increasing as trade grows in the East African Region, SADC and AfCFTA. This has called for a lot of business opportunities in the regions. The burning issue currently is the rate of inflation and continuous fall in domestic currency this would lead to increased cost of operations as the price of materials are rising.

*Politically;* Tanzania has enjoyed political stability since it gained her independence in 1961, which has allowed for a degree of continuity and coherence in the organisation of both the state and the private sector. The country retains strong national unit with an engaged civil society and private sector. The government of Tanzania is in support of investments through a number of policies and strategies that aims at making the business environment more conducive.

*Social-Cultural:* The social aspect focuses on the forces within the society. Family, friends, colleagues, neighbours and the media are social factors. These factors can affect our attitudes, opinions and interests. So, it can impact sales of products and revenues earned. There is no doubt that the society is continually changing. The tastes and preferences are a great example of this change for the Tanzanian culture. Most of Tanzanians currently are willing to pay a premium price for a product that satisfies their expectations. Demographically, the country is increasing in population where currently the country is estimated to have over 61 million people. The increase in population necessitates increase in demand of goods and services.

*Technological factors:* Technological factors are one of various external environment factors that affect businesses greatly and are also an integral component of the environment analysis. Our project considers technology as an integral part and important tool for improving operations and functions. In the present scenario, utmost dependence on equipment, technological factors can have more effect on business operation and success globally than ever before. Furthermore, development of technology has also introduced digital marketing strategies through which companies are able to sell their products and services. Even the research and development (R&D) divisions in most companies have changed their ways of functioning and more advanced techniques in the development of products and services have been introduced only through technological advancements. We will ensure we keep up the pace of technology to suit the needs of our customers.

## **4.0 MARKET PLAN**

There is a growing population in the country, where current statistics shows that the population trend grows by 3% annually with a current population of 61 million in 2022.<sup>1</sup> Dar es Salaam being the largest commercial city has been one of the fastest growing cities in terms of population with more than 6 million people. The pace of regional integration within EAC and SADC blocs with recent ratification of AfCFTA paves way for more trade in the region. Our motive is to cater for this need especially through providing a high-quality modern transport service through commuter rail transport services where every passenger will be valued as a member of our community.

### **4.1 Marketing Strategies**

#### **4.1.1 SWOT Analysis**

The SWOT analysis is conducted in order to assess our internal strengths and drawbacks that we need to improve. We have also analyzed external factors which may provide opportunities or pose threats to our project. Finally, we have indicated how we can best utilize the available opportunities and mitigate potential threats and overcome our weaknesses.

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<sup>1</sup> National Bureau of Statistics, 2022: Population and Housing Census

**Table 4.1: SWOT Analysis**

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Ability of the project implementers to solicit required funds for the project.</li> <li>• A conducive space for establishment of warehouse facilities and safe environment for all different categories of customers.</li> <li>• Excellence in service from highly skilled service providers.</li> <li>• Affordable prices will give options for customers to prefer our services.</li> </ul>	<ul style="list-style-type: none"> <li>• Sourcing of required resources including finances may cause delay in starting operations on time.</li> <li>• No appropriate data on the current and projected market share.</li> <li>• We are new in a market.</li> </ul>
OPPORTUNITIES	THREATS/CHALLENGES
<ul style="list-style-type: none"> <li>• Growing demand of transport services due to increase in population and regional integration.</li> <li>• Dar es Salaam's strategic location as a gateway to land-linked countries such as Zambia, Malawi, the Democratic Republic of Congo, Rwanda, and Burundi make it an ideal site for establishing a regional logistics and warehousing hub.</li> <li>• Economic growth and rising in purchasing power of individuals provides opportunities for the project.</li> </ul>	<ul style="list-style-type: none"> <li>• High expectations and catering for changing customer preferences.</li> <li>• Ensuring punctuality, safety, health and hygiene on board.</li> <li>• Requirement of sophisticated investment in systems and infrastructure for ease of operation may pose a challenge to our customers.</li> <li>• Presence of high competition from similar service providers.</li> </ul>

From the SWOT analysis, we have been able to identify our strengths, weaknesses, opportunities and threats. The project will capitalize on the key strengths to provide best services to customers. The available opportunities create a room for business expansion and the company sees that this prevailing opportunity cannot be left in vain. On the other hand, the company is facing some limitations in providing its services, thus marketing strategies are aimed at minimization of these constraints. The project shall make use of the marketing mix in making sure that high quality product is maintained in the market, our services reach to high demand locations (place), reasonable price is charged to our clients and appropriate promotional tools are employed to increase awareness of our products and services.

**Product:** The modern warehouses and facilities will be an added advantage to compete in the market through determination to provide high quality services. A sufficient budget shall be allocated for repair and maintenance to ensure that all equipment and facilities remain in a good quality all the time.

**Pricing:** The objectives of price strategy depend on a number of factors such as business economic and marketing objectives. Price setting can be based on cost or market based. With demand and completions orientation concepts, a fair price can be set which customers are willing to pay at the same time covers operational costs with some profit margin. In this regard, price setting shall be based on demand, and competition but also cost of operation.

**Place:** The project shall invest in modern and sophisticated facilities and conducive environment. The project has arranged to start operations by looking at the most convenient market segment.

**Promotion:** Media advertisements both digital and print media shall be widely employed by the project. We will engage in positive promotion of the project through developing appropriate marketing strategies. The project will make advertisement of the available services via a number of media such as local newspaper, leaflets, TV, radio, social media and Internet. Different procedures of promotion will be applied, such as providing price discounts to regular customers and providing seasonal tickets.

## **5.0 OPERATIONAL AND MANAGEMENT PLAN**

### **5.1 Operational Plan**

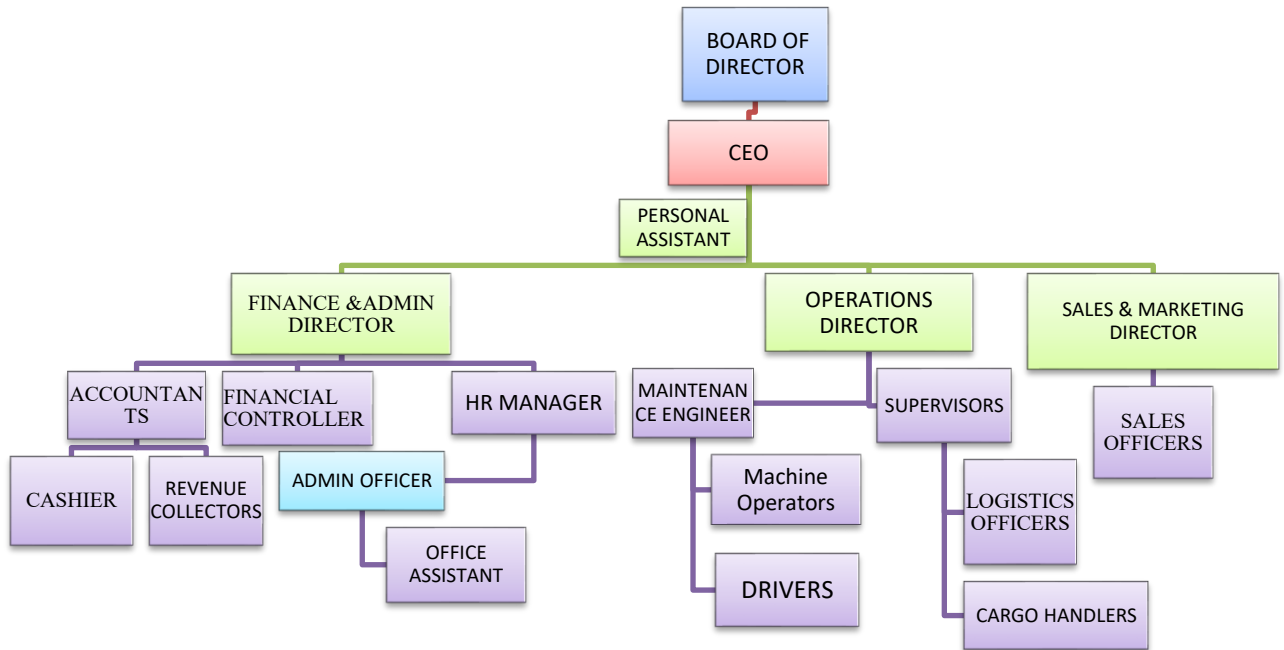
The operation is subject to government regulations and acquiring relevant permits and licenses before commencement of the business. All necessary licensing and permits shall be obtained prior to commencement of the project.

### **5.2 The Organization Structure**

The project shall maintain the hierarchical mode of organization structure. The organization structure comprises of the Project Implementation Team led by the CEO and other supporting staff.

The Organization structure comprises of three main departments which shall report to the CEO; Finance and Admin Department which shall include the Finance and Administrative Director, Accountants, Cashiers, revenue collectors and store keepers; HR Officers, Administrative Officers and Office Assistants as well as watchmen/security guards. Marketing and Sales Department shall include the Director of Sales and Marketing, Marketing Manager; Sales Officers, PR Officers and Drivers. The Operations Department shall include the Director of Operations, Technical and maintenance Manager, Mechanics, Truck Drivers and Cargo Handlers; The figure 5.1 describes the organization structure and the reporting lines for each category.

**Figure 5.1 Organization Chart**



**5.3 Management**

The Chief Executive Officer shall be responsible for day-to-day running of the project and direct reports to the Board of Directors. Director of Operations shall be responsible for day-to-day operational activities of the project including sourcing of materials, manage the personnel under him, repair and maintenance and control the operations of machinery and equipment. Finance and Administrative Director shall be responsible for all financial and administrative issues. Accounting and Administrative officers shall be responsible for all financial and administrative issues respectively. The financial controller shall ensure monitoring resource allocation especially funds and making sure that the fund is used in a desired manner.

## 5.4 Revenue collection

The expected revenue per month is averaged at USD 25,000 per warehouse. The company is planning to develop 4 warehouses which shall be able to generate a total of USD 100,000 per month. Table 5.1 shows the estimated revenue per month and annual revenue based on these assumptions.

**Table 5.1: Description of Revenue**

S/N	Description	No. of facilities	Rate per month (USD)	Amount per annum
1	Rent from Warehouses	4	100,000	1,200,000
	<b>Total</b>	<b>4</b>	<b>100,000</b>	<b>1,200,000</b>

## 6.0 PROJECT MONITORING AND EVALUATION

The project will be monitored and evaluated on a regular basis to track progress and identify any potential problems. The monitoring process will collect data on key indicators, such as the number of trucks added, the number of trucks per route, and reduction in service delivery time and costs. The evaluation process will collect data on the benefits of the project, such as improvement in transport services, the creation of jobs, and the improvement of economic activities of the Company.

The monitoring and evaluation plan will be tailored to the specific needs of the project. However, the following general principles will be followed:

- i) **Relevance:** The monitoring and evaluation plan will be relevant to the objectives of the project.
- ii) **Accuracy:** The monitoring and evaluation plan will be accurate and reliable.
- iii) **Timeliness:** The monitoring and evaluation plan will be timely and up-to-date.
- iv) **Transparency:** The monitoring and evaluation plan will be transparent and accessible to stakeholders.

## 7.0 RISK ASSESSMENT AND KEY ASSUMPTIONS

The project has the potential to significantly improve the efficiency of transport service in Dar es salaam and hence promote increase in economic activities and incomes of people. However, there are also a number of risks associated with the project. Some of the key risks may include:

- i) Competition:** There is a stiff competition in warehousing and logistical services as it is for other businesses. Majority of competitors have already covered a huge share in the market; the company intends to capitalize on a niche in which the company can best serve than others.
- ii) Price changes:** Due to inflation, the price of materials is expected to rise up particularly fuel and spare parts. In order to cater for this price increase, the project shall review the project planning, timelines and make price adjustments from time to time.

### **iii) Accidents**

One of the major causes of these accidents is overworking of employees without being given enough time to rest. We intend to employ qualified staff with provision of two machine operators and drivers to allow others to rest. The company also intends to secure the warehouses and equipment through a comprehensive insurance cover in case of any accident, theft or any other disaster.

Despite likelihood of these risks, the project potentials to make significant contribution to the economic development are inevitable. If the project is successful, it could help to improve storage services and handling of goods and hence reduce trade costs and ultimately boost economic growth.

## 8.0 FINANCIAL PLAN

### 8.1 Sources of Funds

During the beginning of the project, the project financing is expected to be through owners' equity. The project shall consider debt financing through bank loans during the later stages of the project. The amount of revenue shall be clearly allocated to the parties as per profit calculations of the project.

### 8.2 Financial Assumptions

Several assumptions were made and considered in the preparation of this financial plan and projection. The assumptions are based on professional judgment, economic trends and current financial market environment. These are as noted below;

- (i) The focus market shall be domestic market and neighboring countries including Zambia, DRC, Mozambique, Malawi, Rwanda, Burundi and Uganda.
- (ii) The annual sales are projected to grow by 5% per annum;
- (iii) Depreciation will be charged on straight line method to allocate the cost of each value over its estimated useful life. The rates to be used for vehicles and equipment are as follows;

(a) Buildings	5%
(b) Furniture & Fittings	12.5%
(c) Equipment	12.5%
(d) Motor vehicles	25%

The financial assumptions will also include issues on credit sales, payments of interest rates, taxes and other levies. From the beginning, we recognize that payment terms and hence collection days are critical, but not a factor we can influence easily. At least we are planning on the problem, and dealing with it. Interest rates, tax rates, and personnel burden are based on conservative assumptions. Some of the more important underlying assumptions are:

- We assume a strong economy, without major recession.
- We assume, of course, that there are no unforeseen changes in economic policy to make our service immediately obsolete or unwanted.
- We assume an inflation rate of 5% yearly.

- Maintenance costs 5% of Property Plant and Equipment
- Corporate tax is 30% of Net Income

### 8.3 Projected Financial Sstatements

The projected financial statements for five years indicate that the company shall be able to generate substantial amounts of profits as detailed below.

**Table 8.1: Projected Income Statements for Five Years**

Description	YEAR 1 (US\$)	YEAR 2 (US\$)	YEAR 3 (US\$)	YEAR 4 (US\$)	YEAR 5 (US\$)
Revenue	1,200,000	1,320,000	1,436,000	1,557,800	1,685,690
Less: Cost of sales	457,043	479,896	503,890	529,085	555,539
<b>Operating Profit</b>	<b>742,957</b>	<b>840,104</b>	<b>932,110</b>	<b>1,028,715</b>	<b>1,130,151</b>
<i>Less: Op. expenses</i>	<i>342,067</i>	<i>359,170</i>	<i>377,129</i>	<i>395,985</i>	<i>415,785</i>
Earnings Before Interest and Tax	400,890	480,934	554,981	632,730	714,366
Less: Charges					
Interest	-	-	-		
<b>Earnings Before Tax</b>	<b>400,890</b>	<b>480,934</b>	<b>554,981</b>	<b>632,730</b>	<b>714,366</b>
<i>Corporate Tax (30%)</i>	<i>120,267</i>	<i>144,280</i>	<i>166,494</i>	<i>189,819</i>	<i>214,310</i>
<b>Earnings After Tax (Loss)</b>	<b>280,623</b>	<b>336,654</b>	<b>388,486</b>	<b>442,911</b>	<b>500,056</b>
<i>Dividends (30%)</i>	<i>84,187</i>	<i>100,996</i>	<i>116,546</i>	<i>132,873</i>	<i>150,017</i>
<b>Retained Earnings</b>	<b>196,436</b>	<b>235,658</b>	<b>271,941</b>	<b>310,038</b>	<b>350,039</b>

**Table 8.2 Projected Balance Sheet**

<b>DESCRIPTIONS</b>	<b>1562750</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
<b>NON-CURRENT ASSETS</b>					
Land & Buildings	1,562,750	1,480,500	1,398,250	1,316,000	1,233,750
Machinery & Equipment	313,200	225,000	240,000	195,000	165,000
Motor vehicles	80,000	60,000	40,000	120,000	115,000
<b>Total Non-Current Assets</b>	<b>1,955,950</b>	<b>1,765,500</b>	<b>1,678,250</b>	<b>1,631,000</b>	<b>1,513,750</b>
Stocks	7,472	18,440	19,284	22,500	33,100
Debtors & Prepayments	422,743	56,825	11,500	15,400	16,700
Cash and Bank balance	182,586	174,221	395,185	368,389	421,220
<b>Total Current Assets</b>	<b>612,801</b>	<b>249,486</b>	<b>425,969</b>	<b>406,289</b>	<b>471,020</b>
<b>TOTAL ASSETS</b>	<b>2,568,751</b>	<b>2,014,986</b>	<b>2,104,219</b>	<b>2,037,289</b>	<b>1,984,770</b>
Equity Capital	2,000,000	1,500,000	1,375,679	1,497,312	1,443,461
Retained Earnings	196,436	235,658	271,941	310,038	350,039
<b>Total Equity</b>	<b>2,196,436</b>	<b>1,735,658</b>	<b>1,647,620</b>	<b>1,807,350</b>	<b>1,793,500</b>
Bank loan	-	-	-		
Total Non-Current Liability	-	-			
Trade Creditors and Accruals	352,315	259,565	445,860	211,439	173,170
Taxation	20,000	19,763	10,739	18,500	18,100
<b>Total Current Liabilities</b>	<b>372,315</b>	<b>279,328</b>	<b>456,599</b>	<b>229,939</b>	<b>191,270</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>2,568,751</b>	<b>2,014,986</b>	<b>2,104,219</b>	<b>2,037,289</b>	<b>1,984,770</b>

**Table 8:3 Projected Cash Flow for Five Years**

DESCRIPTIONS	Year 1	Year 2	Year 3	Year 4	Year 5
	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>
<b>Cash from operations:</b>					
Profits before tax	400,890	480,934	554,981	632,730	714,366
<b>Adjustments for non-cash items:</b>					
Depreciations	560,750	448,600	448,600	448,600	448,600
<b>Change in Working Capital:</b>					
Receivables	-119,100	-110,950	-111,500	-115,400	-116,700
Trade payables & Accruals	70,142	261,622	297,025	175,000	114,000
<b>Total</b>	<b>912,682</b>	<b>1,080,206</b>	<b>1,189,106</b>	<b>1,140,930</b>	<b>1,160,266</b>
Tax payments	-120,267	-144,280	-166,494	-189,819	-214,310
<b>Total Cash Inflow from Operating Activities</b>	<b>792,415</b>	<b>935,926</b>	<b>1,022,611</b>	<b>951,111</b>	<b>945,956</b>
<b>Cash from investing activities:</b>					
Purchase of assets	-460,000	-418,750	-422,688	-436,822	-429,163
Other purchases	-491,486	-424,545	-262,414	-408,211	-313,946
<b>Net Cash Outflow From Investing Activities</b>	<b>-159,071</b>	<b>92,631</b>	<b>337,510</b>	<b>106,078</b>	<b>202,848</b>
<b>Cash from financing activities:</b>					
Dividends	-84,187	-100,996	-116,546	-132,873	-150,017
<b>Change in cash &amp; cash equivalent</b>	<b>-243,258</b>	<b>-8,365</b>	<b>220,964</b>	<b>-26,795</b>	<b>52,831</b>
<i>Beginning Cash Balance</i>	<i>425,844</i>	<i>182,586</i>	<i>174,221</i>	<i>395,185</i>	<i>368,389</i>
<i>Ending Cash Balance</i>	<b>182,586</b>	<b>174,221</b>	<b>395,185</b>	<b>368,389</b>	<b>421,220</b>

## **9.0 ECONOMIC ASPECTS**

### **9.1 National economic and social Benefits**

The economic and social impact of establishing the proposed project to Tanzania is expected to be positive. This positive impact is expected to be direct and indirect as explained below:

#### **a) Direct economic impact**

Direct positive economic impact is expected to come from the following factors, namely,

- 1) **Support to National and Regional Development Policies:** The project aligns with Tanzania's key policy frameworks, including Vision 2025, the Third Five-Year Development Plan (FYDP III), and the Blueprint for Regulatory Reforms, all of which emphasize industrialization, trade facilitation, and infrastructure development. It also supports the African Continental Free Trade Area (AfCFTA) objectives by improving logistics capacity for cross-border trade.
- 2) **Job Creation and Economic Empowerment:** The project will generate significant direct and indirect employment opportunities during both construction and operation phases. It will also stimulate business activities in transport, packaging, clearing and forwarding, maintenance, and other support services, thereby boosting local income and economic growth.
- 3) **Enhancement of Supply Chain Efficiency:** Modern warehouse facilities equipped with advanced handling and digital inventory systems will reduce cargo turnaround times, minimize losses, and improve inventory control. This will enhance competitiveness for manufacturers, importers, and exporters by lowering logistics costs and improving supply chain reliability.
- 4) **Technology and skills transfer from expertise hired from different parts of the globe.**

#### **b) Indirect economic impact**

The project is expected to operate as a responsible corporate citizen by fulfilling some of its corporate responsibilities such as assisting some of the disadvantaged

communities by way of donations, starting from the communities living near the project and participation in economic development activities of the country.

## **10.0 CONCLUSION**

The fact that owners are willing to raise investment capital to finance the project, it shows a strong commitment in making sure that the project is successfully implemented. The Project lays in areas which are very convenient for various economic activities that attracts movement of cargo in the country, EAC and SADC regions thus storage facilities are highly demanded. Owners are willing to comply with all government regulations. The fact that there is a huge demand for warehouse services despite presence of a number of other service providers, makes this project a viable idea.