

VIOLA CAR HIRE \$ TRANSPORT SERVICES LIMITED

REVISED BUSINESS PLAN FOR EXPANDING CAMPSITE AND TOUR
OPERATION SERVICES PROJECT

1.0 Introduction

VIOLA CAR HIRE & TRANSPORT SERVICES LIMITED is a company incorporated in Tanzania with certificate No. 54565 dated 18th November, 2005 as private limited company under the Tanzanian Companies Act, 2002. VIOLA CAR HIRE & TRANSPORT SERVICES LIMITED is planning to expand tour operation services in Tanzania

1.2 Our Mission

To become a leading tour operator company in East Africa providing business enabling solutions and exceeding customer expectations.

1.3 Our Vision

To deliver customized and unique tour operation services, ensuring time and cost savings in a responsible and sustainable manner.

1.4 Our VALUES

At VIOLA CAR HIRE & TRANSPORT SERVICES LIMITED, we believe the customer comes first; we are focused to ensure customer delight, superior quality of delivery and increased customer profitability.

At VIOLA CAR HIRE & TRANSPORT SERVICES LIMITED, we practice an enduring value system based on an open culture, honest and fair business and personal conduct, earning the confidence and trust of our Associates and Customers.

At VIOLA CAR HIRE & TRANSPORT SERVICES LIMITED, we practice transparency with all agencies that we are involved with.

At VIOLA CAR HIRE & TRANSPORT SERVICES LIMITED, we value the importance of our colleagues, evolving a sense of togetherness and passion to deliver.

1.5 **Company Ownership**

VIOLA CAR HIRE & TRANSPORT SERVICES LIMITED is promoted by two shareholders who are very experienced in minerals business.

Name of shareholders	% of shares	Nationality
Violet Charles Mfuko	70	Tanzania
Godfrey Charles Mwakyusa	15	Tanzania
Lynette Msonge	15	Tanzania

1.6 Project Location

Project is located at **Block 3 Sekei, AICC HQ Complex, Arusha Region-Tanzania**

2.0 Industry Background & Opportunity

Tanzania is among the world's top safari destinations.

Key facts:

- Over **1.4 million tourists** annually (recovering post-COVID).
- Serengeti & Ngorongoro are global icons with high demand for luxury accommodation.
- Shortage of **midrange & luxury tented camps** in several zones.
- Rise in eco-tourism and experiential travel.

The combination of **campsite + tour operations** boosts revenue because tourists often prefer a **one-stop provider**.

3.0 Market Analysis

3.1 Target Markets

- International tourists (USA, UK, Germany, France, China)
- Regional tourists (South Africa, Kenya)
- Local corporate groups
- Domestic tourism market (growing during holidays)

3.2 Competitive Landscape

Competing camps include:

- Asilia
- Serena
- Lemala
- & Beyond
- Elewana

Market Gap:

- Affordable luxury tented camps for mid-tier and premium clients

- Personalized tours as opposed to mass-market operators

3.3 Competitive Advantage

- Unique eco-friendly design
- High service quality
- Flexible safari packages
- Strategic prime location within park buffer zones
- Strong digital marketing strategy
- In-house guiding team
- Combined tour + accommodation revenue

4.0 Technical Plan (Campsite Design)

4.1 Campsite Capacity

- **20–30 luxury tents** with ensuite bathrooms
 - King-size bed
 - Solar power for lighting
 - Hot shower system
 - Private veranda with view

4.2 Core Facilities

- Reception & Lounge
- Restaurant & Bar
- Firepit Sitting Area
- Kitchen & Storage Units
- Laundry Unit
- Staff Quarters
- Solar Energy System (50–120 kW)
- Water system & Borehole
- Sewage & Waste Treatment

4.3 Safari Vehicles

- 10–15 customized Land Cruisers
- Pop-up roofs
- Charging points, fridge, radio, wifi
- Full branding & uniformed guides

5.0 Tour Operations Business Model

5.1 Services Offered

- Wildlife safaris (1–12 nights)
- Airport transfers
- Car hire + drivers
- Balloon safaris (via partners)
- Walking safaris
- Cultural tourism (Maasai, Hadzabe)
- Private VIP tours

5.2 Key Resources

- Skilled driver guides
- Modern safari vehicles
- Reservations & logistics team
- CRM and booking system
- Contracts with TANAPA, NCAA, TAWA

6.0 Regulatory Requirements

- i. Tour Operator License (MNRT)
- ii. Class A/B/C tourism license

- iii. Vehicle registration for tourism
- iv. Campsite construction permit
- v. TANAPA/NCAA Campsite lease/permit
- vi. EIA approval – NEMC
- vii. OSHA safety compliance
- viii. TBS standards for hospitality
- ix. TRA tax registration

Approval timeline: **4–8 months**

7.0 Organizational & Management Structure

Top Management

- Managing Director
- Operations Manager
- Campsite Manager
- Finance Manager

Operational Team

- 12 Driver Guides
- 8 Chefs & Kitchen Staff
- 8 Housekeepers

- 6 Maintenance & Groundskeepers
- 10 Support Staff (security, cleaners, logistics)

Total Employees: **30**

8.0 Project Investment Cost

The estimated capital investment cost of the project is U US \$ 2,200,000.

VIOLA CAR HIRE & TRANSPORT SERVICES LIMITED COST STRUCTURE US \$

Land and Buildings	350,000
Machinery & Equipment	250,000
Motor Vehicles	1,100,000
Furniture & Fixtures	10,000
Pre exp	20,000
Others	20,000
Working Capital	450,000
TOTAL	2,200,000

7.2 Financing Pattern

The project will be financed by equity by US\$ 600,000 and loan US\$1,600,000

7.3 Project Operating Costs

In order to realize its intended objective, the project will have to meet operating costs which will constitute 45% of total revenue.

8.0 Aspect of Project Sustainability

The project sponsors having studied market conditions and the infrastructure in Tanzania are convinced that the project will be able to operate undisturbed.

8.1 Monitoring and Evaluation

The monitoring and evaluation tools will be applied in running this project as well, the project sponsors are determined to cooperate fully with the government and other stakeholders for smooth business running.

8.2 Projected Risks

This is a tourism industry 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. However, the following risk needs to be mitigated accordingly

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.

9.2 **Projected Profit and Loss Statement**

The Income and Expenditure Statement show 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 \$ 828,450 in first year to US \$ 4,627,933 in the 5th year.

8.3 **Projected Cash Flows**

This is shown in the financial statements. The project has a positive accumulated cash flow, accumulated cashflows grows from 1st year US\$ 964,950 to the US \$ 5,310,433 in 5th year.

8.4 **Projected Balance Sheet**

The projected Balance Sheet of the projected is shown in the financial statements under same heading. Shareholder's equity increases from US\$ 600,000 in the first year of operation to US \$ 4,353,283 in the 5th year.

8.5 **Projected payback period**

Total investment is US \$ 2,200,000 cash accumulation in 3rd year is US\$ 3,035,760 which is more than the initial investment, the project payback Period is exactly 5 years, only

9.0 **Project Viability Summary**

- Strong cash flow from Year 1
- Full recovery of investment within **3 years**
- High profitability due to combined revenue
- (accommodation + safaris)

- Perfect for local investor incentives
- Sustainable and scalable with potential expansion to multiple camps

10.0 Economic Aspects of The Projects

Besides the financial/monetary returns to the owners, there are other benefits to be derived for the whole country viz.

- **Employment Opportunities**

Employment and poverty reduction are among the major concern of the Central and the Local Government authorities. It is gratifying to note that the company, is going to provide additional employment to **30** people. This is a significant contribution coming from investors.

- **Revenue to the Government**

The Project is expected to pay a substantial annual amount in the form of corporation tax and other taxes

- **Foreign Exchange Earning**

Since the project's products will be exported, the project will thus earn foreign currency for the United Republic of Tanzania.

- **Increase the added value of minerals**

Help Tanzania shift from resource exports to value enhancement, in line with the government's economic development strategy

10.0 **Conclusion**

Conclusion on the feasibility of the project

Comprehensive analysis shows that it is highly feasible to establish a professional timber product in Tanzania:

- Clear market demand: With the development of Tanzania's tourism industry
- Favourable policy environment: The government is promoting tourism sector
- Considerable economic benefits: The investment payback period is expected to be about 3years, and the medium- and long-term profitability is good
- The project is profitable and contributes to government revenue by way of taxes.
- The project provides employment to 30people.
- The project is an encouraging sign to prove that we have good business environments and we have investors who have confidence in their country. Tanzania so much so that they are ready to invest such large sums of investment despite the odds of the sector in question.

11.0 **Recommendation**

After the foregoing economic and financial evaluation of the project, we strongly recommend that this project be implemented and be given all the support required by all the concerned Government Ministries and Agencies, including the Tanzania Revenue Authority, TRA and the TISEZA. The project deserves this support because of its viability, since it is technically feasible, economically viable and socially acceptable.

APPENDIX I

**VIOLA CAR HIRE & TRANSPORT SERVICES LIMITED PROJECTED PROFIT AND LOSS
STATEMENT US\$**

	1	2	3	4	5
Revenue	2,400,000	2,520,000	2,646,000	2,778,300	2,917,215
Operation cost	1,080,000	1,134,000	1,190,700	1,250,235	1,312,747
Profit before Depreciation &Interest	1,320,000	1,386,000	1,455,300	1,528,065	1,604,468
Depreciation	136,500	136,500	136,500	136,500	136,500
Gross Profit	1,183,500	1,249,500	1,318,800	1,391,565	1,467,968
Tax (30%)	355,050	374,850	395,640	417,470	440,390
Profit After Tax	828,450	874,650	923,160	974,096	1,027,578
Accumulated Profit	828,450	1,703,100	2,626,260	3,600,356	4,627,933

APPENDIX II

VIOLA CAR HIRE & TRANSPORT SERVICES LIMITED PROJECTED CASH FLOWS US\$

SOURCES:		1	2	3	4	5
Profit before interest and depreciation	-	1,320,000	1,386,000	1,455,300	1,528,065	1,604,468
Equity	600,000					
Loan	1,600,000					
Total Sources	2,200,000	1,320,000	1,386,000	1,455,300	1,528,065	1,604,468
Applications:						
Capital expenditure	1,950,000	-	-	-	-	-
working Capital &Others	200,000					
Cash	-	964,950	1,011,150	1,059,660	1,110,596	1,164,078
Tax	-	355,050	374,850	395,640	417,470	440,390
Sub total	2,150,000	1,320,000	1,386,000	1,455,300	1,528,065	1,604,468
Total applications	2,150,000	1,320,000	1,386,000	1,455,300	1,528,065	1,604,468
Accumulated cash		964,950	1,976,100	3,035,760	4,146,356	5,310,433

APPENDIX III

VIOLA CAR HIRE & TRANSPORT SERVICES LIMITED PROJECTED BALANCE SHEET US\$

Fixed Assets	-	1	2	3	4	5
Opening balance	-	1,950,000	1,813,500	1,677,000	1,540,500	1,404,000
Total Long-term Assets	-	1,950,000	1,813,500	1,677,000	1,540,500	1,404,000
Less depreciation	-	136,500	136,500	136,500	136,500	136,500
Closing balance	-	1,813,500	1,677,000	1,540,500	1,404,000	1,267,500
Working capital	200,000	200,000	200,000	200,000	200,000	200,000
Accumulated cash	-	964,950	1,976,100	3,035,760	4,146,356	5,310,433
Total assets	200,000	2,978,450	3,853,100	4,776,260	5,750,356	6,777,933
Financed by						
Equity	600,000	600,000	600,000	600,000	600,000	600,000
Accumulated profit	-	828,450	828,450	1,751,610	2,725,706	3,753,283
Total equity	600,000	1,428,450	1,428,450	2,351,610	3,325,706	4,353,283
Long term loan	1,600,000	1,280,000	96,000	64,000	32,000	-
Total debts	1,600,000	1,280,000	96,000	64,000	32,000	-
Total equity and debts	2,200,000	2,708,450	1,524,450	2,415,610	3,357,706	4,353,283

APPENDIX IV

VIOLA CAR HIRE & TRANSPORT SERVICES LIMITED PROJECTED DEPRECIATION SCHEDULE

NAME OF ASSETS	1	2	3	4	5
Land And Buildings	450,000	441,000	432,000	423,000	414,000
Machinery, Tools & Equipment	250,000	247,500	245,000	242,500	240,000
Motor Vehicles	800,000	720,000	640,000	560,000	480,000
Furniture & Fixtures	450,000	405,000	360,000	315,000	270,000
Total	1,950,000	1,813,500	1,677,000	1,540,500	1,404,000
DEPRECIATION	1	2	3	4	5
Land and buildings	9,000	9,000	9,000	9,000	9,000
Machinery tools & Equipment	2,500	2,500	2,500	2,500	2,500
Motor Vehicles	80,000	80,000	80,000	80,000	80,000
Furniture & Fixtures	45,000	45,000	45,000	45,000	45,000
ANNUAL DEPRECIATION	136,500	136,500	136,500	136,500	136,500