

*ANDA AUTO LIMITED,
P. O. BOX 7674,
DAR ES SALAAM, TANZANIA*

**PRE-FEASIBILITY STUDY REPORT ON:
PROJECT FOR LOGIDTICS IN TANZANIA**

**Presented To:
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June, 2025

ANDA AUTO LIMITED
Strategic Pre-feasibility Report

**ANDA AUTO LIMITED,
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*This profile is strictly for information only and projections in the pre –feasibility study report have been compiled by the consultant with close cooperation of the Promoters of the Business the **ANDA AUTO LIMITED** and Sector Experts for illustrative purposes and do not constitute actual forecasts.*

ANDA AUTO LIMITED

Business Profile: Pre-feasibility Study Report

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1. Executive Summary

Company & Project concept

ANDA AUTO LIMITED is limited Company incorporated in Tanzania under the Company Act of 2002. The Company was incorporated 29th November 2023, and bears Certificate of Incorporation # 170426150. The company implements projects focused on automotive trade and service operations, enhancing the automotive industry in Tanzania

ANDA AUTO LIMITED will be located at Mikocheni, Kinondoni in Dar es Salaam

Our goals and objectives are straightforward and seek to ensure we run a professional, profitable and ethical company, building relationships with customers, suppliers and investors.

Company Goals and Objectives:

In Summary **ANDA AUTO LIMITED** aims to;

- Develop a project focused on Logistics service operations in Tanzania, enhancing the local Logistics industry
- Manage **ANDA AUTO LIMITED** by implementing human resource policies that promote and reward both individual and collective efforts and achievements. Provide training and personal development opportunities to create a work environment where employees feel a genuine sense of job involvement.
- Foster strong relationships with investors in Logistics sector to encourage collaboration and investment.
- Strive to achieve profit levels that allow for reinvestment in the business and provide suitable returns to shareholders and investors
- Seek to comply with all statutory legislation and other external relevant authorities. Define and keep under review Company policy, allowing flexibility for local requirements.
- Adopt best commercial practice and ethical standards in dealing with clientele, suppliers of goods and services and other contacts

Purpose of Business Plan

This document is prepared to serve as a Pre-feasibility Study Report for **ANDA AUTO LIMITED** regarding investment in the automotive trade and service sector in Tanzania. But also, the Pre-feasibility study

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report shall be submitted to TIC for an award of Certificate of Incentives. The implementation of this project will compromise the following activities:-

- Construct a warehouse facility to house the installation of machinery and equipment essential for the Logistics project.
- Procure the necessary machinery and equipment required for the successful implementation of the Logistics project
- Equip the facility with all essential modern furniture and amenities to create a conducive working environment for staff and enhance service delivery.

The project promoter, the project will be managed and operated by **ANDA AUTO LIMITED** is owned by a Chinese company from China with the following share distribution.

NAME OF SHAREHOLDERS	NATIONALITY	SHARES%
JI NAN QIN GONG INTERNATIONAL TRADE CO., LTD	Chinese	90%
CHANGLIN QIN	Chinese	10%

Company Legality, the legal certificates and documents such as Memorandum and Article of Association, certificate of incorporation, Tax Identification Number. Justify that **ANDA AUTO LIMITED** is operating within the ambit of the law of the Land

Project Organization Structure, the management of **ANDA AUTO LIMITED** constituted by the following organization set up: - Board of Directors, General Manger who is responsible on the supervision on the entire operations of the Company, a company accountant, a Production Manager who will be directly responsible for all matters pertaining Logistics processing.

Investment Structure, the project is estimated to cost \$500,000, the money covers building structures but also allocated fund include investment in, building structure, Machineries and Equipment, furniture and fittings, pre expenses and working Capital. The equity contributed by the shareholders is \$500,000 equivalent to 100%. However, a financial policy of the Company state that the profits generated will be re-invested

Forecasted financial Information, Financial information of **ANDA AUTO LIMITED** is projected within five years. The company projected profit and Loss, account show a respectable turnover (for reference you shall see table on page 18 and 19)

2. Statement of Purpose

This Profile is drawn for the purpose of seeking CERTIFICATE OF INCENTIVES from the TANZANIA INVESTMENT CENTRE and pre –feasibility study report for manufacturing of boxes.

2.1 Purpose of Investment

This document is prepared to serve as a feasibility study for ANDA AUTO LIMITED regarding the establishment of an automotive trade and service facility in Tanzania. The implementation of the project will comprise the following:: -

- Construction of a warehouse building to accommodate the installation of machinery and equipment necessary for Logistics services
- Installation of machinery where automotive repairs and services will be conducted.
- Procurement of machinery and equipment required for the successful operation of the Logistics trade and service facility.
- Equipping the facility with all necessary modern furniture and amenities to create an efficient and welcoming environment for both staff and customers.
- Employing more than 50 people.

2.2. Investment financing plan

The company expect to invest \$500,000 from shareholders' funds. Profits generated from business operation will be re-invested. Table below show the assumptions how the investment financing plan will look like.

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**TABLE 1
FINANCING**

<i>Financing</i>	\$
Long-term liabilities	
Long-term Equity	200,000
Owner's equity	
Cash	200,0000
Contributed asset value	100,000
Total	500,000

**TABLE 2
INVESTMENT COST PLAN**

<i>COST INVESTMENT STRUCTURE</i>	\$
Current assets	
Working capital	100,000
Opening inventory	50,000
Other	10,000
Property and equipment	
Land	50,000
Building	25,000
Equipment	20,000
Furniture and fixtures	3,000
Leasehold improvements	2,000
Plant	150,000
Motor Vehicles	40,000
Other _____	50,000
Total assets	500,000.00

2.3 Summary of the Expected Results

At the end, the project is expected to achieve the following: -

- Provide an opportunity to enhance the availability of modern vehicles and automotive services in Tanzania through improved logistics solutions.
- Import advanced machinery to establish a logistics industry that contributes to the advancement of new technology in the automotive sector in Tanzania
- Increase 100 direct employment opportunities.

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- Direct Domestic investment of more than \$1M within 2025 -2030.
- Increase tax contributed to the government
- Generate foreign currency.

3. BUSINESS DESCRIPTION

ANDA AUTO LIMITED is limited Company incorporated in Tanzania under the Company Act of 2002. The Company was incorporated 29th November 2023, and bears Certificate of Incorporation # 170426150. The company implements projects focused on Logistics and service operations, enhancing the automotive industry in Tanzania

The Company will be responsible among others activities, Logistics, enhancing the automotive industry in Tanzania.

3.1.1. Legal Status

Legal certificates and documents such as Memorandum and Article of Association, certificate of incorporation, business license, Tax Identification Number, and value added Tax certificates Justify that **ANDA AUTO LIMITED** is operating within the ambit of the law of the Land.

3.1.2. Mission and Vision

The company's vision is to be a leading player in the logistics sector of the automotive trade and service industry, specializing in the efficient distribution of high-quality vehicles and innovative automotive solutions. The current mission of the company is to penetrate the logistics markets within the automotive industry in Tanzania. The company can achieve this through:

- Investing in the development of advanced logistics systems for the transportation of innovative and eco-friendly vehicles.
- Establishing sustainable business relationships with logistics partners and stakeholders in the automotive sector.
- Proper and reasonable remuneration of the personnel
- Continuing networking with our esteemed clients.

3.1.3. Project Promoters

The project promoter, the project will be managed and operated by **ANDA AUTO LIMITED**. The Company is owned by Chinese nationals. Current shareholding status is hereby shown below.

NAME OF SHAREHOLDERS	NATIONALITY	SHARES%
JI NAN QIN GONG INTERNATIONAL TRADE CO., LTD	Chinese	900%
CHANGLIN QIN	Chinese	100%

3.1.4. Operations

The project will be managed and operated by **ANDA AUTO LIMITED**. The Company is finalizing acquisition of operation permits and Tax exemption clearance for machineries and equipment to start the implementation of the project. Management will establish sound operating guidelines to conduct the day-to-day operations of this project.

3.1.5. Project Location

The project shall be implemented at constructed warehouses, administration block which will be very spacious to accommodate project of this nature. The project shall be located at Mikocheni, Kinondoni in Dar es Salaam

3.1.6. Postal Address

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4. Core Activities of the company

ANDA AUTO LIMITED will be dealing with establishing and operating the following facilities;

4.1.1. Construction of warehouse facilities

In the first phase of the implementation of this project, the Company shall construct warehouse which shall be used to accommodate installation of Machineries and Equipment's.

4.1.2. Industry Plant

This project involves the installation of machinery and equipment, along with fixtures and fittings, which will be utilized to enhance logistics services for the efficient transportation and maintenance of high-quality vehicles..

4.2. Technical requirements of the project

The project implementation shall require some of technical facilities among others include: -

- A logistics facility dedicated to the efficient transportation and distribution of high-quality vehicles.
- Equipment for effectively managing the logistics of waste generated from automotive services, ensuring proper disposal and environmental compliance.
- Delivery trucks specifically designed for the logistics of transporting vehicles and automotive parts.
- Diagnostic and repair equipment integrated into the logistics process for servicing vehicles efficiently.

5. LOGISTICS IN TANZANIA

5.1 Logistics in Tanzania

- **Logistics Facilities:** Tanzania is home to several logistics facilities dedicated to the transportation and distribution of vehicles and automotive services. These facilities utilize advanced technology and skilled personnel to ensure efficient movement and handling of vehicles for personal, commercial, and public transport purposes.
- **Applications:** Vehicles transported through Tanzania's logistics network find applications across multiple sectors, including personal use, commercial transportation, and logistics services. They serve as essential tools for enhancing economic activities throughout the country.

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- **Investment and Development:** The logistics sector in Tanzania has attracted investments aimed at expanding service capacity and improving technology. These investments focus on enhancing the efficiency and sustainability of logistics processes, ensuring that the industry can meet growing demand.
- **Regulatory Environment:** The Tanzanian government has implemented regulations and policies to support the growth of the logistics sector. These regulations aim to ensure safety standards, environmental sustainability, and fair practices within the industry.
- **Challenges:** Despite its potential, the logistics sector in Tanzania faces challenges such as limited infrastructure, access to financing, and technological constraints. Addressing these challenges is crucial for unlocking the full potential of logistics services as a vital industry in the country.
- **Future Prospects:** With increasing demand for efficient transportation and a focus on sustainable practices, the logistics sector in Tanzania is poised for growth. Continued investment, innovation, and supportive policies can further drive the development of this promising sector.

This overview highlights the key elements of the logistics industry in Tanzania, focusing on its processes, applications, regulatory environment, challenges, and future prospects.

5:2 IMPORTANCE OF LOGISTICS IN TANZANIA

- The logistics sector often drives infrastructure development in service hubs. This includes investments in transportation networks, distribution facilities, and other essential infrastructure that benefits both logistics operations and local communities.
- Logistics companies frequently engage in corporate social responsibility initiatives aimed at enhancing the well-being of neighboring communities. These initiatives encompass education, healthcare, and community development programs, contributing to the overall quality of life in the areas they operate.
- By diversifying Tanzania's economy through the provision of logistics services, the country reduces its reliance on a single industry, fostering resilience against economic fluctuations. The logistics sector also spurs innovation and technological advancement in Tanzania, particularly in distribution facilities that require advanced tracking and management systems.
- Tanzania's abundance of resources suitable for logistics services presents substantial opportunities for long-term growth and development in the sector. The country can leverage its natural resources to provide high-quality logistics solutions that meet both local and international demand.

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- As a significant player in the logistics industry, Tanzania can actively participate in global markets and influence international trade dynamics, particularly in the transportation and logistics sectors, where demand for efficient services is consistently high.
- While the provision of logistics services offers numerous benefits to Tanzania, it also presents challenges, including environmental considerations, social impacts, and the necessity for robust regulatory frameworks to ensure sustainable and responsible practices. Issues such as waste management and resource utilization must be addressed to minimize the ecological footprint of logistics operations.
- Embracing sustainable development principles and implementing responsible logistics practices are essential to maximize the positive impacts of the logistics sector in Tanzania while mitigating potential adverse effects. This includes adopting eco-friendly practices, promoting efficient service processes, and ensuring that local communities benefit from the industry's growth

5.3 LOGISTICS COMPANIES IN TANZANIA

Currently, several companies are actively engaged in the logistics and transportation sector in Tanzania, each contributing to the growth of the industry and aligning with the objectives of the proposed investment.

- **DHL Tanzania** is a prominent player in the logistics market, focusing on efficient supply chain solutions and environmental responsibility. Their operations not only enhance Tanzania's logistics capabilities but also stimulate economic development in coastal and rural communities, creating a supportive environment for further investment in logistics services.
- **Tanzania Freight Forwarders Association**, is a locally-owned enterprise dedicated to providing comprehensive logistics services, including freight forwarding and customs clearance. Their commitment to sustainable practices aligns with Tanzania's initiatives to foster a circular economy, which can benefit the logistics sector by reducing reliance on imports and promoting local solutions.
- **Maersk Tanzania** is a pioneer in the logistics sector, employing advanced technologies to optimize shipping and transportation services. Their focus on both domestic and international markets enhances Tanzania's logistics capabilities, which can synergistically support the growth of the logistics and transportation industry.
- **Bolloré Logistics Tanzania** plays a crucial role in the logistics sector by specializing in integrated supply chain solutions that utilize innovative technologies. Their commitment to operational efficiency and sustainability not only contributes to the logistics industry but also aligns with the broader goals of economic development in Tanzania, creating

opportunities for further investment in logistics services.

5.4 PROJECT JUSTIFICATION

The proposed project, managed by **ANDA LOGISTICS LIMITED**, is strategically aligned with the Tanzanian government's efforts to revitalize the logistics and transportation sector. This initiative is part of a comprehensive strategy aimed at attracting investors to Tanzania, with the goal of enhancing annual earnings from investments and improving competitiveness against regional logistics rivals. The following measures support this initiative:

- i. The government is undertaking a thorough review of existing laws, regulations, taxation, and policies to create a more favorable environment for private sector investment, particularly in the logistics industry.
- ii. In 2007/2008, the government revised its industry and trade policy to reflect the socio-economic landscape and the evolving dynamics of Tanzania's logistics sector.
- iii. Extensive studies have been conducted in key areas, including:

Development of Small and Medium Enterprises (SMEs) in the logistics sector
Trade Integration Strategy, 2009-2013

The initiative led by **ANDA LOGISTICS LIMITED** is further justified by several key factors:

The sponsors have a strong vested interest in logistics and possess extensive experience in the industry.

As a result, the establishment and operation of logistics facilities will significantly enhance and strengthen Tanzania's logistics and transportation sector. The company's marketing strategy is designed to develop a diverse range of logistics services that cater to both everyday consumers and industrial users, ensuring broad market appeal in both local and regional contexts. This project not only supports the growth of the logistics industry but also fosters overall economic development in Tanzania, creating synergies that benefit the entire sector.

5:5 SOCIAL AND ECONOMIC IMPACT OF THE PROJECT

The proposed project will result into the following social and economic impacts:

- Improve and increase the capacity of the logistics and transportation sector in Tanzania.
- Enhance competitiveness among logistics service providers and transport companies in Tanzania.
- The project will provide employment for more than 50 people in the logistics industry.

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 - The Government and other agencies will benefit from various taxes, fees and commissions that will be paid to the Treasury etc. by this Company.

6. OPPORTUNITY DRIVERS

6.1 Increased Demand for Logistics services in Tanzania and Worldwide

Tanzania is currently experiencing significant advancements in logistics technology. Transportation and logistics services, being essential for various sectors such as trade, supply chain management, and tourism, hold immense potential for diverse applications. Their utilization across different industries is steadily growing, with rising demand both domestically and internationally.

6.2 Uniqueness location of the project

ANDA AUTO LIMITED's project will be one of the major players in the Logistics industry in Tanzania. The location of the project will be in Mikocheni, Kinondoni in Dar es Salaam Region. This strategic location provides **ANDA AUTO LIMITED** with the opportunity to easily capture the market around Tanzania and enhance accessibility to regional markets

6.3 Government Policy

The Government of Tanzania has made the policy that intends to improve and promote Automotive Trade and Service Investment. This sector employs many people and it is a key driver towards transforming and developing the national economy.

6.4 Government Incentives package

In 1997 Tanzania Government enacted Investment law that offers and guaranteed reasonable incentives to both local and foreign investors.

7. Analysis of Strengths, Weaknesses, Opportunity and Threats

Table below present the analysis of the company's Strengths, Weaknesses, Opportunities and Threats (SWOTS)

Strengths <ul style="list-style-type: none">▪ It has a strong equity financing▪ Strong management and well paid personnel▪ Has a will to expand▪ Access to reliable high technology	Weaknesses <ul style="list-style-type: none">▪ Not yet emphasize on the marketing
Opportunities <ul style="list-style-type: none">▪ Good government suitable facilitative policy▪ Raising investments real estate sector▪ Government development power supply project in Tanzania	Threats <ul style="list-style-type: none">▪ Unawareness of the new entrants in the Industry in the same location▪ Increment of inflation▪ Presence of fake suppliers of the same products.

The company has prepared for the action plans by doing the following:

1. In future if needs arise the Company may seek more funds from bank to finishing phase of this project.
2. The company will employ expatriates and reliable technology for Logistics in Tanzania.

8. Marketing Information

8.1. Marketing Strategy

8.1.1. Overview

The success of **ANDA AUTO LIMITED** will be achieved by providing high tech products, providing friendly service and employing an aggressive marketing plan to build customer traffic. Today's market requires more than just products and service to make **ANDA AUTO LIMITED** successful. **ANDA AUTO LIMITED** will constantly strive to enthusiastically win more customers by being proactive rather than reactive in our marketing efforts.

Management will endeavor to create and maintain a positive, appealing image for the customers. This image will be consistently portrayed throughout all marketing channels and sales promotions. The following exemplifies some of the tactics we will use to drive more sales.

8.1.2. Customer Database

ANDA AUTO LIMITED will aggressively seek to build a database of Customers. Customers will have an opportunity to be included in the database so they can participate in sales promotions such as birthday or anniversary cards; email notification of upcoming specials; coupons; etc. The database will be gathered and maintained on special software **ANDA AUTO LIMITED** will gather names in a variety of manners including staff requests; business card drop for free lunch; guests' signup book with promotional signage; menu insert promotion; etc.

8.1.3. Advertising

ANDA AUTO LIMITED will adopt an aggressive advertising strategy. Outdoor signage for **ANDA AUTO LIMITED** will describe outdoor and changeable copy advertisement and elaborate design signage depends upon lease space restrictions; designed within allowable limits to achieve maximum exposure.

ANDA AUTO LIMITED will utilize both traditional non-traditional methods of advertising. Management's viewpoint on advertising is state in your own words, the philosophy **ANDA AUTO LIMITED** will adopt towards the use of traditional advertising such as radio, newspaper, billboards or television.

8.1.4. Costing and Pricing

The costing and pricing is done by the management of **ANDA AUTO LIMITED** the costing takes into consideration various aspects depending on the cost which has already been incurred, inflation factor and operating costs. The project promoters of the ~~company~~ are in business for long time i.e. they are business oriented personnel.

8.1.5. Customers

ANDA AUTO LIMITED is targeting all regions in Tanzania and beyond, specifically focusing on the following customers: wholesale and retail logistics providers, freight forwarders, and transportation service distributors.

8.1.6. Products

As it has been explained in preamble chapters, **ANDA AUTO LIMITED** will set up a project that will be engaged in Logistics and Transportation Services Investment in Tanzania.

8.2 Marketing Plan

The company has both short term and long-term marketing plan:

The short-term marketing plan includes:

- Participating in business show case exhibitions
- Building sustainable long-term relationship with other contractors who alongside Tanzania and worldwide.
- Training of sales staff sales and Marketing.

Long Term Plans includes:

- Joining a network of Logistics companies to market and explore additional business opportunities.
- Investing Market Research and Development

9. Management & Administration

9.1. Management

The management team of **ANDA AUTO LIMITED** planned to be constituted by the following management team:-

9.1.1. Board of Directors

ANDA AUTO LIMITED be managed by the board of Directors which is the apex body for strategic decision making of the project. Directors of the Company are the ones who have shares in **ANDA AUTO LIMITED**, The Company which shall manage this project.

9.1.2. General Manager

Immediately after the Board of Directors there shall be a General Manager who will be responsible to take care of matters pertaining to operations and managing daily activities of the project as well as other staffs' welfare and report them to the board of directors.

9.1.3. Production Manager

Production Manager will be employed who is expected to have an extensive background in the Logistics Services. As the production Manager will be directly responsible for all processing functions.

Under the production manager there shall be a reasonable number of technical staffs who will be involved in daily processing within this project.

9.1.4. Accountant/cash

An accountant will be employed who is expected to have good experience in accounting systems as well as he will be responsible in managing cash of **ANDA AUTO LIMITED** but also keeping books of accounts properly.

9.1.5. Management Agreements

Management Agreements will be executed between **ANDA AUTO LIMITED** and other team managers. The purpose of these agreements is to define the expectations of both parties, establish an incentive structure, and define the grounds under which the agreement may be terminated.

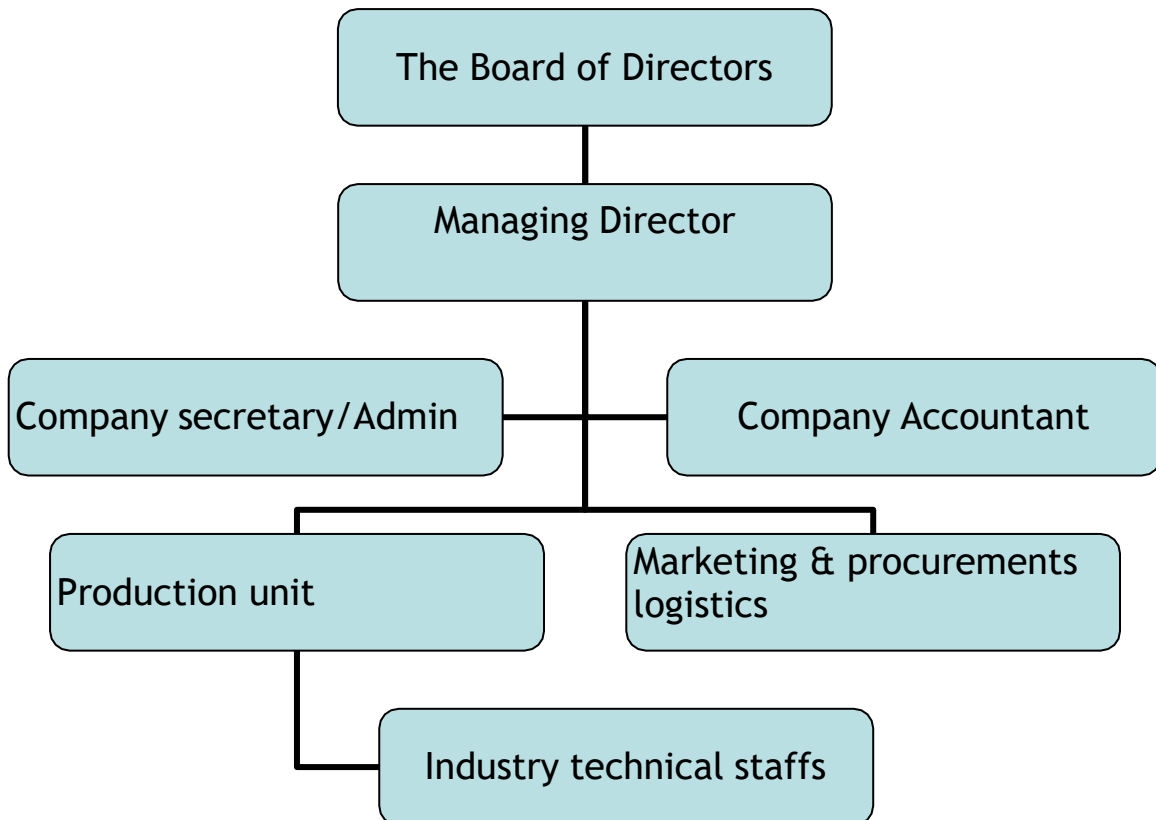
9.1.6. Confidentiality Agreements

ANDA AUTO LIMITED will enforce that all employees sign a confidentiality agreement. Confidentiality agreements with our employees and partners will protect our

Products, operating systems, policies and procedures. Having a confidentiality agreement in place is essential to protect the company's trade secrets, and show our employees that we take our business seriously.

9.1.7 Organization Structure

The management of **ANDA AUTO LIMITED** is planning to have the following organization structure.



10. Conclusion

- Revenue will be contributed to the Government through various taxes.
- The project will offer continuous direct employment to almost 50 people and create other indirect employment to other people.
- The company looks technically feasible and financially viable. It is therefore recommended that the project be supported.

ANDA AUTO LIMITED

CASH FLOWS PROJECTION FOR FIVE YEARS FROM 2023 TO 2027

	Pre-Startup EST	,2023	2024	2025		2026	2027	Total
Cash on Hand (beginning of month)	\$ -	\$ 500,000	\$ 500,000	\$ 1,900,000		\$ 3,340,000	\$ 4,924,000	\$ 11,164,000
CASH RECEIPTS								
Cash Sales			\$ 1,000,000	\$ 1,000,000		\$ 1,100,000	\$ 1,210,000	\$ 4,310,000
Collections fm CR accounts		\$ -	\$ 400,000	\$ 440,000		\$ 484,000	\$ 532,400	\$ 1,856,400
Estimated Capital for startup Loan	\$ 500,000		\$ -	\$ -		\$ -	\$ -	\$ 500,000
								\$ -
TOTAL CASH RECEIPTS	\$ 500,000	\$ -	\$ 1,400,000	\$ 1,440,000		\$ 1,584,000	\$ 1,742,400	\$ 6,666,400
Total Cash Available (before cash out)	\$ 500,000	\$ 500,000	\$ 1,900,000	\$ 3,340,000		\$ 4,924,000	\$ 6,666,400	\$ 17,830,400
CASH PAID OUT								
Purchases other fixed		\$ -	\$ 7,200	\$ 7,920		\$ 8,712	\$ 9,583	\$ 33,415
Purchases vehicles		\$ 80,000	\$ -	\$ 41,000		\$ -	\$ -	\$ 121,000
Gross wages (exact withdrawal)		\$ 15,000	\$ 60,000	\$ 60,000		\$ 60,000	\$ 60,000	\$ 255,000
Payroll expenses (taxes,		\$ 4,500	\$ 20,400	\$ 20,400		\$ 20,400	\$ 20,400	\$ 86,100
Supplies (office & oper.)		\$ 1,000	\$ 1,100	\$ 1,210		\$ 1,331	\$ 1,464	\$ 6,105
Repairs & maintenance		\$ 1,250	\$ 1,375	\$ 1,513		\$ 1,664	\$ 1,830	\$ 7,631
Advertising		\$ 150	\$ 165	\$ 182		\$ 200	\$ 220	\$ 916
Car, delivery & travel		\$ 1,800	\$ 1,980	\$ 2,178		\$ 2,396	\$ 2,635	\$ 10,989
Accounting & legal		\$ 4,500	\$ 4,950	\$ 5,445		\$ 5,990	\$ 6,588	\$ 27,473
Rent		\$ 36,000	\$ 36,000	\$ 36,000		\$ 36,000	\$ 36,000	\$ 180,000
Telephone & internet		\$ 120	\$ 132	\$ 145		\$ 160	\$ 176	\$ 733
Utilities		\$ 150	\$ 165	\$ 182		\$ 200	\$ 220	\$ 916
Insurance		\$ 21,200	\$ 21,412	\$ 21,626		\$ 21,842	\$ 22,061	\$ 108,141
Taxes (real estate, etc.)		\$ 240	\$ 240	\$ 240		\$ 240	\$ 240	\$ 1,200
Interest		\$ 75,000	\$ 75,000	\$ 75,000		\$ 75,000	\$ 75,000	\$ 375,000
Miscellaneous		\$ 200	\$ 220	\$ 242		\$ 266	\$ 293	\$ 1,221
SUBTOTAL	\$ -	\$ 241,110	\$ 230,339	\$ 273,282		\$ 234,400	\$ 236,710	\$ 1,215,840
Loan principal payment		\$ 750,000	\$ 750,000	\$ 750,000		\$ 750,000	\$ 750,000	\$ 2,431,681
Capital purchase (land)		\$ 100,000						\$ 4,829,946
Capital purchase (excavators)		\$ -	\$ 1,000,000	\$ 100,000		\$ -	\$ -	\$ 9,538,892
Owners' Withdrawal			\$ -	\$ -		\$ 10,000,000	\$ 12,500,000	\$ 18,736,684
TOTAL CASH PAID OUT	\$ -	\$ 1,091,110	\$ 1,980,339	\$ 1,123,282		\$ 10,984,400	\$ 13,486,710	\$ 36,753,042
Cash Position (end of month)	\$ 500,000	\$ (591,110)	\$ (80,339)	\$ 2,216,718		\$ (6,060,400)	\$ (6,820,310)	\$ (18,922,642)