

Notes for the person reading the sample report:

- This is the result of an original study in April 2008. Here, only 33 pages are presented, but it comprised of 5 sets of 32 pages plus 1 comparison plus more calculations.
- This is an extremely elaborate report. It is in 3 parts. The first part is on the last page, it compares 5 possible scenarios. And the scenarios are worked out in equal detail.
- The second part is the working of the ready-mix plant. And the third part is the working of the mixer trucks, which is shown first in this presentation.
- Wherever possible, the identity of the client has been concealed. But all costs are actual. The report is not modified.
- The overall report is likely to be irrelevant today. It is presented merely to indicate our attention to detail.
- Many parameters used at that time are irrelevant today, so do not use the calculations except as a rough guideline.
- Ignore the formatting style – the report is more than a decade old.

Projections of Performance & Profitability

All amounts in Dhs '000

Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4	
Sales	21,334	22,126	23,454	24,861	5,284	5,284	5,383	5,383	5,482	5,482	5,581	5,581	
Other Income	480	723	723	723	75	105	135	165	181	181	181	180	
Gross Revenues	-	21,814	22,849	24,177	25,584	5,359	5,389	5,518	5,548	5,663	5,663	5,762	5,761
Diesel	4,231	4,508	4,778	5,065	1,032	1,049	1,066	1,084	1,101	1,118	1,136	1,153	
Salaries	4,032	4,032	4,435	4,879	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	
Tyres	792	792	847	906	198	198	198	198	198	198	198	198	
Operations	5,436	5,436	5,708	5,993	1,359	1,359	1,359	1,359	1,359	1,359	1,359	1,359	
Administration	484	532	585	644	121	121	121	121	133	133	133	133	
Financial Expenses	1,255	1,331	1,336	918	268	328	329	330	331	332	333	335	
Depreciation	3,862	3,862	3,839	3,712	966	966	966	966	966	966	966	966	
Gross Expenses	-	20,093	20,493	21,528	22,117	4,952	5,029	5,047	5,066	5,096	5,114	5,133	5,152
Net Profit / (Net Loss)	-	1,721	2,356	2,649	3,467	407	360	471	482	567	549	629	609
Interest to Capital Contributors		435	472	472	472	81	118	118	118	118	118	118	
Distributable Profit Carried Forward		1,286	1,884	2,177	2,995	326	242	353	364	449	431	511	491
Net Profit Before Depreciation	-	5,584	6,218	6,488	7,179	1,373	1,326	1,437	1,448	1,533	1,515	1,595	1,575

Common Size Statement

All amounts in Dhs '000

Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4
Sales	97.80%	96.84%	97.01%	97.17%	98.60%	98.05%	97.55%	97.03%	96.80%	96.80%	96.86%	96.88%
Other Income	2.20%	3.16%	2.99%	2.83%	1.40%	1.95%	2.45%	2.97%	3.20%	3.20%	3.14%	3.12%
Gross Revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Diesel	19.40%	19.73%	19.76%	19.80%	19.26%	19.47%	19.32%	19.54%	19.44%	19.74%	19.72%	20.01%
Salaries	18.48%	17.65%	18.34%	19.07%	18.81%	18.70%	18.27%	18.17%	17.80%	17.80%	17.49%	17.50%
Tyres	3.63%	3.47%	3.50%	3.54%	3.69%	3.67%	3.59%	3.57%	3.50%	3.50%	3.44%	3.44%
Operations	24.92%	23.79%	23.61%	23.42%	25.36%	25.22%	24.63%	24.50%	24.00%	24.00%	23.59%	23.59%
Administration	2.22%	2.33%	2.42%	2.52%	2.26%	2.25%	2.19%	2.18%	2.35%	2.35%	2.31%	2.31%
Financial Expenses	5.75%	5.83%	5.53%	3.59%	5.00%	6.09%	5.96%	5.95%	5.84%	5.86%	5.78%	5.81%
Depreciation	17.71%	16.90%	15.88%	14.51%	18.02%	17.92%	17.50%	17.40%	17.05%	17.05%	16.76%	16.76%
Gross Expenses	92.11%	89.69%	89.04%	86.45%	92.40%	93.31%	91.46%	91.31%	89.98%	90.30%	89.08%	89.42%
Net Profit / (Net Loss)	7.89%	10.31%	10.96%	13.55%	7.60%	6.69%	8.54%	8.69%	10.02%	9.70%	10.92%	10.58%
Interest to Capital Contributors	1.99%	2.07%	1.95%	1.84%	1.51%	2.19%	2.14%	2.13%	2.08%	2.08%	2.05%	2.05%
Distributable Profit Carried Forward	5.90%	8.24%	9.00%	11.71%	6.09%	4.50%	6.40%	6.57%	7.94%	7.62%	8.88%	8.53%
Net Profit Before Depreciation	25.60%	27.21%	26.84%	28.06%	25.62%	24.60%	26.04%	26.10%	27.07%	26.75%	27.68%	27.34%

Per Ton Statement

All amounts in Dhs

Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4
Total Material Transported	2,641,800	2,641,800	2,641,800	2,641,800	660,450	660,450	660,450	660,450	660,450	660,450	660,450	660,450
Sales	8.08	8.38	8.88	9.41	8.00	8.00	8.15	8.15	8.30	8.30	8.45	8.45
Other Income	0.18	0.27	0.27	0.27	0.11	0.16	0.20	0.25	0.27	0.27	0.27	0.27
Gross Revenues	8.26	8.65	9.15	9.68	8.11	8.16	8.35	8.40	8.57	8.57	8.72	8.72
Diesel	1.60	1.71	1.81	1.92	1.56	1.59	1.61	1.64	1.67	1.69	1.72	1.75
Salaries	1.53	1.53	1.68	1.85	1.53	1.53	1.53	1.53	1.53	1.53	1.53	1.53
Tyres	0.30	0.30	0.32	0.34	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Operations	2.06	2.06	2.16	2.27	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06
Administration	0.18	0.20	0.22	0.24	0.18	0.18	0.18	0.18	0.20	0.20	0.20	0.20
Financial Expenses	0.48	0.50	0.51	0.35	0.41	0.50	0.50	0.50	0.50	0.50	0.50	0.51
Depreciation	1.46	1.46	1.45	1.41	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46
Gross Expenses	7.61	7.76	8.15	8.37	7.50	7.61	7.64	7.67	7.72	7.74	7.77	7.80
Net Profit / (Net Loss)	0.65	0.89	1.00	1.31	0.62	0.55	0.71	0.73	0.86	0.83	0.95	0.92
Interest to Capital Contributors	0.16	0.18	0.18	0.18	0.12	0.18	0.18	0.18	0.18	0.18	0.18	0.18
Distributable Profit Carried Forward	0.49	0.71	0.82	1.13	0.49	0.37	0.54	0.55	0.68	0.65	0.77	0.74
Net Profit Before Depreciation	2.11	2.35	2.46	2.72	2.08	2.01	2.18	2.19	2.32	2.29	2.42	2.38

Per Truck Statement											All amounts in Dhs	
Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4
Trucks Running (Averaged Per Month)	35	35	35	35	35	35	35	35	35	35	35	35
Sales	609.54	632.17	670.11	710.31	150.97	150.97	153.80	153.80	156.63	156.63	159.46	159.46
Other Income	13.71	20.66	20.66	20.66	2.14	3.00	3.86	4.71	5.17	5.17	5.17	5.14
Gross Revenues	623.26	652.83	690.77	730.97	153.11	153.97	157.66	158.51	161.80	161.80	164.63	164.60
Diesel	120.89	128.80	136.51	144.71	29.49	29.97	30.46	30.97	31.46	31.94	32.46	32.94
Salaries	115.20	115.20	126.71	139.40	28.80	28.80	28.80	28.80	28.80	28.80	28.80	28.80
Tyres	22.63	22.63	24.20	25.89	5.66	5.66	5.66	5.66	5.66	5.66	5.66	5.66
Operations	155.31	155.31	163.09	171.23	38.83	38.83	38.83	38.83	38.83	38.83	38.83	38.83
Administration	13.83	15.20	16.71	18.40	3.46	3.46	3.46	3.46	3.80	3.80	3.80	3.80
Financial Expenses	35.86	38.03	38.17	26.23	7.66	9.37	9.40	9.43	9.46	9.49	9.51	9.57
Depreciation	110.35	110.35	109.69	106.06	27.59	27.59	27.59	27.59	27.59	27.59	27.59	27.59
Gross Expenses	574.07	585.53	615.09	631.91	141.48	143.68	144.19	144.73	145.59	146.10	146.65	147.19
Net Profit / (Net Loss)	49.18	67.30	75.68	99.06	11.64	10.30	13.47	13.78	16.21	15.70	17.98	17.41
Interest to Capital Contributors	12.43	13.49	13.49	13.49	2.31	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Distributable Profit Carried Forward	36.75	53.82	62.19	85.57	9.32	6.92	10.10	10.41	12.84	12.33	14.61	14.04
Net Profit Before Depreciation	159.54	177.66	185.37	205.11	39.23	37.88	41.06	41.37	43.80	43.29	45.57	45.00

Per Truck Per Month Statement											All amounts in Dhs	
Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4
Sales	50.80	52.68	55.84	59.19	50.32	50.32	51.27	51.27	52.21	52.21	53.15	53.15
Other Income	1.14	1.72	1.72	1.72	0.71	1.00	1.29	1.57	1.72	1.72	1.72	1.71
Gross Revenues	51.94	54.40	57.56	60.91	12.76	12.83	13.14	13.21	13.48	13.48	13.72	13.72
Diesel	10.07	10.73	11.38	12.06	9.83	9.99	10.15	10.32	10.49	10.65	10.82	10.98
Salaries	9.60	9.60	10.56	11.62	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60
Tyres	1.89	1.89	2.02	2.16	1.89	1.89	1.89	1.89	1.89	1.89	1.89	1.89
Operations	12.94	12.94	13.59	14.27	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94
Administration	1.15	1.27	1.39	1.53	1.15	1.15	1.15	1.15	1.27	1.27	1.27	1.27
Financial Expenses	2.99	3.17	3.18	2.19	2.55	3.12	3.13	3.14	3.15	3.16	3.17	3.19
Depreciation	9.20	9.20	9.14	8.84	9.20	9.20	9.20	9.20	9.20	9.20	9.20	9.20
Gross Expenses	47.84	48.79	51.26	52.66	11.79	11.97	12.02	12.06	12.13	12.18	12.22	12.27
Net Profit / (Net Loss)	4.10	5.61	6.31	8.26	3.88	3.43	4.49	4.59	5.40	5.23	5.99	5.80
Interest to Capital Contributors	1.04	1.12	1.12	1.12	0.77	1.12	1.12	1.12	1.12	1.12	1.12	1.12
Distributable Profit Carried Forward	3.06	4.49	5.18	7.13	3.11	2.31	3.37	3.47	4.28	4.11	4.87	4.68
Net Profit Before Depreciation	13.30	14.81	15.45	17.09	13.08	12.63	13.69	13.79	14.60	14.43	15.19	15.00

Cost per Kilometer										All amounts in Dhs '000			
Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4	
Kms Travelled	3,780,000	3,780,000	3,780,000	3,780,000	945,000	945,000	945,000	945,000	945,000	945,000	945,000	945,000	
Sales	5.64	5.85	6.20	6.58	5.59	5.59	5.70	5.70	5.80	5.80	5.91	5.91	
Other Income	0.13	0.19	0.19	0.19	0.08	0.11	0.14	0.17	0.19	0.19	0.19	0.19	
Gross Revenues	5.77	6.04	6.40	6.77	5.67	5.70	5.84	5.87	5.99	5.99	6.10	6.10	
Diesel	1.12	1.19	1.26	1.34	1.09	1.11	1.13	1.15	1.17	1.18	1.20	1.22	
Salaries	1.07	1.07	1.17	1.29	1.07	1.07	1.07	1.07	1.07	1.07	1.07	1.07	
Tyres	0.21	0.21	0.22	0.24	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	
Operations	1.44	1.44	1.51	1.59	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	
Administration	0.13	0.14	0.15	0.17	0.13	0.13	0.13	0.13	0.14	0.14	0.14	0.14	
Financial Expenses	0.33	0.35	0.35	0.24	0.28	0.35	0.35	0.35	0.35	0.35	0.35	0.35	
Depreciation	1.02	1.02	1.02	0.98	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	
Gross Expenses	5.32	5.42	5.70	5.85	5.24	5.32	5.34	5.36	5.39	5.41	5.43	5.45	
Net Profit / (Net Loss)	0.46	0.62	0.70	0.92	0.43	0.38	0.50	0.51	0.60	0.58	0.67	0.64	
Interest to Capital Contributors	0.12	0.12	0.12	0.12	0.09	0.12	0.12	0.12	0.12	0.12	0.12	0.12	
Distributable Profit Carried Forward	0.34	0.50	0.58	0.79	0.35	0.26	0.37	0.39	0.48	0.46	0.54	0.52	
Net Profit Before Depreciation	1.48	1.64	1.72	1.90	1.45	1.40	1.52	1.53	1.62	1.60	1.69	1.67	

Cost per Month										All amounts in Dhs '000			
Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4	
Sales	1,777.83	1,843.83	1,954.50	2,071.75	1,761.33	1,761.33	1,794.33	1,794.33	1,827.33	1,827.33	1,860.33	1,860.33	
Other Income	40.00	60.25	60.25	60.25	25.00	35.00	45.00	55.00	60.33	60.33	60.33	60.00	
Gross Revenues	1,817.83	1,904.08	2,014.75	2,132.00	1,786.33	1,796.33	1,839.33	1,849.33	1,887.67	1,887.67	1,920.67	1,920.33	
Diesel	352.58	375.67	398.17	422.08	344.00	349.67	355.33	361.33	367.00	372.67	378.67	384.33	
Salaries	336.00	336.00	369.58	406.58	336.00	336.00	336.00	336.00	336.00	336.00	336.00	336.00	
Tyres	66.00	66.00	70.58	75.50	66.00	66.00	66.00	66.00	66.00	66.00	66.00	66.00	
Operations	453.00	453.00	475.67	499.42	453.00	453.00	453.00	453.00	453.00	453.00	453.00	453.00	
Administration	40.35	44.33	48.75	53.67	40.35	40.35	40.35	40.35	44.33	44.33	44.33	44.33	
Financial Expenses	104.58	110.92	111.33	76.50	89.33	109.33	109.67	110.00	110.33	110.67	111.00	111.67	
Depreciation	321.87	321.87	319.93	309.33	321.87	321.87	321.87	321.87	321.87	321.87	321.87	321.87	
Gross Expenses	1,674.38	1,707.78	1,794.02	1,843.08	1,650.55	1,676.22	1,682.22	1,688.55	1,698.53	1,704.53	1,710.87	1,717.20	
Net Profit / (Net Loss)	143.45	196.30	220.73	288.92	135.78	120.12	157.12	160.78	189.13	183.13	209.80	203.13	
Interest to Capital Contributors	36.25	39.33	39.33	39.33	27.00	39.33	39.33	39.33	39.33	39.33	39.33	39.33	
Distributable Profit Carried Forward	107.20	156.97	181.40	249.58	108.78	80.78	117.78	121.45	149.80	143.80	170.47	163.80	
Net Profit Before Depreciation	465.32	518.17	540.67	598.25	457.65	441.98	478.98	482.65	511.00	505.00	531.67	525.00	

Projected Balance Sheets

All amounts in Dhs '000

Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4
Fixed Assets (WDV)	15,116	11,253	7,414	3,702	18,012	17,047	16,081	15,116	14,150	13,184	12,219	11,253
Net Current Assets	15,365	16,217	17,141	21,538	10,842	15,163	15,308	15,365	15,606	15,730	16,033	16,217
Total Assets	30,480	27,470	24,555	25,240	28,854	32,210	31,389	30,480	29,756	28,914	28,252	27,470
Owned Funds	11,184	13,540	16,189	19,656	6,875	10,231	10,702	11,184	11,752	12,301	12,931	13,540
Term Liabilities	13,913	8,349	2,785	3	16,695	16,695	15,304	13,913	12,522	11,131	9,740	8,349
Working Capital Finance	5,383	5,581	5,581	5,581	5,284	5,284	5,383	5,383	5,482	5,482	5,581	5,581
Total Liabilities	30,480	27,470	24,555	25,240	28,854	32,210	31,389	30,480	29,756	28,914	28,252	27,470
Current Assets	-	-	-	-	-	-	-	-	-	-	-	-
Stock	-	-	-	-	-	-	-	-	-	-	-	-
Debtors	7,177	7,441	7,818	8,287	5,284	7,045	7,177	7,177	7,309	7,309	7,441	7,441
Fixed Deposits	90	90	90	90	90	90	90	90	90	90	90	90
Cash & Bank Balances	9,355	9,970	10,596	14,618	6,707	9,273	9,292	9,355	9,473	9,603	9,780	9,970
Total Current Assets	16,622	17,501	18,504	22,995	12,081	16,408	16,559	16,622	16,872	17,002	17,311	17,501
Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Creditors	1,257	1,284	1,363	1,457	1,239	1,245	1,251	1,257	1,266	1,272	1,278	1,284
Other Payables	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	1,257	1,284	1,363	1,457	1,239	1,245	1,251	1,257	1,266	1,272	1,278	1,284
Owned Capital	9,463	9,463	9,463	9,463	6,468	9,463	9,463	9,463	9,463	9,463	9,463	9,463
Cumulative Distributable Profits	1,286	3,170	5,347	8,342	326	569	922	1,286	1,736	2,167	2,679	3,170
Cumulative Interest to Contributories	435	907	1,379	1,851	81	199	317	435	553	671	789	907
Total Owned Funds	-	11,184	13,540	16,189	19,656	6,875	10,231	10,702	11,184	11,752	12,301	12,931

Projected Funds Flow Statement

All amounts in Dhs '000

Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4
Net Profit	1,721	2,356	2,649	3,467	407	360	471	482	567	549	629	609
Introduction of New Capital	9,463	-	-	-	6,468	2,995	-	-	-	-	-	-
Depreciation	3,862	3,862	3,839	3,712	966	966	966	966	966	966	966	966
Decrease in Net Working Capital	-	-	-	-	-	-	-	6	-	6	-	6
New Term Loans	16,695	-	-	-	16,695	-	-	-	-	-	-	-
New Working Capital Loans	5,383	198	-	-	5,284	-	99	-	99	-	99	-
Sale of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-
Any Other Transaction	-	-	-	-	-	-	-	-	-	-	-	-
Total Sources of Funds	- 37,125	6,416	6,488	7,179	29,820	4,321	1,536	1,454	1,632	1,521	1,694	1,581
Increase in Net Working Capital	6,010	237	298	375	4,135	1,755	126	-	123	-	126	-
Repayment of Loan	2,782	5,564	5,564	2,782	-	-	1,391	1,391	1,391	1,391	1,391	1,391
Purchase of Fixed Assets	18,978	-	-	-	18,978	-	-	-	-	-	-	-
Any Other Transaction	-	-	-	-	-	-	-	-	-	-	-	-
Total Application of Funds	- 27,770	5,801	5,862	3,157	23,113	1,755	1,517	1,391	1,514	1,391	1,517	1,391
Opening Balance of Funds	-	9,355	9,970	10,596	-	6,707	9,273	9,292	9,355	9,473	9,603	9,780
Gross Funds Inflow	37,125	6,416	6,488	7,179	29,820	4,321	1,536	1,454	1,632	1,521	1,694	1,581
Gross Funds Outflow	(27,770)	(5,801)	(5,862)	(3,157)	(23,113)	(1,755)	(1,517)	(1,391)	(1,514)	(1,391)	(1,517)	(1,391)
Closing Balance of Funds	9,355	9,970	10,596	14,618	6,707	9,273	9,292	9,355	9,473	9,603	9,780	9,970

Calculation of Working Capital Requirement

All amounts in Dhs '000

Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4
Current Assets												
Stock	-	-	-	-	-	-	-	-	-	-	-	-
Debtors	7,177	7,441	7,818	8,287	5,284	7,045	7,177	7,177	7,309	7,309	7,441	7,441
Fixed Deposits	90	90	90	90	90	90	90	90	90	90	90	90
Total Current Assets	-	7,267	7,531	7,908	8,377	5,374	7,135	7,267	7,267	7,399	7,399	7,531
Current Liabilities												
Creditors	1,257	1,284	1,363	1,457	1,239	1,245	1,251	1,257	1,266	1,272	1,278	1,284
Other Payables	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	-	1,257	1,284	1,363	1,457	1,239	1,245	1,251	1,257	1,266	1,272	1,284
Net Working Capital (excl cash)	6,010	6,247	6,545	6,920	4,135	5,890	6,016	6,010	6,133	6,127	6,253	6,247
Net Working Capital	15,365	16,217	17,141	21,538	10,842	15,163	15,308	15,365	15,606	15,730	16,033	16,217
Finance from Bank	5,383	5,581	5,581	5,581	5,284	5,284	5,383	5,383	5,482	5,482	5,581	5,581
Balance as Owner's Contribution	9,982	10,636	11,560	15,957	5,558	9,879	9,925	9,982	10,124	10,248	10,452	10,636
Bases of Calculation:												
Sales	21,334	22,126	23,454	24,861	5,284	5,284	5,383	5,383	5,482	5,482	5,581	5,581
Cost of Sales	14,975	15,300	16,353	17,487	3,718	3,735	3,752	3,770	3,799	3,816	3,834	3,851
Stock will not be maintained in this operation	-	-	-	-	-	-	-	-	-	-	-	-
Total Stock	-	-	-	-	-	-	-	-	-	-	-	-
Debtors at 4 months of sales	7,177	7,441	7,818	8,287	5,284	7,045	7,177	7,177	7,309	7,309	7,441	7,441
Creditors @ 1 months of cost of sale	1,257	1,284	1,363	1,457	1,239	1,245	1,251	1,257	1,266	1,272	1,278	1,284

Calculations and AssumptionsSales

All amounts in Dhs '000

Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4
Monthly					1,761	1,761	1,794	1,794	1,827	1,827	1,860	1,860
QLY / YLY	21,334	22,126	23,454	24,861	5,284	5,284	5,383	5,383	5,482	5,482	5,581	5,581

Note that it is assumed that the market will push up the price of transport by 4.00% after 1 year, due to demand and normal inflation.

On base cost of '30 Km One Way Route' taken @ Dhs 8.00, this reflects a net rate increase of abt Dhs 0.32 or say Dh 0.40 per ton.

One Way Distance per truck per trip in kms					30	(note that @ 40 kmph, this trip will take abt 1 1/2 hours two way)						
Number of Trips made per day (minimum average)					8	(note that for every trip, time equivalent to 1 1/2 hr is for loading, etc)						
Distance Travelled per truck daily in kms in double shift					360	(so as per above calculation, this should be 24 hours every day)						
Average Load Carried per truck per trip in tons					37							
Load Carried per day per truck in tons					296							
Rate Charged in Dhs per ton					8.00	8.00	8.15	8.15	8.30	8.30	8.45	8.45
Equivalent Hourly Rate					98.67							
Number of Days worked per month					25	(this is with the assumption that every time some are being serviced)						
Average Capacity Utilised (since work is based on demand)					85%							
Aggregate carried every month per truck in tons					6,290							
Number of Trucks operating					35	35	35	35	35	35	35	35
Gross Revenue earned per month by all trucks together (Dhs)					1,761,200	1,761,200	1,794,223	1,794,223	1,827,245	1,827,245	1,860,268	1,860,268
QLY/YLY Gross Revenue	21,334	22,126	23,454	24,861	5,284	5,284	5,383	5,383	5,482	5,482	5,581	5,581
Note that Gross Annual Revenue is increased by 6% annually for year 3 & 4.												
Gross Tonnage Carried (for calculations)	2,641,800	2,641,800	2,641,800	2,641,800	660,450	660,450	660,450	660,450	660,450	660,450	660,450	660,450
Gross Kilometers Travelled (for calculations)	3,780,000	3,780,000	3,780,000	3,780,000	945,000	945,000	945,000	945,000	945,000	945,000	945,000	945,000

Note that it is assumed that road closure restrictions do not apply to mixer trucks.

Other Income

All amounts in Dhs '000

Particulars	2005	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4
Fixed Deposits with Bank	-	90	90	90	90	90	90	90	90	90	90	90	90
Interest @ 3.00% pa	-	-	3	3	3	-	-	-	-	1	1	1	-
Income from Workshop		480	720	720	720	75	105	135	165	180	180	180	180
Total		480	723	723	723	75	105	135	165	181	181	181	180

- Notes:
- * Interest will be calculated on opening balance for the year.
 - * As of now, no investments are considered. Since inception, visas for new employees will be applied and FDs will be needed for Bank Guarantee to Labour Dept. Currently interest is only considered for the same.
 - * Workshop will be used for outside work as a separate profit centre and will yield substantial revenues. These are being accounted for on a conservative basis.

Diesel					All amounts in Dhs '000							
Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4
Monthly QLY / YLY	4,231	4,508	4,778	5,065	344	350	355	361	367	373	379	384
					1,032	1,049	1,066	1,084	1,101	1,118	1,136	1,153
Mileage given by each truck per litre in kms					2.40							
Litre to IG conversion					4.54							
Kms run per IG per truck					10.90							
Distance covered every day per truck in kms					360							
Diesel consumed per truck per day in IG					33.04							
Number of trucks in fleet					35	35	35	35	35	35	35	35
Diesel consumed per day in IG					1,156.39	1,156.39	1,156.39	1,156.39	1,156.39	1,156.39	1,156.39	1,156.39
Say,					1,156	1,156	1,156	1,156	1,156	1,156	1,156	1,156
Rate of Diesel per IG, inflated at 1.50% quarterly (Dhs)					11.90	12.10	12.30	12.50	12.70	12.90	13.10	13.30
Cost of Diesel per day for all trucks (rounded off) (Dhs)					13,756.40	13,987.60	14,218.80	14,450.00	14,681.20	14,912.40	15,143.60	15,374.80
Gross Diesel Cost per month by all trucks together (Dhs)					343,910	349,690	355,470	361,250	367,030	372,810	378,590	384,370
QLY/YLY Diesel Cost	4,231	4,508	4,778	5,065	1,032	1,049	1,066	1,084	1,101	1,118	1,136	1,153

(Note that for Year 3 & 4, rate of diesel has been increased on flat annual basis)

Particulars	All amounts in Dhs '000											
	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4
Monthly QLY / YLY	792	792	847	906	66 198	66 198	66 198	66 198	66 198	66 198	66 198	66 198
Cost of Bcdefghij Tyre in Dhs					1,650							
Cost of Remoulding (resoling) of tyre (Dhs)					900							
Total cost of tyre during its life (Dhs)					2,550							
Total number of tyres in a truck					10	(spare tyre not considered here, as it too has the same life)						
Total cost of tyres in a truck (Dhs)					25,500							
Distance (kms) covered by brand new tyre on proper rotation					70,000	(minimum distance in summer; winter life is more)						
Distance (kms) covered by remoulded tyre on proper rotation					50,000	(minimum distance in summer; winter life is more)						
Total Distance covered by tyre during its life (kms)					120,000							
Cost of Tyres per km per truck (Dhs)					0.21							
Distance covered every day per truck in kms					360							
Life of a set of tyres in days					333							
Number of trucks in fleet					35	35	35	35	35	35	35	35
Distance in kms, run daily					12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600
Monthly Distance (kms) for all trucks					315,000	315,000	315,000	315,000	315,000	315,000	315,000	315,000
Cost of Tyres for all trucks per month (Dhs)					66,150	66,150	66,150	66,150	66,150	66,150	66,150	66,150
QLY/YLY Tyre Cost	792	792	847	906	198	198	198	198	198	198	198	198

Notes:

Proper rotation for brand new & remoulded tyre should be followed to attain maximum mileage.

Cost of tyres is increased by 7% for 3rd & 4th year.

Salaries					All amounts in Dhs '000							
Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4
Monthly QLY / YLY	4,032	4,032	4,435	4,879	336	336	336	336	336	336	336	336
Salary of Driver per month					1,800							
No of Days per month (driving)					25	gross hrs:	12	with OT:	4	Fridays:	4	
No of Days per month (servicing & other idle time)					5	gross hrs:	8	with OT:	-	Fridays:	-	
Total Days worked					30							
Hourly Salary					7.50							
OT Hours for Normal	21 days @	4 hours OT			84	hrs OT @	1.25	times salary, i.e., Dhs	9.38	, so total =	788	
Holiday OT Hours	4 days @	12 hours OT			48	hrs OT @	1.50	times salary, i.e., Dhs	11.25	, so total =	540	
Normal Working for	5 days @	normal salary, included in monthly pay.										
Normal Salary for	30 days @	8 hours			240	hrs basic	1.00	times salary, i.e., Dhs	7.50	, so total =	1,801	
Food & Other allowances during the month, per driver												350
Ramadan Salary for	30 days @	2 hours OT			60	hrs OT @	1.25	times salary, i.e., Dhs	9.38	Annualised	47	
												3,526
Annualised Leave Salary, at a rate equal to 2.5 days per month worked, which comes to monthly salary (rounded off) Dhs												150
Annualised Indemnity, at a rate equal to 21 days per year worked (rounded off) Dhs												105
Annualised Air Ticket Cost, taken at abt Dhs 1,600 , once in					2	years						67
Annualised Visa Expenses, taken at abt Dhs 3,900 , once in					3	years, including medical card costs						108
Monthly Insurance for drivers, including blood money cover												65
Other expenses for the driver												100
Therefore, total salary per driver will be												Dhs 4,121
or, say,												Dhs 4,200
Salary per driver as above, per month Dhs					4,200							
Number of Drivers = (Number of Trucks x 2 Shifts)					80	80	80	80	80	80	80	80
Monthly Salary for all Drivers (Dhs)					336,000	336,000	336,000	336,000	336,000	336,000	336,000	336,000
QLY/YLY Salaries	4,032	4,032	4,435	4,879	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008
(Note that for year 3 & 4, salaries are increased at 10% annually)												

Operating Expenses					All amounts in Dhs '000							
Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4
Monthly QLY / YLY	5,436	5,436	5,708	5,993	453	453	453	453	453	453	453	453
F2 Service after interval of every					20,000 kms @ Dhs		530	i.e., Dhs	0.0265	per km		
F3 Service after interval of every					60,000 kms @ Dhs		1,024	i.e., Dhs	0.0171	per km		
Oil Change after interval of every					100,000 kms @ Dhs		235	i.e., Dhs	0.0024	per km		
Other Marginal Maintenance Cost during averaged interval of					50,000 kms @ Dhs		50	i.e., Dhs	0.0010	per km		
Totals to								Dhs	0.0469	per km		
								Say, Dhs	0.1500	per km		
Daily Running for each truck will be (kms)					360							
Monthly Running as per calculation will be (kms)					9,000				1,350			
Cost of Insurance for Truck (Dhs)					31,800			(Comprehensive insurance @ abt 6.00% of value)				
Cost of passing, registration, etc, as experienced (Dhs)					750							
Other costs during registration process (Dhs)					250							
Total Annual Registration Cost for first year					32,800							
Cost of Insurance for 2nd year, after 15% normal depreciation					27,030							
Registration & Other Costs for 2nd Year					27,780							
Total Cost for 2 years (excluding inflation effect)					87,610				3,650		0.4056	per km
During first year, no major repairs are expected to the truck. However, incidences do happen. So the following costs are considered, averaged monthly:												
Accidental damages					200							
Hitting of vehicle to wheel loaders or stockpiles while loading / tipping					50							
Electrical Lighting and Mudguard Flaps routine damages					50							
Battery Changes					150							
Traffic Penalties					10							
Other Routine Overhauls					200							
Total					660				660		0.0733	per km

Note that overall expenses are increased by 5% for year 3 & 4.

Administration Expenses					All amounts in Dhs '000							
Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4
As calculated below	484	532	585	644	121	121	121	121	133	133	133	133

Monthly Expenses will include the following, annually increased @ at 10%

Particulars	Dhs
Salary to Transport Supervisor	5,000
Salary to Head Mechanic	3,500
Salary to Assistant Mechanic	2,000
Salary to Helper	1,500
Salary to Tyreman	2,500
Salary to Accountant	3,500
Salary to Liaison Assistant	2,000
Salary to Office Boy	1,000
Hired Pickup	2,850
Fuel & Other Expenses	2,500
Telephones & Courier	2,500
License Fee Component & Sponsor's Fee	7,500
Bank Charges	500
Visa Expenses, Air Fare, Indemnity Provision, Etc	2,000
Professional Charges	1,000
Other Expenses	500
Total	<u>40,350</u>

, i.e., average monthly at Dhs 40.35 ,or Dhs 0.0045 per km

Interest & Balance in Financial Assistance

All amounts in Dhs '000

Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4
New Loan Taken (Trucks)	16,695	-	-	-	16,695	-	-	-	-	-	-	-
Repayment as per statement	2,782	5,564	5,564	2,782			1,391	1,391	1,391	1,391	1,391	1,391
Interest Charged / Paid (Flat) @ 5%	836	836	836	418	209	209	209	209	209	209	209	209
Closing Balance	13,913	8,349	2,785	3	16,695	16,695	15,304	13,913	12,522	11,131	9,740	8,349
New Capital Component (Trucks)	1,855	-	-		1,855	-	-	-	-	-	-	-
New Capital Component (Other Assets)	428	-	-		428	-	-	-	-	-	-	-
New Capital (Non Cash Working Capital)	7,180	-	-		4,185	2,995	-	-	-	-	-	-
Charge @ 5% for the period	435	472	472	472	81	118	118	118	118	118	118	118
Charge @ 5% Accumulated	435	472	472	472	81	199	317	435	118	236	354	472
Closing Balance	9,463	9,463	9,463	9,463	6,468	9,463	9,463	9,463	9,463	9,463	9,463	9,463
Vehicles Purchased During the Period	35	-	-	-	35	-	-	-	-	-	-	-
Cost of Vehicles Purchased	18,550	-	-	-	18,550	-	-	-	-	-	-	-
Owned Capital (Trucks) Margin @ 10%	1,855	-	-	-	1,855	-	-	-	-	-	-	-
Borrowed Capital (Trucks) 90%	16,695	-	-	-	16,695	-	-	-	-	-	-	-
Owned Capital (Others)	428	-	-	-	428	-	-	-	-	-	-	-
Total Interest on Borr Capital @ 5% flat.					2,504	-	-	-	-	-	-	-
Repayment Period is 3 Years												
Debtors at 4 months of sales	7,177	7,441	7,441	7,441	5,284	7,045	7,144	7,177	7,276	7,309	7,408	7,441
Bill Discounting Facility 3 Months'	5,383	5,581	5,581	5,581	5,284	5,284	5,383	5,383	5,482	5,482	5,581	5,581
Interest @ 9% on BD facility availed.	419	495	500	500	59	119	120	121	122	123	124	126
Total Interest	1,255	1,331	1,336	918	268	328	329	330	331	332	333	335

Depreciation & Fixed Assets Schedule

All amounts in Dhs '000

Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4
Trucks & Mixers Gross Block	-	18,550	18,550	18,550	-	18,550	18,550	18,550	18,550	18,550	18,550	18,550
Purchase / (Sale)	18,550	-	-	-	18,550	-	-	-	-	-	-	-
Accumulated Depreciation	-	3,712	7,424	11,136	-	928	1,856	2,784	3,712	4,640	5,568	6,496
Current Depreciation 20%	3,712	3,712	3,712	3,712	928	928	928	928	928	928	928	928
Closing WDV	14,838	11,126	7,414	3,702	17,622	16,694	15,766	14,838	13,910	12,982	12,054	11,126
Workshop & Machines Gross Block	-	400.00	400.00	400.00	-	400.00	400.00	400.00	400.00	400.00	400.00	400.00
Purchase / (Sale)	400.00	-	-	-	400.00	-	-	-	-	-	-	-
Accumulated Depreciation	-	140.00	280.00	400.00	-	35.00	70.00	105.00	140.00	175.00	210.00	245.00
Current Depreciation 35%	140.00	140.00	120.00	-	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00
Closing WDV	260.00	120.00	-	-	365.00	330.00	295.00	260.00	225.00	190.00	155.00	120.00
Computers Gross Block	-	8.00	8.00	8.00	-	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Purchase / (Sale)	8.00	-	-	-	8.00	-	-	-	-	-	-	-
Accumulated Depreciation	-	3.20	6.40	8.00	-	0.80	1.60	2.40	3.20	4.00	4.80	5.60
Current Depreciation 40%	3.20	3.20	1.60	-	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80
Closing WDV	4.80	1.60	-	-	7.20	6.40	5.60	4.80	4.00	3.20	2.40	1.60
Furniture Gross Block	-	20.00	20.00	20.00	-	20.00	20.00	20.00	20.00	20.00	20.00	20.00
Purchase / (Sale)	20.00	-	-	-	20.00	-	-	-	-	-	-	-
Accumulated Depreciation	-	7.20	14.40	20.00	-	1.80	3.60	5.40	7.20	9.00	10.80	12.60
Current Depreciation 35%	7.20	7.20	5.60	-	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80
Closing WDV	12.80	5.60	-	-	18.20	16.40	14.60	12.80	11.00	9.20	7.40	5.60
Total Gross Block	-	18,978.00	18,978.00	18,978.00	-	18,978.00	18,978.00	18,978.00	18,978.00	18,978.00	18,978.00	18,978.00
Purchase / (Sale)	18,978.00	-	-	-	18,978.00	-	-	-	-	-	-	-
Accumulated Depreciation	-	3,862.40	7,724.80	11,564.00	-	965.60	1,931.20	2,896.80	3,862.40	4,828.00	5,793.60	6,759.20
Current Depreciation As above	3,862.40	3,862.40	3,839.20	3,712.00	965.60	965.60	965.60	965.60	965.60	965.60	965.60	965.60
Closing WDV	15,115.60	11,253.20	7,414.00	3,702.00	18,012.40	17,046.80	16,081.20	15,115.60	14,150.00	13,184.40	12,218.80	11,253.20

Notes: * Depreciation is calculated by Straight Line Method in this calculation. Any purchase / sale during the projected period is not considered.

Calculations covering purchase of fixed assets:

Items Purchased

[A] Initial Purchase

Trucks + Accessories

11,550

-

-

-

Mixers + Addl Spare Tyre / Jack & Accessories

7,000

100

-

-

Workshop Building

-

200

-

-

Engine Maintenance Accessories & Dead Stock

-

50

-

-

Gearbox Maintenance Accessories & Dead Stock

-

-

-

-

Chassis, Suspension, Axles & Tyres Maintenance

-

50

-

-

Office Equipment

-

-

8

20

Total

18,550400820

[B] Additional Purchase

Truck + Accessories

330

-

-

-

Mixer + Addl Spare Tyre / Jack & Accessories

200

-

-

-

Total

530---

Financial & Ratio Analysis

All amounts in Dhs '000

Particulars	1st Year	2nd Year	3rd Year	4th Year	Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4
Gross Profit (to Sales) Ratio	32.08%	33.25%	32.77%	32.25%	31.93%	31.60%	32.55%	32.21%	33.13%	32.82%	33.69%	33.38%
Net Profit (to Sales) Ratio	8.07%	10.65%	11.29%	13.95%	7.71%	6.82%	8.76%	8.96%	10.35%	10.02%	11.28%	10.92%
Cash Profit (to Sales) Ratio	26.17%	28.10%	27.66%	28.88%	25.98%	25.09%	26.69%	26.90%	27.96%	27.64%	28.58%	28.22%
Net Profit to Total Assets Ratio (ROI)	5.65%	8.58%	10.79%	13.74%	1.41%	1.12%	1.50%	1.58%	1.91%	1.90%	2.23%	2.22%
Return on Capital & Retained Earnings	19.28%	20.88%	19.28%	20.04%	7.10%	4.68%	5.51%	5.37%	5.83%	5.43%	5.78%	5.37%
Return on Capital Employed	22.79%	29.88%	32.98%	41.63%	7.55%	5.05%	6.23%	6.34%	7.24%	7.05%	7.90%	7.69%
Debt to Equity Ratio	1.24	0.62	0.17	0.00	2.43	1.63	1.43	1.24	1.07	0.90	0.75	0.62
Proprietary Funds Ratio	0.37	0.49	0.66	0.78	0.24	0.32	0.34	0.37	0.39	0.43	0.46	0.49
Current Ratio (times)	2.50	2.55	2.66	3.27	1.85	2.51	2.50	2.50	2.50	2.52	2.52	2.55
Acid Test Ratio (times)	5.78	5.87	5.80	5.75	4.34	5.73	5.81	5.78	5.84	5.82	5.89	5.87
Stock Holding Period (days)	}											
Debtors' Period (days)	}	These are not calculated as the basis of working is taken on time basis. So, these will be fixed.										
Creditors' Period (days)	}											
Cash Holding Period (days)	170	178	180	241	494	673	672	674	679	685	695	706
Operating Expenses to Sales Ratio	23.54%	23.95%	23.98%	24.02%	23.28%	23.60%	23.48%	23.82%	23.70%	24.01%	23.90%	24.21%
Financial Expenses to Sales Ratio	5.88%	6.02%	5.70%	3.69%	5.07%	6.21%	6.11%	6.13%	6.04%	6.06%	5.97%	6.00%
Present Value of Capital Outflows	18,978											
Net Cash Inflow	5,584	6,218	6,488	7,179	7,944	(5th year taken proportionate to increase from 3rd to 4th year)						
Discounting Factor @ 24.85% (IRR)	0.801	0.642	0.514	0.412	0.330							
Present Value of Net Inflows	4,472	3,989	3,334	2,955	2,619							
Present Value of Total Inflows	17,369											
Cash Profit	5,584	6,218	6,488	7,179								
Interest (Term Loan Vehicle Finance)	836	836	836	418								
Interest (WC Loan)	419	495	500	500								
Cash Available for Debt Service	6,839	7,549	7,824	8,097								
Term Loan Repayment	2,782	5,564	5,564	2,782								
Interest (Both Above)	1,255	1,331	1,336	918								
Debt Serviceing Component	4,037	6,895	6,900	3,700								
Debt Service Coverage Ratio (Times)	1.69	1.09	1.13	2.19	i.e. about	1.53	averaged.					

ABC International (Financial Projections)

Cost of Project & Means of Finance

(All Amts in AED '000)

Particulars

Land & Land Development (10,000m ²)	250			0.44%	0.39%	
300tph Dual Plant Cost	3,852			6.76%	6.07%	
Ice Plant	2,500			4.39%	3.94%	
Service Trucks	360			0.63%	0.57%	
15m ³ Mixer Trucks	21,800			38.25%	34.34%	
35m ³ Pumps on Trucks	21,000			36.85%	33.08%	
Loaders	750			1.32%	1.18%	
500m ² Factory Premises	500			0.88%	0.79%	
150m ² Administrative Offices	150			0.26%	0.24%	
Workshop & Equipments	925			1.62%	1.46%	
Laboratory & Equipments	200			0.35%	0.32%	
Weighbridge	165			0.29%	0.26%	
700m ² Accommodations	700			1.23%	1.10%	
Light Vehicles	130			0.23%	0.20%	
Furniture	100			0.18%	0.16%	
Computers, Peripherals & Systems	50			0.09%	0.08%	
Miscellaneous Assets	50			0.09%	0.08%	
Facility Connection Chgs	180			0.32%	0.28%	
Security Deposit	180			0.32%	0.28%	
Labour Deposit	393			0.69%	0.62%	
Others	53			0.09%	0.08%	
Contingency	5%	2,702		4.74%	4.26%	
Total Capital Outlay		<u>56,990</u>		100.00%		
Net Working Capital		6,491			10.23%	
Total Project Outlay		<u>63,481</u>			<u>100.00%</u>	
Term Finance		43,000		75%	68%	
Working Capital Finance (Borrowed)		3,246			5%	
Own Finance for Capital Outlay		13,990		25%	22%	
Working Capital Margin (Own)		3,245			5%	
Total Project Finance		<u>63,481</u>		<u>56,990</u>	<u>63,481</u>	
Net Working Capital		6,491	8,001	9,509	10,167	9,109
Working Capital Finance	50%	3,246	4,001	4,755	5,084	4,555
Working Capital Margin		3,245	4,000	4,754	5,083	4,554

ABC International (Financial Projections)

Projections of Performance & Profitability

(All Amts in AED '000)

<u>Particulars</u>	<u>Inception</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
General Sales Level		227,000				
<i>Assumed that 85% capacity utilisation is plant designed to give output at</i>			510	tons per hour for	669	tons per hour.
Capacity Utilisation Planned		40%	50%	60%	65%	60%
Material Produced / Sold (m ³)		464,471	580,588	696,706	754,765	696,706
Sales Revenue		106,800	133,500	160,200	173,600	160,200
Operating Cost		107,117	131,891	156,664	169,097	156,664
Gross Profit		(317)	1,609	3,536	4,503	3,536
Administrative Expenses		4,778	4,033	3,288	2,502	1,635
Net Profit		(5,095)	(2,424)	248	2,001	1,901
Drawings by Partners		2,000	2,500	3,000	3,500	4,000
Retained Earnings		(7,095)	(4,924)	(2,752)	(1,499)	(2,099)
Net Profit Before Depreciation		2,929	5,600	8,272	10,025	9,925
GP Ratio		0%	1%	2%	3%	2%
NP Ratio		-5%	-2%	0%	1%	1%
NPBD Ratio		3%	4%	5%	6%	6%
<u>Break-up of Operating Cost</u>						
Raw Material Cost		87,510	109,388	131,265	142,245	131,265
Other Operating Costs		11,583	14,479	17,375	18,828	17,375
Depreciation		8,024	8,024	8,024	8,024	8,024
Total Operating Cost		107,117	131,891	156,664	169,097	156,664
<u>Break-up of Administrative Expenses</u>						
Administrative & Legal Costs		743	743	743	743	743
Financial Costs		4,035	3,290	2,545	1,759	892
Total Administrative Expenses		4,778	4,033	3,288	2,502	1,635

ABC International (Financial Projections)

Common Size Statement

(All Amts in AED '000)

<u>Particulars</u>	<u>Inception</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Sales Revenue		100%	100%	100%	100%	100%
Operating Cost		100%	99%	98%	97%	98%
Gross Profit		0%	1%	2%	3%	2%
Administrative Expenses		4%	3%	2%	1%	1%
Net Profit		-5%	-2%	0%	1%	1%
Drawings by Partners		2%	2%	2%	2%	2%
Retained Earnings		-7%	-4%	-2%	-1%	-1%
Net Profit Before Depreciation		3%	4%	5%	6%	6%
<u>Break-up of Operating Cost</u>						
Raw Material Cost		82%	82%	82%	82%	82%
Other Operating Costs		11%	11%	11%	11%	11%
Depreciation		8%	6%	5%	5%	5%
Total Operating Cost		100%	99%	98%	97%	98%
<u>Break-up of Administrative Expenses</u>						
Administrative & Legal Costs		1%	1%	0%	0%	0%
Financial Costs		4%	2%	2%	1%	1%
Total Administrative Expenses		4%	3%	2%	1%	1%

ABC International (Financial Projections)

Projected Balance Sheets

(All Amts in AED '000)

<u>Particulars</u>	<u>Inception</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Fixed Assets at Cost	56,990	56,990	56,990	56,990	56,990	56,990
Accumulated Depreciation	-	8,024	16,048	24,072	32,096	40,120
Fixed Assets at WDV	56,990	48,966	40,942	32,918	24,894	16,870
Current Assets	-	19,371	24,252	29,132	31,619	29,282
Cash & Bank Balances	-	(7,671)	(13,926)	(18,008)	(20,412)	(22,558)
Current Liabilities	-	12,880	16,251	19,623	21,452	20,173
Net Current Assets	-	(1,180)	(5,925)	(8,499)	(10,245)	(13,449)
Total Assets	56,990	47,786	35,017	24,419	14,649	3,421
Capital	13,990	17,235	17,235	17,235	17,235	17,235
Retained Earnings	-	(7,095)	(12,019)	(14,771)	(16,270)	(18,369)
Total Owned Funds	13,990	10,140	5,216	2,464	965	(1,134)
Term Loan	43,000	34,400	25,800	17,200	8,600	-
Working Capital Loan	-	3,246	4,001	4,755	5,084	4,555
Total Borrowed Funds	43,000	37,646	29,801	21,955	13,684	4,555
Total Liabilities	56,990	47,786	35,017	24,419	14,649	3,421
Current Assets	-	-	-	-	-	-
Stock 1/2 months, Raw Mate	-	3,646	4,558	5,469	5,927	5,469
Debtors 2 1/2 months, 70% Sales	-	15,575	19,469	23,363	25,317	23,363
Advances ad hoc	-	150	225	300	375	450
Cash & Bank Balances	-	(7,671)	(13,926)	(18,008)	(20,412)	(22,558)
Total Current Assets	-	11,700	10,326	11,124	11,207	6,724
Current Assets Except Cash & Bank	-	19,371	24,252	29,132	31,619	29,282
Current Liabilities	-	-	-	-	-	-
Creditors 1 1/2 months	-	12,480	15,576	18,673	20,227	18,673
Others ad hoc	-	400	675	950	1,225	1,500
Total Current Liabilities	-	12,880	16,251	19,623	21,452	20,173

Notes: * Interest on borrowings is not included in calculating creditors.
 * Other Liabilities include end of service benefits towards employees.

ABC International (Financial Projections)

Projected Funds Flow Statements

(All Amts in AED '000)

<u>Particulars</u>	<u>Inception</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Net Profit		(5,095)	(2,424)	248	2,001	1,901
Depreciation		8,024	8,024	8,024	8,024	8,024
Capital Introduced	13,990	3,245	-	-	-	-
Term Loans Taken	43,000	-	-	-	-	-
Working Capital Loan Taken	-	3,246	755	754	329	-
Decrease in Net Working Capital		-	-	-	-	1,058
Total Sources of Funds	<u>56,990</u>	<u>9,420</u>	<u>6,355</u>	<u>9,026</u>	<u>10,354</u>	<u>10,983</u>
Drawings by Partners		2,000	2,500	3,000	3,500	4,000
Term Loans Repaid	-	8,600	8,600	8,600	8,600	8,600
Working Capital Loan Repaid	-	-	-	-	-	529
Fixed Assets Purchased	56,990	-	-	-	-	-
Increase in Net Working Capital		6,491	1,510	1,508	658	-
Total Application of Funds	<u>56,990</u>	<u>17,091</u>	<u>12,610</u>	<u>13,108</u>	<u>12,758</u>	<u>13,129</u>
Opening Balance	-	-	(7,671)	(13,926)	(18,008)	(20,412)
Total Sources	56,990	9,420	6,355	9,026	10,354	10,983
Total Application	56,990	17,091	12,610	13,108	12,758	13,129
Closing Balance	-	(7,671)	(13,926)	(18,008)	(20,412)	(22,558)

ABC International (Financial Projections)

Fixed Assets Schedule

(All Amts in AED '000)

<u>Particulars</u>	<u>Inception</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	
Land & Development	250	250	250	250	250	250	
Refundable Deposits	573	573	573	573	573	573	
WDV	823	823	823	823	823	823	
Pre-Operative Expenses	233	233	233	233	233	233	
Additions							
Depreciating Years	7	33	33	33	33	33	
WDV	233	200	167	134	101	68	
Plant & Peripherals	6,352						
Mobile Machineries	44,040						
Premises & Development	500						
Office & Accommodations	850						
Workshop & Laboratory	1,125						
Weighbridge, Furniture, Etc	365						
Contingency	2,702						
Total	55,934	-	-	-	-	-	
Cost Carried Over	55,934	55,934	55,934	55,934	55,934	55,934	
Additions							
Depreciating Years	7	7,991	7,991	7,991	7,991	7,991	
WDV	55,934	47,943	39,952	31,961	23,970	15,979	
Total Cost	56,990	56,990	56,990	56,990	56,990	56,990	
Total Current Depreciation	-	8,024	8,024	8,024	8,024	8,024	
Accumulated Depreciation	-	8,024	16,048	24,072	32,096	40,120	
Total WDV	56,990	48,966	40,942	32,918	24,894	16,870	
	-	-	-	-	-	-	
<u>Interest & Financial Costs</u>							
Term Loan		43,000	34,400	25,800	17,200	8,600	
Repayment Years	5	8,600	8,600	8,600	8,600	8,600	
Closing Balance		34,400	25,800	17,200	8,600	-	
Interest on TL @	9.50%	A	3,677	2,860	2,043	1,226	409
Working Capital Finance			3,246	4,001	4,755	5,084	4,555
Interest on WCL @	9.50%	B	308	380	452	483	433
Bank Charges		C	50	50	50	50	50
Total Financial Costs		A + B + C	4,035	3,290	2,545	1,759	892

- Note:
- * Interest During Inception Period is Capitalised along with Plant.
 - * Initial Moratorium is utilised in the Inception Stage.
 - * Interest on Term Loan is averaged between opening & closing balance.
 - * Interest on Working Capital is taken on closing balance. So it is higher than actual.

ABC International (Financial Projections)

Ratio Analysis

(All Amts in AED '000)

<u>Particulars</u>	<u>Inception</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Sales		106,800	133,500	160,200	173,600	160,200
GP		(317)	1,609	3,536	4,503	3,536
NP		(5,095)	(2,424)	248	2,001	1,901
NP + Depreciation		2,929	5,600	8,272	10,025	9,925
GP Ratio		0%	1%	2%	3%	2%
NP Ratio		-5%	-2%	0%	1%	1%
Cash Profit Ratio		3%	4%	5%	6%	6%
Cash Profit		2,929	5,600	8,272	10,025	9,925
Interest + Repayment		12,585	11,840	11,095	10,309	9,442
DSCR (Times)		0.55	0.75	0.97	1.14	1.14
Sales		106,800	133,500	160,200	173,600	160,200
Receivables		15,575	19,469	23,363	25,317	23,363
Purchases + Expenses		103,871	127,900	151,928	163,575	150,275
Payables		12,480	15,576	18,673	20,227	18,673
Cash Held		(7,671)	(13,926)	(18,008)	(20,412)	(22,558)
Debtors Holding (Days of Sales)		53	53	53	53	53
Creditors Holding (Days of Purchases)		44	44	45	45	45
Cash Holding (Days of Exps)		(27)	(40)	(43)	(46)	(55)
Owned Funds (Excl Cash)	13,990	17,811	19,142	20,472	21,377	21,424
Borrowed Funds	43,000	37,646	29,801	21,955	13,684	4,555
Debt Equity Ratio (Times)	3.07	2.11	1.56	1.07	0.64	0.21
Current Assets (Excl Cash)		19,371	24,252	29,132	31,619	29,282
Current Liabilities		12,880	16,251	19,623	21,452	20,173
Current Ratio (Times)		1.50	1.49	1.48	1.47	1.45
Fixed Assets	56,990	48,966	40,942	32,918	24,894	16,870
Total Assets	56,990	47,786	35,017	24,419	14,649	3,421
Owned Funds (Excl Cash)	13,990	17,811	19,142	20,472	21,377	21,424
Sales		106,800	133,500	160,200	173,600	160,200
Net Profit		(5,095)	(2,424)	248	2,001	1,901
Fixed Assets Turnover Ratio (Times)		2.18	3.26	4.87	6.97	9.50
Return on Total Assets Employed		-11%	-7%	1%	14%	56%
Return on Capital Employed		-29%	-13%	1%	9%	9%
Total Capital Inflow	13,990	17,235	17,235	17,235	17,235	17,235
Total Cash Profits		2,929	8,529	16,801	26,826	36,751
Payback Period (months)		-	-	-	31	28

Working Notes & Calculations

Note No 1 Sales Revenue.

Capacity of Plants		668.79	tph	270.00	cbm
Assumed for Workings		600.00	tph	242.00	cbm
No of Hours worked in a Day		16.00	hrs	16.00	hrs
Total Daily Output		9,600.00	mt	3,876	cbm
Capacity Utilisation		85%		85%	
Net Daily Output		8,160.00	mt	3,295	cbm
Specific Gravity of	2.477		to m ³		
Wastages at about	0.12%	3,294.00	cbm	0.60	diff
		4.00	cbm	4.00	cbm
Net Daily Output		3,290.00	m ³	3,290	cbm
Net Hourly Output (for calculations)		509.00	m ³	205.00	cbm
Value of Produce (Delivered, Poured)		230.00	Dhs/m ³		
Net Value of Production		756,700.00			
Annual for 300 days ('000)		227,010.00			
Say		227,000.00		.....	Taken.
Annual Production		987,000	m ³		
Annual Production		2,444,799	mt		
Trucking Capacity Available		2,641,800	mt		
Capacity Utilisation assumed for working out above @		85%			
as work = demand ≠ not capacity of trucks available. Trucks will be idle / under repairs for rest of the time.					
Proportion of Trucking Capacity to Annual Production		108%			

Note No 2 Raw Material Cost.

Admixture Basic Normal Proportion

Aggregate	20mm	711.00	kgs	28.70%
	10mm	381.00	kgs	15.38%
	-5mm	587.00	kgs	23.70%
	Sand	212.00	kgs	8.56%
Cement		400.00	kgs	16.15%
Sweet Water		180.00	kgs	7.27%
Chemicals		6.00	kgs	0.24%
Total		2,477.00		100.00%

Output will be in the shape of aggregate in cubic meters (m³) @ 2.48
 Therefore output will be 0.999 m³

Therefore input of various items for every 100 m³ in tons

Aggregate 20mm	71.17	mt @ Dhs	20.00	per mt =	1,423
10mm	38.14	mt @ Dhs	20.00	per mt =	763
-5mm	58.76	mt @ Dhs	16.00	per mt =	940
Sand	21.22	mt @ Dhs	22.00	per mt =	467
Cement	40.04	mt @ Dhs	360.00	per mt =	14,414
Sweet Water	18.02	mt @ Dhs	6.00	per mt =	109
Chemicals	0.60	mt @ Dhs	1,250.00	per mt =	750
Adjustment	247.95				
			Total Cost per 100 m ³		18,867

Cost per 100.00 m ³ as above	18,866.60	
Planned Production per day at	3,290.00	m ³
Net Cost of Production	620,711.00	
Annual for 300 days ('000)	186,213.30	
Say	186,000.00	..... Taken.

Raw Material as Percentage of Planned Sales Value 81.94%

Cost of Cement is about Dhs 18 per bag of 50.00 kgs.
 Therefore cost per mt should be Dhs 360.00
 Cement in Delivered Tanker is sold at Dhs 304.00 per mt.
 Delivery Charge per tanker is about Dhs 1,400.00 per trip.
 Divided by the carried load of 25 tons per truck,
 i.e., Dhs 56.00 per ton.

This totals to a delivered rate of Dhs 360.00 per mt.

Cost of Purchased Sweet Water is abt Dhs 270.00 per 10,000 IG
 At a conversion factor (IG to Ltr) of 4.546 that is 45,460 Ltr
 that is 45.00 mt
 Therefore cost of water per mt is Dhs 6.00

<u>Note No</u>	<u>3</u>	<u>Other Operating Costs.</u>		
Salaries	3a		1,393.20	5.66%
Power	3b		432.00	1.76%
Accommodations	3c		522.00	2.12%
Equipments	3d		20,400.00	82.88%
Ice Plant	3e			0.00%
Land Rent	3f		1,500.00	6.09%
Repairs & Maintenance (Plant)			268.00	1.09%
Other Expenses			100.00	0.41%
Total Operating Costs			<u>24,615.20</u>	
say,			<u>24,620.00</u>	..... Taken.
Operating Costs as percentage of Planned Sales Value			<u>10.85%</u>	

Calculation for Salaries (Note 3a)

<u>Designation / Role</u>	<u>Posts</u>	<u>Basic Sal</u>	<u>Overtime</u>	<u>Allowance</u>	<u>Total</u>	<u>Say</u>
General Manager	1.00	13,000	-	-	13,000	
Liaison Manager	1.00	8,000	-	-	8,000	
Operations Manager	1.00	11,000	-	-	11,000	
Plant Operators	2.00	1,800	-	150.00	3,750	
Service Truck Drivers	2.00	1,600	-	150.00	3,350	
Mixer Truck Drivers	80.00	1,800	-	350.00	144,350	
Pump Operators	12.00	2,000	-	350.00	24,350	
Loader Operators	1.00	1,600	-	350.00	1,950	
Helpers	5.00	800	-	150.00	4,150	
Mechanics	3.00	1,800	-	150.00	5,550	
Helpers	3.00	800	-	-	2,400	
Sales Manager	2.00	8,000	-	-	16,000	
Purchase Manager	1.00	8,000	-	-	8,000	
Assistants	1.00	3,000	-	500.00	3,500	
Accounts Manager	1.00	8,000	-	-	8,000	
Assistants	1.00	2,000	-	500.00	2,500	
Lab Technicians	4.00	2,500	-	500.00	10,500	
Secretaries	2.00	2,500	-	500.00	5,500	
Store Keeper	1.00	2,500	-	500.00	3,000	
Office Boy	1.00	1,000	-	-	1,000	
Light Drivers	2.00	1,200	-	-	2,400	
Miscellaneous	4.00	1,000	-	500.00	4,500	
Deduct for Truck, Pump & Loader Drivers, Calculated Separately					(170,650)	
Total		<u>131.00</u>			<u>116,100</u>	-
Grand Total, per annum, say ('000)						1,393.200

Note that there will be two shifts working for 8 hours without any overtime.

Calculation for Power (Note 3b)

Power Required for Entire Plant	800.00	HP.	
Power Consumption in Units	600.00	KWh.	
Usage per day	16.00	hrs	
Consumption per day at Peak	9,600.00	Units.	
Consumption per day at Normal, 75%	7,200.00	Units.	
Cost per Unit	0.20	Dhs.	
Cost per Day	1,440.00	Dhs.	
Number of Working Days	300.00		
Cost per Annum ('000)	<u>432.00</u>	.....	Taken.

Calculation for Accommodation (Note 3c)

<u>Designation / Role</u>	<u>Posts</u>	<u>House Allowance</u>	<u>Total</u>	<u>Say</u>
General Manager	1.00	7,000	7,000	
Liaison Manager	1.00	3,500	3,500	
Operations Manager	1.00	3,500	3,500	
Plant Operators	2.00	500	1,000	
Service Truck Drivers	2.00	500	1,000	
Mixer Truck Drivers	80.00	500	40,000	
Pump Operators	12.00	500	6,000	
Loader Operators	1.00	500	500	
Helpers	5.00	500	2,500	
Mechanics	3.00	500	1,500	
Helpers	3.00	500	1,500	
Sales Manager	2.00	3,500	7,000	
Purchase Manager	1.00	3,500	3,500	
Assistants	1.00	500	500	
Accounts Manager	1.00	3,500	3,500	
Assistants	1.00	500	500	
Lab Technicians	4.00	500	2,000	
Secretaries	2.00	500	1,000	
Store Keeper	1.00	500	500	
Office Boy	1.00	500	500	
Light Drivers	2.00	500	1,000	
Miscellaneous	4.00	500	2,000	
Deduct for Truck, Pump & Loader Drivers, Calculated Separately			(46,500)	
Total	<u>131.00</u>		<u>43,500</u>	
Grand Total, Say ('000)			<u>522,000</u>	

ABC International (Financial Projections)

<u>Distribution Trucks Cost</u>		(Note 3d)				
<u>Particulars</u>	<u>Inception</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<u>Number of Mixer Trucks</u>	35.00	(Following Figures worked out separately)				
Diesel		4,231	4,508	4,778	5,065	5,017
Salaries		4,032	4,032	4,435	4,879	4,657
Tyres		792	792	847	906	889
Operations		5,436	5,436	5,708	5,993	5,993
<u>Number of Pumps</u>	6.00	(Following Figures worked out proportionately @ 25% higher)				
Diesel		907	966	1,024	1,085	1,075
Salaries		864	864	950	1,046	998
Tyres		170	170	182	194	191
Operations		1,165	1,165	1,223	1,284	1,284
<u>Number of Service Trucks</u>	2.00	(Following Figures worked out proportionately @15% lower)				
Diesel		206	219	232	246	244
Salaries		196	196	215	237	226
Tyres		38	38	41	44	43
Operations		264	264	277	291	291
<u>Number of Loaders</u>	1.00	(Following Figures worked out proportionately)				
Diesel		121	129	137	145	143
Salaries		115	115	127	139	133
Tyres		23	23	24	26	25
Operations		155	155	163	171	171
<u>Total</u>						
Diesel		5,465	5,822	6,171	6,541	6,479
Salaries		5,207	5,207	5,727	6,301	6,014
Tyres		1,023	1,023	1,094	1,170	1,148
Operations		7,020	7,020	7,371	7,739	7,739
<u>Grand Total</u>		<u>18,715</u>	<u>19,072</u>	<u>20,363</u>	<u>21,751</u>	<u>21,380</u>
Total Cost ('000)			20,363.00			
Say			<u>20,400.00</u>	.....	Taken.	

Ice Plant (Note 3e)

Ice plant will generate its own revenues and therefore it is not considered in the workings.

Land Rent (Note 3f)

100,000m² is to be used for the proposed activity; @ AED 15/m², the rent will be AED 1.5m pa.

Note No 4 Administrative & Legal Expenses.

Industrial License Fee	20.00	
Land Maintenance Charges	5.00	
Other Licenses Renewal Fee	5.00	
Annual Leave Salaries	116.00	
Annual Gratuity Provision	81.00	
Annual Air Travel Provision	104.80	
Annual Visa Expenses	262.00	
Telephone Expenses	25.00	
Printing & Stationery	15.00	
Office Expenses	24.00	
Selling & Advertising Expenses	65.00	
Miscellaneous	20.00	
Total Expenses	<u>742.80</u>	
Grand Total, Say ('000)	<u>743.00</u>	..... Taken.

Note No 5 Financial Costs.

A. Term Finance			
Total Capital Investment Needed		53,300.00	
Non Depreciation Capital Investment		-	(not considered)
Total Investment		53,300.00	
Owners' Contribution	19%	10,300.00	(See note 6 for breakup)
Borrowed Funds	81%	43,000.00	(See note 6 for breakup)
Interest on Borrowed Funds @	10%	4,300.00	
B. Working Capital Finance			
Debtors @	2	months of sales	26,700.00
Inventories @	2	months of Cost of Production	24,773.00
Current Assets			51,473.00
Creditors @	2	months of Total Expenses	24,897.00
Current Liabilities			24,897.00
Net Current Assets			26,576.00
Working Capital Finance		27,000.00	
Interest on Borrowed Funds @	10%	2,700.00	
Total Financial Assistance		70,000.00	
Total Financial Cost		7,000.00	..... Taken.

Note No 6 Depreciation.

(Amounts in '000 Dhs)

[A] Depreciating Investment:

Particulars	Nos	Cost / Unit		Total
300tph Plant Cost	2	1,926	New	3,852.00
Ice Plant	1	2,500	New	2,500.00
Service Trucks	2	180	New	360.00
15m ³ Mixer Trucks	40	545	New	21,800.00
35m ³ Pumps on Trucks	6	3,500	New	21,000.00
Loaders	1	750	New	750.00
500m ² Factory Premises	1	500	New	500.00
150m ² Administrative Offices	1	150	New	150.00
Workshop & Equipments	1	925	New	925.00
Laboratory & Equipments	1	200	New	200.00
Weighbridge	1	165	New	165.00
700m ² Accommodations	1	700	New	700.00
Light Vehicles	2	65	New	130.00
Furniture			New	100.00
Computers, Peripherals & Systems			New	50.00
Miscellaneous Assets			New	50.00

Total				53,232.00
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Say,				53,300.00
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Standby Trucks in Maintenance	5			
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Assets to be written off within	7	years.		
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So, annual depreciation will be	7,614	Dhs.	Taken.
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Term Finance to be Availed:

On New Assets @	80%	on	53,232.00	42,586.00
On Used Assets @	30%	on	-	-
On Non Depr Inv @	0%	on	1,056.00	-
Rounding Off				414.00
Total			54,288.00	43,000.00

[B] Non Depreciating Investment:

Land & Land Development (25,000m ²)				250.00
Facility Connection Chgs	600	Kw @	300 Dhs	180.00
Security Deposit	600	Kw @	300 Dhs	180.00
Labour Deposit	131	persons @	3,000 Dhs	393.00
Others				53.00
Total				1,056.00

[C] Cost of Plant

Plant Value in USD (including erection)	441,000	
Value in AED @ 3.67	1,618,470	
Customs Duty Dxb 5.00%	80,924	
	<u>1,699,394</u>	
Net Price, say	<u><u>1,700,000</u></u>	1,700,000

Transportation from India to Dubai

No of Containers	10	
Cost per container shipment (Dhs)	11,500	
Container transport from Dxb to Site (Dhs)	1,800	
Crane Charges at Port & Site	800	
Shipping Agent & Other Incidental Charges	500	
Net per container, say	<u>14,600</u>	
Total Cost	146,000	
Set-up Cost		
Equipment Hire	25,000	
Labour Charges	25,000	
Land Usage Cost	10,000	
Other Ongoing Costs	<u>20,000</u>	
Total, Say	<u>226,000</u>	226,000

Total Plant Setup Cost 1,926,000

Note No 7 Equipment Sufficiency

(Amounts in '000 Dhs)

<u>Particulars</u>	<u>Batching Plants</u>		<u>Mixer Trucks</u>		<u>Concrete Pumps</u>	
No of Actual Capacity Installed	Plants	2	Trucks	40	Pumps	6
	@270cbm	509	@15cbm	600	@35cbm	210
	in MT	1,262	in MT	1,488	in MT	521
Running Actual Capacity	Hours	16	Trips	8	Hours	22
	cbm	8,144	cbm	4,800	cbm	4,620
	mt	20,197	mt	11,904	mt	11,458
No of Working Capacity Achieved	Plants	2	Trucks	35	Pumps	6
	40%	204	@15cbm	525	@35cbm	210
	in MT	505	in MT	1,302	in MT	521
Running Actual Capacity	Hours	16	Trips	8	Hours	22
	cbm	3,258	cbm	4,200	cbm	4,620
	mt	8,079	mt	10,416	mt	11,458

Important Parameters to be compared for various probable scenarios (all first year figures)

(All Amts in AED '000)

<u>Particulars</u>	<u>Prob 0</u>	<u>Prob A</u>	<u>Prob B</u>	<u>Prob C</u>	<u>Prob D</u>	<u>Prob E</u>	<u>Prob F</u>
Parameter A	Hours Worked	20.00	20.00	16.00	16.00	12.00	20.00
	Basis	2 Shift	2 Shift	1.5 Shift	1.5 Shift	1 Shift	2 Shift
Parameter B	Efficiency for 1st Year	75%	50%	40%	50%	20%	15%
	Approach	Good	Low	Marginal	Good	Conservative	Washout
Total Capital Outlay		91,964.00	62,775.00	56,990.00	56,990.00	30,518.00	62,775.00
Net Working Capital		16,632.00	15,720.00	9,858.00	12,409.00	2,465.00	2,888.00
Total Project Outlay		<u>108,596.00</u>	<u>78,495.00</u>	<u>66,848.00</u>	<u>69,399.00</u>	<u>32,983.00</u>	<u>65,663.00</u>
Term Finance		69,000.00	47,000.00	43,000.00	43,000.00	23,000.00	47,000.00
Working Capital Finance (Borrowed)		8,316.00	7,860.00	4,929.00	6,205.00	1,233.00	1,444.00
Own Finance for Capital Outlay		22,964.00	15,775.00	13,990.00	13,990.00	7,518.00	15,775.00
Working Capital Margin (Own)		8,316.00	7,860.00	4,929.00	6,204.00	1,232.00	1,444.00
Total Project Finance		<u>108,596.00</u>	<u>78,495.00</u>	<u>66,848.00</u>	<u>69,399.00</u>	<u>32,983.00</u>	<u>65,663.00</u>
Material Produced / Sold (m3)		1,074,706.00	725,294.00	464,471.00	580,588.00	174,353.00	217,588.00
Sales Revenue		247,100.00	202,900.00	129,900.00	162,400.00	40,000.00	49,900.00
Operating Cost		222,315.00	162,674.00	107,152.00	131,954.00	39,726.00	54,839.00
Gross Profit		24,785.00	40,226.00	22,748.00	30,446.00	274.00	(4,939.00)
Administrative Expenses		7,708.00	5,622.00	4,938.00	5,059.00	2,613.00	5,012.00
Net Profit		17,077.00	34,604.00	17,810.00	25,387.00	(2,339.00)	(9,951.00)
Net Profit Before Depreciation		<u>30,063.00</u>	<u>43,445.00</u>	<u>25,834.00</u>	<u>33,411.00</u>	<u>1,938.00</u>	<u>(1,110.00)</u>
Raw Material Cost		171,205.00	137,031.00	87,541.00	109,443.00	32,941.00	41,084.00
Other Operating Costs		38,124.00	16,802.00	11,587.00	14,487.00	2,508.00	4,914.00
Depreciation		12,986.00	8,841.00	8,024.00	8,024.00	4,277.00	8,841.00
Administrative & Legal Costs		968.00	806.00	743.00	743.00	479.00	806.00
Financial Costs		6,740.00	4,816.00	4,195.00	4,316.00	2,134.00	4,206.00
Number of Persons Employed		209.00	151.00	131.00	131.00	49.00	151.00
Number of Mixer Trucks		65.00	43.00	35.00	35.00	17.00	25.00
Number of Pumps		10.00	6.00	6.00	6.00	2.00	6.00
Number of Service Trucks		2.00	2.00	2.00	2.00	2.00	2.00
Number of Loaders		1.00	1.00	1.00	1.00	1.00	1.00