

PROJECT STUDY REPORT

TOMBOLA 'TWIYUBAKIRE UMUTEKANO'

1. PROPOSED GAME

Prize Structure PRIZE (Rwf)	WINNERS	VALUE(Rwf)
1,000	54,000	54,000,000
2,000	5,500	11,000,000
5,000	2,000	10,000,000
Cars	10	25,000,000
Total	61510	100,000,000

WINNING RATIO 1:4

COMENTS

While aware that the market is very poor, we opted for the above game because of the following reasons.

- (a) A small game of say 100Frw per ticket would generate too little to be worth the effort.
- (b) A medium game of say 500Frw per ticket would require many tickets (say 1000,000) to be worth something suitable for the intended purpose. The tickets would then take too long to finish.
- (c) We opt therefore for a game of few tickets with high value of 1000Rwf.

We propose many channels of sales distribution and hope for the best. In my case we anticipate not to be in any loss if the worst came to the Worst.

2. THE LAW:

Articles No. 266 and 267 of the penal code are applicable. Before starting the lottery, therefore, an official authority must be given according to the law.

3. THE NAME:

The proposed name was 'TOMBOLA TWIYUBAKIRE UMUTEKANO'. The room is open, any other most suitable suggestions are welcome.

4. MANAGEMENT BOARD:

It was suggested and agreed upon that the leadership of the tombola project be composed of the following representatives:-

- Minijust
- Mineloc
- Minerter
- Minadef
- Minifin
- LKV
- Parliament
- Auditor

5. TERMS OF REFERENCE FOR THE MANAGEMENT BOARD

1. To set off the Tombola project.
2. To closely supervise and direct the activities of the project.
3. To manage well the financial proceeds of the project.
4. To give progress reports to the technical committee.

6. MANAGEMENT COMMITTEE:

The day to day supervision of all lottery activities shall be done by a management committee composed of the following:-

- Representative of Minelec
- Representative of Minadef
- Representative of Minifin
- Representative of Minenter
- LKV

These to be full time with the project to the end.

7. CHANNELS OF TICKET SALES:

- General sales by LKV.
- Sales through Mineroc. *Mineroc*
- Sales through RPA.
- Sales through Petrol Station.
- Sales through Government parastatals.
- Sales through Religious institutions.
- Sales through Hotels & Bars.

8. BOOKS OF ACCOUNTS/ACCOUNTING SYSTEM:

These shall be designed by the appointed firm of auditors.

- We have contacted one **RUMA Certified Accountants** who agreed to do it at the fee of RWF 1,200,000 for the three months the game is running.
- We also contacted **IMPERMERIE SCHOLAIRE** who agreed to print *(ulms)* the books free of charge.

9. TAX EXEMPTION:

In order to maximize profits we propose that tickets be exempted of taxes. We contacted the commissioner of customs of RRA who said there was no law in place to apply for this exemption. We suggest some heavy weights contact the Minister of Finance for exercise his ministerial prerogatives in our favour.

The cost of the tickets and the taxes involved are as follows:-

- COST OF TICKETS = 8507.50 (See Appendix No. 1)
- Exchange Rate as at 10/4/2000 is 581.0995.

The consignment value is therefore Rwf 4,943,703.99.

- D.E.	25%	1,235,925.99
- S.Tax	10%	494,370.40
- Magerwa	4%	197,748.16
- ICHA (TVA)	15%	1,030,762.28
TOTAL TAX		2,958,807

Which is about Rwf 3,000,000.

N.B The cost of the cars Tax inclusive see appendix No.2.

10. PUBLICITY:

Publicity is the blood of lottery games. Without it no business. The local radio and television are very expensive. Orinfor must be persuaded to offer it free for this project.

We costed it and it came to Rwf. ^{14,179,300} ~~14,179,300~~ for both radio and television for 90 days. (for details please se A/C publicity attached.)

(in doc)
Kubikunshy

11. OPERATION EXPENSES:

- Publicity	Rwf.	14,179,300
- Kiosks	Rwf.	2,500,000
- Uniforms	Rwf.	350,000
- Speaker Systems (3)	Rwf.	840,000
- Fuel (5 cars/90 days)	Rwf.	5,580,000
- LKV Commission	Rwf.	15,250,000
- Taxes	Rwf.	3,000,000
- Auditors fee	Rwf.	1,200,000
- Others	Rwf.	2,000,000
TOTAL	Rwf.	44,899,300

12. PROFITABILITY:

(a) **No tax exemption and no free publicity**

Total Revenue	150,000,000
Less	
- Cost of tickets	5,000,000
- Agents commission	25,000,000
- Operation expenses	44,899,300
	<u>74,899,300</u>
NET PROFIT	75,100,700

(b) ~~Tax exemption~~ ^{ED WITH} and free publicity

Total Revenue	150,000,000
Less	5,000,000
- Cost of tickets	25,000,000
- Agents Commission	29,220,000
- Operation expenses	59,220,000
NET PROFIT	90,780,000

13. TIME SCHEDULE:

The best season is June, July, August, ~~when~~ ^{when} the population have money from their crops.
It takes about one month to print the tickets so order confirmation should be by the end of this month, or else the whole idea be dropped.

14. REQUIREMENTS TO TAKE OFF:

1. Bank account and the bank open L/C for the tickets.	2,500,000
2. Kiosks (50)	350,000
3. Uniforms (50)	500,000
4. Take off Op. Fund	
5. Bon de commande for the cars	<u>3,350,000</u>
Cash	

A/C PUBLICITY (Ref. BIDEI TEL. 08300150 ORINFOR.)

1. RADIO:

Tariff.	300/Sec
- Morning	150/Sec
- Day	200/Sec
- Evening	50,000Rwf.
- Artist fee	15%
- ICHA	

For a ^{spot} part of one minute, three times a day 90 days.

- Morning	1,620,000
- Day	810,000
- Evening	1,080,000

	<hr/>
	3,522,000
- Icha 15%	528,300
- Artist(6times)	300,000
- Radio fee	90,000

4,440,300

TOTAL

2. TELEVISION

Tariff.	25,000
- Camera Hire	110,000
- Transport	110,000
- Site Prep	550,000
- Artist	
- T.V. Production	= 7,560,000
2Min x 700 x 90 days	= 1,134,000
ICHA 15%	

9,739,000

TOTAL

GRAND TOTAL. - Radio
- T.V.

4,440,300
9,739,000

14,179,300

Dear Fidele

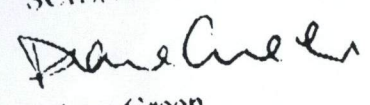
Further to your telephone conversation with Paul Dures yesterday, we are pleased to make you a price offer for 250,000 tickets based upon the same specification as that used for Lot 19. For comparative purposes, we would also like to make you a price offer for 500,000 tickets as our production method very much benefits from economies of scale. This means that the smaller the order quantity the greater the unit price of the product.

No of Tickets	Price Offer per 1,000 tickets CIF Kigali
250,000	£34.03
500,000	£21.11

As you can see, the total value of an order of 250,000 tickets would be £8,507.50 whilst the price differential for ordering double that quantity would be an extra £2,047.50.

We look forward to receiving your comments in due course.

Kind regards,
SCIENTIFIC GAMES INTERNATIONAL


Diane Green
Account Executive

78366 2000-3-29 12:49 #778 P.01

TO: FROM: SCIENTIFIC GAMES

APPENDIX 2

RAMA MOTORS Co.
APEX
B.P. 791
Tél. : 08501048 .
76654 (bur.)
72187 (Magasin)
KIGALI-RWANDA

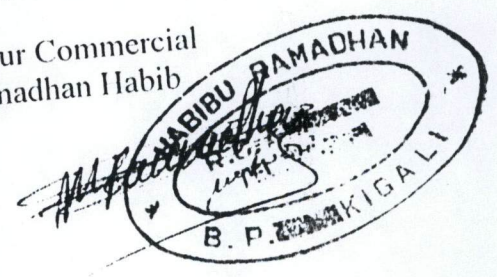
FACTURE PROFORMA

Adressée à : R.K.V

Désignation	Hors Taxes	Avec Taxe
TOYOTA Corrona 1992-1995	2.300.000 FRW	3.050.000 FRW
TOYOTA Corolla 1990-1995	2.000.000 FRW	2.750.000 FRW
TOYOTA Carina 1990-1995	2.200.000 FRW	2.900.000 FRW

Kigali, le 10/04/2000

Directeur Commercial
M. Ramadhan Habib



APPENDIX 3

ASOFERWA a.s.b.l
Projet Atelier de Couture
B.P. 565
Tél : 08501561

A la Loterie Kigali Ville
(L.K.V)

FACTURE PROFORMA POUR CONFECTION TABLIERS

Désignation	Quantité	Prix Unitaire	Prix Total
Tabliers en tissu KAKI avec écritaux	100	5.000	500.000
TOTAL			500.000

Nous disons : Cinq cent mille Francs Rwandais (500.000 Frws)

Pour l'Atelier ASOFERWA,
KAYIGANWA Godelive
Gestionnaire

