



**SALMAN'S TRANSPORT COMPANY LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 31ST DECEMBER 2022**

**CERTIFIED PUBLIC ACCOUNTANTS**

**P.O.BOX 6128**

**TEL: +255 22 2139749**

**SAMORA AVENUE**

**SALMAN'S TRANSPORT COMPANY LIMITED**  
**Annual report and financial statements**  
**For the year ended 31st December, 2022**

---

**CONTENTS**

	<b>PAGE</b>
Company information	1
Report of the directors	2 - 3
Statement of directors' responsibilities	4
Declaration of Head of Finance/Accounting	5
Report of the independent Practitioner	6
Financial statements:	
Statement of comprehensive income	7
Statement of financial position	8
Statement of cash flows	9
Statement of changes in equity	10
Significant accounting policies	11-13
Notes to these financial statements	14-17
Tax Computation	18

**SALMAN'S TRANSPORT COMPANY LIMITED**  
*Company information*  
**For the year ended 31st December, 2022**

---

<b>Board of directors</b>	<b>Names</b> Mr. Haiderali Muzafar Hussein Gulamali Mrs. Shabina Gulamali
<b>Registered office</b>	Plot No 1158 Block 58 Mkwepu/Indira Gandhi Street P O Box 7185 Dar Es Salaam Tanzania
<b>Principal banker</b>	Habib African Bank Ltd Main Branch Dar Es Salaam Tanzania  CRDB Bank Ltd Main Branch Dar Es Salaam Tanzania  I & M Bank Ltd Main Branch Dar Es Salaam Tanzania  DTB Bank Ltd Main Branch Dar Es Salaam Tanzania
<b>Independent Practitioner</b>	Manji Financial Consultants Certified Public Accountants Clock Tower/Samora Avenue P O Box 6128 Dar es Salaam Tanzania

**SALMAN'S TRANSPORT COMPANY LIMITED**  
**Report of the directors**  
**For the year ended 31st December, 2022**

---

The directors submit their annual report together with the financial statements for the year ended 31 December 2022, which discloses the state of affairs of the company.

**Incorporation**

The company is domiciled in Tanzania where it is incorporated as a private company limited by shares under the Tanzanian Companies Act 2002. The address of the registered office is set out on page 1.

**Principal activities**

The principal activity of the company are of Transportation.

**Results and dividend**

The Profit/ (Loss) for the year is of TShs.(568,594,432/=) The directors do not recommend the declaration of a dividend for the year.

**Performance for the year**

A summary of the key ratios is outlined below:

	<b>2022</b>	<b>2021</b>
Growth in income	-13%	12%
Growth in operating expenditure	31%	1%
Net profit margin (%)	-6%	-6%
Current ratio	0.236	0.236

**Capital structure and cash flows**

The capital structure of the company is outlined in Note 8.

**Financial risk management objectives and policies**

To ensure its financial stability and profitability, the company has implemented policies and practices for a sound and prudent management and control of the principal financial risks to which it is exposed.

The Company's overall risk management programme focuses on the identification and management of risks and seeks to minimize potential adverse effects on its financial performance.

**Employees welfare**

The company gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribes, religion and disability which does not impair ability to discharge duties. There were no unresolved complaints received by Management from the employees during the year.

**SALMAN'S TRANSPORT COMPANY LIMITED**  
*Report of the directors*  
*For the year ended 31st December, 2022*

---

**Disabled persons**

It remains the company's policy to accept disabled persons for employment for those vacancies that they are able to fill.

**Directorate**

The directors who held office during the year and to the date of this report are set out on page 1.

**Practitioner of the Company**

Manji Financial Consultants have indicated their willingness to continue in office in accordance with the companies Act. A motion will be proposed at the Annual General Meeting that they be reappointed & their remuneration be fixed by the directors.

**BY ORDER OF THE BOARD**

x 

Mr. Haiderali Muzafar Hussein Gulamali

Dar es Salaam

**SALMAN'S TRANSPORT COMPANY LIMITED**  
**Statement of directors' responsibilities**  
**For the year ended 31st December, 2022**

---

The Tanzanian Companies Act 2002 requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the company maintains proper accounting records that disclose, with reasonable accuracy, the financial position of the company. The directors are also responsible for safeguarding the assets of the company.

The directors accept responsibility for the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. They also accept responsibility for:

- i) designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements;
- ii) selecting and applying appropriate accounting policies; and
- iii) making accounting estimates and judgements that are reasonable in the circumstances.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company as at 31st December, 2022 and of its loss and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Tanzanian Companies Act 2002.

Approved by the board of directors and signed on its behalf by:

\*   
.....

**Managing Director**

**SALMAN'S TRANSPORT COMPANY LIMITED**

**Declaration of the Head of Finance/ Accounting of SALMAN'S TRANSPORT COMPANY LIMITED  
For the year ended 31st December, 2022**

---

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Board of Directors/Governing Body/Management to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors/Governing Body as under Directors Responsibility statement on an earlier page.

I ARIF A. KHATTA hereby acknowledge my responsibility of ensuring that financial statements for the period ended 31st December, 2022 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of SALMAN'S TRANSPORT COMPANY LIMITED as on that date and that they have been prepared based on properly maintained financial records.

Signed by: ARIF A. KHATTA

Position: EXTERNAL ACCOUNTANT

NBAA Membership No: ACPA 976

**INDEPENDENT PRACTITIONER'S COMPILATION REPORT  
TO THE MEMBERS OF SALMAN'S TRANSPORT COMPANY LIMITED**

---

**Report on the financial statements**

We have compiled the accompanying financial statements of Salman's Transport Company Limited based on information you have provided. These financial statements comprise the statement of financial position as at 31st December 2022, the statement of profit or loss, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

We performed this compilation engagement in accordance with International Standards on Related Services 4410 (revised), Compilation engagements.

The directors are responsible for maintaining the books of accounts that give a true and fair view in accordance with the International Financial Reporting Standard for Small and Medium-Sized Entities (IFRS for SME's) and the requirements of the Tanzania Companies Act 2002.

These financial statements and the accuracy, authenticity and completeness of the information used to compile them are director's responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy, authenticity or completeness of the information provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements have been accurately prepared in accordance with International Financial Reporting Standard for Small and Medium-Sized Entities (IFRS for SME's)

We have obtained information and explanation which were necessary for the purpose of our compilation. However where adequate third party documentation were not available, and where accuracy authenticity and completeness of the accounting records were not obtainable, we have accepted assurances from the management that the Company's transactions have been reflected correctly in the records provided to us.

**FOR : MANJI FINANCIAL CONSULTANTS  
CERTIFIED PUBLIC ACCOUNTANTS**

  
Signed by: Mithaal A Manji  
ACPA 3470

20/6/23  
Date

Place : Dar es Salaam

**SALMAN'S TRANSPORT COMPANY LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR  
ENDED 31ST DECEMBER, 2022**


	<b><u>NOTES</u></b>	<b><u>2022 T.SHS.</u></b>	<b><u>2021 T.SHS.</u></b>
Revenue-Main	1	8,910,388,906	10,257,112,226
Cost Of Sales	2	<u>18,466,869,643</u>	<u>15,457,914,324</u>
Gross Profit/(Loss)		(9,556,480,737)	(5,200,802,098)
Interest Received		3,105,000	3,450,000
Bonus Received		379,939,154	241,039,094
Transport Income		11,681,818,063	6,692,869,981
Profit/(Loss) on Sale of Asset		<u>(9,849,599)</u>	<u>24,803,390</u>
<b><u>Operating Expenses</u></b>		<u>2,498,531,881</u>	<u>1,761,360,367</u>
Administrative Cost	3	2,958,221,358	2,281,799,313
Finance Cost	4	108,904,956	68,116,099
		<u>3,067,126,314</u>	<u>2,349,915,412</u>
Net Profit/(loss) Before Tax		(568,594,432)	(588,555,045)
LESS: Corporate tax 30%		<u>(39,731,055)</u>	<u>-</u>
		(608,325,487)	(588,555,045)
<u>ADD:</u> Balance brought forward		(4,401,978,353)	(3,355,243,694)
Prior year Taxes		<u>(958,095,161)</u>	<u>(458,179,614)</u>
Retained Earnings		<u>(5,968,399,001)</u>	<u>(4,401,978,353)</u>

SALMAN'S TRANSPORT COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022

	<u>NOTES</u>	<u>2022</u> <u>T.SHS</u>	<u>2021</u> <u>T.SHS</u>
<b><u>ASSETS</u></b>			
<b><u>Non-current Assets</u></b>			
Property, Plant & Equipment	5	9,291,109,851	9,466,000,630
Pre - Operative Expenses		1,454,200	1,454,200
Deffered Tax		34,152,286	34,152,286
<b><u>Current Assets</u></b>			
Inventories	6	911,002,800	2,067,539,501
Trade & Other Recieveables	7	2,864,805,041	2,076,661,217
Taxation		(19,731,055)	20,871,670
Cash & Cash Equivalent	8	970,720,471	120,502,707
		<u>4,726,797,257</u>	<u>4,285,575,095</u>
<b>Total Assets</b>		<b><u>14,053,513,594</u></b>	<b><u>13,787,182,211</u></b>
<b><u>Capital &amp; Reserves</u></b>			
Share Capital	9	20,000,000	20,000,000
Retained Earnings		(5,968,399,001)	(4,401,978,353)
		<u>(5,948,399,001)</u>	<u>(4,381,978,353)</u>
Trade & Other Payables	10	17,597,198,373	15,844,225,286
Borrowings		2,404,714,222	2,324,935,278
		<u>20,001,912,595</u>	<u>18,169,160,564</u>
<b>Total Equity &amp; Liabilities</b>		<b><u>14,053,513,594</u></b>	<b><u>13,787,182,211</u></b>

"We certify that to the best of our knowledge and belief, the above accounts reflects all the transactions of our business for the year ended 31st December, 2022 and are true and correct."

\*   
 \_\_\_\_\_  
 Director

**SALMAN'S TRANSPORT COMPANY LIMITED**

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022**

	<b><u>2022</u></b> <b><u>T. SHS.</u></b>	<b><u>2021</u></b> <b><u>T. SHS.</u></b>
<b><u>CASHFLOW FROM OPERATING ACTIVITIES</u></b>		
Profit/(Loss) for the year before Tax	(568,594,432)	(588,555,045)
<b><u>ADJUSTMENT FOR ITEMS NOT INVOLVING MOVEMENT OF FUND</u></b>		
Depreciation	2,284,614,271	1,552,575,006
Prior year Taxes	<u>(937,223,491)</u>	<u>(72,230,377)</u>
<b>NET CASHFLOW FROM OPERATING ACTIVITIES BEFORE CHANGE IN WORKING CAPITAL</b>	778,796,348	891,789,584
<b><u>CHANGE IN WORKING CAPITAL ITEMS:</u></b>		
(Decrease)/Increase in Trade & Other Payables	1,752,973,087	3,610,416,225
Decrease/(increase) in Trade & Other receivables	(788,143,824)	(126,269,381)
(Decrease)/Increase in Inventory	<u>1,156,536,701</u>	<u>582,533,842</u>
	<u>2,121,365,964</u>	<u>4,066,680,686</u>
	2,900,162,311	4,958,470,270
TAX PAID FOR THE YEAR	20,000,000	20,871,670
TAX PAID FOR PRIOR YEAR		
NET CASH PROVIDED (USED) FOR OPERATING ACTIVITIES	<u>2,880,162,311</u>	<u>4,937,598,600</u>
Acquisition of Fixed Assets	(2,313,678,498)	(4,860,145,408)
Disposal of fixed assets	203,955,007	67,796,610
NET CASH PROVIDED/(USED) IN INVESTMENT ACTIVITIES	<u>(2,109,723,492)</u>	<u>(4,792,348,798)</u>
<b><u>FINANCING ACTIVITES</u></b>		
(Decrease)/Increase in Borrowing	79,778,944	(544,232,482)
NET CASH PROVIDED/(USED) IN FINANCIAL ACTIVITIES	<u>79,778,944</u>	<u>(544,232,482)</u>
<b><u>INCREASE/(DECREASE) IN CASH &amp; EQUIVALENTS</u></b>		
NET INCREASE/(DECREASE) IN CASH CASH EQUIVALENT	850,217,765	(398,982,680)
CASH & CASH EQUIVALENT AT THE BEGINNING OF THE YEAR	<u>120,502,707</u>	<u>519,485,387</u>
CASH & CASH EQUIVALENT AT THE YEAR END	<u>970,720,471</u>	<u>120,502,707</u>

**SALMAN'S TRANSPORT COMPANY LIMITED**

**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2022**

	<b>SHARE CAPITAL</b>	<b>RETAINED EARNINGS</b>	<b>TOTAL T.SHS</b>
Balance as at 1.1.2022	20,000,000	(4,401,978,353)	(4,381,978,353)
Changes in accounting policy	-	-	-
Changes in equity	-	-	-
Restated balance	20,000,000	(4,401,978,353)	(4,381,978,353)
Profit/(Loss) for the period (net of taxes)	-	(608,325,487)	(608,325,487)
Prior year Taxes	-	(958,095,161)	(958,095,161)
Balance as at 31.12.2022	<b>20,000,000</b>	<b>(5,968,399,001)</b>	<b>(5,948,399,001)</b>

**SALMAN'S TRANSPORT COMPANY LIMITED**

**SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**1 Basis of preparation and summary of significant accounting policies**

These financial statements have been prepared on a going concern basis and in compliance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board. They are presented in Tanzania Shillings (TShs). The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below.

The transition to IFRS for SMEs has no significant effect on the statement of financial position, statement of comprehensive income and accounting policies. Therefore figures have not been restated during this transition.

*Revenue recognition*

Revenue from sales of services is recognised when the services are rendered. Revenue is measured at the fair value of the consideration received or receivable, net of discounts and value added tax (VAT) collected on behalf of the government of Tanzania.

*Translation of foreign currencies*

All transactions in foreign currencies are initially recorded in Tanzania Shillings, using the spot rate at the date of the transaction. Foreign currency monetary items at the statement of financial position date are translated using the closing rate. All exchange differences arising on settlement or translation are recognised in the statement of comprehensive income.

*Property, Plant & Equipment*

All categories of furniture and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying value only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance is charged to the statement of comprehensive income in the year to which it relates.

Depreciation is calculated using the reducing line method. The the following are the depreciation annual rates:

	%
Heavy Duty Trucks	37.5%
Trailers	25.0%
Furniture and Fittings	12.5%
Tarpaulins	12.5%
Safe	12.5%
Tents	12.5%
Computers	12.5%
Photocopy Machine	12.5%
Light Vehicle	25.0%
Motor Vehicle Tractors	25.0%
Mahona Plot	5.0%
Vingunguti Plot	5.0%
Generator	12.5%
Counting Machine	12.5%
EFD Machine	12.5%
Paper Shreddor	12.5%

**SALMAN'S TRANSPORT COMPANY LIMITED**  
**Report of the directors**

**2 Basis of preparation and summary of significant accounting policies (continued)**

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Gains and losses on disposal of Property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

*Intangible assets*

Intangible assets are purchased computer software that is stated at cost less accumulated depreciation and any accumulated impairment losses. It is amortised over its estimated life of three years using the reducing line method. If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new expectations.

*Financial assets*

Trade and other receivables are initially recognised at the transaction price. Most sales are made on the basis of normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in statement of comprehensive income.

*Financial liabilities*

Financial liabilities are initially recognised at the transaction price (including transaction costs). Trade payables are obligations on the basis of normal credit terms and do not bear interest. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest method.

*Retirement benefit obligations*

The company and the employees contribute to the National Social Security Fund, a national defined contribution scheme. Contributions are determined by local statute and the company's contributions are charged to the statement of comprehensive income in the year to which they relate.

*Income tax*

Income tax expense is the aggregate of the charge to the statement of comprehensive income in respect of current income tax and deferred income tax.

## SALMAN'S TRANSPORT COMPANY LIMITED

### 2 Basis of preparation and summary of significant accounting policies (continued)

#### Current income tax

The tax currently payable is based on taxable profit for the year, determined in accordance with the Tanzanian Income Tax Act.

#### *Cash and cash equivalents*

For the purpose of the cash flow statement, cash and cash equivalents comprises cash in hand, net of bank overdraft and demand deposits.

#### *Inventories*

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in first-out method. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of selling.

### 3 Key sources of estimation/uncertainty

In the process of applying the accounting policies adopted by the company, the directors make certain estimates and judgements that may affect the carrying values of assets and liabilities in the next financial period. Such estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the current circumstances. The directors evaluate such estimates and judgements at each financial reporting date to ensure that they are still believed to be reasonable under the prevailing circumstances based on the information available.

Critical accounting estimates and judgements made by the directors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year include:

**i) Income taxes:**

Estimates made in determining the income tax expense for transactions for which the ultimate determination of the income tax expense is uncertain in the ordinary course of business.

**ii) Impairment losses:**

Estimates made in determining the impairment losses on financial assets and receivables. Such estimates include the determination of the net realisable value or the recoverable amount of the asset. Moreover, in determining whether an impairment loss should be recognised in the statement of comprehensive income for receivables or financial assets, judgement is made as to whether there is a measurable decrease in the estimated future cash flows of any receivable or financial asset.

**SALMAN'S TRANSPORT COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

	<b>2022</b>	<b>2021</b>
	<b><u>T.SHS.</u></b>	<b><u>T.SHS.</u></b>
<b>1) Revenue</b>		
Revenue for Sale of Goods	<u>8,910,388,906</u>	<u>10,257,112,226</u>
<b>2) Cost Of Sales</b>		
<b>2a) MATERIALS</b>		
Opening Inventory	747,539,500	1,830,073,343
ADD: Purchases	8,889,932,200	8,971,961,671
Cost Of Goods Available For Sale	9,637,471,700	10,802,035,014
Less: Closing Inventory	<u>891,252,800</u>	<u>747,539,500</u>
Cost of Goods Sold	<u>8,746,218,900</u>	<u>10,054,495,514</u>
<b>2b) FUEL &amp; OIL</b>		
Opening Stock	-	300,000,000
Purchases	<u>6,438,884,528</u>	<u>4,115,014,322</u>
	6,438,884,528	4,415,014,322
Less: Closing Stock	<u>-</u>	<u>(800,000,000)</u>
	<u>6,438,884,528</u>	<u>3,615,014,322</u>
<b>2c) TYRES &amp; TUBES</b>		
Opening Stock	200,000,000	200,000,000
Purchases	<u>422,254,975</u>	<u>277,747,898</u>
	622,254,975	477,747,898
Less: Closing Stock	<u>(13,945,000)</u>	<u>(200,000,000)</u>
	<u>608,309,975</u>	<u>277,747,898</u>
<b>2d) SPARES &amp; REPAIRS</b>		
Opening Stock	320,000,000	320,000,000
Purchases	<u>708,042,643</u>	<u>371,942,358</u>
	1,028,042,643	691,942,358
Less: Closing Stock	<u>(5,805,000)</u>	<u>(320,000,000)</u>
	<u>1,022,237,643</u>	<u>371,942,358</u>
Insurance	271,140,590	406,235,300
Hiring Charges	114,000,000	95,000,000
Lubricants	88,096,600	53,887,964
Salaries & Wages	791,117,000	583,590,968
Transportation Costs	<u>386,864,407</u>	<u>-</u>
	<u>1,651,218,597</u>	<u>1,138,714,232</u>
	<u>18,466,869,643</u>	<u>15,457,914,324</u>
Gross Profit/(Loss)	(9,556,480,737)	(5,200,802,098)
Interest Received	3,105,000	3,450,000
Bonus Received	379,939,154	241,039,094
Transport Income	11,681,818,063	6,692,869,981
Profit/(Loss) on Sale of Asset	<u>(9,849,599)</u>	<u>24,803,390</u>
	<u>2,498,531,881</u>	<u>1,761,360,367</u>

**SALMAN'S TRANSPORT COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

	<b><u>2022</u></b> <b><u>T.SHS.</u></b>	<b><u>2021</u></b> <b><u>T.SHS.</u></b>
<b>3)Administrative Cost</b>		
Accountancy Fees	2,160,000	2,160,000
City Service Levy	3,427,734	3,247,580
Depreciation	2,284,614,271	1,552,575,006
Fines And Penalties	4,950,000	-
Nssf Contribution	79,111,700	58,359,096
General Expenses	4,311,984	6,958,776
Marketing & Promotion Expenses	15,315,500	-
Rent	149,597,685	56,977,178
Repairs & Maintenance	49,508,984	307,627
Skills and Development Levy	31,644,680	23,343,639
Land Rent	4,396,194	1,463,450
Subcription	-	67,797
Inspection Charges	27,524,500	31,769,520
Interest on Loan	83,786,277	430,114,245
Secretarial Charges	-	22,000
Security Charges	36,000,000	35,250,000
Permit Fees	13,029,500	-
Insurance	21,765,275	18,132,706
Workmen Compensation Fund	4,341,967	4,600,106
Licence & Fees	15,637,000	-
Legal Charges	11,307,000	15,942,000
Postage & Telephone	-	17,529,964
Printing & Stationery	292,372	622,881
Internet Charges	35,587,776	-
Stamp Duty on Lease Agreement	2,613,628	142,497
Transport & Travelling	31,666,500	22,213,245
Written Off Assets	45,630,831	-
	<u>2,958,221,358</u>	<u>2,281,799,313</u>
<b>4) Finance Cost</b>		
Bank Interest	802,880	-
Bank Charges	86,111,845	52,379,637
Difference in rate of exchange	21,990,231	15,736,462
	<u>108,904,956</u>	<u>68,116,099</u>

**SALMAN'S TRANSPORT COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**5)Property & equipment**

The Property,Plant & Equipment held by the company are initially recorded at cost. Depreciation is provided by using reducing balance method.A provision for impairment is established wherever there is an objective Indication that there has been a material impairment on that particular asset.

Applicable depreciation rate used are as follows:-

Items	
Heavy Duty Trucks	37.50%
Trailers	25.00%
Furniture and Fittings	12.50%
Tarpaulins	12.50%
Safe	12.50%
Tents	12.50%
Computers	12.50%
Photocopy Machine	12.50%
Light Vehicle	25.00%
Motor Vehicle Tractors	25.00%
Mahona Plot	5.00%
Vingunguti Plot	5.00%
Generator	12.50%
Counting Machine	12.50%
EFD Machine	12.50%
Paper Shreddor	12.50%

	Balance as at 1.1.2022 Tshs.	Additions Tshs.	(Disposals) Tshs.	Balance as at 31.12.2022 Tshs.
Heavy Duty Trucks	13,813,854,394	1,607,716,110	(256,845,431)	15,164,725,073
Trailers	4,217,897,675	433,034,728	(425,900,566)	4,225,031,837
Furniture and Fittings	9,965,204	-	-	9,965,204
Tarpaulins	266,218,180	102,012,711	-	368,230,891
Safe	273,729	-	-	273,729
Tents	6,610,169	-	-	6,610,169
Computers	21,040,498	-	-	21,040,498
Photocopy Machine	1,281,356	-	-	1,281,356
Light Vehicle	334,887,735	76,101,695	-	410,989,430
Motor Vehicle Tractors	-	-	-	-
Mahona Plot	184,203,981	-	-	184,203,981
Vingunguti Plot	523,356,018	90,000,000	-	613,356,018
Generator	27,468,000	-	-	27,468,000
Counting Machine	7,918,650	800,000	-	8,718,650
EFD Machine	4,803,390	-	-	4,803,390
Paper Shreddor	453,389	-	-	453,389
Fire Extinguisher	-	2,820,034	-	2,820,034
AC Airconditioner	-	1,193,220	-	1,193,220
	<b>19,420,232,368</b>	<b>2,313,678,498</b>	<b>(682,745,997)</b>	<b>21,051,164,869</b>

	Balance as at 1.1.2022 Tshs.	Charge for the year Tshs.	(Disposals) Tshs.	Balance as at 31.12.2022 Tshs.
Heavy Duty Trucks	7,668,492,504	1,598,574,041	(478,790,990)	8,788,275,555
Trailers	1,929,228,978	547,921,798	-	2,477,150,776
Furniture and Fittings	6,779,420	398,223	-	7,177,643
Tarpaulins	89,193,739	34,879,644	-	124,073,383
Safe	191,064	10,333	-	201,397
Tents	3,464,409	393,220	-	3,857,629
Computers	10,317,382	1,340,389	-	11,657,771
Photocopy Machine	1,090,645	23,839	-	1,114,484
Light Vehicle	124,374,581	62,190,433	-	186,565,014
Motor Vehicle Tractors	-	-	-	-
Mahona Plot	35,799,719	-	-	35,799,719
Vingunguti Plot	76,995,491	34,238,242	-	111,233,733
Generator	6,656,877	2,601,390	-	9,258,267
Laptop	-	-	-	-
Counting Machine	989,831	966,102	-	1,955,933
EFD Machine	600,424	525,371	-	1,125,795
Paper Shreddor	56,674	49,589	-	106,263
Fire Extinguisher	-	352,504	-	352,504
AC Airconditioner	-	149,153	-	149,153
	<b>9,954,231,738</b>	<b>2,284,614,271</b>	<b>(478,790,990)</b>	<b>11,760,055,018</b>
	<b>9,466,000,630</b>	<b>29,064,227</b>	<b>(203,955,007)</b>	<b>9,291,109,851</b>

**SALMAN'S TRANSPORT COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS.****6) Inventories.**

Inventories are stated at the lower of cost and net realisable value. This is determined by the director of the Company. The amount determined is Tshs. 911,002,800/=

	2022 T.SHS.	( RESTATED) 2021 T.SHS.
<b><u>Inventories as at 31.12.2022</u></b>		
Materials	891,252,800	747,539,500
Fuel & Oil	-	800,000,000
Spares, Repairs & Maintenance	5,805,000	320,000,000
Tyres & Tubes	13,945,000	200,000,000
	<u>911,002,800</u>	<u>2,067,539,500</u>

**7) Trade & Other Receivables**

Outstanding amounts from debtors are carried at invoice amount less provision for impairment.

A provision for impairment is established where there is an objective evidence that the company will not be able to collect all amounts due accordingly to the terms of the receivables.

The amount of provision is the difference between the carrying amount and the receivable amount.

	2022 T.SHS.	2021 T.SHS.
Trade & Other Receivables Include		
Debtors and Prepayment	<u>2,864,805,041</u>	<u>2,076,661,217</u>
	<u>2,864,805,041</u>	<u>2,076,661,217</u>

**8) Cash & Cash Equivalent**

Cash in Hand	10,470,630	10,835,667
Cash at Bank	<u>960,249,841</u>	<u>109,667,040</u>
	<u>970,720,471</u>	<u>120,502,707</u>

**9) Capital & Liabilities****Capital Account****AUTHORISED SHARE CAPITAL**

80000 Shares of Tshs. 10,000/-	<u>800,000,000</u>	<u>800,000,000</u>
--------------------------------	--------------------	--------------------

**ISSUED & FULLY PAID UP CAPITAL**

2000 Shares of Tshs. 10,000/-	<u>20,000,000</u>	<u>20,000,000</u>
-------------------------------	-------------------	-------------------

**10) Trade & Other Payables**

Creditors and Accruals	<u>17,597,198,373</u>	<u>15,844,225,286</u>
	<u>17,597,198,373</u>	<u>15,844,225,286</u>

**11) Going concern**

The Company meets day to day working capital requirements through operating cashflows and related party borrowings. The shareholder's have undertaken to finance the company to meet its financial needs for the foreseeable future. Based on this, the directors have considered it appropriate to prepare the financial statements on a going concern basis.

**12) Contingent liability**

As at 31st December, 2022, the Company had no litigations.

**13) Subsequent event**

There were no subsequent events after the year end, which requires adjustments or disclosures in the financial statements.

**14) Capital Commitments**

As at 31st December, 2022, the Company had no capital expenditure contracted or accrued.

**SALMAN'S TRANSPORT COMPANY LIMITED**

**INCOME TAX COMPUTATION FOR THE YEAR OF INCOME 2022**  
**ACCOUNTING TO 31.12.2022**

		<b><u>T.SHS.</u></b>
Profit/(Loss) as per Accounts		(568,594,432)
<b><u>ADD BACK:</u></b>		
Depreciation	2,284,614,271	
Fines & Penalties	4,950,000	<u>2,289,564,271</u>
		1,720,969,839
<b><u>LESS:</u></b>		
Depreciation Allowance		<u>1,588,532,989</u>
Adjusted Taxable Profit		132,436,850
Loss Brought Forward		-
Adjusted Loss Carried Forward		<u><u>132,436,850</u></u>
Corporation Tax 30% on T.Shs.	-	<u><u>39,731,055</u></u>

**POSITION OF TAXATION**

Balance Brought Forward	-
Corporate Tax as above	39,731,055
<b><u>LESS:</u></b> Provisional Tax paid for the Year	(20,000,000)
Withholding Tax paid for the Year	-
Tax Payable/(Recoverable)	<u><u>19,731,055</u></u>

**DEPRECIATION ALLOWANCE AS PER 3RD SCHEDULE**

	<b><u>CLASS I</u></b> <b><u>37.50%</u></b>	<b><u>CLASS II</u></b> <b><u>25%</u></b>	<b><u>CLASS III</u></b> <b><u>12.50%</u></b>	<b><u>CLASS VI</u></b> <b><u>5.00%</u></b>	<b><u>TOTAL</u></b> <b><u>T.SHS</u></b>
W.D.V. As at 1.1.2022	132,725,841	4,236,499,464	209,971,206	332,441,306	4,911,637,817
<b><u>ADD:</u></b> Additions	76,101,695	1,765,459,346	106,825,966	90,000,000.00	2,038,387,007
<b><u>LESS:</u></b> Disposal	-	(203,955,007)	-	-	(203,955,007)
	<u>208,827,536</u>	<u>5,798,003,804</u>	<u>316,797,172</u>	<u>422,441,306</u>	<u>6,746,069,817</u>
<b><u>LESS:</u></b> Annual Allowance	78,310,326	1,449,500,951	39,599,646	21,122,065.30	1,588,532,989
	<u>78,310,326</u>	<u>1,449,500,951</u>	<u>39,599,646</u>	<u>21,122,065</u>	<u>1,588,532,989</u>
W.D.V.As at 31.12.2022	<u><u>130,517,210</u></u>	<u><u>4,348,502,853</u></u>	<u><u>277,197,525</u></u>	<u><u>401,319,241</u></u>	<u><u>5,157,536,829</u></u>