

AL-HUSHOOM INVESTMENT (T) LIMITED
P.O. Box 20831,
Dar es Salaam
Annual Report 2020

AL-HUSHOOM INVESTMENT (T) LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

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AL-HUSHOOM INVESTMENT (T) LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

CORPORATE INFORMATION

Board of Directors

<u>Name</u>	<u>Nationality</u>
Mr. Ameir Munif Abdallah Nahdi	Tanzanian
Mr. Khalid Munif Abdallah	Tanzanian
Mr. Said Edha Abdallah	Tanzanian

Registered Office of the Company

Plot No. 22
Mwananchi Street, Tabata
P.O. Box 20831,
Dar Es Salaam
Tanzania

Auditors

Baker Tilly DGP & Co.,
Certified Public Accountants
P. O. Box 1314,
Dar Es Salaam
Tanzania

Company Secretary

Khalid Munif Abdallah
Plot No:85, Lugalo Street, Upanga
P.O.Box 20831
Dar Es Salaam

Bankers

CRDB Bank PLC
Tower Branch
P. O. Box 268
Dar Es Salaam

AL-HUSHOOM INVESTMENT (T) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2020

The Directors have pleasure in presenting their report along with the Audited Financial Statements for the financial year ended on 31st December 2020, which disclose the State of Affairs of the Company.

1. PRINCIPAL ACTIVITIES

The company's principal activity continued to be that of transportation of cargo both locally and in landlocked countries running of a stone quarry, inland containers depot (ICD), container freight station (CFS) together with real estate business.

2. INCORPORATION

The company is incorporated in Tanzania under the Companies Act 2002, as a limited liability company and it is domiciled in Tanzania.

3. COMPOSITION OF THE BOARD OF DIRECTORS

The Directors of the Company at the date of this report and who served the Company during the financial year 2020, except otherwise stated are:-

Name	Position	Nationality
Mr Ameir Munif Abdallah Nahdi	Director	Tanzanian
Mr Said Edha Aballah	Director	Tanzanian
Mr Khalid Munif Abdallah	Director	Tanzanian

4. CAPITAL STRUCTURE & SHAREHOLDING OF THE COMPANY

As at 31st December 2020, the paid up capital of the Company consists of 329,600 ordinary shares of Tzs 1,000/- each and were held by the following Shareholders:-

Name of Shareholder	No. of Shares	% Holding
Mr. Ameir Munif Abdallah Nahdi	109867	33.3
Mr. Said Edha Abdallah	109867	33.4
Mr. Khalid Munif Abdallah	109866	33.3
	329,600	100

5. CORPORATE GOVERNANCE

The Board of Directors consists of Three Directors. The Board takes overall responsibility for the Company, including responsibility of identifying key risk areas, considering and monitoring investment decisions, considering significant financial matters, and reviewing the performance of management, business plans and budgets. The Board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative, and for compliance with sound corporate governance principles.

The Board is meeting at regular intervals. The Board delegates the day-to-day management of the business to senior management and their team. Senior management is invited to attend the board and management meetings and facilitates the effective control of all the Company's operational activities, as a medium of communication and coordination between all the various business units.

AL-HUSHOOM INVESTMENT (T) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2020

The Company is committed to the principles of effective corporate governance. The Directors also recognize the importance of integrity, transparency and accountability.

6. MANAGEMENT

The management of the company is under the Managing Director and is organized in the following departments:

- Finance and Administration
- Operations
- Marketing

7. RISK MANAGEMENT AND INTERNAL CONTROL

The Board accepts final responsibility for the risk management and internal control systems of the Company. It is the task of management to ensure that adequate internal financial and operations control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:-

- The efficiency and effectiveness of operations;
- The safeguarding of Company's assets;
- Compliance with applicable Laws and Regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and
- Responsible behavior towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non compliance with such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the company's internal control system is designed to provide the Board with reasonable assurance that the procedures in place are operating efficiently.

The Board assessed the internal control systems throughout the financial year ended 31st December 2020 and is of the opinion that they met accepted criteria.

The Board carries out risk and internal control assessment through Board Meetings and Management meetings, on regular basis.

8. PRINCIPAL BUSINESS RISK

The company strategic focus is to enhance sales growth whilst maintaining profit margins, the success of which remains dependent on overall market conditions and the impact of the COVID-19 pandemic.

The directors continue to monitor this situation closely with a view to assessing and mitigating its impact on the company.

9. DIVIDENDS

The Directors do not propose any dividends for the year.

AL-HUSHOOM INVESTMENT (T) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2020

10. FUTURE PLANS

The company will continue to improve its profitability through introduction of innovative products, focusing on value added customer services and selective expansion of its divisions while carefully managing both costs and risks. The company will continue to focus on improving productivity and introducing better quality products, to sustain our vision and mission.

11. CORPORATE SOCIAL RESPONSIBILITY

The company is contributing to the society by giving out donations.

The company is regular in payment of its legal liabilities in the form of taxes. The company is making all possible efforts to avoid any kind of loss to the environment.

12. EMPLOYEE`S WELFARE

- **Management and Employees' Relationship**

There were continued good relation between employees and management during the year and there were no unresolved complaints. A healthy relationship continues to exist between management and trade unions

The company is an equal opportunity employer and provides 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 regards to factors like gender, marital status, tribes, religion and disability which does not impair ability to discharge duties.

- **Training facilities**

A system of continued training is inbuilt in the working environment of the company. However, the employees are encouraged to get the additional skills in their line, as and when available and feasible from outside organizations.

- **Medical Assistance, Health and Safety**

The company has strong health and safety measures in place, which ensure that a sound culture of safety prevails at all times. A safe working environment is ensured for all employees and contractors by providing adequate and proper personal protective equipment, training and supervision as necessary.

- **Persons with Disabilities**

Applications for employment by disabled persons are always considered, bearing in mind the aptitudes of the concerned applicant concerned. In the event of members of staff becoming disabled, every effort is the concerned applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and appropriate training is arranged. It is the policy of the company that training, career development, and promotion of disabled persons should, as far possible, be identical to that of other employees.

AL-HUSHOOM INVESTMENT (T) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2020**

• **Employees' benefit plan**

The company pays contributions to a NSSF (National Social Security Fund) on mandatory basis which qualifies to be a defined contribution plan.

13. SOLVENCY

The board acknowledges the decrease in retained reserves during the year by Tzs.6,555,000 (2019, Tzs.1,266,825,000). The Financial statements with these conditions indicates the existence of material uncertainty which may cast significant doubt on company's ability to continue as going concern. The Board of Directors has reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Therefore, the financial statements have been prepared on a going concern basis by the Directors on the assumption that continued financial support will be made available to the company if need arises.

14. OPERATING RESULTS

The financial results for the period ending 31st December 2020 are set out in the financial statements enclosed at Page 10 to 13.

15. RELATED PARTY DISCLOSURE

The company has made all the related party transactions at arm's length and the details are provided in notes to accounts on Page 29-30.


15. AUDITORS

M/s. Bakertilly DGP & Co. has expressed their willingness to continue in office and are eligible for re-appointment.

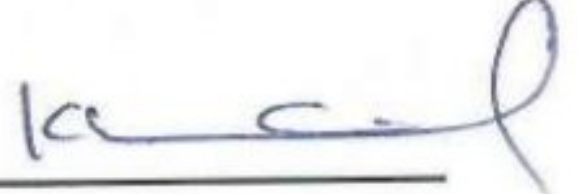
16. ACKNOWLEDGEMENTS

Our Directors wish to place on records, their sincere thanks and deep sense of appreciation for the overwhelming co-operation and assistance received from the Government of Tanzania, the Tanzania Revenue Authority, Tanzania Port Authority, various other Government and Semi Government organizations, the bankers of the company and last but not the least the employees of the company. The management looks forward to the continued support from all for the future.

BY ORDER OF THE BOARD



Director
Name SAID EDHA ABDALLAH



Director
Name KHALID MUNIF ABDALLAH

Place: Dar es Salaam
Dated: 29/12/2021

AL-HUSHOOM INVESTMENT (T) LIMITED

***DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2020***

STATEMENT OF DIRECTOR'S RESPONSIBILITY

The Tanzanian Companies Act 2002 requires 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. It also requires the Directors to ensure that the Company keeps 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 responsibilities for the periodical financial statements, which have been prepared using appropriate the accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and the requirement of the Tanzanian Companies Act 2002. The directors are of the opinion that the financial statements for the year ended 31st December 2020 gives a true and fair view of the state of the financial affairs of the Company and of its profit. The directors further accept responsibilities for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal control.

Nothing has come to the attention of the directors to indicate that the Company will not remain going concern for at least twelve months from the date of this statement.

Approved by the board of directors on.....29/12/.....2021 and signed on its behalf by:

.....Said Edha Abdallah
NAME: SAID EDHA ABDALLAH
DIRECTOR

.....Khalid Munif Abdallah
NAME: KHALID MUNIF ABDALLAH
DIRECTOR

PLACE: DAR-ES-SALAAM
DATE: 29/12/2021

AL-HUSHOOM INVESTMENT (T) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2020**

DECLARATION OF THE HEAD OF ACCOUNTING AND FINANCE

The National Board of Accountants and Auditors (NBAA) according to power conferred under the Auditors and Accountants (Registration) Act 33 of 1972, as amended by Act No. 2 of 1995, require 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, CPA CHARLES EPINZAM hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31st December, 2020 have been prepared in compliance with the applicable accounting standard and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of the Al Hushoom Investment (T) Limited as on that date and that they have been prepared based on properly maintained financial records.

Signed: 
NBAA Membership No.: GA 6583
Date: 29/12/2021

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF
AL HUSHOOM INVESTMENTS (T) LIMITED****Opinion**

We have audited the financial statements of Al Hushoom Investments (T) Limited, which comprise the Statement of Financial Position as at 31stDecember 2020, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31stDecember 2020 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the Companies Act, 2002.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with The National Board of Accountants and Auditors (Code of Ethics) By - Laws, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of the matter

We draw attention to;

1. Note no. 3.1.1 to the financial statements, which describes uncertainty of impact due to COVID-19 pandemic on company's financial performance, which is dependent on future developments.

Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the Director's Report as required by the Companies Act, 2002, which we obtained prior to the date of this report. Other information does not include the Financial Statements and our auditor's report thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 2002 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Partners:

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosure made by the directors.

Conclude on the appropriateness of the director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

As required by the Companies Act 2002, we report to you, based on our audit, that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion proper books of account have been kept by the Company, so far as appears from our examination of those books;
- iii) the director's report is consistent with the financial statements;
- iv) information specified by the law regarding director's remuneration and transactions with the Company is disclosed; and
- v) The Company's Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income are in agreement with the books of accounts.

Baker Tilly DGP & Co.
Certified Public Accountants,


Kailas K. Bhattbhatt
Partner
Place: Dar es Salaam
Date : 30/12/2021




STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2020

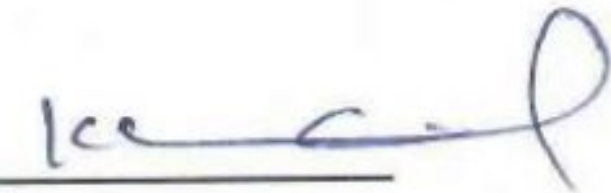
PARTICULARS	NOTE	2020	2019
		Tshs '000'	Tshs '000'
Revenue		43,032,115	41,281,938
Cost of sales	3	32,296,140	29,909,057
Gross profit		10,735,975	11,372,881
Other income	4	1,814,546	1,362,872
		12,550,521	12,735,753
Less: Expenses			
Administrative expenses	5	(11,050,757)	(11,041,591)
Selling and distribution expenses	6	(236,256)	(231,878)
Financial expenses	7	(973,995)	(1,367,682)
		(12,261,008)	(12,641,151)
Profit / (Loss) before tax		289,513	94,602
Less : Tax expense / credit	8	(191,166)	(47,588)
Profit / (Loss) after tax		98,347	47,014
Other comprehensive income / (loss)			
Others (Impairment of financials assets)		(239,594)	(1,313,839)
Total comprehensive income / (loss)		(141,247)	(1,266,825)

The significant accounting policies on pages 14 to 20 and the notes on pages 21 to 30 form an integral part of these financial statements.

Report of the Independent Auditor's on page 8 & 9.

The financial statements on Pages 10 to 30 were approved by the Board of Directors and signed on behalf by:


Director
Name: SAID EDHA ABDALLAH
Dated: 29/12/2021


Director
Name: KHALID MUNIF ABDALLAH
Dated: 29/12/2021

AL-HUSHOOM INVESTMENT (T) LIMITED
P.O. Box 20831, Dar Es Salaam


STATEMENT OF FINANCIAL POSITION AS ON 31ST DECEMBER 2020


	NOTE	31st December 2020 Tshs '000'	31st December 2019 Tshs '000'
Non current assets			
Property, plant and equipment	16	65,695,574	68,075,687
Intangible assets	16	61,608	68,453
Deferred tax assets	8	394,657	629,508
		<u>66,151,839</u>	<u>68,773,648</u>
Current assets			
Inventories	9	355,982	729,114
Trade and other receivables	10	19,957,075	21,185,061
Cash and cash equivalents	11	1,454,420	651,982
Current tax	15	2,633,294	2,426,474
		<u>24,400,771</u>	<u>24,992,631</u>
Total assets		<u>90,552,610</u>	<u>93,766,279</u>
Equity			
Share capital	12	329,600	329,600
Revaluation reserve		27,418,039	28,433,167
Retained earnings		(13,302,391)	(12,277,656)
Share application money		650,000	650,000
		<u>15,095,248</u>	<u>17,135,111</u>
Non current liabilities			
Deferred tax liabilities	8	13,782,438	14,261,177
		<u>13,782,438</u>	<u>14,261,177</u>
Current liabilities			
Trade and other payables	13	61,437,749	61,879,589
Provisions	14	237,175	490,402
		<u>61,674,924</u>	<u>62,369,991</u>
Total equity and liabilities		<u>90,552,610</u>	<u>93,766,279</u>

The significant accounting policies on pages 14 to 20 and the notes on pages 21 to 30 form an integral part of these financial statements.

Report of the Independent Auditor's on page 8 & 9.

The financial statements on Pages 10 to 30 were approved by the Board of Directors and signed on behalf by:


 Director
 Name: SAID EDHA ABDALLAH
 Dated: 29/12/2021


 Director
 Name: KHALID MUNIF ABDALLAH
 Dated: 29/12/2021


STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2020

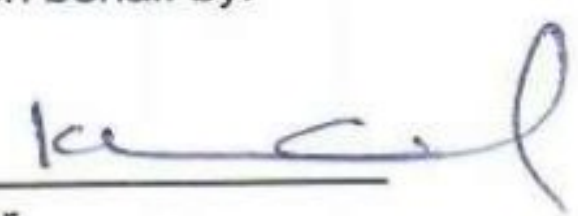
Particulars	Share capital Tshs '000'	Share Application	Revaluation reserve Tshs '000'	Retained earnings Tshs '000'	Total Tshs '000'
Year ended 31st December 2019					
As at start of the year	329,600	650,000	29,900,818	(10,787,884)	20,092,534
Depreciation on Revaluation	-	-	(2,096,645)	-	(2,096,645)
Reversal of differed tax liability on revaluation	-	-	628,994	-	628,994
Prior year adjustments	-	-	-	(222,947)	(222,947)
	<u>329,600</u>	<u>650,000</u>	<u>28,433,167</u>	<u>(11,010,831)</u>	<u>18,401,936</u>
Net profit / (loss)	-	-	-	(1,266,825)	(1,266,825)
At the end of the year	<u>329,600</u>	<u>650,000</u>	<u>28,433,167</u>	<u>(12,277,656)</u>	<u>17,135,111</u>
Year ended 31st December 2020					
As at start of the year	329,600	650,000	28,433,167	(12,277,656)	17,135,111
Depreciation on Revaluation	-	-	(1,450,182)	-	(1,450,182)
Reversal of differed tax liability on revaluation	-	-	435,054	-	435,054
Prior year adjustments	-	-	-	(883,488)	(883,488)
	<u>329,600</u>	<u>650,000</u>	<u>27,418,039</u>	<u>(13,161,144)</u>	<u>15,236,495</u>
Net profit / (loss)	-	-	-	(141,247)	(141,247)
At the end of the year	<u>329,600</u>	<u>650,000</u>	<u>27,418,039</u>	<u>(13,302,391)</u>	<u>15,095,248</u>

The significant accounting policies on pages 14 to 20 and the notes on pages 21 to 30 form an integral part of these financial statements.

Report of the Independent Auditor's on page 8 & 9.

The financial statements on Pages 10 to 30 were approved by the Board of Directors and signed on behalf by:


Director
Name: SAID EDHA ABDALLAH
Dated: 29/12/2021


Director
Name: KHALID MUNIF ABDALLAH
Dated: 29/12/2021

AL-HUSHOOM INVESTMENT (T) LIMITED
P.O. Box 20831, Dar Es Salaam


STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2020


PARTICULARS	2020 Tshs '000'	2019 Tshs '000'
Cash flows from operating activities		
Profit / (Loss) before tax	289,513	94,602
<u>Adjustment for:</u>		
Depreciation and amortisation	5,871,859	6,087,036
Others (Impairment of financial assets)	(239,594)	-
Profit / loss on sale of fixed assets	(23,207)	-
Prior period adjustment	(883,488)	(222,947)
Unrealised forex exchange gain / loss	(185,771)	119,674
	4,829,312	6,078,365
<u>Movements in working capital:</u>		
(Increase)/ decrease in inventories	373,132	577,378
(Increase)/ decrease in trade and other receivables	1,413,757	(3,521,409)
Increase/ (decrease) in trade and other payables	(695,066)	5,442,497
Cash generated from operations	5,921,135	8,576,831
Less: Taxes paid	(206,820)	(201,471)
Net cash generated by operating activities (A)	5,714,315	8,375,360
Cash flow from investing activities		
Payments of purchase of property, plant and equipment	(4,947,373)	(8,127,418)
Proceed from disposal of property, plant and equipment	35,500	-
Net cash (used in) / generated by investing activities (B)	(4,911,873)	(8,127,418)
Cash flow from financing activities		
Net cash (used in) / generated by financing activities (C)	-	-
Net increase in cash and cash equivalents (A+B+C)	802,442	247,942
Cash and cash equivalents at the beginning of the year	651,982	404,040
Cash and cash equivalents at the end of the year	1,454,424	651,982

The significant accounting policies on pages 14 to 20 and the notes on pages 21 to 30 form an integral part of these financial statements.

Report of the Independent Auditor's on page 8 & 9.

The financial statements on Pages 10 to 30 were approved by the Board of Directors and signed on behalf by:


 Director
 Name: SAID EDHA ABDALLAH
 Dated: 29/12/2021


 Director
 Name: KHALID MUNIF ABDALLAH
 Dated: 29/12/2021

SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

1 GENERAL INFORMATION

Al-Hushoom Investment (T) Limited is incorporated in Tanzania under the Companies Ordinance as a limited liability company and it is domiciled in Tanzania. The principal activities of the company are disclosed in the Directors Report.

The address of its registered office is:
P O Box 20831,
Plot 22 Nelson Mandela Road,
Dar es Salaam –Tanzania

2 ADOPTION OF NEW AND REVISED STANDARDS & INTERPRETATIONS

a) Standards, Amendments to the standards and Interpretations effective in the year 2020

The following standards, amendments and new interpretations issued by the IFRIC and are mandatory for the accounting periods beginning on or after 1st January 2020:

- Definition of a Business (Amendments to IFRS 3) Effective for accounting periods beginning on or after January 1, 2020
- Definition of Material (Amendments to IAS 1 and IAS 8) Effective for accounting periods beginning on or after January 1, 2020
- Amendments to References to Conceptual Framework in IFRS Standards Effective for accounting periods beginning on or after January 1, 2020
- Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7) issued, requiring additional disclosures around uncertainty arising from the interest rate benchmark reform. Effective on or after 1st January 2020
- Amended by Covid-19-Related Rent Concessions (Amendment to IFRS 16) effective 1st June 2020.

The adoption of these standards, amendments and interpretations has not led to any change in the accounting policies of the Company.

b) Standards, Amendments and Interpretations issued, but not yet effective

A number of new standards, amendments to standards and interpretations are effective for forthcoming periods and the Company had not adopted any of these Standards, Amendments of interpretations from an early date. The management does not foresee any major change in the accounting policies of the Company due to such amendments.

- IFRS 17 Insurance Contracts Effective for accounting periods beginning on or after January 1, 2023
- IFRS 9 Annual Improvements to IFRS Standards 2018–2020 (fees in the ‘10 per cent’ test for derecognition of financial liabilities) effective date on or after 1st January 2022
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, Interest Rate Benchmark Reform — Phase 2 - he amendments require additional disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks. Effective on or after 1st January 2021
- Amendment to IFRS 3, reference to the Conceptual framework. Effective on or after 1st January 2022
- Amendments to IAS 1, by Classification of Liabilities as Current or Non-current. Effective 1st January 2023

- Amendments to IAS 16, by Property, Plant and Equipment — Proceeds before Intended Use with effective from on or after 1st January 2022
- Amendments to IAS 37, by Onerous Contracts — Cost of Fulfilling a Contract Effective from 1 January 2022
- Amendment by reference to the Conceptual framework (Amendment to IFRS 3). Effective on or after 1st January 2022

2 SUMMARY OF ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below.

3.1.0 BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis.

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements are presented in the functional currency, Tanzania Shillings (TShs). The policies set out below have been consistently applied to all the years presented except for those relating to the classification and measurement of financial instruments.

The Financial Statements are made for the period ended on 31st December 2020.

These financial statements have been prepared under the historical cost convention. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying company's accounting policies. The areas involving a high degree of judgement or complexity, on where assumptions and estimates are significant to the financial statement are disclosed in Note 3.17

3.1.1 EVENTS AFTER BALANCE SHEET DATE

On 11th March, 2020 the COVID outbreak was declared as a global pandemic by the World Health Organization. The COVID-19 pandemic continues to spread across the globe, which has contributed to significant decline and volatility in global economy.

The extent to which the COVID-19 pandemic will impact the company's results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandate or elected by the company.

Directors are confident that despite the potential reduced level of activity, the condition does not indicate a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. However, impact assessment of COVID-19 is continuing process given the uncertainties associated with its nature and duration which may be different from that estimated as the date of approval of these financial results, and the Board will continue to monitor the developments.

3.2 REVENUE RECOGNITION

Revenue is recognised in profit or loss to the extent that it is probable that future economic benefit will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivables, taking into account contractually defined terms of payments excluding discounts, rebates and Valued Added Taxation (VAT).

3.2.1 Transport income

Revenue is recognised when transportation service is rendered based on the contract of the service

3.2.2 Rental Income

Rental Income arising from operating lease is accounted for on a straight – line basis over the lease terms and included in other operating income.

3.2.3 Interest income

Interest earned on short –term investments is recognised in the profit or loss statement on a straight line basis over the investment period and included in operating income.

3.2.4 Quarry income

Revenue is recognised when the quarry is mined and sold as aggregated to the customer net of the royalty and Value Added tax.

3.2.5 Inland Container depot and Container Freight Station.

Revenue from the ICD and CFS is recognized when the service is offered to the customer based on the contract of the service net of the taxation paid to the government

3.3 FOREIGN CURRENCY TRANSLATION

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency for the company is the Tanzania Shillings.

(ii) Transactions and balances

Foreign currency transactions are translated into Tanzania Shillings using the exchange rate prevailing at the dates of the transactions. Monetary assets and liabilities at the balance sheet date, which are expressed in foreign currencies, are translated into Tanzania Shillings at rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

3.4 PROPERTY, PLANT AND EQUIPMENT

All property, plant and equipment are shown initially at cost, less subsequent depreciation and impairment. Cost includes expenditure directly attributable to the acquisition of the items. Subsequent costs are included in asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be reliably measured.

The company has adopted cost model for the valuation of assets as provided in IAS 16, Property, Plant and Equipment.

Depreciation is calculated using the Reducing Balance method to allocate the cost of each asset to its residual value over the estimated useful life as follows:

	Rate (%)
Residential Flats and Buildings	4.00
Trucks	37.50
Saloon Cars	25.00
Air Conditioners	12.50
Plant & Machinery	12.50
Radio Call System	12.50
Generator	12.50
Office & Factory equipment	12.50
Furniture, Fixture and Fittings	12.50
Computer & Office equipment	37.50
Lamp Poles	12.50

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High Mast	12.50
Cash Counting Machine	12.50
Heli-forklifts	25.00
Weigh bridge	25.00
Reach Stacker Machine	25.00
Car Parking Shade	12.50
Work shop, Building, Godown	4.00
Workshop equipment	12.50
Wheel Alignment Machinery	12.50
Empty Containers	10.00

The amortization of 5 plots has been made on basis of unexpired period of lease as stated below:

SI no	Name of Plots	Date of inception	Nos of years	Unexpired years w.e.f. Jan 2014 (in multiple of yr)
1	1469 Block C at Mwananyamala area at Kinondoni Municipality	30-06-2009	99	91
2	68 &69 Port Access Road	20-11-1990	99	72
3	28/1 Kigogo Road	25-10-1996	99	78
4	134, Mbezi Beach (Kawe residential complex)	27-01-1988	33	4
5	Boko Estate	12-08-1981	99	63

Major renovations are depreciated over the remaining useful life of the related asset or to the date of the next major renovation, whichever is sooner. All other repairs and maintenance expenditures are charged to the profit and loss account during the financial period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gain or losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are included in the profit and loss account.

3.5 INTANGIBLE ASSETS

The company acquired a computer software license and capitalized it on the basis of the cost incurred to acquire and bringing it to use. The costs are amortized using straight line method over the expected useful life of ten years. Costs incurred for updating or maintaining the computer software programs are recognized as an expenses as and when incurred.

3.6 IMPAIRMENT OF ASSETS

At each balance sheet date, the company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists; the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

3.7 OPERATING & FINANCE LEASES

The company is having no finance lease transaction during the period. The company has operating lease agreement during the period. Operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

There is no future commitments arising out of operating lease agreements as on the date of balance sheet since all such agreements requires payments to be made in advance and the same have been disclosed under deposits and advance.

3.8 INVENTORIES

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average cost method and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the open market less applicable selling expenses. Stores and consumables are stated at cost less any provision for obsolescence.

3.9 ACCOUNTS RECEIVABLE

Receivables are initially recognised at fair value and subsequently measured at their amortised costs using effective interest method. A provision for impairment trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the carrying amount and the expected cash flows discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

3.10 CASH AND CASH EQUIVALENTS

Cash & Cash equivalents comprise of cash held by the company and current accounts operated with banks for companies normal trade transactions. The carrying amount of these assets approximates their fair value.

3.11 BORROWINGS

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost and any difference between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowing costs are expensed in the period they accrue unless they can be related, with certainty, to fixed assets construction projects in which case they are capitalised as part of the asset's cost.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

3.12 DEFERRED INCOME TAXES

Income tax expense is the aggregate of the charge to the profit and loss account in respect of current income tax and deferred income tax. Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with the Tanzania Income Tax Act, 2004.

Deferred income tax is provided in full using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the balance sheet date and are expected to apply

when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that directors consider that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is recognised as income tax benefit or expense in the year in which it arises.

3.13 TAXATION

Income tax expense is the aggregate of the charge to the profit and loss account in respect of current income tax and deferred income tax. Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with the Tanzania Income Tax Act, 2004.

3.14 EMPLOYEES BENEFITS

The Company has defined benefits contributions plans. Under defined contribution plan, the Company contributes to publicly administered pension plans (NSSF or PPF) on a mandatory basis. The Company has no further payment obligations once the contributions have been paid.

3.15 PROVISIONS

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

3.16 FINANCIAL RISK MANAGEMENT

The Companies activities expose it to a variety of financial risks: foreign currency risk, credit risk, commodity price fluctuation risk and cash flow interest-rate risk. The Company's overall risk management programme seeks to minimize potential adverse effects on the financial performance. Risks management is carried out by the management on behalf of the Board of Directors.

Credit risk

The Company has no significant concentrations of credit risk. It has policies in place to ensure that the sales of products are made to customers with an appropriate credit history. Sales to retail customers are made in cash or via strictly credit terms.

Foreign currency risk

As and when the need arises, the Company enters into transactions denominated in foreign currencies (primarily United States Dollars ("US\$")). In addition, the Company has assets and liabilities denominated in United States Dollars ("US\$"). As a result, it is subject to transaction and translation exposure from fluctuations in foreign currency exchange rates. The company is generally dealing in local currency and thus, it is not much exposed to foreign currency risk.

Interest rates and liquidity risk

Fluctuation in interest rates has impact on the operating activities. In the ordinary course of business, the Company receives cash from its operations and is required to fund working capital and capital expenditure requirements. The company has availed long term and short term funding from the banks. The interest rates are dependent upon the market conditions and are subject to change. The said change can affect the profitability of the company. However, the management keeps a close watch on the developments in the market and accordingly takes steps to minimize the risk.

Commodity Price Risk

The Company's major expense is fuel used for the trucks for transportation. During the year, the oil prices fluctuated to a large extent which resulted in a significant impact on the profitability of the company.

3.17 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

a) Critical accounting estimates and assumptions

Property, plant and equipment

Critical estimates are made by the directors in determining depreciation rates for property, plant and equipment and their residual values. The rates used are set out in Note 3.4 above.

b) Critical judgement in applying the entity's accounting policies.

In the process of applying the Company's accounting policies, management has made judgement in determining whether assets are impaired or not.

c) Going Concern

The financial statements have been prepared on the going concern basis, on the assumption that the company will continue its activities for the foreseeable future and the shareholders will extend their support as and when required.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

	2020 Tshs '000'	2019 Tshs '000'
3 Cost of sales		
Opening stock	729,114	1,306,491
Add: Purchases	10,722,079	13,013,136
Less: Closing stock	(355,982)	(729,114)
Petrol, Oil & Diesel	11,095,211	13,590,513
Add: Direct costs		
Calibration Charges	142,809	127,460
Rent & Royalty	1,413,446	1,403,702
Tyre & Tubes Direct	1,941,210	2,573,385
Road licence & TLB	4,529,629	2,495,375
Electricity and water expenses	105,604	108,553
Spareparts & Repairs	1,303,006	1,214,153
Transport Charges	9,604,981	5,999,929
Shorehandling & Other charges	1,223,634	1,854,309
Other Charges	936,610	541,678
	<u>21,200,929</u>	<u>16,318,544</u>
Total cost of sales	<u>32,296,140</u>	<u>29,909,057</u>
4 Other income		
Commission received	7,400	53,657
Interest received from Related Parties	212,195	261,947
Miscellaneous income	267,833	-
Sales of Agreeegates	258,620	193,578
Profit on sale of fixed assets	23,207	-
Rent received	1,045,291	853,690
Total	<u>1,814,546</u>	<u>1,362,872</u>
5 Administrative expenses		
Amortisation of intangibles	6,845	7,606
Audit fees	28,685	28,238
Salaries and wages - Admin	3,532,734	3,465,806
Computer consumables	2,042	3,752
Depreciation	5,865,014	6,079,430
Donations	-	100
Properties Tax and Land Rent	14,763	15,934
Fines and penalties	39,563	16,672
General insurance expenses	262,597	343,920
Dues, rates, fees and license charges	77,645	83,645
TUICO	699	-
NSSF / PPF contribution - Admin	353,273	346,580
HESLB	8,476	6,880
Securiy expenses	4,802	38,493
Chawamata	9,222	10,349
Professional and legal fees	29,140	10,650
Provision for bad debts written off	266,753	-
Repairs and maintenance - Indirect	282,866	229,303
SDL cost	149,917	155,961
Printing and stationery expenses	22,543	25,736
Inspection fees	25,675	21,767
Subscription charges	2,650	1,624

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

	2020	2019		
	Tshs '000'	Tshs '000'		
Office expenses	15,071	51,339		
Telephone & Communication expenses	11,511	28,395		
Clearing expenses	2,000	12,416		
Hiring of Crane Charges	1,320	2,500		
Transportation and travelling expenses	-	20,221		
Workers Compensation Fund	34,951	34,274		
Total	11,050,757	11,041,591		
6 Selling and distribution expenses				
Advertising expenses	15,000	10,281		
City service levy charges	133,322	127,149		
Tasac Levy	87,934	94,448		
Total	236,256	231,878		
7 Financial expenses				
Bank charges	91,535	68,529		
Interest expense on related parties	1,035,258	1,159,713		
Foreign exchange loss / (gain) - realised	32,973	19,766		
Foreign exchange loss / (gain) - unrealised	(185,771)	119,674		
Total	973,995	1,367,682		
8 Tax expenses				
Deferred tax	191,166	47,588		
Total	191,166	47,588		
Reconciliation of tax expenses:				
Net profit as per statement of profit or loss	289,513	94,602		
Tax @ 30 % (2019: 30%)	86,854	28,381		
Penalties and fines	11,869	5,002		
Others	80,717	852		
Deferred tax on revaluation	11,725	13,353		
Tax expenses as per books	191,165	47,588		
Break-up of deferred tax:				
Particulars	At start of the year	Charge to statement of profit or loss	Charged to equity	At end of the year
	Tshs '000'	Tshs '000'	Tshs '000'	Tshs '000'
Deferred tax liabilities				
Property, plant and equipment				
- accelerated capital allowance	2,075,361	(99,416)	-	1,975,945
- revaluation	12,185,816	-	(435,054)	11,750,762
Unrealised foreign exchange gain	-	55,731	-	55,731
	<u>14,261,177</u>	<u>(43,685)</u>	<u>(435,054)</u>	<u>13,782,438</u>
Deferred tax asset				
Tax losses carried forward	(593,606)	198,949	-	(394,657)
Unrealised foreign exchange loss	(35,902)	35,902	-	-
	<u>(629,508)</u>	<u>234,851</u>	<u>-</u>	<u>(394,657)</u>
Net deferred tax liability / (asset)	<u>13,631,669</u>	<u>191,166</u>	<u>(435,054)</u>	<u>13,387,781</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

	2020 Tshs '000'	2019 Tshs '000'
9 Inventories		
Closing stock of spares	159,565	418,929
Closing stock of oil Lubricant and Fuel	27,847	209,701
Closing stock of tyres and tubes	168,570	100,484
	355,982	729,114
10 Trade and other receivables		
Advance to suppliers	1,360,334	535,937
Other deposit	10,770	10,770
Bank Guarrantee & other deposit	-	65,100
Prepaid expenses	1,717,797	716,948
Advance for Purchase of Fixed assets	10,748,619	11,462,380
Interest receivable on related parties	1,399,968	1,213,634
Trade debtors	3,251,073	5,823,609
VAT receivable	-	39,154
Due from associate companies and related parties	3,021,609	2,619,006
Prepaid duties and taxes	338	12,362
	21,510,508	22,498,900
Less:		
Impairment of the accounts receivables	(1,553,433)	(1,313,839)
	19,957,075	21,185,061

Basis for impairment of financial assets

- i) Trade receivables are non-interest bearing and generally on 31 day terms. Day sales outstanding for 2020 was 31 days (2019:31 days)
- ii) Other receivables are non interest bearing have an average term of 30-180 days.
- iii) For terms and conditions of related amount due to related parties refer to Note 18

As at December 31, the ageing analysis of trade and other receivables was as follows(all balances are in TZS):

	Total	<30 days	30-90	90-1year	Over 1 year
At 31 December 2020					
<u>Loans and Advances</u>					
Gross amount (TZS)	12,477,187	1,874,037	-	10,592,380	10,770
Expected Credit Loss rate (%)		0.50%		10%	20%
Expected Credit Loss (TZS)	1,076,341	6,333	-	1,059,238	10,770
<u>Related party balances</u>					
Gross amount (TZS)	4,421,576	4,037,318	-	331,258	53,000
Expected Credit Loss rate (%)		2.00%		3%	20%
Expected Credit Loss (TZS)	40,724	20,187	-	9,937	10,600
<u>Trade and other receivables</u>					
Gross amount (TZS)	3,698,767	1,140,104	-	-	2,110,969
Expected Credit Loss rate (%)		0.50%	2%	3%	20%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

				2020	2019
				Tshs '000'	Tshs '000'
Expected Credit Loss (TZS)	436,467	14,274	-	-	422,194
				2020	2019
				Tzs	Tzs
At 1 January				1,313,839	-
Charge for the year				239,693	1,313,839
At 31 December 2019				1,553,532	1,313,839
The allowance for expected credit losses/ impairment is made up as follows;					
Trade receivables				477,191	91,250
Other receivables				1,076,341	1,222,589
				1,553,532	1,313,839
11 Cash and cash equivalents					
Cash in hand				377,286	213,347
Cash at banks				1,077,134	438,635
				1,454,420	651,982
12 Share capital					
<u>Authorised capital</u>					
500,000 shares of Tzs 1000/- each				500,000	500,000
Issued and paid up share capital					
329,600 shares of Tzs 1000/- each				329,600	329,600
				329,600	329,600
13 Trade and other payables					
Trade creditors				4,546,112	4,623,837
Duties, Taxes & Property Tax Payable				460,006	-
VAT payable				66,816	-
Interest payable on related parties				5,248,242	4,212,985
Advance from customers				100,749	881,767
Unearned rental income				21,837	-
Due to associate companies and related parties				50,765,327	51,932,340
Withholding tax payable				228,660	228,660
				61,437,749	61,879,589
14 Provisions					
NSSF / PPF payable				64,337	60,209
PAYE payable				37,671	40,527
SDL payable				12,867	13,547
City service levy payable				30,988	27,247
Audit fees payable				28,363	28,238
Other payable				62,949	320,634
				237,175	490,402

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

	2020	2019
	Tshs '000'	Tshs '000'
15 Current tax		
Balance b/f	(2,426,474)	(2,225,003)
Advance tax paid	(80,000)	(60,000)
Withholding tax receivable	(126,820)	(141,471)
	<u>(2,633,294)</u>	<u>(2,426,474)</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16 Property, Plant & Equipments

S/No	Particulars	COST OR VALUATIONS				DEPRECIATION				NET BLOCK	
		As At 01.01.2020 Tshs'000	Additions Tshs'000	Disposal Tshs'000	As At 31.12.2020 Tshs'000	As At 01.01.2020 Tshs'000	Reversal on disposal	Charge for the Year Tshs'000	As At 31.12.2020 Tshs'000	As At 31.12.2020 Tshs'000	As At 31.12.2019 Tshs'000
	Transport Division										
1	Air Compressor	38,797	-	-	38,797	25,708	-	1,636	27,344	11,453	13,089
2	Air Conditioners	88,982	1,500	-	90,482	48,569	-	5,239	53,808	36,674	40,413
3	Boko Estate	216,872	-	-	216,872	19,031	-	2,998	22,029	194,843	197,841
4	Commercial Vehicles (Trucks)	30,688,527	901,416	(198,151)	31,391,792	20,397,610	(185,857)	4,060,608	24,272,361	7,119,431	10,290,917
5	Computers & Office Equipment	41,280	1,116	-	42,396	38,095	-	1,416	39,511	2,885	3,185
6	Furniture & Fixtures	121,763	8,072	-	129,834	61,539	-	7,803	69,341	60,493	60,224
7	Generator	469,724	49,090	-	518,814	288,953	-	24,130	313,083	205,731	180,771
8	Kawe Residence Complex	364,353	-	-	364,353	224,461	-	19,985	244,446	119,907	139,892
9	Motor Data Collection Hardware	61,106	-	-	61,106	39,107	-	2,750	41,857	19,248	21,999
10	Plot No. 28/2 Kigogo Industrial Area	30,000	-	-	30,000	2,164	-	344	2,507	27,493	27,836
11	Plot 68/69 Port Access Road	818,367	-	-	818,367	63,465	-	10,065	73,530	744,837	754,902
12	Radio Call System	11,949	-	-	11,949	8,380	-	446	8,826	3,123	3,569
13	Residential Buildings	28,239	-	-	28,239	5,214	-	921	6,135	22,104	23,025
14	Saloon Cars	739,281	-	-	739,281	696,641	-	10,660	707,301	31,980	42,640
15	Security System	10,980	-	-	10,980	9,228	-	219	9,447	1,533	1,752
16	Trailers	10,996,251	3,897,065	-	14,893,316	4,448,105	-	1,207,008	5,655,113	9,238,203	6,548,146
17	Transformer	214,274	-	-	214,274	84,539	-	16,217	100,756	113,519	129,735
18	W/shop Building & Godown	432,320	-	-	432,320	269,407	-	6,517	275,924	156,396	162,913
19	W/shop Equipment	3,891	-	-	3,891	1,223	-	334	1,557	2,334	2,668
20	Upanga Building Complex	6,681,792	27,336	-	6,709,128	1,233,641	-	219,019	1,452,661	5,256,467	5,448,151
21	Plot 1469. Mwananyamala area	78	-	-	78	4	-	1	5	73	74
22	Wheel Alignment Machinery	112,230	-	-	112,230	48,567	-	7,958	56,525	55,705	63,663
23	Motor Cycles	21,447	3,928	-	25,375	2,054	-	2,267	4,320	21,055	19,393
24	Tyre Changer Machine	-	11,071	-	11,071	-	-	1,136	1,136	9,935	-

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16 Property, Plant & Equipments

	ICD Division	-			-				-			-
1	11m Road Lamp Pole	6,360	-	-	6,360	3,672	-	336	4,008	2,352	2,688	
2	30m High Mast	12,044	-	-	12,044	6,954	-	636	7,590	4,454	5,090	
3	Cash Counting Machine	15,912	-	-	15,912	7,458	-	1,057	8,515	7,397	8,454	
4	Computers & Office Equipment	131,809	-	-	131,809	112,196	-	7,355	119,551	12,258	19,613	
5	Furniture & Fixtures	51,475	-	-	51,475	29,697	-	2,722	32,419	19,056	21,778	
6	Street Lamp & Lamp Poles	36,846	-	-	36,846	21,274	-	1,946	23,220	13,626	15,572	
7	Helifokrolifts	470,026	46,780	-	516,806	246,833	-	60,671	307,504	209,302	223,193	
8	Weight Bridge	49,608	-	-	49,608	41,722	-	1,972	43,694	5,914	7,886	
9	Reach Stacker Machines	1,495,040	-	-	1,495,040	1,257,804	-	59,309	1,317,113	177,927	237,236	
10	Car Parking Shade	119,661	-	-	119,661	64,199	-	6,933	71,132	48,529	55,462	
11	Empty Containers	61,121	-	-	61,121	21,533	-	3,959	25,492	35,629	39,588	
	ICD V Division											
1	Computers & Office Equipment	58,233	-	-	58,233	51,291	-	2,603	53,894	4,339	6,942	
2	Furniture & Fixtures	21,790	-	-	21,790	17,160	-	579	17,739	4,051	4,630	
3	Building plot no. 1009 Block A Mandela Road Mtoni Tandika Area	3,119,773	-	-	3,119,773	488,406	-	105,255	593,661	2,526,112	2,631,367	
												-
	Totals	57,842,200	4,947,373	(198,151)	62,591,422	30,385,901	(185,857)	5,865,014	36,065,054	26,526,368	27,456,297	
	Intangible Assets											
1	Intangible Assets	122,764	-	-	122,764	54,311	-	6,845	61,156	61,608	68,453	
		122,764	-	-	122,764	54,311	-	6,845	61,156	61,608	68,453	
	Totals	57,964,964	4,947,373	(198,151)	62,714,186	30,440,212	(185,857)	5,871,859	36,126,210	26,587,976	27,524,750	

**M/S AL-HUSHOOM INVESTMENT (T) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17 Property, Plant & Equipments (Revaluations)

S/No	Particulars	COST OR VALUATIONS			DEPRECIATION			NET BLOCK		
		As At 1.1.2020 Tshs'000'	Additions Tshs'000'	Disposal Tshs'000'	As At 31.12.2020 Tshs'000'	As At 1.1.2020 Tshs'000'	Charge for the Year Tshs'000'	As At 31.12.2020 Tshs'000'	As At 31.12.2019 Tshs'000'	
1	Boko Estate	5,076,128	-	-	5,076,128	465,125	79,315	544,440	4,531,688	4,611,003
2	Kawe Residence Complex	3,924,647	-	-	3,924,647	3,742,431	182,216	3,924,647	-	182,216
3	Plot No. 28/2 Kigogo Industrial Area Dsm	3,558,000	-	-	3,558,000	265,244	45,038	310,282	3,247,718	3,292,756
4	Plot No. 68/69 Port Access Road Tabata	6,834,000	-	-	6,834,000	550,514	93,616	644,130	6,189,870	6,283,486
6	Workshop Building And Godown	6,606,499	-	-	6,606,499	2,213,979	175,701	2,389,680	4,216,819	4,392,520
7	Mandela Road Mtoni Tandika	25,381,000	-	-	25,381,000	3,523,593	874,296	4,397,889	20,983,111	21,857,407
	Total	51,380,274	-	-	51,380,274	10,760,886	1,450,182	12,211,068	39,169,206	40,619,388

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

18 Related party disclosure

The company has following related parties by virtue of common shareholding / directorship:

In Tanzania

- 1) Oilcom Tanzania Ltd.
- 2) Milkcom Diaries Ltd
- 3) Watercom (T) Ltd
- 4) Kigamboni Special Economic Zone Co Ltd
- 5) Ascomark Trading Co. Limited

Outside Tanzania

- 1) Petroda (MW) Limited
- 2) Petroda Zambia Limited

Transactions:

	2020	2019
	Tshs '000'	Tshs '000'
<u>Trading:</u>		
Sales		
In Tanzania		
Oilcom (T) Ltd	2,600,850	18,247
Watercom (T) Ltd	415,683	330,169
Milkcom Dairies Limited	108,582	26,433
Outside Tanzania		
Petroda (Mw) Limited	-	265,832
Purchases		
In Tanzania		
Oilcom (T) Ltd	13,628,990	14,719,697
Expenses		
In Tanzania		
Oilcom (T) Ltd	1,628,245	2,543,163
Interest Income		
<i>In Tanzania</i>		
Ascomark trading co. Limited-usd	597	595
Milkcom dairies limited	192,310	230,758
Watercom (t) ltd	6,294	17,374
Kigamboni special economic zone co ltd	11,496	11,975
<i>Outside Tanzania</i>		
Petroda (mw) limited	1,491	1,245
Petroda Zambia Limited	7	-
<u>Financial:</u>		
Advances to/ (from) related parties		
In Tanzania		
Oilcom (T) Ltd	(4,878,077)	(11,597,914)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

<u>Outstanding balances:</u>	2020	2019
	Tzs	Tzs
<u>Financial:</u>	Tshs '000'	Tshs '000'
Trade payable- Oilcom T Ltd.	(50,765,327)	(51,932,340)
<u>Trading:</u>		
<u>Due from /(to) Associated companies</u>		
Milkcom Diaries Ltd	2,058,906	1,958,290
Watercom (T) Ltd	394,761	128,252
Kigamboni Special Economic Zone Co Ltd	176,900	167,400
Ascomark Trading Co. Limited	11,950	11,898
Petroda (MW) Limited	355,224	353,166
Petroda Zambia Limited	23,868	-
	3,021,609	2,619,006

19 Contingent liabilities and commitments

The management does not anticipate any contingent liabilities as at 31st December 2020.

- 20** Previous year's figure have been regrouped / rearranged wherever necessary to make them comparable with those of current year.