

AL-HUSHOOM INVESTMENT (T) LIMITED
P.O. Box 20831,
Dar es Salaam
Annual Report 2021

AL-HUSHOOM INVESTMENT (T) LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

TABLE OF CONTENTS

Sr. No.	Particulars	Page No.
1	Corporate Information	1
2	Director's Report & Director's Responsibility Statement	2 to 6
3	Declaration of the Head of Accounting /Finance	7
4	Independent Auditor's Report	8 & 9
5	Statement of Profit or Loss and Other Comprehensive Income	10
6	Statement of Financial Position	11
7	Statement of Changes in Equity	12
8	Statement of Cash Flows	13
9	Significant Accounting Policies	14 to 20
10	Notes to the Financial Statements	21 to 29

**AL-HUSHOOM INVESTMENT (T) LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021**

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 2021

The Directors have pleasure in presenting their report along with the Audited Financial Statements for the financial year ended on 31st December 2021, 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 2021, 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 2021, 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 2021

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 2021 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 2021

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 2021

- **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 increase in retained reserves during the year by Tzs.226,124,000 (2020,Tzs.(141,427,000)). The Financial statements with these conditions indicates the existence of material certainty which may not 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 2021 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 28-29.


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 MUMINIF ABDALLAH

Place: Dar es Salaam

Dated: 29/11/2022

AL-HUSHOOM INVESTMENT (T) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2021**

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 2021 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 29/11/.....2022 and signed on its behalf by:

S4
.....
NAME: SALIM EDHA ABDALLAH
DIRECTOR

K
.....
NAME: KHALID MUWIF ABDALLAH
DIRECTOR

PLACE:
DATE: 29/11/2022

AL-HUSHOOM INVESTMENT (T) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2021


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 Gerald Soi hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31st December, 2021 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.: ACPA 3385
Date: 29/11/2022

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 31st December 2021, 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 31st December 2021 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.

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.

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 : 30/11/2022



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

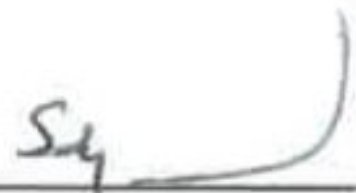
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2021


PARTICULARS	NOTE	2021 Tshs '000'	2020 Tshs '000'
Revenue		45,778,225	43,032,115
Cost of sales	3	35,937,064	32,296,140
Gross profit		9,841,161	10,735,975
Other income	4	1,906,293	1,814,546
		11,747,454	12,550,521
Less: Expenses			
Administrative expenses	5	(11,055,089)	(11,050,757)
Selling and distribution expenses	6	(215,493)	(236,256)
Financial expenses	7	(358,742)	(973,995)
		(11,629,324)	(12,261,008)
Profit / (Loss) before tax		118,130	289,513
Less : Tax expense / credit	8	(191,696)	(191,166)
Profit / (Loss) after tax		(73,566)	98,347
Other comprehensive Income / (loss)			
Others (Impairment of financials assets)		191,742	(239,594)
Total comprehensive income / (loss)		118,176	(141,247)

The significant accounting policies on pages 14 to 20 and the notes on pages 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 29 were approved by the Board of Directors and signed on behalf by:


 Director
 Name: SAID EDHA ABDALLAH
 Dated: 29/11/2022


 Director
 Name: KHALID MUNIF ABDALLAH
 Dated: 29/11/2022

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

STATEMENT OF FINANCIAL POSITION AS ON 31ST DECEMBER 2021

	NOTE	December 2021 Tshs '000'	31st December 2020 Tshs '000'
Non current assets			
Property, plant and equipment	16	64,065,636	65,695,574
Intangible assets	16	55,447	61,608
Deferred tax assets	8	71,054	394,657
		<u>64,192,137</u>	<u>66,151,839</u>
Current assets			
Inventories	9	705,025	355,982
Trade and other receivables	10	19,535,093	19,957,075
Cash and cash equivalents	11	1,367,937	1,454,420
Current tax	15	1,105,066	2,633,294
		<u>22,713,121</u>	<u>24,400,771</u>
Total assets		<u>86,905,258</u>	<u>90,552,610</u>
Equity			
Share capital	12	329,600	329,600
Revaluation reserve		26,559,863	27,418,039
Retained earnings		(14,930,732)	(13,302,391)
Share application money		650,000	650,000
		<u>12,608,731</u>	<u>15,095,248</u>
Non current liabilities			
Deferred tax liabilities	8	13,282,741	13,782,438
		<u>13,282,741</u>	<u>13,782,438</u>
Current liabilities			
Trade and other payables	13	60,797,741	61,437,749
Provisions	14	216,045	237,175
		<u>61,013,786</u>	<u>61,674,924</u>
Total equity and liabilities		<u>86,905,258</u>	<u>90,552,610</u>

The significant accounting policies on pages 14 to 20 and the notes on pages 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 29 were approved by the Board of Directors and signed on behalf by:

Director
 Name: SAID EDHA ABDALLAH
 Dated: 29/11/2022

Director
 Name: KHALID MUNIF ABDALLAH
 Dated: 29/11/2022

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

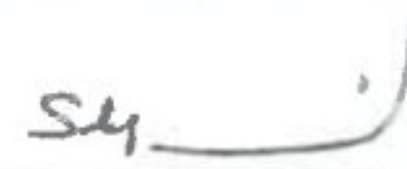
STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2021


Particulars	Share capital Tshs '000'	Share Application	Revaluation reserve Tshs '000'	Retained earnings Tshs '000'	Total Tshs '000'
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>
Year ended 31st December 2021					
As at start of the year	329,600	650,000	27,418,039	(13,302,391)	15,095,248
Depreciation on Revaluation	-	-	(1,225,966)	-	(1,225,966)
Reversal of differed tax liability on revaluation	-	-	367,790	-	367,790
Prior year adjustments	-	-	-	(1,746,517)	(1,746,517)
	<u>329,600</u>	<u>650,000</u>	<u>26,559,863</u>	<u>(15,048,908)</u>	<u>12,490,555</u>
Net profit / (loss)	-	-	-	118,176	118,176
At the end of the year	<u>329,600</u>	<u>650,000</u>	<u>26,559,863</u>	<u>(14,930,732)</u>	<u>12,608,731</u>

The significant accounting policies on pages 14 to 20 and the notes on pages 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 29 were approved by the Board of Directors and signed on behalf by:


 Director
 Name: SAID EDHA ABDALLAH
 Dated: 29/11/2022


 Director
 Name: KHALID MUNIF ABDALLAH
 Dated: 29/11/2022

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

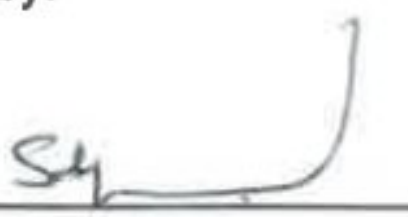
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2021

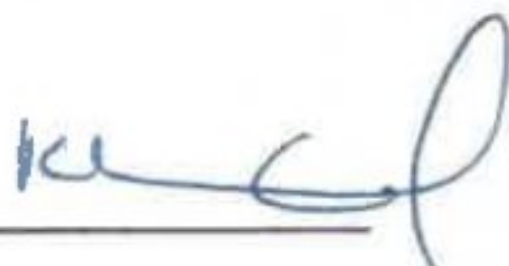
PARTICULARS	2021 Tshs '000'	2020 Tshs '000'
<u>Cash flows from operating activities</u>		
Profit / (Loss) before tax	118,130	289,513
<u>Adjustment for:</u>		
Depreciation and amortisation	5,872,226	5,871,859
Others (Impairment of financial assets)	191,742	(239,594)
Profit / loss on sale of fixed assets	(147,116)	(23,207)
Prior period adjustment	(1,746,517)	(883,488)
Unrealised forex exchange gain / loss	91,181	(185,771)
	<u>4,379,646</u>	<u>4,829,312</u>
<u>Movements in working capital:</u>		
(Increase)/ decrease in inventories	(349,043)	373,132
(Increase)/ decrease in trade and other receivables	2,084,633	1,413,753
Increase/ (decrease) in trade and other payables	(661,138)	(695,066)
Cash generated from operations	<u>5,454,098</u>	<u>5,921,131</u>
Less: Taxes paid	(182,074)	(206,820)
Net cash generated by operating activities (A)	5,272,024	5,714,311
<u>Cash flow from investing activities</u>		
Payments of purchase of property, plant and equipment	(5,536,871)	(4,947,373)
Proceed from disposal of property, plant and equipment	178,364	35,500
Net cash (used in) / generated by investing activities (B)	(5,358,507)	(4,911,873)
<u>Cash flow from financing activities</u>		
Net cash (used in) / generated by financing activities (C)	-	-
Net increase in cash and cash equivalents (A+B+C)	(86,483)	802,438
Cash and cash equivalents at the beginning of the year	1,454,420	651,982
Cash and cash equivalents at the end of the year	1,367,937	1,454,420

The significant accounting policies on pages 14 to 20 and the notes on pages 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 29 were approved by the Board of Directors and signed on behalf by:


 Director
 Name: SAID EDHA ABDALLAH
 Dated: 29/11/2022


 Director
 Name: KHALID MUNIF ABDALLAH
 Dated: 29/11/2022

SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2021

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 2021

The following standards, amendments and new interpretations issued by the IFRIC and are mandatory for the accounting periods beginning on or after 1st January 2021:

- Interest Rate Benchmark Reform - Phase 2
- Amendments to IFRS 4 Insurance contracts - deferral of IFRS 9
- Amendments to IFRS 16 Leasing - Covid-19 Related Rent Concessions (Effective from 1st April 2021)

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

Details of the impact standards are given below. Other new and amended standards and Interpretations issued by the IASB that will apply for the first time in the next annual financial statements are not expected to impact the Company as they are either not relevant to the company's activities or require accounting which is consistent with the company's current accounting policies.

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.

- Amendments to IFRS 3 Business Combinations Reference to the Conceptual Framework
- Amendments to IAS 16 Property, Plant and Equipment - Proceeds before Intended Use
- Amendments to IAS 37 Provisions, Contingent Liabilities, Contingent Assets Onerous Contracts - Cost of Fulfilling a Contract
- Annual Improvements 2018-2020
- Amendments to IAS 1 Classification of Liabilities as Current
- Amendments to IAS 1 Disclosure of Accounting policies
- Amendments to IAS 8 Definition of Accounting Estimates
- Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- IFRS 17 Insurance Contracts

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 2021.

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.

AL-HUSHOOM INVESTMENT (T) LIMITED
P.O. BOX-20831, DAR ES SALAAM

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
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

AL-HUSHOOM INVESTMENT (T) LIMITED
P.O. BOX-20831, DAR ES SALAAM

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 expense 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.

AL-HUSHOOM INVESTMENT (T) LIMITED
P.O. BOX-20831, DAR ES SALAAM

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 company's 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 contributions 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.

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

	2021 Tshs '000'	2020 Tshs '000'
3 Cost of sales		
Opening stock	355,982	729,114
Add: Purchases	17,488,248	10,722,079
Less: Closing stock	(705,025)	(355,982)
Petrol, Oil & Diesel	17,139,205	11,095,211
Add: Direct costs		
Calibration Charges	149,883	142,809
Rent & Royalty	1,414,756	1,413,446
Tyre & Tubes Direct	1,252,551	1,941,210
Road licence & TLB	4,134,340	4,529,629
Electricity and water expenses	106,596	105,604
Spareparts & Repairs	1,114,689	1,303,006
Transport Charges	7,971,448	9,604,981
Shorehandling & Other charges	1,111,466	1,223,634
Other Charges	1,542,130	936,610
	<u>18,797,859</u>	<u>21,200,929</u>
Total cost of sales	<u>35,937,064</u>	<u>32,296,140</u>
4 Other income		
Commission received	19,719	7,400
Interest received from Related Parties	224,857	212,195
Miscellaneous income	-	267,833
Sales of Agreegates	211,164	258,620
Profit on sale of fixed assets	147,116	23,207
Rent received	1,303,437	1,045,291
Total	<u>1,906,293</u>	<u>1,814,546</u>
5 Administrative expenses		
Amortisation of intangibles	6,161	6,845
Audit fees	28,362	28,685
Salaries and wages - Admin	3,796,735	3,550,432
Computer consumables	6,565	2,042
Depreciation	5,866,065	5,865,014
Properties Tax and Land Rent	29,641	14,763
Fines and penalties	25,463	39,563
General insurance expenses	238,358	262,597
Dues, rates, fees and license charges	97,347	77,645
TUICO	135	699
NSSF / PPF contribution - Admin	379,673	353,273
Securiy expenses	-	4,802
Professional and legal fees	59,669	29,140
Provision for bad debts written off	52,420	266,753
Repairs and maintenance - Indirect	176,414	282,866
SDL cost	151,869	149,917
Printing and stationery expenses	31,941	22,543
Inspection fees	20,706	25,675
Subscription charges	2,847	2,650
Office expenses	32,419	15,071
Telephone & Communication expenses	14,015	11,511
Clearing expenses	738	2,000
Hiring of Crane Charges	9,480	1,320
Workers Compensation Fund	28,066	34,951
Total	<u>11,055,089</u>	<u>11,050,757</u>

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

	2021 Tshs '000'	2020 Tshs '000'		
6 Selling and distribution expenses				
Advertising expenses	35,972	15,000		
City service levy charges	142,497	133,322		
Tasac Levy	37,024	87,934		
Total	215,493	236,256		
7 Financial expenses				
Bank charges	113,820	91,535		
Interest expense on related parties	151,327	1,035,258		
Foreign exchange loss / (gain) - realised	2,414	32,973		
Foreign exchange loss / (gain) - unrealised	91,181	(185,771)		
Total	358,742	973,995		
8 Tax expenses				
Deferred tax	191,696	191,166		
Total	191,696	191,166		
Reconciliation of tax expenses:				
Net profit as per statement of profit or loss	118,130	289,513		
Tax @ 30 % (2020: 30%)	35,439	86,854		
Penalties and fines	7,639	11,869		
Others	16,567	80,717		
Deferred tax on revaluation	132,051	11,726		
Tax expenses as per books	191,696	191,166		
Break-up of deferred tax:				
	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	1,975,945	(76,176)	-	1,899,769
- revaluation	11,750,762	-	(367,790)	11,382,972
Unrealised foreign exchange gain	55,731	(55,731)	-	-
	<u>13,782,438</u>	<u>(131,907)</u>	<u>(367,790)</u>	<u>13,282,741</u>
Deferred tax asset				
Tax losses carried forward	(394,657)	350,957	-	(43,700)
Unrealised foreign exchange loss	-	(27,354)	-	(27,354)
	<u>(394,657)</u>	<u>323,603</u>	<u>-</u>	<u>(71,054)</u>
Net deferred tax liability / (asset)	<u>13,387,781</u>	<u>191,696</u>	<u>(367,790)</u>	<u>13,211,687</u>
9 Inventories				
Closing stock of spares			312,570	159,565
Closing stock of oil Lubricant and Fuel			39,600	27,847
Closing stock of tyres and tubes			352,855	168,570
			<u>705,025</u>	<u>355,982</u>

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

	2021 Tshs '000'	2020 Tshs '000'
10 Trade and other receivables		
Advance to suppliers	1,050,039	1,360,334
Other deposit	10,770	10,770
Prepaid expenses	280,555	1,717,797
Advance for Purchase of Fixed assets	12,361,840	10,748,619
Interest receivable on related parties	1,624,824	1,399,968
Trade debtors	1,764,911	3,251,073
VAT receivable	157,381	-
Due from associate companies and related parties	3,646,426	3,021,609
Prepaid duties and taxes	36	338
	<u>20,896,782</u>	<u>21,510,508</u>
Less:		
Impairment of the accounts receivables	<u>(1,361,689)</u>	<u>(1,553,433)</u>
	<u>19,535,093</u>	<u>19,957,075</u>

Basis for impairment of financial assets

i) Trade receivables are non-interest bearing and generally on 31 day terms. Day sales outstanding for 2021 was 31 days (2020:31 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 2021					
<u>Loans and Advances</u>					
Gross amount (TZS)	12,653,166	12,653,166	-	-	-
Expected Credit Loss rate (%)		0.05%		10%	20%
Expected Credit Loss	6,327	6,327	-	-	-
<u>Related party balances</u>					
Gross amount (TZS)	5,271,251	683,159	-	-	4,588,092
Expected Credit Loss rate (%)		0.50%		3%	20%
Expected Credit Loss	921,034	3,416	-	-	917,618
<u>Trade and other receivables</u>					
Gross amount (TZS)	2,814,953	628,427	25,671	8,220	2,152,635
Expected Credit Loss rate (%)		0.50%	2%	3%	20%
Expected Credit Loss	434,429	3,142	513	247	430,527

	2021 Tzs	2020 Tzs
At 1 January	1,553,532	1,313,839
Charge for the year	(191,742)	239,693
At 31 December	<u>1,361,790</u>	<u>1,553,532</u>

The allowance for expected credit losses/ impairment is made up as follows;

Trade receivables	1,355,463	477,191
Other receivables	6,327	1,076,341
	<u>1,361,790</u>	<u>1,553,532</u>

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

	2021	2020
	Tshs '000'	Tshs '000'
11 Cash and cash equivalents		
Cash in hand	405,667	377,286
Cash at banks	962,270	1,077,134
	<u>1,367,937</u>	<u>1,454,420</u>
12 Share capital		
<u>Authorised capital</u>		
500,000 shares of Tzs 1000/- each	<u>500,000</u>	<u>500,000</u>
Issued and paid up share capital		
329,600 shares of Tzs 1000/- each	<u>329,600</u>	<u>329,600</u>
	<u>329,600</u>	<u>329,600</u>
13 Trade and other payables		
Trade creditors	8,898,719	4,546,112
Duties, Taxes & Property Tax Payable	-	460,006
VAT payable	-	66,816
Interest payable on related parties	5,399,569	5,248,242
Advance from customers	93,167	100,749
Unearned rental income	-	21,837
Due to associate companies and related parties	46,406,286	50,765,327
Withholding tax payable	-	228,660
	<u>60,797,741</u>	<u>61,437,749</u>
14 Provisions		
NSSF / PPF payable	69,527	64,337
PAYE payable	41,179	37,671
SDL payable	13,905	12,867
City service levy payable	16,571	30,988
Audit fees payable	56,725	28,363
Other payable	18,138	62,949
	<u>216,045</u>	<u>237,175</u>
15 Current tax		
Balance b/f	(2,633,294)	(2,426,474)
Tax credit Adjustment	1,710,302	-
Advance tax paid	(60,000)	(80,000)
Withholding tax receivable	(122,074)	(126,820)
	<u>(1,105,066)</u>	<u>(2,633,294)</u>

M/S AL-HUSHOOM INVESTMENT (T) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
16 Property, Plant & Equipments

S/No	Particulars	COST OR VALUATIONS			DEPRECIATION			NET BLOCK			
		As At 01.01.2021 Tshs'000	Additions Tshs'000	Disposal Tshs'000	As At 31.12.2021 Tshs'000	Charge for the Year Tshs'000	Adjustment for the year Tshs'000	As At 31.12.2021 Tshs'000	As At 31.12.2021 Tshs'000		
	Transport Division										
1	Air Compressor	38,797	-	-	38,797	-	1,432	-	28,776	10,021	11,453
2	Air Conditioners	90,482	11,404	-	101,886	-	5,491	-	59,299	42,587	36,674
3	Boko Estate	216,872	-	-	216,872	-	2,952	-	24,981	191,891	194,843
4	Commercial Vehicles (Trucks)	31,391,792	4,869,609	(1,159,905)	35,101,496	(1,128,656)	4,135,447	43,530	27,322,681	7,778,815	7,119,431
5	Computers & Office Equipment	42,396	1,271	-	43,667	-	1,519	-	41,030	2,637	2,885
6	Furniture & Fixtures	129,834	3,745	-	133,579	-	7,876	-	77,218	56,362	60,493
7	Generator	518,814	-	-	518,814	-	25,716	-	338,800	180,014	205,731
8	Kawe Residence Complex	364,353	-	-	364,353	-	17,130	-	261,576	102,777	119,907
9	Motor Data Collection Hardware	61,106	-	-	61,106	-	2,406	-	44,263	16,842	19,248
10	Plot No. 28/2 Kigogo Industrial Area	30,000	-	-	30,000	-	339	-	2,847	27,153	27,493
11	Plot 68/69 Port Access Road	818,367	-	-	818,367	-	9,931	-	83,461	734,906	744,837
12	Radio Call System	11,949	-	-	11,949	-	390	-	9,216	2,733	3,123
13	Residential Buildings	28,239	-	-	28,239	-	884	-	7,019	21,220	22,104
14	Saloon Cars	739,281	-	-	739,281	-	7,995	-	715,296	23,985	31,980
15	Security System	10,980	8,276	-	19,256	-	278	-	9,725	9,531	1,533
16	Trailers	14,893,316	629,618	-	15,522,934	-	1,182,107	-	6,837,220	8,685,714	9,238,203
17	Transformer	214,274	-	-	214,274	-	14,190	-	114,946	99,329	113,519
18	W/ship Building & Godown	432,320	-	-	432,320	-	6,256	-	282,180	150,140	156,396
19	W/ship Equipment	3,891	-	-	3,891	-	292	-	1,849	2,042	2,334
20	Upanga Building Complex	6,709,128	-	-	6,709,128	-	210,259	-	1,662,919	5,046,209	5,256,467
21	Plot 1469, Mwananyamala area	78	-	-	78	-	1	-	6	72	73
22	Wheel Alignment Machinery	112,230	-	-	112,230	-	6,963	-	63,488	48,742	55,705
23	Motor Cycles	25,375	6,364	-	31,739	-	2,280	-	6,600	25,139	21,055
24	Tyre Changer Machine	11,071	-	-	11,071	-	1,242	-	2,378	8,693	9,935

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 1.1.2021 Tshs'000'	Additions Tshs'000'	Disposal Tshs'000'	As At 31.12.2021 Tshs'000'	Charge for the Year Tshs'000'	As At 31.12.2021 Tshs'000'	As At 31.12.2020 Tshs'000'	
1	Boko Estate	5,076,128	-	-	5,076,128	79,315	623,755	4,452,373	4,531,688
2	Kawe Residence Complex	3,924,647	-	-	3,924,647	-	3,924,647	-	-
3	Plot No. 28/2 Kigogo Industrial Area Dsm	3,558,000	-	-	3,558,000	45,038	355,320	3,202,680	3,247,718
4	Plot No. 68/69 Port Access Road Tabata	6,834,000	-	-	6,834,000	93,616	737,746	6,096,254	6,189,870
6	Godown	6,606,499	-	-	6,606,499	168,673	2,558,353	4,048,146	4,216,819
7	Mandela Road Mtoni Tandika	25,381,000	-	-	25,381,000	839,324	5,237,213	20,143,787	20,983,111
	Total	51,380,274	-	-	51,380,274	1,225,966	13,437,034	37,943,240	39,169,206

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

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:

	2021 Tshs '000'	2020 Tshs '000'
<u>Trading:</u>		
Sales		
In Tanzania		
Oilcom (T) Ltd	1,572,117	2,600,850
Watercom (T) Ltd	1,024,899	415,683
Milkcom Dairies Limited	182,721	108,582
Kigamboni special economic zone co ltd	7,457	-
Outside Tanzania		
Petroda (Mw) Limited	193,345	-
Petroda Zambia Limited	7,456	-
Purchases		
In Tanzania		
Oilcom (T) Ltd	16,538,555	13,628,990
Expenses		
In Tanzania		
Oilcom (T) Ltd	1,549,327	1,628,245
Interest Income		
In Tanzania		
Ascomark trading co. Limited	597	597
Milkcom dairies limited	192,343	192,310
Watercom (t) ltd	361	6,294
Kigamboni special economic zone co ltd	12,975	11,496
<i>Outside Tanzania</i>		
Petroda (mw) limited	18,570	1,491
Petroda Zambia Limited	11	7
<u>Financial:</u>		
Advances to/ (from) related parties		
In Tanzania		
Oilcom (T) Ltd	(3,026,530)	(4,878,077)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

<u>Outstanding balances:</u>	2021	2020
	Tzs	Tzs
<u>Financial:</u>	Tshs '000'	Tshs '000'
Trade payable- Oilcom T Ltd.	46,406,286	50,765,327
<u>Trading:</u>		
<u>Due from /(to) Associated companies</u>		
Milkcom Diaries Ltd	2,136,951	2,058,906
Watercom (T) Ltd	683,159	394,761
Kigamboni Special Economic Zone Co Ltd	232,920	176,900
Ascomark Trading Co. Limited	11,950	11,950
Petroda (MW) Limited	550,122	355,224
Petroda Zambia Limited	31,324	23,868
	3,646,426	3,021,609

19 Contingent liabilities and commitments

The management does not anticipate any contingent liabilities as at 31st December 2021.

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

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

COMPUTATION OF TAXABLE INCOME

	2021	2020
	Tshs '000'	Tshs '000'
Profit / (Loss) as per statement of profit or loss	118,130	289,513
Add:		
Depreciation and amortisation	5,872,226	5,871,859
Bad debts Written off	52,420	266,753
Private use of Telephone	1,402	1,151
Loss on sale of PPE	-	-
Fines and penalties	25,463	39,563
Unrealised forex loss - current year	91,181	-
Unrealised forex gain - previous year	185,771	-
	6,346,593	6,468,839
Less:		
Wear and tear allowance	5,478,202	5,477,025
Unrealised forex gain - current year	-	185,771
Profit on sale of fixed assets	147,116	23,207
Unrealised forex loss - previous year	-	119,674
Taxable income / (loss)	721,275	663,163
Less: Brought forward of loss as per assessment	866,942	1,635,837
Taxable income for the year	(145,668)	(972,674)
Tax on income @30%	-	-

Wear and tear schedule

Particulars	Class I	Class II	Class III	Class VI	Class VII	Total
Method of Depreciation	WDV	WDV	WDV	SLM		
Rate	37.50%	25.00%	12.50%	5.00%	10.00%	
Opening balance at 1st January 2021	131,334	15,466,236	750,237	2,439,990	64,935	18,852,732
Additions	20,797	5,499,227	16,843	-	-	5,536,867
	152,131	20,965,463	767,080	2,439,990	64,935	24,389,599
Less: Disposal	-	(178,364)	-	-	-	(178,364)
	152,131	20,787,099	767,080	2,439,990	64,935	24,211,235
Wear and tear	57,049	5,196,775	95,885	121,999	6,494	5,478,202
Closing balance 31st December 2021	95,082	15,590,324	671,195	2,317,990	58,442	18,733,033