



ACKNOWLEDGEMENT RECEIPT

Taxpayer Name: Usangu Logistics (T) Limited
Taxpayer TIN: 103-037-115
Filed by: Saadkhan Shermohamed Ismail
Declarant TIN: 105-826-567
Return Type: Return Of Income For Entity - All Businesses Except Insurance, Banking, Mining Or Petroleum
Submitted on: 01 July 2022 11:22:12 AM

ACKNOWLEDGEMENT OF RECEIPT

Thank you for using e-filing services.

Tanzania Revenue Authority (TRA) hereby acknowledge that on 01 July 2022 received your document and assigned an e-document number 2021103037115630224966 as per Regulation 72 of the Tax Administration (General) Regulations, 2016. Please quote this number in communication regarding this particular document.

"Together We Build Our Nation"

Abdul Zuberi
Regional Manager
Ilala Tax Region

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Usangu Logistics (T) Limited

Annual Report and Financial Statements
for the year ended 31 December 2021

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Usangu Logistics (T) Limited

Company information
for the year ended 31 December 2021

Directors	Mr. Ibrahim S. Ismail Mr. Gamshard S. Ismail Mr. Abdulwahed S. Ismail Mr. Saadkhan S. Ismail	- Tanzanian - Tanzanian - Tanzanian - Tanzanian
Registered office	Plot No. 806 P.O. Box 78421 Samora Avenue Dar es Salaam	
Company secretary	Ms. Ramia Abdaliah Bakari P.O. Box 2720 Dar es Salaam	
Accountant	M. A. Hassam & Co. Certified Public Accountants in Public Practice Mendeni Street P. O. Box 20719 Dar es Salaam	
Bankers	Stanbic Bank (T) Limited Kariakoo Branch P.O. Box 6437, Dar es Salaam National Bank of Commerce (T) Limited Kichwele Branch P. O. Box 1863, Dar es Salaam National Microfinance Bank Limited Mandela Road Branch P.O. Box 701638, Dar es Salaam Kenya Commercial Bank (T) Limited Buguruni Branch P.O. Box 804, Dar es Salaam Standard Chartered Bank (T) Limited International House Branch P.O. Box 9011, Dar es Salaam Absa Bank Tanzania Main Branch P.O. Box 5137, Dar es Salaam First National Bank Peninsular House P.O. Box 72290, Dar es Salaam	

Usangu Logistics (T) Limited

Directors' Report for the year ended 31 December 2021

The directors present their report and the audited financial statements for the year ended 31 December 2021.

Incorporation

The company is incorporated in Tanzania under the former Companies Ordinance, (Cap 212) on 10 June 2004 under the Certificate of Incorporation No. 49153.

Principal activities

The principal activity of the company is that of providing transport services, clearing & forwarding, selling of trucks and operating fuel stations.

Directors' interests

The directors' interest in the paid up share capital of the company is as follows:

	Ordinary shares of TZS 100,000 each			
	2021		2020	
	No. of shares	Nominal value Tzs'000	No. of shares	Nominal value Tzs'000
Ibrahim S. Ismail	5,600	560,000	5,600	560,000
Gamshard S. Ismail	5,200	520,000	5,200	520,000
Abdulwahed S. Ismail	5,200	520,000	5,200	520,000
	<u>16,000</u>	<u>1,600,000</u>	<u>16,000</u>	<u>1,600,000</u>

Related Party Transactions

Transactions with related parties during the year were in the normal course of business.

Results for the year

The performance of the company during the year is set out on page 6 of these financial statements.

Accountants

The accountants, M A Hassam & Co. have indicated their willingness to continue in office and are eligible for re-appointment.

By Order of the Board



Gamshard S. Ismail
Director

Date: 29/6/2022

Usangu Logistics (T) Limited

Statement of Directors' Responsibilities
for the year ended 31 December 2021

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

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and the requirements of the Companies Act, 2002. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company as at 31 December 2021 and of its operating results for the period then ended. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of the financial statements, as well as adequate systems of internal financial control.

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



Gamshard S. Ismail
Director

Saadkhan S. Ismail
Director

Date: 29/6/2022

Usangu Logistics (T) Limited

Declaration of Independent Accountant
for the year ended 31 December 2021

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

It is the duty of a Professional Accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of the entity showing true and fair view of the entity's position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Legal responsibility for the preparation of financial statements rests with the Board of Directors as per the Statement of Directors' Responsibilities on Page 3.

Shabirah G. H. H. H. being the independent accountant hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2021 have been prepared in compliance with applicable accounting standards and statutory requirements, give a true and fair view of the position of the Company and are prepared based on properly maintained financial records.

Signature: [Handwritten Signature]
NBAA No.: ACPA 581
Date: 29.06.2022

M. A. Hassam & Co.
Certified Public Accountants in Public Practice

P.O. Box 20719, Dar es Salaam
Telephone: 2134071, 2110648, 2110129
Email: info@mahassam.co.tz

**Practitioners' Compilation Report
To the Management of Usangu Logistics Limited
for the year ended 31 December 2021**

We have compiled the accompanying financial statements of Usangu Logistics (T) Limited based on information you have provided. These financial statements are presented in accordance with the financial reporting framework. The financial statements comprise the statement of financial position for the year ended 31 December 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory

Management is responsible for these financial statements, including adoption of the applicable financial reporting framework, and the accuracy and completeness of the information used to compile the financial statements.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements. This Standard requires that we comply with quality control standards and relevant ethical requirements, including ethical principles of integrity, objectivity, professional competence and due care.

A compilation engagement involves applying expertise in accounting and financial reporting to assist management in preparing and presenting financial information. A compilation engagement does not include gathering evidence for the purpose of expressing an audit opinion or a review conclusion.



Mohamed Ahmed Hassam - FCPA 032
Partner
M. A. Hassam & Co.
Certified Public Accountants in Public Practice

Dar es Salaam

Date: 29.06.2022

Usangu Logistics (T) Limited

Statement of Comprehensive Income
for the year ended 31 December 2021

	Notes	2021 TZS	2020 TZS
Income	2	56,976,819,801	52,063,559,722
Cost	3	<u>(51,653,859,522)</u>	<u>(47,212,377,668)</u>
Gross profit		5,322,960,279	4,851,182,054
Other income	4	1,260,956,087	411,705,707
Depreciation		(650,006,134)	(709,069,016)
Administrative expenses		<u>(4,222,486,461)</u>	<u>(3,569,793,684)</u>
Operating profit		1,711,423,771	984,024,861
Finance cost	5	<u>(1,088,094,639)</u>	<u>(802,462,744)</u>
Profit before tax	6	623,329,132	181,562,117
Income tax expense	7	<u>(133,318,685)</u>	<u>(56,405,367)</u>
Profit for the year		<u><u>490,010,447</u></u>	<u><u>125,156,750</u></u>

The accounting policies and notes on pages 10 to 17 form part of these financial statements.
Practitioners' Compilation Report on page 5

Usangu Logistics (T) Limited

Statement of Financial Position
as at 31 December 2021

	Notes	2021 TZS	2020 TZS
ASSETS			
Non-current assets			
Property, plant and equipment	8	17,679,247,993	14,097,360,176
		<u>17,679,247,993</u>	<u>14,097,360,176</u>
Current assets			
Inventory	9	923,090,351	889,248,666
Trade and other receivables	10	13,235,717,793	13,398,345,854
Cash and bank balance	11	372,822,478	169,523,923
		<u>14,531,630,622</u>	<u>14,457,118,443</u>
Total assets		<u>32,210,878,614</u>	<u>28,548,478,619</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	12	1,600,000,000	1,600,000,000
Accumulated loss		(2,383,607,234)	(2,873,617,681)
Total equity		<u>(783,607,234)</u>	<u>(1,273,617,681)</u>
Non - current liabilities			
Deferred taxation	13	245,728,768	165,823,616
Borrowings	14	16,990,970,757	11,361,028,583
		<u>17,236,699,525</u>	<u>11,526,852,199</u>
Current liabilities			
Borrowings	14	6,880,363,607	7,077,747,723
Trade and other payables	15	8,869,886,502	11,209,585,040
Taxation	16	7,536,214	7,911,338
Total liabilities		<u>15,757,786,323</u>	<u>18,295,244,100</u>
Total equity and liabilities		<u>32,210,878,614</u>	<u>28,548,478,619</u>

The financial statements were approved by the board of directors on 29/6/2022 and were signed on their behalf by.


Gamshard S. Ismail
Director

Saadkhan S. Ismail
Director

The accounting policies and notes on pages 10 to 17 form part of these financial statements.
Practitioners' Compilation Report on page 5

Usangu Logistics (T) Limited

Statement of Changes in Equity
for the year ended 31 December 2021

	Share capital TZS	Accumulated loss TZS	Total TZS
Balance at 1 January 2020	1,600,000,000	(2,831,325,716)	(1,231,325,716)
Prior year's deferred tax adjustment	-	(165,339,697)	(165,339,697)
Prior years' tax adjustment	-	(2,109,018)	(2,109,018)
Profit for the year	-	125,156,750	125,156,750
Balance at 31 December 2020	<u>1,600,000,000</u>	<u>(2,873,617,681)</u>	<u>(1,273,617,681)</u>
Balance at 1 January 2021	1,600,000,000	(2,873,617,681)	(1,273,617,681)
Profit for the year	-	490,010,447	490,010,447
Balance at 31 December 2021	<u>1,600,000,000</u>	<u>(2,383,607,234)</u>	<u>(783,607,234)</u>

The accounting policies and notes on pages 10 to 17 form part of these financial statements.
Practitioners' Compilation Report on page 5

Usangu Logistics (T) Limited

Statement of Cash Flow
for the year ended 31 December 2021

	Note	2021 TZS	2020 TZS
Operating activities			
Cash generated from operations	17	2,553,730,465	5,738,234,365
Prior years' tax paid		(7,911,338)	(9,975,011)
Current year tax paid		(45,877,319)	(47,545,111)
Net cash generated from operating activities		2,499,941,808	5,680,714,243
Investing activities			
Purchases of property, plant and equipment	8	(7,729,201,311)	(2,795,830,188)
Net cash used in investing activities		(7,729,201,311)	(2,795,830,188)
Financing activities			
Increase / (decrease) in borrowings		5,629,942,174	(7,716,607,816)
Net cash generated from / (used in) financing activities		5,629,942,174	(7,716,607,816)
Movement in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year		(6,908,223,800)	(2,076,500,039)
Net increase / (decrease) in cash and cash equivalents		400,682,671	(4,831,723,761)
Cash and cash equivalents at the end of the year	11	(6,507,541,129)	(6,908,223,800)

The accounting policies and notes on pages 10 to 17 form part of these financial statements.
Practitioners' Compilation Report on page 5

Usangu Logistics (T) Limited

Notes to the Financial Statements
for the year ended 31 December 2021

1. Basis of preparation

These financial statements are presented in accordance with International Financial Reporting Standards (IFRS) and have been prepared under the historical cost convention.

Principal accounting policies

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

Revenue and expenditure recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Sales of products

Sales are recognised upon delivery of goods or performance of service, and are stated net of sales returns and Value Added Tax (VAT).

Expenditure:

Expenses are recognised in the income statement in the year in which they are incurred.

Translation of foreign currency

Transactions in foreign currencies during the year are converted into Tanzanian Shillings at rates ruling at the transaction dates. Assets and liabilities at the balance sheet date which are expressed in foreign currencies are translated into Tanzanian Shillings at rates ruling at that date. The resulting differences from conversion of and translation are dealt within the income statement in the year to which they relate.

Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Cost comprises of expenditure that is directly attributable to the acquisition of items. Subsequently costs are included in the asset's carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefit associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

All the assets are stated at historical cost less accumulated depreciation and accumulated impairment loss.

Depreciation is calculated on the reducing balance method to write off the cost of each asset to its residual value over its estimated useful life.

The following are the applicable depreciation rates:

Buildings	5.0%
Truck and trailers	25.0%
Motor vehicle	37.5%
Plant and machinery	37.5%
Furniture and equipment	12.5%

Usangu Logistics (T) Limited

Notes to the Financial Statements for the year ended 31 December 2021

Impairment of assets

At each balance sheet date, the company reviews the carrying amount of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the asset's recoverable amount is estimated and an impairment loss is recognised in the income statement whenever the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Inventory

Inventories are stated at lower of cost and net realisable value. Cost is determined using First-In-First-Out (FIFO) method. Net realisable value is estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

Trade receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. Provision is made when there is objective evidence that the company will not be able to collect the debts. Bad debts are written off when identified.

Cash and cash equivalents

Cash and cash equivalent are carried in the balance sheet at cost. For the purpose of the cash flow statement, cash and cash equivalent comprise cash in hand and cash at bank net of bank overdraft. Bank overdraft are included within borrowings in current liabilities on the balance sheet.

Deferred income taxes

Deferred tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. The tax rates enacted or substantively enacted at the balance sheet date are used to determine deferred tax.

Payables

Payables are stated at their nominal value.

Pension obligations

The company contributes to the statutory National Social Security Fund. This is a defined contribution scheme registered under the National Social Security Act. The company's contributions are charged to the income statement in the year to which they relate.

Comparatives

Comparative are available and displayed adjacent to the current year figures. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

Usangu Logistics (T) Limited

Notes to the Financial Statements
for the year ended 31 December 2021

		2021 TZS	2020 TZS
2. Income			
Transport, clearing and forwarding		41,176,218,611	35,838,667,199
Petrol Station		12,713,418,277	12,300,745,077
Lease of trucks		3,081,666,441	2,820,200,837
Sales of spares		5,516,472	103,946,610
		<u>56,976,819,801</u>	<u>52,063,559,722</u>
3. Cost			
Transport	3.1	39,716,944,620	35,415,880,638
Petrol Station	3.2	11,936,914,902	11,766,419,281
Spares		-	30,077,749
		<u>51,653,859,522</u>	<u>47,212,377,668</u>
3.1 Transport			
Delivery order fee		203,549,703	285,699,689
Fuel, oil, lubricants and paints		6,142,066,200	5,577,144,960
Import duty and other charges		3,550,158,158	187,598,182
Spares		1,327,219,117	1,205,338,898
Tyres and tubes		807,734,398	635,351,244
Salaries and wages - Drivers		743,150,000	705,800,000
Casual wages		658,820,110	917,358,986
Sub contractors		10,025,824,771	10,751,238,993
Depreciation on trucks and trailers		3,491,307,360	3,655,683,226
Insurance		1,382,421,601	1,304,132,237
Road toll, border and other fees		2,509,309,640	2,335,119,943
Carbon tax		58,495,350	88,610,886
Drivers safari expenses		1,521,871,120	2,153,610,265
Staff travelling allowance		203,401,265	72,020,831
Transit expenses		2,363,554,954	1,642,477,031
Road permit		157,422,311	151,794,740
Repairs and maintaince		702,256,515	632,074,953
Demmorage charges		320,682,040	125,676,498
Storage and custom warehouse rent		375,358,093	107,642,510
Port and custom clearing charges		2,580,501,625	2,037,475,782
Weighbridge expenses		103,839,730	73,495,738
Others transport costs		467,761,489	234,717,840
Others		20,239,067	135,817,207
		<u>39,716,944,620</u>	<u>35,415,880,638</u>

Usangu Logistics (T) Limited

Notes to the Financial Statements
for the year ended 31 December 2021

	2021 TZS	2020 TZS
3.2 Petrol Station - Cost		
Opening inventory	95,826,706	51,576,091
Purchase of fuel	11,812,930,686	11,725,581,138
Rent	54,629,992	26,922,373
Discount allowed	50,763,829	56,166,366
	<u>12,014,151,412</u>	<u>11,862,245,967</u>
Less: Closing inventory	(77,236,511)	(95,826,706)
	<u>11,936,914,902</u>	<u>11,766,419,261</u>
4. Other income		
Discount received	10,281,590	30,070,000
Insurance claim	286,611,957	136,436,011
Rental income	11,440,678	-
Miscellaneous	216,059,329	171,646,016
Profit on sale of motor vehicles	736,562,533	73,553,650
	<u>1,260,956,087</u>	<u>411,705,707</u>
4.1 Profit on sale of motor vehicles		
Sale of trucks	2,050,561,491	1,013,598,373
Purchase cost	1,313,998,957	940,044,693
	<u>736,562,533</u>	<u>73,553,679.95</u>
5. Finance costs		
Interest on bank overdraft and term loan	1,343,656,093	1,442,491,659
Foreign exchange (gain) / loss	(255,561,454)	(640,029,115)
	<u>1,088,094,639</u>	<u>802,462,744</u>
6. Profit before tax		
The following items have been charged in arriving at profit for the year :		
Depreciation on property, plant and equipment	4,141,313,494	3,655,683,226
Accountancy fees	8,000,000	8,000,000
Directors' remuneration	195,300,000	108,000,000
Employment cost	1,877,483,665	1,600,457,269
7. Income tax expense		
Current tax	53,413,533	55,456,449
Deferred taxation (Note 13)	79,905,152	948,918
	<u>133,318,685</u>	<u>56,405,367</u>

Usangu Logistics (T) Limited

Notes to the Financial Statements
for the year ended 31 December 2021

8. Property, plant and equipment

	Buildings	Heavy duty vehicle (Trucks and trailers)	Machinery and equipment	Light duty vehicles (Cars)	Furniture, fittings and equipments	Total
	TZS	TZS	TZS	TZS	TZS	TZS
Cost						
At start of the year	901,618,975	36,504,666,029	1,938,689,219	1,249,390,594	765,628,214	43,759,993,031
Additions	252,664,199	7,269,690,509	118,474,582	62,655,566	25,716,455	7,729,201,311
At the end of the year	1,154,283,174	46,174,356,538	2,057,163,801	1,312,046,160	791,344,669	51,489,194,342
Depreciation						
At start of the year	334,037,171	27,137,153,918	839,673,984	1,000,399,078	357,368,704	29,668,632,855
Charge for the year	46,591,615	3,491,307,360	450,594,378	100,097,478	52,722,662	4,141,313,494
At the end of the year	380,628,786	30,628,461,278	1,290,268,362	1,100,496,556	410,091,366	33,809,946,349
Net book value						
As at 31 December 2021	773,654,388	15,545,895,260	766,895,439	211,549,604	381,253,303	17,679,247,993
<i>As at 31 December 2020</i>	<i>567,581,804</i>	<i>11,767,512,111</i>	<i>1,099,015,235</i>	<i>248,991,516</i>	<i>408,259,510</i>	<i>14,091,360,176</i>

Usangu Logistics (T) Limited

Notes to the Financial Statements
for the year ended 31 December 2021

	2021 TZS	2020 TZS
9. Inventories		
Fuel, oil, lubricants and paints	36,899,574	19,715,204
Spares	533,875,314	547,037,179
Tyres and tubes	258,434,272	217,342,274
Petrol Station - Cost	77,236,511	95,826,706
Stationery	16,644,681	9,327,303
	<u>923,090,351</u>	<u>889,248,666</u>
10. Trade and other receivables		
Trade	5,521,205,005	8,333,516,920
Deposits and prepayments	438,365,546	292,840,664
Loans and advances	399,633,987	12,048,124
Related party - Receivables	5,753,355,175	3,902,444,859
VAT	1,123,158,081	857,495,286
	<u>13,235,717,793</u>	<u>13,398,345,854</u>
11. Cash and bank balance		
Cash balance	72,362,695	122,012,586
Bank balance	300,459,783	47,511,337
	<u>372,822,478</u>	<u>169,523,923</u>
Bank overdraft	(6,880,363,607)	(7,077,747,723)
	<u>(6,507,541,129)</u>	<u>(6,908,223,800)</u>
12. Share capital		
<u>Authorised</u> 100,000 ordinary shares of TZS 16,000/= each	<u>1,600,000,000</u>	<u>1,600,000,000</u>
<u>Issued and fully paid</u> 100,000 ordinary shares of TZS 16,000/= each	<u>1,600,000,000</u>	<u>1,600,000,000</u>

Usangu Logistics (T) Limited

Notes to the Financial Statements
for the year ended 31 December 2021

	2021 TZS	2020 TZS
13. Deferred tax		
As at 1 January	165,823,616	164,874,698
Charge for the year	79,905,152	948,918
As at 31 December	<u>245,728,768</u>	<u>165,823,616</u>
Deferred tax liability is made as follows:		
Adjusted tax loss	-	-
Accelerated capital allowances	245,728,768	165,823,616
	<u>245,728,768</u>	<u>165,823,616</u>
14. Borrowings		
Non-current		
Alics Finance Tanzania Ltd	-	129,925,954
Absa Bank Ltd	-	2,357,630,445
FNB Bank Tanzania Ltd	-	2,471,222,556
National Bank of Commerce (T) Ltd	44,061,557	4,202,193,860
NIC Bank Ltd	622,636,519	1,333,779,273
Scania Finance Southern Africa (Pty) Ltd	617,447,053	866,276,496
Habib Bank	2,161,583,346	-
Stanbic Bank	934,616,042	-
DTB Bank	10,264,617,217	-
KCB Bank	2,346,009,023	-
	<u>16,990,970,757</u>	<u>11,361,028,583</u>
Current		
Bank overdraft	<u>6,880,363,607</u>	<u>7,077,747,723</u>

The company has been according with the following facilities with the banks listed above.

- (i) Term loan facilities
- (ii) Overdraft facilities

The term loan and overdraft facilities are secured by First legal Mortgage and Debenture Charge on all fixed and floating assets of the company, Directors personal guarantees as stated in the bank loan agreements.

Usangu Logistics (T) Limited

Notes to the Financial Statements
for the year ended 31 December 2021

	2021 TZS	2020 TZS
15. Trade and other payables		
Trade	6,234,558,624	9,303,137,966
Related party - Payables	1,662,775,271	1,066,453,260
Others	54,758,030	52,278,429
Accruals	897,794,577	787,715,385
	<u>8,869,886,502</u>	<u>11,209,585,040</u>
16. Taxation		
Balance b/f	7,911,338	9,975,011
Current year	53,413,533	55,456,449
	<u>61,324,871</u>	<u>65,431,460</u>
Less: Provisional tax paid	(40,000,000)	(40,000,000)
Withholding tax	(5,877,319)	(7,545,111)
Prior years tax paid	(7,911,338)	(9,975,011)
	<u>7,536,214</u>	<u>7,911,338</u>
17. Cash generated from operations		
Reconciliation of profit before tax to cash generated from operations:		
Operating profit for the year	623,329,132	181,562,117
Adjustment for:	4,141,313,494	4,364,752,241
Depreciation	-	(165,339,697)
Prior year's deferred tax adjustment	-	(2,109,016)
Prior year's tax adjustment		
Changes in working capital	(33,841,685)	(80,270,837)
Increase in inventory	162,628,061	1,646,479,316
Decrease in trade and other receivables	(2,339,698,537)	(206,839,757)
Decrease in trade and other payables	<u>2,553,730,465</u>	<u>5,738,234,365</u>
Cash generated from operations		
18. Contingent liabilities		
The company had no contingent liabilities, as at 31 December 2021.		
19. Capital commitment		
The company had no capital commitments as at 31 December 2021.		

Usangu Logistics (T) Limited

Schedules to the Financial Statements
for the year ended 31 December 2021

		2021 TZS	2020 TZS
A. Administrative expenses			
Accountancy fees		8,000,000	8,000,000
Advertisement		1,718,000	5,657,000
Bank charges		324,512,344	218,450,196
City service levy		49,003,394	41,913,081
Directors remuneration		195,300,000	108,000,000
Electricity and water		52,628,354	54,215,483
Employment cost	A.1	1,877,483,665	1,600,457,269
Fire and rescue		160,000	160,000
Insurance		64,519,580	229,276,316
Land rent and property tax		98,476,950	11,222,850
Legal and professional fees		90,941,284	79,392,742
Licences and fees		3,560,200	10,710,455
Office and general		162,422,257	182,414,275
OSHA and NEMCO fees		8,395,000	3,100,000
Postage, telephone and internet		88,210,558	80,777,095
Printing and stationery	A.2	61,055,365	71,902,416
Rent		156,113,976	79,331,411
<u>Repairs and maintenance:</u>			
Building		463,062,283	334,701,055
Petrol station		8,299,703	7,482,500
Others		107,998,099	129,285,520
Security		135,195,038	143,464,666
Software expenses		42,186,957	33,045,684
Transport, travelling and accomodation		178,617,126	125,219,286
Visa and permit fees		44,616,328	11,634,583
		<u>4,222,486,461</u>	<u>3,569,793,884</u>
A.1 Employment cost			
Salaries and wages		1,326,861,995	1,120,932,303
Terminal benefits		7,359,073	5,720,000
Canteen expenses		-	21,113,800
Other staff allowances		162,266,084	86,767,800
Medical		3,624,800	5,311,800
Staff welfare		19,502,583	23,754,249
NSSF		222,717,980	193,169,245
Skills and development levy		117,313,904	124,371,148
Workers compensation fund		17,837,246	19,316,924
		<u>1,877,483,665</u>	<u>1,600,457,269</u>

Usangu Logistics (T) Limited

Schedules to the Financial Statements
for the year ended 31 December 2021

	2021 TZS	2020 TZS
A.2 Printing and stationery		
Opening inventory	9,327,303	10,221,347
Purchases	<u>68,382,743</u>	<u>71,008,373</u>
	77,710,046	81,229,719
Closing inventory	<u>(16,644,681)</u>	<u>(9,327,303)</u>
	<u>61,065,365</u>	<u>71,902,416</u>

Usangu Logistics (T) Limited

Tax computation
for the year ended 31 December 2021

	TZS
Profit as per accounts	623,329,132
Add: <u>Non-allowable expenses</u> Depreciation	4,141,313,494
Less: Realised exchange loss -2020	(6,455,771)
Unrealised exchange gain -2021	<u>(172,477,744)</u>
	<u>(4,407,663,999)</u>
Less: Depreciation allowance (as per schedule below)	<u>178,045,111</u>
Taxable income	53,413,533
Corporate tax at 30%	
Less: Provisional tax paid	(40,000,000)
Withholding tax paid	<u>(5,877,319)</u>
Balance payable	<u>7,536,214</u>

Schedule of depreciation allowance

	Class 1	Class 2	Class 3	Class 6	Total
	TZS	TZS	TZS	Cost	TZS
	37.5%	25%	12.5%	5.0%	
W.D.V as at 01.01.2021	256,669,052	12,398,192,012	324,504,923	696,507,036	13,675,873,022
Additions	62,655,566	7,388,165,091	25,716,455	252,664,199	7,729,201,311
	<u>319,324,618</u>	<u>19,786,357,103</u>	<u>350,221,377</u>	<u>949,171,235</u>	<u>21,405,074,333</u>
Less: Depreciation allowance	(119,746,732)	(4,196,681,034)	(43,777,672)	(47,458,562)	(4,407,663,999)
Depreciation allowance claimed up to 2020	-	-	-	(137,258,233)	(137,258,233)
W.D.V as at 31.12.2021	<u>199,577,886</u>	<u>15,589,676,069</u>	<u>306,443,705</u>	<u>764,454,440</u>	<u>16,860,152,101</u>