

FINANCIAL STATEMENTS FOR THE YEAR  
ENDED 31<sup>ST</sup> DECEMBER, 2021

**BRIGHTSUN LOGISTICS LTD,**  
**P.O.BOX 896,**  
**ARUSHA.**

 **SOLANI & CO.**

TAX CONSULTANTS & CERTIFIED PUBLIC ACCOUNTANTS IN PUBLIC PRACTICE

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**BRIGHTSUN LOGISTICS LIMITED**

**REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2021**

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## **BRIGHTSUN LOGISTICS LIMITED**

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

**1** The directors present their report together with the audited financial statements for the period ended 31st December, 2021 which disclose the state of affairs of the company.

### **2 STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

The Companies Act, 2002 requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the 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. They 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 judgments 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 and of its profit. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the 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 a going concern for at least twelve months from the date of this statement.

### **3 INCORPORATION**

The company is incorporated in Tanzania under the then Companies Ordinance, Cap 212. The address of its registered office is:

**Plot No. 14 Themu Industries Area,  
P O Box 896,  
ARUSHA**

### **4 PRINCIPAL ACTIVITY**

The company's principal activity is to carry on business of Transport Business.

**BRIGHTSUN LOGISTICS LIMITED**  
**DIRECTORS' REPORT - continued**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2021**

**5 ADMINISTRATIVE EFFICIENCY**

Significant administrative matters affecting the company's performance are summarized below:

- (a) Payment of all statutory dues were paid.
- (b) There have been no court cases against the company or the management during the year.

**6 RELATED PARTY TRANSACTIONS**

- (a) Except for the Directors' Current Account reflected in the balance sheet, there were no loans or advances made or outstanding at any time during the year to or from any related party as defined by the International Financial Reporting Standards.
- (b) There were no contracts in force or any other transactions during the year in which any of the 'related parties' has or had an interest which is of significance to the company.
- (c) The shareholders of the company are as indicated below:

<u>Ordinary shares of T.Shs 100,000 each</u>			
	No. of Shares	Nominal value TSHS	Shareholding percentage
Mr. Jagjit B. Aggarwal	300	30,000,000	43%
Mr. Sandesh J. Aggarwal	400	40,000,000	57%
	<u>700</u>	<u>70,000,000</u>	<u>100%</u>

**7 EMPLOYEES' WELFARE**

The management/employees relationship remained cordial throughout the year.

**8 RESULTS FOR THE YEAR**

These are summarised on page 5 of the financial statements.

**9 DIVIDEND**

The directors do not recommend the payment of dividend for the year 2021

**BRIGHTSUN LOGISTICS LIMITED**

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

**10 DIRECTORS**

Directors of the company who held office since 1st Jan 2021 are:-

<u>Name</u>	<u>Nationality</u>
Mr. Jagjit B. Aggarwal	Tanzanian
Mr. Sandesh J. Aggarwal	Tanzanian

**11 AUDITORS**

The auditors of the company M/s Solani & Co., have expressed their willingness to continue in office and are eligible for re-appointment.

By Order of the Board,

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Date

## AUDITORS' REPORT TO THE MEMBERS OF BRIGHTSUN LOGISTICS LIMITED

### 1 Preamble

We have audited the financial statements on pages 5 to 12 in accordance with International Standards on Auditing. The financial statements, which have been prepared in accordance with the accounting policies set out on Note 1 to the financial statements, are in agreement with the accounting records, and except for the matters mentioned in paragraph 5 below, we have obtained all the information and explanation necessary for the purpose of our audit.

### 2 Respective responsibilities of directors and auditors

The company's directors are responsible for the preparation of the financial statements and adopting the accounting policies. It is our responsibility to form an independent opinion, based on our audit on those statements and to report our opinion to you.

### 3 Basis of opinion

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's business, consistently applied and adequately disclosed.

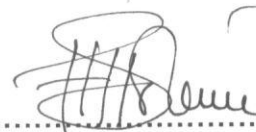
### 4 We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### 5 Matters affecting the opinion

In common with many businesses of similar size and organization, the company's system of internal control as well as financial sustainability is dependent upon the close involvement of the directors. Where independent confirmation of the completeness of accounting records was therefore not available, we have accepted assurances from the directors that all the company's transactions have been reflected in the accounting records and adequately supported by relevant third party documents. Also where independent confirmation of the future financial sustainability of the company is uncertain, we have accepted assurances from the directors that the company will be able to secure financial resources to enable it to continue trading as a going concern in the foreseeable future.

### 6 Opinion

Except for the matters described in paragraph 5 above, in our opinion the financial statements give a true and fair view of the state of the company's financial affairs as at 31st December, 2021 in accordance with the International Financial Reporting Standards and comply with the Companies Act, 2002.



MR. HITESH H. SOLANI  
SOLANI & CO.

CERTIFIED PUBLIC ACCOUNTANT'S IN PUBLIC PRACTICE

Moshi

Date: 21/6/22

**BRIGHTSUN LOGISTICS LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	<u>Reference</u>	2021 T.Shs	2020 T.Shs
GROSS INCOME FROM TRANSPORT	<i>Note 2</i>	<u>1,275,316,557</u>	<u>1,344,126,747</u>
OPERATING EXPENSES	<i>Note 3</i>	928,927,456	1,039,055,629
DEPRECIATION	<i>Note 6</i>	325,860,977	279,174,663
LOSS ON SALE OF ASSETS		0	0
TOTAL EXPENSES		<u>1,254,788,433</u>	<u>1,318,230,292</u>
PROFIT BEFORE TAX		<u>20,528,124</u>	<u>25,896,455</u>
TAX	<i>Note 4</i>	<u>0</u>	<u>0</u>
PROFIT AFTER TAX		<u><u>20,528,124</u></u>	<u><u>25,896,455</u></u>

The accounting policies and notes on pages 9 to 12 form part of these financial statements.

**BRIGHTSUN LOGISTICS LIMITED**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31ST DECEMBER, 2021**

	<u>Reference</u>	<u>2021</u> T.Shs	<u>2020</u> T.Shs
<b>NON CURRENT ASSETS</b>	<i>Note 6</i>	<u>1,075,945,914</u>	<u>942,418,807</u>
<b><u>CURRENT ASSETS</u></b>			
Stocks		102,834,240	112,182,011
Trade Debtors & Deposit	<i>Note 7</i>	168,073,581	275,258,763
Pre Payment & Advances		392,143,546	980,896,041
Bank balance		40,617,590	70,939,596
Cash in hand		1,995,111	5,469,155
		<u>705,664,068</u>	<u>1,444,745,566</u>
<b>TOTAL ASSETS</b>		<u><u>1,781,609,982</u></u>	<u><u>2,387,164,373</u></u>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>CAPITAL AND RESERVE</u></b>			
Share capital	<i>Page 7</i>	70,000,000	70,000,000
Shares holders account	<i>Page 7</i>	0	0
Retained Profit	<i>Page 7</i>	<u>(892,038,712)</u>	<u>(912,566,836)</u>
		<u>(822,038,712)</u>	<u>(842,566,836)</u>
<b><u>CURRENT LIABILITIES</u></b>			
Trade Creditors & Accruals	<i>Note 8</i>	282,998,044	431,344,666
Tax payable	<i>Note 5</i>	(194,967,000)	(155,967,000)
Bank Overdraft		1,054,225,484	1,110,372,053
Bank Term Loan		1,461,392,166	1,843,981,489
		<u>2,603,648,694</u>	<u>3,229,731,208</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>1,781,609,982</u></u>	<u><u>2,387,164,373</u></u>

The accounting policies and notes on pages 9 to 12 form part of these financial statements.

These financial statements were approved by the Board of Directors on 21/6/22 and were signed on its behalf on the same date by:

Name: **Mr. Jagjit B. Aggarwal**

Signature: \_\_\_\_\_ 

Name: **Mr. Sandesh J. Aggarwal**

Signature: \_\_\_\_\_ 

**BRIGHTSUN LOGISTICS LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	Share capital	Shareholders Account	Retained Loss	Total
	<u>T.Shs</u>	<u>T.Shs</u>	<u>T.Shs</u>	<u>T.Shs</u>
As at 1st January, 2021	70,000,000	-	(912,566,836)	(842,566,836)
Post Audit Adjustment - TRA	0	0	0	0
Retained profit for the year	0	0	20,528,124	20,528,124
As at 31st December, 2021	<u>70,000,000</u>	<u>0</u>	<u>(892,038,712)</u>	<u>(822,038,712)</u>

**SHARE CAPITAL**  
(Shares of Shs 100,000 each)

	<i>AUTHORISED SHARE CAPITAL</i>		<i>ISSUED AND PAID UP SHARE CAPITAL</i>	
	No. of shares	Nominal value	No. of shares	Nominal value
As at 1st January, 2021	1,000	100,000,000	700	70,000,000
Increase during the year	0	0	0	-
As at 31st December, 2021	<u>1,000</u>	<u>100,000,000</u>	<u>700</u>	<u>70,000,000</u>

**BRIGHTSUN LOGISTICS LIMITED****STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	<b>2021</b>	<b>2020</b>
	<b>T.Shs.</b>	<b>T.Shs.</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit/Loss before tax	20,528,124	25,896,455
Adjustment of prior year as per TRA audit	0	0
Depreciation	325,860,977	279,174,663
<b>Operating profit before working capital changes</b>	<b>346,389,101</b>	<b>305,071,118</b>
<b>WORKING CAPITAL CHANGES IN :-</b>		
Debtors and advances	107,185,182	168,038,041
Stocks	9,347,771	192,403,144
Loans & Advance	588,752,495	52,608,688
Creditors and accruals	(148,346,622)	110,960,742
Director Current Account	0	0
<b>Cash generated from operations before Taxation</b>	<b>903,327,927</b>	<b>829,081,733</b>
Tax paid	(39,000,000)	(42,167,000)
<b>Net cash from operating activities</b>	<b>864,327,927</b>	<b>786,914,733</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Issue of Share-Capital	0	0
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Loan	(382,589,323)	(424,723,751)
Letter Of Credit	0	0
Purchase of Fixed Assets	(459,388,085)	(106,131,356)
Sale of fixed assets		
<b>NET CASH FLOW FOR THE YEAR</b>	<b>22,350,519</b>	<b>256,059,627</b>
Prior year adjustments as per TRA Audits	0	(123,895,036)
<b>NET CASH FLOW FOR THE YEAR AFTER ADJUSTMENT</b>	<b>22,350,519</b>	<b>132,164,591</b>
<b>CASH AND CASH EQUIVALENTS AS AT 1ST JANUARY, 2021</b>	<b>(1,033,963,303)</b>	<b>(1,166,127,894)</b>
<b>CASH AND CASH EQUIVALENTS AS AT 31ST DECEMBER, 2021</b>	<b>(1,011,612,784)</b>	<b>(1,033,963,303)</b>
<b>Composed of the following:</b>		
	<b>2021</b>	<b>2020</b>
	<b>T.Shs.</b>	<b>T.Shs.</b>
Bank Overdraft	(1,054,225,484)	(1,110,372,053)
Bank balance	40,617,590	70,939,596
Cash in hand	1,995,111	5,469,155
	<b>(1,011,612,784)</b>	<b>(1,033,963,303)</b>

**BRIGHTSUN LOGISTICS LIMITED**

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

**1 SIGNIFICANT ACCOUNTING POLICIES**

**(a) Accounting convention**

The financial statements are prepared under the historical cost convention as modified by the revaluation of fixed assets and the computation of related depreciation. These financial statements are in compliance with International Financial Reporting Standards (IFRS).

**(b) Turnover**

This comprises the amounts invoiced for goods sold and services rendered during the year excluding VAT.

**(c) Non- Current Assets and depreciation**

Non - Current Assets are stated at cost/valuation less depreciation.

Depreciation is calculated to write off the cost or valuation of the fixed assets over their estimated useful lives on the reducing balance method.

	<u>%</u>
Motor Vehicles	25.0%
Furniture/Fittings	12.50%
Buildings	5.00%

**(d) Stocks**

Stocks have been valued at the lower of cost and net realizable value

**BRIGHTSUN LOGISTICS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	<u>2021</u>	<u>2020</u>
	T.Shs	T.Shs
<b>2.0 TURNOVER</b>		
Sales	4,871,090,673	4,904,787,751
Rent	42,102,000	41,670,000
	<u>4,913,192,673</u>	<u>4,946,457,751</u>
<b>DIRECT COST</b>		
Fuel, Oil & Lubrications	1,603,582,543	1,624,491,833
Spares & Repairs	844,959,125	943,642,291
Tyres & Tubes	234,077,187	290,919,016
Road Toll , Trip & Transit expenses	926,354,786	728,303,911
Accident Pulling Exps.	1,313,000	2,493,238
Parking fee	27,589,475	12,480,715
	<u>3,637,876,116</u>	<u>3,602,331,004</u>
Gross Income From Transport	<u>1,275,316,557</u>	<u>1,344,126,747</u>
<b>3.0 OPERATING EXPENSES</b>		
Audit Fees	1,000,000	1,500,000
Bank charges	21,096,015	27,560,502
Bank Interest	247,699,970	302,894,319
Business Promotion Exps	21,350,450	2,149,106
CDR- Motor Licence	14,389,000	20,949,800
City Council	14,133,168	11,373,394
Container handling / Storage charges	6,123,260	6,223,831
DHL Charges	330,185	576,360
Director Salaries & Fees	24,000,000	48,000,000
Electricity Charges	7,495,246	9,673,253
GPS Charges	3,723,773	25,459,782
Insurance	63,797,579	62,886,474
Internet Exp	295,500	213,000
License , Permit & Membership Fees	10,403,300	3,879,300
NSSF	25,874,000	26,955,000
Office Maintainance	12,767,242	16,931,200
Printing and Stationery	1,650,350	0
Rent Charges	84,900,000	112,450,000
Salaries & Wages	234,740,000	269,550,000
Security Expenses	35,969,412	22,566,653
Shortage on trip	19,026,778	8,603,580
Skills & Dvelopment Levy	10,357,000	11,471,775
Staff Welfare	12,689,728	8,665,777
Stamp Duty	610,169	682,169
Telephone Expenses	20,142,775	11,453,877
Travelling Exps.	26,307,047	17,287,308
Washing Exp	2,545,978	2,032,650
Water Charges	3,474,102	4,374,419
Workmen Compensation Fund	2,035,430	2,693,000
<b>Total</b>	<u>928,927,456</u>	<u>1,039,055,629</u>

**BRIGHTSUN LOGISTICS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	2021 T.Shs	2020 T.Shs
<b>4 TAX</b>		
Tax charge for the year	0	0
Under provision of tax in respect of prior year	0	0
	<u>0</u>	<u>0</u>
<b>5 TAX PAYABLE</b>		
As at 1st January	(155,967,000)	(113,800,000)
Tax paid During the Year	(39,000,000)	0
Provision for Tax for the current year	0	(42,167,000)
Provision for Tax for the previous year	0	0
	<u>(194,967,000)</u>	<u>(155,967,000)</u>

**6 NON - CURRENT ASSETS**

	Office Equipment/ Furniture T.Shs	Motor Vehicles T.Shs	Workshop Building T.Shs	TOTAL T.Shs
<u>Net book value before depreciation</u>				
As at 1st January, 2021	30,032,205	808,203,001	104,183,601	942,418,807
Additions :-	0	459,388,085	0	459,388,085
Deduction:- Sale of Vehicles				
As at 31st December, 2021	<u>30,032,205</u>	<u>1,267,591,086</u>	<u>104,183,601</u>	<u>1,401,806,891</u>
<u>Depreciation</u>				
Charge for the year 25% on opening value	3,754,026	316,897,771	5,209,180	325,860,977
<u>Net book amounts after depreciation</u>				
As at 31st December, 2021	<u>26,278,179</u>	<u>950,693,314</u>	<u>98,974,421</u>	<u>1,075,945,914</u>

**BRIGHTSUN LOGISTICS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	2021 T.Shs	2020 T.Shs
<b>7 DEBTORS &amp; DEPOSITS</b>		
Trade Debtors	168,073,581	275,258,763
Prepayments	392,143,546	980,896,041
	<u>560,217,127</u>	<u>1,256,154,804</u>
<b>8 CREDITORS &amp; ACCRUALS</b>		
Trade Creditors	212,005,685	236,020,137
Other Liabilities	70,992,359	195,324,529
Total	<u>282,998,044</u>	<u>431,344,666</u>
<b>9 DIRECTOR'S CURRENT ACCOUNT</b>		
	<b>JAGJIT AGGARWAL SHS</b>	<b>SANDESH AGGARWAL SHS</b>
Balance b/f	0	0
Directors Remuneration	12,000,000	12,000,000
Cash Paid	12,000,000	12,000,000
Total	<u>0</u>	<u>0</u>
<b>SUMMARY</b>	<b>2021 SHS</b>	<b>2020 SHS</b>
MR. JAGJIT AGGARWAL	0	0
MR. SANDESH AGGARWAL	0	0
	<u>0</u>	<u>0</u>

**BRIGHTSUN LOGISTICS LIMITED**  
**INCOME TAX COMPUTATION**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	2021 T.SHS
Profit/Loss before tax	20,528,124
<b>Add back:</b>	
Depreciation	325,860,977
	346,389,101
<b>Deduct:</b>	
Wear and tear allowance	325,860,977
	20,528,124
<b>Loss C/f after audit</b>	(71,099,476)
<b>Ajusted Taxable Profit / Loss</b>	(50,571,352)
<b>Tax at 30% on the taxable profit</b>	0

