

**FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31ST DECEMBER, 2022**

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

 **SOLANI & CO.**

TAX CONSULTANTS & CERTIFIED PUBLIC ACCOUNTANTS IN PUBLIC PRACTICE

P. O. BOX 519, MOSHI, TANZANIA.

TEL: 2751793 | 2750461

EMAIL: info@solani.co.tz

WEBSITE: www.solani.co.tz



BRIGHTSUN LOGISTICS LIMITED

**REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022**

CONTENTS	PAGES
Directors' report	1 - 3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Statement of changes in equity	7
Cash flow statement	8
Notes to the financial statements	9 - 12

BRIGHTSUN LOGISTICS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2022

- 1 The directors present their report together with the audited financial statements for the period ended 31st December, 2022 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, 2022**

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 2022

BRIGHTSUN LOGISTICS LIMITED
DIRECTORS' REPORT - continued
FOR THE YEAR ENDED 31ST DECEMBER, 2022

10 DIRECTORS

Directors of the company who held office since 1st Jan 2022 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

10/06/2023
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, 2022 in accordance with the International Financial Reporting Standards and comply with the Companies Act, 2002.

Moshi
Date:




MR. HITESH H. SOLANI
SOLANI & CO.

CERTIFIED PUBLIC ACCOUNTANTS IN PUBLIC PRACTICE

BRIGHTSUN LOGISTICS LIMITED

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

	<u>Reference</u>	2022 T.Shs	2021 T.Shs
GROSS INCOME FROM TRANSPORT	<i>Note 2</i>	<u>1,406,534,398</u>	<u>1,275,316,557</u>
OPERATING EXPENSES	<i>Note 3</i>	1,011,369,439	928,927,456
DEPRECIATION	<i>Note 6</i>	334,224,161	325,860,977
LOSS ON SALE OF ASSETS		0	0
TOTAL EXPENSES		<u>1,345,593,600</u>	<u>1,254,788,433</u>
PROFIT BEFORE TAX		60,940,798	20,528,124
TAX	<i>Note 4</i>	<u>0</u>	<u>0</u>
PROFIT AFTER TAX		<u><u>60,940,798</u></u>	<u><u>20,528,124</u></u>

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

BRIGHTSUN LOGISTICS LIMITED

**FINANCIAL STATEMENT OF POSITION
AS AT 31ST DECEMBER, 2022**

	<u>Reference</u>	<u>2022</u> T.Shs	<u>2021</u> T.Shs
NON CURRENT ASSETS			
FIXED ASSETS	<i>Note 6</i>	<u>1,094,940,482</u>	<u>1,075,945,914</u>
CURRENT ASSETS			
Stocks		67,219,221	102,834,240
Trade Debtors & Deposit	<i>Note 7</i>	222,830,324	168,073,581
Pre Payment & Advances		80,024,229	392,143,546
Bank balance		122,192,983	40,617,590
Cash in hand		5,358,276	1,995,111
		<u>497,625,033</u>	<u>705,664,068</u>
TOTAL ASSETS		<u><u>1,592,565,515</u></u>	<u><u>1,781,609,982</u></u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVE			
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>(831,097,914)</u>	<u>(892,038,712)</u>
		<u>(761,097,914)</u>	<u>(822,038,712)</u>
CURRENT LIABILITIES			
Trade Creditors & Accruals	<i>Note 8</i>	208,525,589	282,998,044
Tax payable	<i>Note 5</i>	(233,967,000)	(194,967,000)
Bank Overdraft		0	1,054,225,484
Bank Term Loan		<u>2,379,104,841</u>	<u>1,461,392,166</u>
		<u>2,353,663,430</u>	<u>2,603,648,694</u>
TOTAL EQUITY AND LIABILITIES		<u><u>1,592,565,515</u></u>	<u><u>1,781,609,982</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 10/06/2023 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, 2022**

	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, 2022	70,000,000	0	(892,038,712)	(822,038,712)
Post Audit Adjustment - TRA	0	0	0	0
Retained profit for the year	0	0	60,940,798	60,940,798
As at 31st December, 2022	<u>70,000,000</u>	<u>0</u>	<u>(831,097,914)</u>	<u>(761,097,914)</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, 2022	1,000	100,000,000	700	70,000,000
Increase during the year	0	0	0	0
As at 31st December, 2022	<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, 2022**

	2022	2021
	T.Shs.	T.Shs.
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit/Loss before tax	60,940,798	20,528,124
Adjustment of prior year as per TRA audit	0	0
Depreciation	334,224,161	325,860,977
Operating profit before working capital changes	395,164,958	346,389,101
WORKING CAPITAL CHANGES IN :-		
Debtors and advances	(54,756,743)	107,185,182
Stocks	35,615,019	9,347,771
Loans & Advance	312,119,317	588,752,495
Creditors and accruals	(74,472,455)	(148,346,622)
Director Current Account	0	0
Cash generated from operations before Taxation	613,670,096	903,327,927
Tax paid	(39,000,000)	(39,000,000)
Net cash from operating activities	574,670,096	864,327,927
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issue of Share Capital	0	0
CASH FLOWS FROM INVESTING ACTIVITIES:		
Loan	917,712,675	(382,589,323)
Letter Of Credit	0	0
Purchase of Fixed Assets	(353,218,729)	(459,388,085)
Sale of fixed assets	0	0
NET CASH FLOW FOR THE YEAR	1,139,164,042	22,350,519
Prior year adjustments as per TRA Audits	0	0
NET CASH FLOW FOR THE YEAR AFTER ADJUSTMENT	1,139,164,042	22,350,519
CASH AND CASH EQUIVALENTS AS AT 1ST JANUARY, 2022	(1,011,612,784)	(1,033,963,303)
CASH AND CASH EQUIVALENTS AS AT 31ST DECEMBER, 2022	127,551,258	(1,011,612,784)
Composed of the following:		
	2022	2021
	T.Shs.	T.Shs.
Bank Overdraft	0	(1,054,225,484)
Bank balance	122,192,983	40,617,590
Cash in hand	5,358,276	1,995,111
	127,551,258	(1,011,612,784)

BRIGHTSUN LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022**

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

Fixed 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, 2022**

	<u>2022</u> T.Shs	<u>2021</u> T.Shs
TURNOVER		
Sales	5,705,824,422	4,871,090,673
Rent	42,030,000	42,102,000
	<u>5,747,854,422</u>	<u>4,913,192,673</u>
DIRECT COST		
Fuel, Oil & Lubrications	2,203,380,037	1,603,582,543
Spares & Repairs	1,003,931,513	844,959,125
Tyres & Tubes	161,437,860	234,077,187
Road Toll , Trip & Transit expenses	961,930,389	926,354,786
Accident Pulling Exps.	0	1,313,000
Parking fee	10,640,225	27,589,475
	<u>4,341,320,024</u>	<u>3,637,876,116</u>
Gross Income From Transport	<u>1,406,534,398</u>	<u>1,275,316,557</u>
OPERATING EXPENSES		
Accountancy Fees	1,000,000	1,000,000
Bank charges	32,606,262	21,096,015
Bank & other Interest	255,155,317	247,699,970
Director Salaries & Fees	24,000,000	24,000,000
Insurance	94,442,198	63,797,579
Salaries & Wages	286,830,000	234,740,000
Skills & Development Levy	10,922,000	10,357,000
NSSF	27,285,000	25,874,000
Workmen Compensation Fund	1,494,000	2,035,430
Staff Welfare	7,032,927	12,689,728
CDR- Motor Licence	14,688,256	14,389,000
Service Levy	5,078,873	14,133,168
DHL Charges	708,436	330,185
Electricity Charges	8,235,328	7,495,246
GPS Charges	2,776,677	3,723,773
Internet Exp	353,000	295,500
Office Maintainance	18,103,691	12,767,242
Security Expenses	43,002,627	35,969,412
Rent Charges	79,200,000	84,900,000
Printing and Stationery	1,125,600	1,650,350
Telephone Expenses	37,615,318	20,142,775
Washing Exp	1,788,000	2,545,978
Water Charges	4,744,178	3,474,102
Container handling / Storage charges	14,500,689	6,123,260
Stamp Duty	946,000	610,169
Travelling Exps.	22,416,244	26,307,047
License , Permit & Membership Fees	5,591,000	10,403,300
Shortage on trip	5,909,802	19,026,778
Business Promotion Exps	3,818,016	21,350,450
Total	<u>1,011,369,439</u>	<u>928,927,456</u>

BRIGHTSUN LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER, 2022**

	2022 T.Shs	2021 T.Shs
4 TAX		
Tax charge for the year	0	0
Under provision of tax in respect of prior year	0	0
	<u>0</u>	<u>0</u>
5 TAX PAYABLE		
As at 1st January	(194,967,000)	(155,967,000)
Tax paid During the Year	(39,000,000)	(39,000,000)
Provision for Tax for the current year	0	0
Provision for Tax for the previous year	0	0
	<u>(233,967,000)</u>	<u>(194,967,000)</u>

6 NON-CURRENT ASSETS

	Motor Vehicles	Office Equipment/ Furniture	Workshop Building	TOTAL
	T.Shs	T.Shs	T.Shs	T.Shs
<u>Net book value before depreciation</u>				
As at 1st January, 2022	950,693,316	26,446,929	98,805,669	1,075,945,914
Additions:-	353,218,729	0	0	353,218,729
Deduction:- Sale of Vehicles	0	0	0	0
As at 31st December, 2022	<u>1,303,912,045</u>	<u>26,446,929</u>	<u>98,805,669</u>	<u>1,429,164,643</u>
<u>Depreciation</u>				
Charge for the year	325,978,011	3,305,866	4,940,283	334,224,161
<u>Net book amounts after depreciation</u>				
As at 31st December, 2022	<u>977,934,034</u>	<u>23,141,063</u>	<u>93,865,386</u>	<u>1,094,940,482</u>

BRIGHTSUN LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER, 2022**

	2022 T.Shs	2021 T.Shs
7 DEBTORS & DEPOSITS		
Trade Debtors	222,830,324	168,073,581
Prepayments	80,024,229	392,143,546
	<u>302,854,553</u>	<u>560,217,127</u>
8 CREDITORS & ACCRUALS		
Trade Creditors	163,561,552	212,005,685
Other Liabilities	44,964,037	70,992,359
Total	<u>208,525,589</u>	<u>282,998,044</u>
9 DIRECTOR'S CURRENT ACCOUNT		
	SANDESH AGGARWAL SHS	SANDESH AGGARWAL SHS
Balance b/f	0	0
Salary	12,000,000	12,000,000
Cash Paid	12,000,000	12,000,000
Total	<u>24,000,000</u>	<u>24,000,000</u>
SUMMARY	2022 SHS	2021 SHS
MR. JAGJIT AGGARWAL	0	0
MR. SANDESH AGGARWAL	0	0
	<u>0</u>	<u>0</u>

