

# MEK ONE LOGISTICS LIMITED

Annual report and financial statements  
For the Year ended 31 December 2021

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**MEK ONE LOGISTICS LIMITED**  
Annual report and financial statements  
For the Year ended 31 December 2021

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**CORPORATE INFORMATION**

SHAREHOLDERS		NUMBER	VALUE	IN
		OF	IN	
		SHARES	TZS	TZS
	1	Mohamed Edha Awadh	90	90,000,000
	2	Suleiman Mohamed Awadh	10	10,000,000
		<b>Issued and paid up</b>	<b>100</b>	<b>100,000,000</b>
		<b>Authorised Share Capital:</b> ordinary shares of TZS	100	100,000,000
		<b>Unissued and non-paid up:</b>	-	-

**REGISTERED OFFICE :** MEKONE GENERAL TRADERS COMPANY LIMITED  
Tax Region : Ilala  
Tax Center: Upanga  
Reg.No: 137-960-508  
TIN: 137-960-508  
VRN: 40-031726-Q  
P.o.Box: 5055  
**Dar-es-Salaam-Tanzania.**

**AUDITORS** ATEKAY ACCOUNTANTS AND AUDITORS  
P.O Box 934,  
**Morogoro-Tanzania**

**BANKERS**

1. Guaranty Trust Bank (T) Ltd, Regent Estate, Victoria, DSM
2. ABC Bank Limited, P.o. Box 31 DSM
3. Stanbic Bank Tanzania Limited, P.o. Box 72647 DSM.

**MEK ONE LOGISTICS LIMITED**

**Annual report and financial statements  
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**REPORT OF THE DIRECTORS**

The directors submit their report and the audited financial statements for the year ended 31ST DECEMBER 2021

**PRINCIPAL ACTIVITIES**

The principal activity of the company is Transportation of goods.

**RESULTS**

	31.12.2021	31.12.2020
	TZS	TZS
Profit (Loss) before taxation	568,375,905	217,812,037.83

**DIVIDEND**

The directors do not recommend the declaration of dividend for the Year.

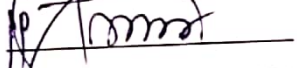
**DIRECTORS**

The directors who held office during the year and to the date of this report are shown on page 2 .

**AUDITORS**

ATEKAY Accountants & Auditors, have expressed their willingness to continue in office in accordance with Laws and regulations of Tanzania

*Signed by Board of Directors*

  
\_\_\_\_\_  
**MANAGING DIRECTOR**

\_\_\_\_\_  
**DATE**

**MEK ONE LOGISTICS LIMITED**

**Annual report and financial statements  
For the Year ended 31 December 2021**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Tanzanian Companies Act, CAP 212 Act No. 12 of 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 end of the financial year and of the operating results of the company for that year. It also requires the directors to ensure that the company maintains proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company. The directors are also responsible for safeguarding the assets of the company.


The directors accept responsibility for the preparation and fair presentation of financial statements in accordance with International Financial Reporting Standards and the requirements of the Tanzanian Companies Act, CAP 212 Act No. 12 of 2002. This responsibility

- i) designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due
- ii) selecting and applying appropriate accounting policies; and
- iii) making accounting estimates and judgements that are reasonable in the circumstances.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgment and estimates, in conformity with International Financial Reporting Standards and in manner required by the Tanzanian Companies Act. 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 operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well

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.

**Approved by the Management and signed on its behalf by:**

  
\_\_\_\_\_

**Managing Director**

\_\_\_\_\_

**Date**

# MEK ONE LOGISTICS LIMITED

Annual report and financial statements  
For the Year ended 31 December 2021

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## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MEKONE LOGISTICS LIMITED

### Report on the financial statements

We have audited the accompanying financial statements of **MEKONE LOGISTICS LIMITED** set out on pages 7 to 24 which comprise the Statement of Financial Position as at 31 December 2021, 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 notes.

### Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the company's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

**MEK ONE LOGISTICS LIMITED**

**Annual report and financial statements  
For the Year ended 31 December 2021**

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**REPORT OF THE INDEPENDENT AUDITORS  
TO THE MEMBERS OF MEKONE LOGISTICS LIMITED**

**Report on the financial statements**

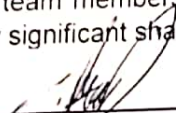
**Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of MEKONE LOGISTICS LIMITED as of December 31, 2021 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards(IFRSs), and comply with Laws and Regulations of Tanzania.

**Report on Other Legal and Regulatory Requirements**

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

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for The purpose of our audit
- In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books
- The company's statement of financial position and statement of comprehensive income are in agreement with the books of account.
- We also noted other matters involving internal control and its operation that we have reported to the management of MEKONE LOGISTICS LIMITED in a separate letter; and
- The audit team members do not have any interest, loans to or from this client or any related entity or any significant shareholder, officer or director thereof.

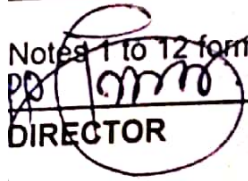
  
ATEKAY ACCOUNTANTS & AUDITORS  
CERTIFIED PUBLIC ACCOUNTANTS  
PF No: 082



**MEK ONE LOGISTICS LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST DECEMBER 2021**

	NO	31.12.2021 TZS	31.12.2020 TZS
<b>ASSETS EMPLOYED</b>			
<b>NON-CURRENT ASSETS</b>	13	1,824,475,150	2,183,587,847
<b>CURRENT ASSETS</b>			
Inventory -Lubes-209L		-	-
Inventory -Lubes-200L		-	-
Inventory -Lubes-20L-68		-	-
Receivables		956,893,607	675,632,844
Prepayment/Deposit		91,827,000	91,827,000
Shareholders' Account		-	-
Loans to Staff		-	-
Cash and Bank Balance		71,285	19,329,838
<b>Total Current Assets</b>		<b>1,048,791,892</b>	<b>786,789,682</b>
<b>TOTAL NET ASSETS</b>		<b>2,873,267,042</b>	<b>2,970,377,529</b>
<b>FINANCED BY:</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>	8		
Share Capital		100,000,000	100,000,000
Investment		-	-
Retained Earnings		1,542,773,036	974,397,131
<b>TOTAL EQUITY</b>		<b>1,642,773,036</b>	<b>1,074,397,131</b>
<b>NON-CURRENT LIABILITIES</b>			
Longterm Loans from Financial Institutions		8,191,168	4,095,584
Interest Payable on Term Loan Facility		-	-
Finance Lease		-	-
<b>Total Non-Current Liabilities</b>		<b>8,191,168</b>	<b>4,095,584</b>
<b>CURRENT LIABILITIES</b>			
Short-term Loan(Revolving Fund)		-	-
Accrual expenses		7,251,263	5,362,826
Trade Creditors		766,442,789	1,601,314,411
Tax Payable		448,608,785	285,207,576
<b>Total Current Liabilities</b>		<b>1,222,302,837</b>	<b>1,891,884,814</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,873,267,042</b>	<b>2,970,377,529</b>

Notes 1 to 12 form part of the accounts

  
**DIRECTOR**

Date

**MEK ONE LOGISTICS LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**AS AT 31ST DECEMBER 2021**

	NOTE	31.12.2021 TZS	31.12.2020 TZS
Revenue	2	6,812,642,224	3,818,955,713
Cost of Sales	3	(4,985,334,754)	(2,397,676,632)
Gross profit		1,827,307,470	1,421,279,081
Other Income		3,109,477	76,398,000
Total Income		1,830,416,947	1,497,677,081
<b>Operating Expenses</b>			
600. Administration expenses	4	182,631,483	103,942,896
620. Personnel Expenses	5	218,138,156	209,558,358
640. Rent, Service and Maintenance	6	82,806,944	60,969,146
650. Account, Audit and Inspections	7	15,139,652	15,139,652
660. Market Development	8	95,183,252	52,478,055
700. Board Expenses	9	43,562,350	65,264,570
800. Financial Expenses	10	16,008,508	43,990,048
Depreciation	13	608,570,697	728,522,318
<b>Total Operating Expenses</b>		<b>1,262,041,042</b>	<b>1,279,865,043</b>
Alternative Minimum Tax (AMT)	14.5	-	-
<b>Total Operating Exps after AMT</b>		<b>1,262,041,042</b>	<b>1,279,865,043</b>
<b>Profit/(Loss) before tax</b>		<b>568,375,905</b>	<b>217,812,038</b>
Corporate tax	14	170,512,771.62	65,343,611.35
<b>Net Profit/ (Loss) after tax</b>		<b>397,863,134</b>	<b>152,468,426</b>
Retained Earnings - Beginning of the Year		682,077,992	529,609,565
<b>Retained Earnings - End of the Year</b>		<b>1,079,941,125</b>	<b>682,077,992</b>

Notes 1 to 12 form part of the accounts

  
 \_\_\_\_\_  
**DIRECTOR**

\_\_\_\_\_  
**Date**

MEK ONE LOGISTICS LIMITED

STATEMENT OF CASHFLOW  
AS AT 31ST DECEMBER 2021

	31.12.2021 TZS	31.12.2020 TZS
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	568,375,905	217,812,038
Interest		
Taxation		
<b>Add: Items Not Involving the Movement of Funds:</b>		
Depreciation	608,570,697	728,522,318
Net Cash flows from operations before changes in working capital	<b>1,176,946,603</b>	<b>946,334,356</b>
<b>Changes in levels of working capital items</b>		
(Increase) Decrease in Stocks -Lubes-209L	-	-
(Increase) Decrease in Stocks -Lubes-200L	-	-
(Increase) Decrease in Stocks -Lubes-20L-68	-	-
(Increase) Decrease in Receivables	(281,260,764)	79,753,699
(Increase) Decrease in Prepayments	-	-
(Increase) Decrease in Shareholders' Account	-	-
(Increase) Decrease in Loan to Staff	-	-
Increase/(Decrease) in Creditors and Overdraft	(834,871,623)	(25,395,039)
Increase/(Decrease) in other accounts payable	-	(18,588,744)
Increase/(Decrease) in Accrual Expenses	1,888,437	(11,737,174)
Increase/(Decrease) in Tax payable	163,401,209	58,232,049
<b>Net changes in levels of working capital items</b>	<b>(950,842,740)</b>	<b>82,264,791</b>
<b>Cash flows from operating activities</b>	<b>226,103,862</b>	<b>1,028,599,147</b>
Tax paid	-	-
Dividends	-	-
<b>Net Cash Flows from Operating activities</b>	<b>226,103,862</b>	<b>1,028,599,147</b>
<b>Cash flows from Investing activities</b>		
Gain (loss) on Disposal of Fixed Assets	-	-
Acquisition of Fixed Assets	(249,458,000)	(785,118,567)
<b>Net Cash Flows from Investing activities</b>	<b>(249,458,000)</b>	<b>(785,118,567)</b>
<b>Cash flows from Financing activities</b>		
Share capital	-	-
Investment	4,095,584	(238,331,516)
Loan Repayment	-	-
<b>Net Cash Flows from Financing activities</b>	<b>4,095,584</b>	<b>(238,331,516)</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents</b>	<b>(19,258,554)</b>	<b>5,149,064</b>
Cash and cash equivalents at the beginning of the year	19,329,838	14,180,774
<b>Cash and cash equivalents at the end of the year</b>	<b>71,285</b>	<b>19,329,838</b>
	0	0
	-	-
	0	0

**MEK ONE LOGISTICS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 31ST DECEMBER 2021**

**8 STATEMENT OF CHANGES IN EQUITY**

<b>Year ended 31 December 2020</b>	<b>Share Capital TSHS</b>	<b>Retained Earnings TSHS</b>	<b>Total Equity TSHS</b>
Balance as 1 Jan 2020	100,000,000	974,397,131	1,074,397,131
Profit for the period	-	-	-
Drawings/Dividend	-	-	-
<b>Balance as 31 Dec 2020</b>	<b>100,000,000</b>	<b>974,397,131</b>	<b>1,074,397,131</b>
<b>Year ended 31 December 2021</b>	<b>Share Capital</b>	<b>Retained Earnings</b>	<b>Total Equity</b>
Balance as 1 Jan 2021	100,000,000	974,397,131	1,074,397,131
Profit for the period	-	568,375,905	568,375,905
Drawings/Dividend	-	-	-
<b>Balance as 31 December 2021</b>	<b>100,000,000</b>	<b>1,542,773,036</b>	<b>1,642,773,036</b>

**Note:**

**Authorized Share Capital:** 100,000,000  
 100 Ordinary Shares @TZS1,000,000/=

**Issued and Paid up Share Capital :** 100,000,000  
 1,000 Ordinary Shares @ TZS 10,000/=

## MEK ONE LOGISTICS LIMITED

Annual report and financial statements  
For the Year ended 31 December 2021

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### 1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### a) Basis of preparation and summary of significant accounting policies

These financial statements have been prepared on a going concern basis in compliance with the International Financial Reporting Standards for SMEs issued by the International Accounting Standards Board. The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below. They are presented in Tanzanian Shillings(Tzs), rounded to the nearest thousand.

#### b) Revenue recognition

Revenue from sales of goods is recognised when the goods are delivered and title has passed. Revenue from sale of services is recognised upon performance of the service and customer acceptance based on the proportion of actual service rendered to the total services to be provided. Revenue is measured at the fair value of the consideration received or receivable, net of discounts and sales-related taxes collected on behalf of the government of Tanzania.

#### c) Borrowing costs

All borrowing costs are recognised in profit in the Year in which they are incurred.

#### d) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the Year, determined in accordance with the Tanzanian Income Tax Act.

# MEK ONE LOGISTICS LIMITED

Annual report and financial statements  
For the Year ended 31 December 2021

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## 1. SIGNIFICANT ACCOUNTING POLICIES CONTINUES

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases (known as temporary differences). Deferred tax liabilities are recognised for all temporary differences that are expected to increase taxable profit in the future. Deferred tax assets are recognised for all temporary differences that are expected to reduce taxable profit in the future and any unused tax losses or unused tax credits. Deferred tax assets are measured at the highest amount that, on the basis of current or estimated future taxable profit, is more likely than not to be recovered.

The net carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Any adjustments are recognised in profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the taxable profit (tax loss) of the Years in which it expects the deferred tax asset to be realised or the deferred tax liability to be settled, on the basis of tax rates that have been enacted or substantively enacted by the end of the reporting Year.

## SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**e) Translation of foreign currencies**

All transactions in foreign currencies are initially recorded in Tanzanian Shillings, using the spot rate at the date of transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement or translation are recognised in profit or loss.

**f) Share Capital**

Ordinary shares are classified as equity.

**g) Property, plant and equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Subsequent 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 benefits 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 profit and loss account during the financial Year in which they are incurred.

Depreciation is calculated using the reducing balance method to write down the cost of fixed assets to their residual values over their estimated useful lives, as follows:

	<b>Rates</b>
Equipment and furniture	12.5%
Computers	37.5%
Setup costs / Buildings	5.0%
Motorehicles	25.0%
Plant and machinery	12.5%

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

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount December not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining operating profit.

#### **h) Receivables**

Receivables are recognised initially at fair value. A provision for impairment of receivables is established when there is objective evidence that the company will not be able to collect all the amounts due according to the original terms of receivables. The amount of the provision is the difference between the carrying amount and the present value of expected cash flows, and is recognised in the profit and loss account.

#### **i) Leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the profit and loss account on a straight-line basis over the Year of the lease.

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**j) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average cost method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity), but excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

**k) Financial liabilities**

Financial liabilities are initially recognised at the transaction price (including transaction costs). Trade payables are obligations on the basis of normal credit terms and do not bear interest. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest method.

**l) Retirement benefits obligations**

The company makes contributions to National social Security Fund, a statutory defined contribution pension scheme. The company's obligations under the scheme are limited to specific contributions legislated from time to time and are currently limited to 10% of the respective employee's gross salary less transport allowances. The company's contributions are charged to the income statement in the period in which they relate.

**m) Payables**

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**n) Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method; any differences between proceeds (net of transaction costs) and the redemption value is recognised in the profit and loss account over the Year of the borrowings.

**o) Share capital**

Ordinary shares are classified as equity.

MEK ONE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2021

NOTES	31.12.2021	31.12.2020
<b>2 REVENUE</b>	<b>TZS</b>	<b>TZS</b>
Transport Income-Fuel-Transit-AGO	3,406,321,112	1,909,477,856.35
Transport Income-Fuel-Transit-PMS	2,043,792,667	1,145,686,713.81
Transport Income-Loose Cargo	1,362,528,445	763,791,142.54
	<b>6,812,642,223.62</b>	<b>3,818,955,712.70</b>
<b>3 COST OF SALES</b>	<b>TZS</b>	<b>TZS</b>
Opening Inventory 1	-	-
Opening Inventory 2	-	-
Opening Inventory 3	-	-
<b>Purchases During the Year:</b>		
505 Truck Subcontractors	2,138,609,909	735,182,412
506 Repair and Maintenance	1,283,165,945	557,478,738
507 Fuel Expenses	855,443,964	371,652,492
508 Tyres and Batteries Expenses	-	193,948,818
509 Mileage Expenses	366,964,090	250,787,600
510 Road Toll Expenses	341,150,845	282,886,920
511 Forklift Expenses	-	5,739,652
<b>Total Purchases during the Year</b>	<b>4,985,334,754</b>	<b>2,397,676,632</b>
<b>Cost of Goods Available for Sale (COGAS)</b>	<b>4,985,334,754</b>	<b>2,397,676,632</b>
Less: Ending Inventory-1	-	-
Ending Inventory -2	-	-
Ending Inventory -3	-	-
<b>Cost of Sales</b>	<b>4,985,334,753.74</b>	<b>2,397,676,631.67</b>
<b>4 OTHER INCOME</b>	<b>TZS</b>	<b>TZS</b>
460. Miscellaneous Income	3,109,477.46	150,000.00
461. Rental Income	-	76,248,000.00
462. Disposal of Fixed Asset	-	-
463. Stock Difference Adjustments- Gain/(Loss)	-	-
464. Foreign Exchange-Fluctuation- Gain/ (Loss)	-	-
<b>TOTAL</b>	<b>3,109,477.46</b>	<b>76,398,000.00</b>
<b>5 ADMINISTRATIVE EXPENSES</b>	<b>TZS</b>	<b>TZS</b>
Agent Fees	450,000	450,000
Bond (CB20 & CB40) Charges	28,210,778	20,726,688
Travelling Expenses	23,923,900	7,163,040
Calibration	22,583,500	22,213,000
COMESA Expenses	24,273,000	18,843,000
Transit loss	2,202,164	2,202,164
Printin & Stationery	4,178,392	4,178,392
Povision for bad debt		
Utilities-Electricity		
Fire and Safety	2,021,650	2,021,650
City Service Levy	7,744,083	7,744,083
Labor charges	21,795,388	
Facilitation	2,577,100	2,577,100
Insurance	20,876,140	7,234,853
Communication -Internet and Airtime charges		
Terminal Benefit	21,795,388	8,588,927
<b>TOTAL</b>	<b>182,631,483</b>	<b>103,942,896</b>

MEK ONE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2021

NOTES

	31.12.2021	31.12.2020
<b>6 PERSONNEL EXPENSES</b>	<b>TZS</b>	<b>TZS</b>
612 Salaries & Wages	188,492,882	174,607,912
613 NSSF Contributions	18,849,288	17,460,791
614 Other Staff Cost	-	3,067,500
615 SDL On Staff Payroll	8,000,130	7,437,838
616 Workers' Compensation Fund (WCF)	1,884,929	1,746,079
617 NHIF Contributions	910,927.28	5,238,237
618 Medical Expenses	-	-
<b>Total</b>	<b>218,138,156</b>	<b>209,558,358</b>
<b>7 RENT, SERVICE AND MAINTENANCE</b>	<b>31.12.2021</b>	<b>31.12.2020</b>
630 Office Rent	17,167,611	17,167,611
631 Service Fees	24,067,683	6,488,585
632 Licences	-	-
633 Work Permits	13,015,200	8,756,500
634 Duties and Taxes	28,556,450	28,556,450
	<b>82,806,944</b>	<b>60,969,146</b>
<b>8 ACCOUNT, AUDIT &amp; LEGAL</b>	<b>31.12.2021</b>	<b>31.12.2020</b>
Finance & Consulting	1,500,000	1,500,000
Legal (Advocate)	13,639,652	13,639,652
City Refuse	-	-
<b>TOTAL</b>	<b>15,139,652</b>	<b>15,139,652</b>
<b>9 711 MARKETING AND DEVELOPMENT</b>	<b>31.12.2021</b>	<b>31.12.2020</b>
711 Promotion & Advertising & commission	16,057,982	16,057,982
712 Discounts	-	-
713 Motorvehicle Fuel	25,098,692	4,190,500
714 Bridge Fees	18,865,758	10,619,873
715 Management Fee	13,551,120	-
716 Communication (Internet and Airtime) Exps	5,856,661	5,856,661
717 Parking Expenses	5,658,039	5,658,039
718 Logistics	200,000	200,000
719 Statutory fees	-	-
720 Shipping Fees	-	-
721 Sumatra Vehicle	9,895,000	9,895,000
722 Membership Fee	-	-
	<b>95,183,252</b>	<b>52,478,055.46</b>
<b>10 BOARD EXPENSES</b>	<b>31.12.2021</b>	<b>31.12.2020</b>
Membership fee	-	-
Directors' Drawings	-	63,987,850
Airtickets	43,562,350	1,276,720
222 Withholding Taxes (WHT)	-	-
223 Stamp Duty on WHT	-	-
	<b>43,562,350</b>	<b>65,264,570</b>
<b>11 FINANCIAL EXPENSES</b>	<b>31.12.2021</b>	<b>31.12.2020</b>
851 Bank Charge & commissions	6,762,079	3,351,992
852 Interest expense	9,246,429	40,638,056
990 Exchange Loss	-	-
	<b>16,008,508</b>	<b>43,990,048</b>

**MEK ONE LOGISTICS LIMITED**  
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NOTES	31.12.2021	31.12.2020
12	TZS;	TZS;
<b>PROVISION FOR TAXATION</b>		
<b>222. INCOME TAX (Corporate Tax)</b>	<b>TZS;</b>	<b>TZS;</b>
Tax brought forward	283,319,139.25	226,975,528
Prior years' Tax Adjustments	-	-
Current Year's Tax Provision	170,512,771.62	65,343,611.35
	<u>453,831,910.87</u>	<u>292,319,139.25</u>
Tax Paid During the year	9,000,000.00	9,000,000
<b>Balance</b>	<b>444,831,910.87</b>	<b>283,319,139.25</b>
<b>228. VAT Payables</b>	<b>TZS;</b>	<b>TZS;</b>
Tax brought forward	-	-
Current Year's Tax Provision	-	-
	<u>-</u>	<u>-</u>
Tax Paid During the year	-	-
<b>Balance</b>	<b>-</b>	<b>-</b>
<b>241. Pay As You Earn (P. A. Y.E.)</b>	<b>TZS;</b>	<b>TZS;</b>
Tax brought forward	-	-
Current Year's Tax Provision	-	-
	<u>-</u>	<u>-</u>
Tax Paid During the year	-	-
<b>Balance</b>	<b>-</b>	<b>-</b>
<b>244. Skilled Development Levy (SDL)</b>	<b>TZS;</b>	<b>TZS;</b>
Tax brought forward	-	-
Current Year's Tax Provision	-	-
	<u>-</u>	<u>-</u>
Tax Paid During the year	-	-
<b>Balance</b>	<b>-</b>	<b>-</b>
<b>221. NSSF (10%)</b>	<b>TZS;</b>	<b>TZS;</b>
Tax brought forward	-	-
Current Year's Tax Provision	-	-
	<u>-</u>	<u>-</u>
Tax Paid During the year	-	-
<b>Balance</b>	<b>-</b>	<b>-</b>
<b>226. WCF (1%)</b>	<b>TZS;</b>	<b>TZS;</b>
Tax brought forward	-	-
Current Year's Tax Provision	-	-
	<u>-</u>	<u>-</u>
Tax Paid During the year	-	-
<b>Balance</b>	<b>-</b>	<b>-</b>
<b>245. (NHIF 6%)</b>	<b>TZS;</b>	<b>TZS;</b>
Tax brought forward	-	-
Current Year's Tax Provision	-	-
	<u>-</u>	<u>-</u>
Tax Paid During the year	-	-
<b>Balance</b>	<b>-</b>	<b>-</b>
<b>228. Withholding Tax on Rent</b>	<b>TZS;</b>	<b>TZS;</b>
Tax brought forward	1,716,761.10	-
Current Year's Tax Provision	1,716,761.10	1,716,761
	<u>3,433,522.20</u>	<u>1,716,761.10</u>
Tax Paid During the year	-	-
<b>Balance</b>	<b>3,433,522.20</b>	<b>1,716,761</b>
<b>228. STAMP DUTY</b>	<b>TZS;</b>	<b>TZS;</b>
Tax brought forward	171,676.11	-
Current Year's Tax Provision	171,676.11	171,676
	<u>343,352.22</u>	<u>171,676.11</u>
Tax Paid During the year	-	-
<b>Balance</b>	<b>343,352.22</b>	<b>171,676.11</b>
<b>TOTAL TAXES DUE</b>	<b>448,608,785.29</b>	<b>285,207,576.46</b>



**MEK ONE LOGISTICS LIMITED**  
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14 ACCOUNTS PAYABLE				31.12.2021	31.12.2020
		USD	EX Rate	TZS	TZS
14.2.1 MATERIAL SUPPLIERS					
1	AFRICA OIL RWANDA	3,673.33	2,310.00	8,485,398.94	8,485,398.94
2	AFRI (EA) LIMITED	476.19	2,310.00	1,100,000.00	1,100,000.00
3	AMANA SCANIA AUTO PARTS	720.77	2,310.00	1,664,980.00	1,664,980.00
4	AMESCO LIMITED	935.06	2,310.00	2,160,000.00	2,160,000.00
5	Auditax International	(1,722.94)	2,310.00	(3,980,000.00)	(3,980,000.00)
6	AW TRANSPORT (WALED)	13,504.96	2,310.00	31,196,452.22	31,196,452.22
7	BAHDELA COMPANY LIMITED	2,626.62	2,310.00	6,067,500.01	6,067,500.01
8	BANSAL PUMP SERVICE LTD	0.00	2,310.00	0.10	0.10
9	Bhachu Industries Ltd	14,492.64	2,310.00	33,478,000.00	33,478,000.00
10	BINSLUM TYRES CO LTD	2,056.28	2,310.00	4,750,000.00	4,750,000.00
11	Britan Insurance Tanzania Limited	(1.73)	2,310.00	(4,000.00)	(4,000.00)
12	Car Wash (KIBAHA MD)	(237.14)	2,310.00	(547,786.30)	(547,786.30)
13	CHAGAMA PNEUMATIC INVESTMENT	727.71	2,310.00	1,681,000.00	1,681,000.00
14	Comfort Apartments Ltd	(3,222.22)	2,310.00	(7,443,332.40)	(7,443,332.40)
15	Dejaviro Enterprises	434.20	2,310.00	1,003,000.00	1,003,000.00
16	EAST AFRICA WAREHOUSING (T) LTD	0.09	2,310.00	212.67	212.67
17	E AWADH AND CO LTD	23,809.51	2,310.00	54,999,974.04	54,999,974.04
18	E- BETTER TRACK LIMITED	1,412.12	2,310.00	3,262,000.00	3,262,000.00
19	FAHAD ABDALLAH KHAMIS	1,237.00	2,310.00	2,857,480.00	2,857,480.00
20	Fuad Yaslem (Sub Contractor)	(464.81)	2,310.00	(1,073,712.00)	(1,073,712.00)
21	Habib Euro Diesel Ltd	1,428.57	2,310.00	3,300,000.00	3,300,000.00
22	HERITAGE INSURANCE CO LTD	(1,302.60)	2,310.00	(3,009,000.00)	(3,009,000.00)
23	HS COMPUTERS LTD	0.00	2,310.00	0.04	0.04
24	I & M Auto Spare Parts	155.84	2,310.00	360,000.00	360,000.00
25	LAKE TRANS (YUSRA EDHA AWADH)	1,648.05	2,310.00	3,806,988.00	3,806,988.00
26	LIFE TIME AUTOPARTS LTD	927.67	2,310.00	2,142,920.00	2,142,920.00
27	LIFE TIME (SUB COUNTRACTOR)	1,497.47	2,310.00	3,459,150.50	3,459,150.50
28	Mazrui International	(3,717.53)	2,310.00	(8,587,500.00)	(8,587,500.00)
29	Mek One General Traders Co LTD	88,245.34	2,310.00	203,846,729.40	1,038,718,352.10
30	Mek One Industries Ltd	(152,423.08)	2,310.00	(352,097,321.01)	(352,097,321.01)
31	Mek One Transit	122,542.51	2,310.00	283,073,196.22	283,073,196.22
32	Mikoani Traders Ltd	14,138.53	2,310.00	32,660,000.00	32,660,000.00
33	MSOZA TRANSPORT CO. LTD	10,278.70	2,310.00	23,743,805.02	23,743,805.02
34	Mwanza Automobiles & Hardwares Ltd	2,065.77	2,310.00	4,771,920.00	4,771,920.00
35	NAS Tyre Services Limited	34,008.71	2,310.00	78,560,122.04	78,560,122.04
36	Other Payables	432.90	2,310.00	1,000,000.00	1,000,000.00
37	PETRO LOGISTIICS LTD	(6,960.61)	2,310.00	(16,079,001.58)	(16,079,001.58)
38	PETRO LOGISTIICS LTD	(2.16)	2,310.00	(5,000.00)	(5,000.00)
38	Powercomputers Telecommunication Ltd	(1,524.75)	2,310.00	(3,522,163.63)	(3,522,163.63)
39	Proagro (Pty) Ltd	(6,327.27)	2,310.00	(14,616,000.00)	(14,616,000.00)
40	SAMIA SALEH SALUM	#VALUE!	2,310.00	-	-
41	SANYA HAULIERS LIMITED	24,616.66	2,310.00	56,864,473.42	56,864,473.42
42	Scania Tanzania Ltd (SERVICE)	38.96	2,310.00	90,000.00	90,000.00
43	Security World Technology (T) Ltd	716.02	2,310.00	1,654,000.00	1,654,000.00
44	SINOTAN TRUCK CO LTD	29,743.12	2,310.00	68,706,600.00	68,706,600.00
45	Sino Truck International	41,879.68	2,310.00	96,742,054.54	96,742,054.54
46	Suleiman Md (Directores A/c)	(641.13)	2,310.00	(1,481,000.00)	(1,481,000.00)
47	TOTAL TANZANIA LTD	22,225.97	2,310.00	51,341,980.23	51,341,980.23
48	Ukod International (Transport)	(1,189.72)	2,310.00	(2,748,249.00)	(2,748,249.00)
49	Usangu Retreads Ltd	31,997.02	2,310.00	73,913,120.13	73,913,120.13
50	VERCO VEHICLE AUTO PARTS CO LTD	(43.29)	2,310.00	(100,000.00)	(100,000.00)
51	Vodacom Tanzania PLC	351.70	2,310.00	812,430.00	812,430.00
52	Winow Fire & Motor Works Limited	(128.89)	2,310.00	(297,733.30)	(297,733.30)
53	WORLD LINK TRAVEL & TOURS LTD	802.94	2,310.00	1,854,800.00	1,854,800.00
54	YAHAYA SIMBA AUTO SPARE PARTS	15,854.68	2,310.00	36,624,300.34	36,624,300.34
55	YUSUF TRANSPORT			766,442,788.64	1,601,314,411.34
<b>TOTAL</b>				<b>766,442,788.64</b>	<b>1,601,314,411.34</b>

MEK ONE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2021

15 TRADE AND OTHER PAYABLES		31.12.2021		31.12.2020
15.1.1 OTHER SUPPLIERS		USD	EX-Rate	TZS
				TZS
1	Auditax International			3,474,389.08
2	ATEKAY Accountants & Auditors			-
<b>TOTAL</b>				<b>3,474,389.08</b>

TRADE AND OTHER PAYABLE		31.12.2021		31.12.2020
15.1.2 LONGTERM LOAN FACILITY		USD	EX-Rate	TZS
				TZS
1	Opening Balance			4,095,584.21
3	Addition during the year			242,427,100.00
3	<b>Total</b>			<b>246,522,684.21</b>
4	Less Loan Repayment			238,331,515.79
<b>TOTAL</b>				<b>8,191,168.42</b>

15 TRADE AND OTHER PAYABLE		31.12.2021		31.12.2020
15.1.3 LONGTERM LOAN FACILITY		USD	EX-Rate	TZS
				TZS
1	Opening Balance			-
3	Addition during the year			-
3	<b>Total</b>			<b>-</b>
4	Less Interest Paid on Term Loan During the Year			-
<b>TOTAL</b>				<b>-</b>

15 TRADE AND OTHER PAYABLE		31.12.2021		31.12.2020
15.1.4 SHORT-TERM LOAN (REVOLVING FUND)		USD	EX-Rate	TZS
				TZS
1	Overdraft Cum LC/PIL/ BG from DTB Bank	-	2,298.45	-
3	Other Payables	-	2,298.45	-
<b>TOTAL</b>				<b>-</b>

15.1.5 ALTERNATIVE MINIMUM TAX (AMT)		31.12.2021	31.12.2020
		TZS	TZS
Annual Turnover		-	-
AMT Rate		0.50%	0.50%
AMT Paid / Adjusted During the year		-	-
<b>Tax Credit</b>			

**MEK ONE LOGISTICS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT 31ST DECEMBER 2021**

**16 ACCOUNTS RECEIVABLE**

**16.1 RELATED PARTY DISCLOSURE**

There are other Companies that are related to the Company through common Shareholdings or common directships. The following transactions were carried out with related parties:

**16.1.1 DUE FROM RELATED PARTIES**

			31.12.2021	31.12.2020
	USD	EX-RATE	TZS	TZS
1 Truck Donated to Directors	19,748.92	2,310.00	45,620,000.00	45,620,000.00
2 Directors' Drawings	20,003.03	2,310.00	46,207,000.00	46,207,000.00
3 Mek-One Logistics Ltd	-	2,310.00		
8 Mek-One Investment Ltd- Cash	-	2,310.00		
<b>GRAND TOTAL</b>	<b>39,751.95</b>		<b>91,827,000.00</b>	<b>91,827,000.00</b>

**121. TRADE RECEIVABLES**

**FREIGHT DEBTORS**

			31.12.2021	31.12.2020
	USD	EX-RATE	TZS	TZS
1 A . K TRANSPORT CO LTD	799.92	2,310.00	1,847,826.59	1,000,000.00
2 ALLY SALIM	15,515.80	2,310.00	35,841,501.90	3,525,566.29
3 AXE VENTURES LTD	10,721.17	2,310.00	24,765,906.06	212,666.64
4 Bollore Transport & Logistics T Ltd	18,981.75	2,310.00	43,847,833.68	(297.73)
5 Busi Energy & Logistics Limited	1,664.96	2,310.00	3,846,058.21	7,949,248.90
6 CASPAIN LTD	954.01	2,310.00	2,203,759.64	191,613,970.26
CONTINENTAL RELIABLE				
7 CLEARING T CO LTD	21,486.99	2,310.00	49,634,935.73	(850.67)
8 DELTA BOARD LTD	10,665.93	2,310.00	24,638,306.54	4,735,800.00
9 ETIKAY LIMITED	100.43	2,310.00	231,999.12	1,758,795.42
10 Finergy Petroleum LLC	(41,530.78)	2,310.00	(95,936,090.50)	24,825,000.00
11 Fleet Logistics ( T ) Ltd	(0.14)	2,310.00	(324.80)	1,108,500.00
12 HAM AUTO MOBILES	(626.97)	2,310.00	(1,448,300.00)	212,666.64
13 Image Consultancy Services(T) Ltd	5,687.12	2,310.00	13,137,249.00	100,000,000.00
14 Input Vat @ 18%	126,632.29	2,310.00	292,520,582.50	2,625,000.00
15 Kahama Cotton CO LTD	346.32	2,310.00	800,000.00	305,070,231.28
16 KNAUF GYPSUM TANZANIA LTD	40,223.22	2,310.00	92,915,647.56	2,503,500.00
17 Lake Trans Ltd	121,482.09	2,310.00	280,623,629.96	11,696,665.20
18 LUCKY ALLEN MWAMKUGA	0.00	2,310.00	0.04	-
19 MAINLINES CARRIERS LTD	(0.40)	2,310.00	(928.00)	-
20 MEK ONE MINING	4,257.92	2,310.00	9,835,800.00	-
21 Mek One ( SAWA SALT )	8,292.00	2,310.00	19,154,530.34	-
22 MOSA AGRICULTRUE	10,746.75	2,310.00	24,825,000.00	-
23 Mount Meru Millers LTD	479.87	2,310.00	1,108,500.00	-
24 Ngagara Grain Milling Co. SPRL	100.43	2,310.00	231,999.12	-
25 Other Receivables	43,290.04	2,310.00	100,000,000.00	-
26 Roger Mount	1,136.36	2,310.00	2,625,000.00	-
27 Sahara Tanzania Ltd	(1,132.75)	2,310.00	(2,616,648.47)	-
28 SHEBUGE HAJI	86.58	2,310.00	200,000.00	-
29 Star Instrument Co Ltd	1,083.77	2,310.00	2,503,500.00	-
30 TANIN GROVER LIMITED	0.00	2,310.00	0.04	-
31 Victorai Water Company	5,523.79	2,310.00	12,759,951.60	-
32 Village People Co	7,271.16	2,310.00	16,796,381.55	16,796,381.55
<b>GRAND TOTAL</b>	<b>414,239.66</b>		<b>956,893,607.41</b>	<b>675,632,843.78</b>

**MEK ONE LOGISTICS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT 31ST DECEMBER 2021**

**16 ACCOUNTS RECEIVABLE**

**17 OTHER ACCOUNTS RECEIVABLE**

Loan to staff	USD	EX-RATE	31.12.2021	31.12.2020
			TZS	TZS
Mohamed Edha Awadh	-	2,298.45	-	-
	-	2,298.45	-	-
	-	2,298.45	-	-
	-		-	-

**133 · Prepayments**

Prepaid Office rent				
Prepaid Subcontracted Vehicles			13,500,000.00	13,500,000.00
			<b>13,500,000.00</b>	<b>13,500,000.00</b>

**Shareholders' Account**

<b>Total Other Accounts Receivables</b>			<b>13,500,000.00</b>	<b>13,500,000.00</b>
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221.VAT Tax Claim Refund	USD	EX-RATE	31.12.2021	31.12.2020
			TZS	TZS
<i>Opening</i>				
January		2,181.24	-	-
February		2,181.24		
March		2,181.24		
April		2,181.24		
May		2,181.24		
June		2,181.24		
July		2,181.24		
August		2,181.24		
September		2,181.24		
October		2,181.24		
November		2,181.24		
December		2,181.24		
<b>Total</b>			<b>-</b>	<b>-</b>

## MEK ONE LOGISTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2021

## 18 ACCOUNTS RECEIVABLE

CASH AND BANKS		31.12.2021		31.12.2020	
CASH AND BANK BALANCES (USD)	USD	EX-RATE	TZS	TZS	USD
<b>Bank Accounts:</b>	-	2,310.00	-	-	-
Bank Account-ABC_USD_A/C_1717824021	-	2,310.00	-	-	-
Bank Account-EXIM_USD_A/C_0010052266	-	2,310.00	-	-	-
Bank Account-GUARANTY_USD_A/C_0021235002	-	2,310.00	34,788.60	635,457.90	-
Bank Account-STANBIC_USD_A/C_0001742599	-	2,310.00	-	-	-
Bank Account-OTHER_USD_A/C	-	2,310.00	-	-	-
<b>Subtotal-Bank USD</b>	-	-	<b>34,788.60</b>	<b>635,457.90</b>	-
CASH AND BANK BALANCES (TZS)	-	EX-RATE	TZS	TZS	USD
Bank Account-ABC_TZS_A/C_1717824010	-	2,310.00	-	-	-
Bank Account-EXIM_TZS_A/C_0010052269	-	2,310.00	-	-	-
Bank Account-GUARANTY_TZS_A/C_0021235001	15.80	2,310.00	36,496.01	18,694,380.27	-
Bank Account-STANBIC_TZS_A/C_0001742564	-	2,310.00	-	-	-
Bank Account-OTHER_TZS_A/C	-	2,310.00	-	-	-
<b>Subtotal-Bank Tzs</b>	<b>15.80</b>	-	<b>36,496.01</b>	<b>18,694,380.27</b>	-
<b>Cash On Hand :</b>	-	-	-	-	-
117 · Petty Cash(Tzs)	-	2,310.00	-	-	-
118 · CASH-Tzs	-	2,310.00	-	-	-
<b>Subtotal-Cash on hand-TZS</b>	-	-	-	-	-
<b>Grand Total-Cash at Bank and on Hand</b>	<b>15.80</b>	-	<b>71,284.61</b>	<b>19,329,838.17</b>	-

MEK ONE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2021

13 MOVEMENT OF FIXED ASSETS AND DEPRECIATION

	TRUCKS	TRAILERS	MOTOR-VEHICLES	FURNITURE AND EQUIPMENT	COMPUTERS AND ACCESSORIES	MACHINERY AND EQUIPMENT	TOTAL
<b>COST/VALUATION</b>							
01.01.2021	1,834,727,744	1,101,170,000	223,268,082	-	3,958,212	-	3,163,124,038
Additions	250,726,000	-	(1,268,000)	-	-	-	249,458,000
Disposal	-	-	-	-	-	-	-
<b>As at 31.12.2021</b>	<b>2,085,453,744</b>	<b>1,101,170,000</b>	<b>222,000,082</b>	<b>-</b>	<b>3,958,212</b>	<b>-</b>	<b>3,412,582,038</b>
<b>DEPRECIATION</b>							
01.01.2021	573,082,977	304,390,625	100,578,259	-	1,484,329	-	979,536,190
Charge for the year	378,092,692	199,194,844	30,355,456	-	927,706	-	608,570,697
<b>As at 31.12.2021</b>	<b>951,175,669</b>	<b>503,585,469</b>	<b>130,933,715</b>	<b>-</b>	<b>2,412,035</b>	<b>-</b>	<b>1,588,106,888</b>
Depr. Rate	25.00%	25.00%	25.00%	12.50%	37.50%	12.50%	
<b>NBV 31.12.2021</b>	<b>1,134,278,075</b>	<b>597,584,531</b>	<b>91,066,367</b>	<b>-</b>	<b>1,546,177</b>	<b>-</b>	<b>1,824,475,150</b>
NBV 31.12.2020	1,261,644,767	796,779,375	122,689,823	-	2,473,882	-	2,183,587,847