

**DOLPHIN FILAMENTS (TZ) LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**



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**Certified Public Accountants and Tax Consultants**

Samora Tower, Mezzanine 2nd floor (M2),  
Corner of Bridge and Mansfeild Street,  
P.O. Box 7286, Dar Es Salaam  
TEL.: +255(22) 2114081/2115688, FAX: +255 (22) 2131036

**Company information**

<b>Board of directors</b>	<b>Names</b>	<b>Nationality</b>
	Mrs. Zainab Juzar Thodiawala	Tanzanian
	Mr. Murtaza Saifuddin Musani	Indian
	Mr. Juzar Yusuf Thodiawala	Indian

**Registered office**

Office no. 6  
Plot No 172,  
Kilwa Road,  
Kiwalani Industrial Area

**Principal bankers**

NMB Bank  
Maktaba Square Branch  
Dar es Salaam  
Tanzania.

**Independent Practitioner**

Assad Associates  
Certified Public Accountants  
Mansfield/ Bridge street  
P O Box 7286  
Dar es Salaam  
Tanzania

**Company Secretary**

Mrs. Zainab Juzar Thodiawala      Tanzanian

<b>CONTENTS</b>	<b>PAGE</b>
Company information	1
Report of the directors	2 - 4
Statement of directors' responsibilities	5
Independent Practitioner's Report	6
Financial statements:	
Statement of profit or loss & other comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Statement of cash flows	10
Significant accounting policies	11 - 13
Notes to the financial statements	14 - 15
Tax computation	16

**Company information**

**Board of directors**

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Mrs. Zainab Juzar Thodiawala      Tanzanian

## **REPORT OF THE DIRECTORS**

The directors submit their annual report together with the financial statements for the year ended 31 December 2022 which disclose the state of affairs of the company.

## **INCORPORATION**

The company is domiciled in Tanzania where it is incorporated as a private company limited by shares. The address of the registered office is set out on page 1.

## **PRINCIPAL ACTIVITIES**

The principal activity of the company is that of Manufacturing of plastic products and Selling of Hardware

## **COMPOSITION OF THE BOARD OF DIRECTORS**

The directors who held office during the year and at the date of this report are shown as follows:

<b>Names</b>	<b>Position</b>
Mrs. Zainab Juzar Thodiawala	Director
Mr. Murtaza Saifuddin Musani	Director
Mr. Juzar Yusuf Thodiawala	Director

In accordance with the company's Articles of Association, no director is due for retirement by rotation.

## **CORPORATE GOVERNANCE**

The Board of Directors consists of three directors. The Board takes overall responsibility for the Company, including responsibility for identifying key risk areas, considering and monitoring significant investment decisions, considering significant financial matters, and reviewing the performance of management business plans and budgets. The Board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative, and for compliance with sound corporate governance principles.

The company is committed to the principles of effective corporate governance. The directors also recognize the importance of integrity, transparency and accountability to ensure high standards of corporate governance throughout the company.

## **SHARE CAPITAL**

The authorised and issued share capital of the company is shown on note 9 of the financial statements. The shareholders of the company with their respective shareholdings is as follows:

<b>Name of the shareholders</b>	<b>No of shares held</b>	<b>Shareholding</b>
Mrs. Zainab Juzar Thodiawala	39376	50.6%
Mr. Murtaza Saifuddin Musani	12808	16.5%
Mr. Juzar Yusuf Thodiawala	12808	16.5%
Mrs .Mariya Murtaza Musani	12808	16.5%
	<b>77800</b>	<b>100%</b>

## REPORT OF THE DIRECTORS (continued)

### RESULTS

	<b>2022</b>	<b>2021</b>
	<b><u>T.SHS</u></b>	<b><u>T.SHS</u></b>
Profit before tax	31,331,502	25,340,470
Tax charge - Current year	<u>(10,300,669)</u>	<u>(8,811,917)</u>
Profit for the year	<b><u>21,030,833</u></b>	<b><u>16,528,553</u></b>

### DIVIDEND

The directors do not recommend the declaration of a dividend for the year (2021: Nil).

### RISK MANAGEMENT AND INTERNAL CONTROL

The Board accepts final responsibility for the risk management and internal control systems of the Company. It is the task of management to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:

- The effectiveness and efficiency of operations;
- The safeguarding of the Company's assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and
- Responsible behaviours towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system, of internal control can provide absolute assurance against misstatement or losses, the company system is designed to provide the Board with reasonable assurance that the procedures in place are operating effectively.

The Board assessed the internal control systems throughout the financial year ended 31 December 2022 and is of the opinion that they met the expected criteria.

### SOLVENCY

The board of directors confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis. The board of directors has reasonable expectation that Dolphin Filament Tz Ltd has adequate resources to continue in operational existence for the foreseeable future.

### EMPLOYEES' WELFARE

#### Management and employees' relationship

There was continued good relationship between employees and management for the year ended 31 December 2022. There were no unresolved complaints received by Management from the employees during the year. A healthy relationship continues to exist between management and employees.

The company gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribes, religion and disability which does not impair ability to discharge duties.

**REPORT OF THE DIRECTORS (continued)**

**INDEPENDENT PRACTITIONER**

The company's independent practitioner, Assad Associates have expressed their willingness to continue in office in accordance with Section 170 of the Companies Act 2002 and are eligible for re-appointment. A resolution proposing the re-appointment for the year ended 31 December 2023 will be put in the Annual General Meeting.

**BY ORDER OF THE BOARD**



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**Mr. Juzar Yusuf Thodiawala**  
Director

28/06 2023



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**Mr. Murtaza Saifuddin Musani**  
Director

28/06 2023

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by the Companies Act 2002, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year the results of its operation and cash flows for the year then ended, in conformity with the International Financial Reporting Standards for Small and Medium-Seized entities and that they are free from material misstatement whether due to fraud or error.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-Seized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute assurance against material misstatement or loss.

The directors have reviewed the company's cashflow forecast for the year ended 31 December 2023 and in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

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 2022 and of its profit and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Tanzanian Companies Act 2002.

Approved by the board of directors and signed on its behalf by:



.....  
**Mr. Juzar Yusuf Thodiawala**  
Director



.....  
Date

**Report on the financial statements**

We have compiled the accompanying financial statements of Dolphin Filaments (TZ) Ltd based on information you have provided. These financial statements comprise the statement of financial position of Dolphin Filaments (TZ) Ltd as at 31st December 2022 the statement of profit or loss, 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.

We performed this compilation engagement in accordance with International Standards on Related Services 4410 (revised), Compilation engagements.

The directors are responsible for maintaining the books of accounts that give a true and fair view in accordance with the International Financial Reporting Standard and the requirements of the Tanzanian Companies Act 2002.

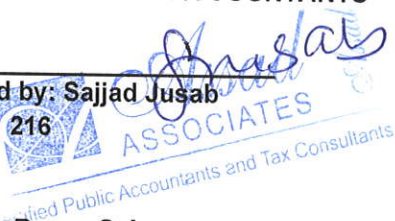
These financial statements and the accuracy, authenticity and completeness of the information used to compile them are director's responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy, authenticity or completeness of the information provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements have been accurately prepared in accordance with IFRS for SME's.

We have obtained information and explanation which were necessary for the purpose of our compilation. However where adequate third party documentation were not available, and where accuracy, authenticity and completeness of the accounting records were not obtainable, we have accepted assurances from the management that the Company's transactions have been reflected correctly in the records provided to us.

**FOR : ASSAD ASSOCIATES  
CERTIFIED PUBLIC ACCOUNTANTS**

Signed by: Sajjad Jusab  
FCPA 216



28/06/2023  
Date

Place : Dar es Salaam

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Notes	<b>2022</b> <b><u>T.SHS</u></b>	<b>2021</b> <b><u>T.SHS</u></b>
Revenue	1	2,724,291,610	1,342,677,387
Cost of sales	2	<u>(2,424,519,026)</u>	<u>(1,047,288,364)</u>
<b>Gross profit</b>		<b>299,772,584</b>	<b>295,389,023</b>
Administrative expenses	3	(258,317,308)	(267,006,489)
Foreign exchange loss	4	<u>(10,123,774)</u>	<u>(3,042,064)</u>
<b>Profit before tax</b>		<b>31,331,502</b>	<b>25,340,470</b>
Tax charge for current year		(10,300,669)	(8,811,917)
<b>Profit for the year</b>		<b><u>21,030,833</u></b>	<b><u>16,528,553</u></b>

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Notes	2022 T.SHS	2021 T.SHS
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property & equipment	5	171,487,687	224,594,435
		<u>171,487,687</u>	<u>224,594,435</u>
<b>Current assets</b>			
Inventory	6	1,532,515,069	1,619,275,697
Trade & other receivables	7	175,940,283	125,780,390
Cash & cash equivalents	8	133,070,043	25,333,142
		<u>1,841,525,396</u>	<u>1,770,389,229</u>
<b>TOTAL ASSETS</b>		<u><b>2,013,013,086</b></u>	<u><b>1,994,983,664</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	9	1,283,000,000	778,000,000
Retained earnings	10	(16,794,768)	(13,832,422)
		<u>1,266,205,232</u>	<u>764,167,578</u>
<b>Current liabilities</b>			
Trade & other payables	11	730,682,546	1,219,111,291
Taxation		16,125,308	11,704,795
		<u>746,807,854</u>	<u>1,230,816,086</u>
<b>TOTAL OF EQUITY AND LIABILITIES</b>		<u><b>2,013,013,086</b></u>	<u><b>1,994,983,664</b></u>



.....  
**Mr. Juzar Yusuf Thodiawala**  
 Director



.....  
**Mr. Murtaza Saifuddin Musani**  
 Director

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022**

	<u>Share Capital T.SHS</u>	<u>Retained Earnings T.SHS</u>	<u>Total T.SHS</u>
<b>2022</b>			
At start of year	778,000,000	(13,832,422)	764,167,578
Share capital issued	505,000,000	-	505,000,000
Total comprehensive income for the year	-	21,030,833	21,030,833
Prior year tax	-	(23,993,179)	(23,993,179)
At end of year	<u>1,283,000,000</u>	<u>(16,794,767)</u>	<u>1,266,205,233</u>
<b>2021</b>			
At start of year	778,000,000	20,789,763	798,789,763
Total comprehensive income for the year	-	16,528,553	16,528,553
Prior year tax	-	(51,150,738)	(51,150,738)
At end of year	<u>778,000,000</u>	<u>(13,832,422)</u>	<u>764,167,577</u>

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	<b>2022</b> <b>T.SHS</b>	<b>2021</b> <b>T.SHS</b>
<b>Cash flows from operating activities</b>			
Profit for the year		31,331,502	25,340,470
<i>Adjustment for:</i>			
Prior year adjustment		4,180,000	-
Depreciation	4	<u>56,687,257</u>	<u>74,551,630</u>
Profit before changes in working capital		92,198,759	99,892,100
<i>Changes in working capital</i>			
Inventory		86,760,628	(636,880,277)
Trade & other receivables		(50,159,893)	(70,314,648)
Trade & other payable		<u>(488,428,746)</u>	<u>665,421,482</u>
<i>Cash generated from operations</i>		(359,629,252)	58,118,657
Tax paid for prior year		(23,553,337)	(22,024,395)
Tax paid for current year		<u>(10,500,000)</u>	<u>(9,000,000)</u>
<b>Net cash (generated from)/used in operating activities</b>		<b><u>(393,682,589)</u></b>	<b><u>27,094,262</u></b>
<b>Cash flows from investing activities</b>			
Cash paid for purchase of property & equipment	4	(3,580,508)	(14,595,244)
Cash paid to acquire intangible assets		<u>-</u>	<u>-</u>
<b>Net cash used in investing activities</b>		<b><u>(3,580,508)</u></b>	<b><u>(14,595,244)</u></b>
<b>Cash flows from financing activities</b>			
Increase in share capital		505,000,000	-
<b>Net cash generated from financing activities</b>		<b><u>505,000,000</u></b>	<b><u>-</u></b>
<i>Net decrease in cash and cash equivalents</i>		107,736,902	12,499,017
<b>Cash &amp; cash equivalents at start of year</b>		<u>25,333,142</u>	<u>12,834,125</u>
<b>Cash &amp; cash equivalents at end of year</b>	<b>8</b>	<b><u><u>133,070,044</u></u></b>	<b><u><u>25,333,142</u></u></b>

## **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.

### **1a) Basis of preparation**

These financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium sized Entities, and the requirements of the Companies Act of United Republic of Tanzania. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. These financial statements are presented in Tanzanian Shillings.

### **1b) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for services provided in the normal course of business, net of discounts and volume rebates.

Rental income is accrued by reference to time on a straight line basis over the lease term.

### **1c) Taxation**

#### **Current tax assets and liabilities**

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset, limited to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

#### **Deferred tax**

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, limited to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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 periods 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 period.

#### **Tax expense**

Income tax expense represents the sum of the tax currently payable and deferred tax movement for the current period. The tax currently payable is based on taxable profit for the year.

### **1d) Translation of foreign currencies**

Transactions in foreign currencies during the year are converted into Tanzanian Shillings (the functional currency), at the rates ruling at the transaction dates.

At the end of each reporting period:

- i) Monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.
- ii) Non monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.
- iii) Non monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise

## SIGNIFICANT ACCOUNTING POLICIES (*continued*)

### 1e) Property & equipments

Property & equipments are tangible items that:

- i) Are held for use in the supply of services and for administrative purpose.
- ii) Are expected to be used for more than one period.

Items of property & equipments are initially recognised at cost. Costs include all costs incurred to bring the asset to the condition necessary for it to be capable of operating in the manner intended by

Subsequent costs are included in the asset's carrying value 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. Repairs and maintenance is charged to the statement of comprehensive income in the year to which it relates.

Items of property & equipments are measured at cost less accumulated depreciation and any

Depreciation is provided using the straight line method to write down the cost less estimated residual value over the useful life of property & equipments. The following annual rates are used for the depreciation of property & equipments.

Items	Rates
Motor vehicles	25%
Furniture and Equipments	12.5%
Machinery	25%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

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

### 1f) Impairment of asset

At each reporting date, the company assesses whether there is any indication that any asset (or group of related assets) may be impaired. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, this does not apply to impairment losses allocated to goodwill, the reversal of which is prohibited by the standard.

### 1g) Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (this includes transaction cost except in the initial measurement of financial assets and liabilities that will be measured at fair value through profit or loss). If however the arrangement constitutes a financing transaction it is then measured at the present value of the future payments, discounted at a market related interest rate.

**Trade & other receivables**

Most sales are made on the basis of normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss.

## **SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **1g) Financial instruments (continued)**

#### **Trade & other payables**

Trade and other payables are obligations on the basis of normal credit terms and do not bear interest. Trade and other payables denominated in a foreign currency are translated into functional currency using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income or other expenses.

### **1h) Cash & cash equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

Cash and cash equivalents are classified as loans and receivables.

### **1i) Share capital**

Ordinary shares are classified as equity.

### **1j) Provisions & contingencies**

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably.

Contingent assets and contingent liabilities are not recognised.

### **1k) Comparatives**

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

## **2) Key sources of estimation uncertainty**

In the application of the accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Such estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The directors have made the following assumptions that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

#### **(i) Property and equipment**

Critical estimates are made by the directors in determining depreciation rates for property and equipments. The depreciation rates used are set out in the respective accounting policy under property and equipments.

#### **(ii) Income taxes**

Estimates made in determining the income tax expense for transactions for which the ultimate determination of the income tax expense is uncertain in the ordinary course of business.

<b>NOTES TO THE FINANCIAL STATEMENTS</b>	<b>2022</b>	<b>2021</b>
	<b><u>T.SHS</u></b>	<b><u>T.SHS</u></b>
<b>1 Revenue</b>		
Revenue	2,724,291,610	1,342,677,387
	<b><u>2,724,291,610</u></b>	<b><u>1,342,677,387</u></b>
<b>2 Cost of sales</b>		
Opening stock	1,619,275,697	982,395,420
Purchases	2,138,022,689	1,523,948,044
Direct Expenses	199,735,709	160,220,597
	<b><u>3,957,034,095</u></b>	<b><u>2,666,564,061</u></b>
Closing stock	(1,532,515,069)	(1,619,275,697)
	<b><u>2,424,519,026</u></b>	<b><u>1,047,288,364</u></b>
<b>3 Administrative expenses</b>		
Accountancy & secretarial fees	1,762,712	1,762,708
Bank charges	1,820,802	1,118,434
City service levy	8,172,875	4,028,032
Depreciation	56,687,257	74,551,630
Directors remuneration	12,000,000	12,000,000
Fire Rescue and Retention	500,000	500,000
Generator running expenses	14,851,896	13,367,680
Immigration permit expenses	3,499,928	5,505,990
Refuse collection charges	1,440,000	1,440,000
Salaries, wages & other related costs	89,510,000	100,810,000
Skills & development levy	4,060,400	4,515,200
M/Vehicle running expenses	8,110,000	799,559
NSSF contribution	8,969,000	10,081,000
Internet & telephone	1,199,153	699,153
Printing, postage & stationery	4,810,000	3,868,414
Penalty & fines	151,841	-
Stamp duty	60,000	60,000
Security expenses	5,813,559	5,737,289
License & subscription	4,336,000	5,207,000
Travelling expenses	26,704,250	16,629,300
Repairs & maintenance	3,360,255	3,516,802
Workmen's compensation	497,380	808,300
	<b><u>258,317,308</u></b>	<b><u>267,006,489</u></b>
<b>4 Finance cost</b>		
Foreign exchange loss	10,123,774	3,042,064
	<b><u>10,123,774</u></b>	<b><u>3,042,064</u></b>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**5 Property & equipment**

	Cost 1.1.2022	Additions/ (Disposal)	Total	Depreciation	Balance as at 31.12.2022
	<u>T.SHS</u>	<u>T.SHS</u>	<u>T.SHS</u>	<u>T.SHS</u>	<u>T.SHS</u>
Machinery	198,509,249	-	198,509,249	49,627,312	148,881,937
Furniture & fittings	1,644,206	1,207,627	2,851,833	356,479	2,495,354
Motor vehicles	24,440,980	2,372,881	26,813,862	6,703,465	20,110,396
	<u>224,594,435</u>	<u>3,580,508</u>	<u>228,174,944</u>	<u>56,687,257</u>	<u>171,487,687</u>

	2022 <u>T.SHS</u>	2021 <u>T.SHS</u>
<b>6 Inventory</b>		
Stock	1,532,515,069	1,619,275,697
	<u>1,532,515,069</u>	<u>1,619,275,697</u>

**7 Trade & other receivables**

Deposit, prepayment and advances	108,660,142	-
VAT recoverable	67,280,142	125,780,390
	<u>175,940,283</u>	<u>125,780,390</u>

**8 Cash & cash equivalents**

Cash in hand	1,043,896	2,926,049
Cash at bank	132,026,147	22,407,092
	<u>133,070,043</u>	<u>25,333,142</u>

**9 Share capital**

**Authorised:**

120,000 shares of TShs10,000 each	1,200,000,000	1,200,000,000
80,000 shares of TShs10,000 each	800,000,000	-
	<u>2,000,000,000</u>	<u>1,200,000,000</u>

**Issued and fully paid:**

77,800 shares of TShs10,000 each	778,000,000	778,000,000
50,500 shares of TShs10,000 each	505,000,000	-
	<u>1,283,000,000</u>	<u>778,000,000</u>

**10 Retained earnings**

As at 1 January	(13,832,422)	20,789,763
Profit for the year	21,030,833	16,528,553
Prior year tax	(23,993,179)	(51,150,738)
As at 31 December	<u>(16,794,768)</u>	<u>(13,832,422)</u>

**11 Trade and other payables**

Trade payables	727,294,829	1,211,114,044
Accrued charges	3,387,717	7,997,247
	<u>730,682,546</u>	<u>1,219,111,291</u>

<b>TAX COMPUTATION</b>	<b>2022</b> <b><u>T.SHS</u></b>
<b>Profit before tax as per accounts</b>	<b>31,331,502</b>
<b><u>Add: Non-allowable expenses</u></b>	
Penalty & fines	151,841
Depreciation	56,687,257
	<b>56,839,098</b>
<b><u>Less: Allowable deductions</u></b>	
Wear and tear allowance	(53,835,037)
	<b>(53,835,037)</b>
<b>Adjusted income for the year</b>	<b>34,335,564</b>
<b><u>POSITION OF TAXATION</u></b>	
Balance brought forward	Provisional tax Withholding tax
Less: Tax credit written off due to TRA assessment	
<b>Less: Corporation tax at 30%</b>	10,300,669
	10,300,669
<b>Less: Provisional tax paid for the year</b>	(10,500,000)
<b>Tax payable</b>	<b>(199,331)</b>

**DEPRECIATION ALLOWANCES SCHEDULE FOR THE YEAR 2022**

	<b>CLASS I</b> <b>37.5%</b> <b>TZS</b>	<b>CLASS II</b> <b>25.0%</b> <b>TZS</b>	<b>CLASS III</b> <b>12.5%</b> <b>TZS</b>	<b>TOTAL</b> <b>TZS</b>
WDV as at 01.01.2022	6,964,784	181,645,943	40,540,665	229,151,392
Additions	-	2,372,881	1,207,627	3,580,508
Disposal	6,964,784	184,018,824	41,748,292	232,731,900
	-	-	-	-
Wear & Tear allowances	6,964,784 (2,611,794)	184,018,824 (46,004,706)	41,748,292 (5,218,537)	232,731,900 (53,835,037)
WDV as at 31.12.2022	4,352,990	138,014,118	36,529,756	178,896,864