

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

**CHARAN SINGH & SONS LIMITED,  
P.O.BOX 711,  
MOSHI.**

**SOLANI & Co.**  
**CERTIFIED PUBLIC ACCOUNTANTS IN PUBLIC PRACTICE**  
**P. O. Box 519, MOSHI.**  
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**Email: [info@solanitz.com](mailto:info@solanitz.com)**

**Charan Singh & Sons Limited**

**Financial Statements  
For the year ended 31st December, 2021**

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**Charan Singh & Sons Limited**

**Financial Statements**

**For the year ended 31st December, 2021**

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**COMPANY INFORMATION**

**BOARD OF DIRECTORS**

The Directors who served during the year and to the date of this report were:

Mr. Navtej Singh Mudher

Mr. Navraj Singh Bhamra

Mr. Amritpal Singh Bhamra

Mr. Balraj Singh Mudher

Mr. Varinderpal Singh Bhamra

**REGISTERED OFFICE**

Plot No. 169/170

Farm 181/182

RAU

MOSHI.

**SECRETARY**

Adil M. Sadiq

**AUDITORS**

Solani & Co

Certified Public Accountants in Public Practice

Moshi

**BANKERS**

Stanbic Bank Tanzania Limited

Exim Bank Tanzania Limited

CRDB Bank Limited

National Bank of Commerce Limited

**Charan Singh & Sons Limited**

**Financial Statements**

**For the year ended 31st December, 2021**

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**DIRECTORS' REPORT**

The directors submit their report and the audited financial statements for the year ended 31st December, 2021 which disclose the state of affairs of the Company.

**PRINCIPAL ACTIVITIES**

The principal activity of the Company is that of Saw Mill and Transportation.

**RESULTS FOR THE YEAR**

The results for the year ended 31st December, 2021 are set out in the Statement of Comprehensive income on page A6.

**DIVIDENDS**

The Directors do not recommend payment of dividend for the year.

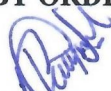
**DIRECTORS**

The directors who held office at the date of this report are shown on page A2.

**AUDITORS**

Messrs Solani & Co., Certified Public Accountants in Public Practice continue in office in accordance with section 170 of the Companies Act, 2002.

**BY ORDER OF THE BOARD**



**DIRECTOR**

**MOSHI**

Dated .....26/5/.....2022

**Charan Singh & Sons Limited**

**Financial Statements  
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**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

The directors accept the responsibility for the financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, consistent with previous years, and in conformity with International Financial Reporting Standards and the requirements of the Companies Act, 2002. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company as at 31st December, 2021 and of its operating results for the year then ended. The directors further confirm the accuracy and completeness of the accounting records maintained by the company which have been relied upon in the preparation of the financial statements, as well as on the adequacy of the systems of internal financial controls.

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



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**DIRECTOR**

Dated.....26/5/.....2022

## AUDITORS' REPORT TO THE MEMBERS OF CHARAN SINGH & SONS 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: 26/5/2022

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**Charan Singh & Sons Limited**

**Financial Statements  
For the year ended 31st December, 2021**

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<b>STATEMENT OF COMPREHENSIVE INCOME</b>		<b>2021</b>	<b>2020</b>
	<b>Notes</b>	<b>T.Shs.</b>	<b>T.Shs.</b>
Sales	2	15,858,950,696	14,810,471,864
Cost of sales	3	<u>(14,113,681,537)</u>	<u>(12,654,055,711)</u>
<b>Gross profit</b>		1,745,269,159	2,156,416,153
Other income	4	105,726,786	248,605,306
Administrative expenses	5	(1,037,962,442)	(1,136,859,335)
Other operating expenses	6	(94,851,181)	(84,627,648)
Selling expenses	7	(300,000)	-
Depreciation	8	<u>(77,687,726)</u>	<u>(85,872,140)</u>
<b>Operating profit</b>		640,194,596	1,097,662,336
Finance costs	9	<u>(74,446,283)</u>	<u>(130,949,540)</u>
<b>Profit before tax</b>		565,748,313	966,712,796
Taxation	10	<u>(379,489,612)</u>	<u>(282,517,213)</u>
<b>Net profit for the year</b>		<u>186,258,701</u>	<u>684,195,583</u>

**STATEMENT OF RETAINED EARNINGS**

Net profit for the year	186,258,701	684,195,583
Retained earnings at the beginning of the year	<u>4,203,343,659</u>	<u>3,519,148,076</u>
Retained earnings at 31st December, 2021	<u>4,389,602,360</u>	<u>4,203,343,659</u>

The notes on pages A10 to A16 form an intergral part of the financial statements.

**Charan Singh & Sons Limited**

**Financial Statements  
For the year ended 31st December, 2021**

STATEMENT OF FINANCIAL POSITION		2021	2020
	Notes	T.Shs.	T.Shs.
<b>CAPITAL EMPLOYED</b>			
Share capital	11	551,200,000	551,200,000
Retained profits		<u>4,389,602,360</u>	<u>4,203,343,659</u>
<b>Shareholder's funds</b>		<u>4,940,802,360</u>	<u>4,754,543,659</u>
<b>Non-current liabilities</b>			
Long Term Loan	12	<u>331,199,549</u>	<u>1,369,754,724</u>
		<u>5,272,001,909</u>	<u>6,124,298,383</u>
<b>REPRESENTED BY</b>			
<b>Non-current assets</b>			
Property, plant and equipment	13	5,359,447,861	5,954,460,658
Trucks in transit		17,966,102	283,482,052
Construction-in-Progress		<u>373,139,616</u>	<u>213,764,995</u>
		5,750,553,579	6,451,707,705
<b>Current assets</b>			
Inventories	14	115,080,160	84,426,810
Trade and other receivables	15	2,192,742,977	2,150,741,168
Cash and cash equivalents	16	<u>712,669,908</u>	<u>1,997,761,389</u>
		<u>3,020,493,045</u>	<u>4,232,929,367</u>
<b>Current liabilities</b>			
Trade and other payables	17	262,826,726	2,237,635,990
Director's current accounts	18	3,228,844,026	2,321,923,922
Taxation		<u>7,373,963</u>	<u>778,777</u>
		<u>3,499,044,715</u>	<u>4,560,338,689</u>
Net current liabilities		<u>(478,551,670)</u>	<u>(327,409,322)</u>
		<u>5,272,001,909</u>	<u>6,124,298,383</u>

The financial statements on pages A6 to A9 were approved by the Board of Directors on  
.....<sup>26/5/22</sup>.....and were signed on its behalf by:

.......... DIRECTOR

The notes on pages A10 to A16 form an integral part of the financial statements.

**Charan Singh & Sons Limited**

**Financial Statements**

**For the year ended 31st December, 2021**

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**STATEMENT OF CHANGES IN EQUITY**

<b>Year ended 31st December, 2020</b>	<b>Share capital T.Shs.</b>	<b>Retained Earnings T.Shs.</b>	<b>Total T.Shs.</b>
At 1st January, 2020			
As previously reported	551,200,000	3,519,148,076	4,070,348,076
Net profit for the year	-	684,195,583	684,195,583
At 31st December, 2020	<u>551,200,000</u>	<u>4,203,343,659</u>	<u>4,754,543,659</u>

<b>Year ended 31st December, 2021</b>	<b>Share capital T.Shs.</b>	<b>Retained Earnings T.Shs.</b>	<b>Total T.Shs.</b>
At 1st January, 2021			
As previously reported	551,200,000	4,203,343,659	4,754,543,659
Net profit for the year	-	186,258,701	186,258,701
At 31st December, 2021	<u>551,200,000</u>	<u>4,389,602,360</u>	<u>4,940,802,360</u>

**Charan Singh & Sons Limited****Financial Statements****For the year ended 31st December, 2021**

<b>STATEMENT OF CASH FLOWS</b>	<b>2021</b>	<b>2020</b>
	<b>T.Shs.</b>	<b>T.Shs.</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit for the year	565,748,313	966,712,796
Adjustment for:		
Profit on disposal of asset	(19,559,322)	(39,841,049)
Depreciation	<u>1,143,871,372</u>	<u>1,362,692,164</u>
Operating profit before working capital change	1,690,060,363	2,289,563,911
<b>INCREASE IN WORKING CAPITAL</b>		
Inventories	(30,653,350)	27,745,090
Trade and other receivables	(42,001,809)	395,295,078
Trade and other payables	(1,974,809,264)	(1,193,924,356)
Director's current accounts	<u>906,920,104</u>	<u>297,961,243</u>
Net cash from operations	549,516,044	1,816,640,966
<b>TAXATION</b>		
Tax paid	(372,894,426)	(280,138,647)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(575,309,204)	(52,278,852)
Trucks in Transit	265,515,950	(181,863,408)
Construction in Progress	(159,374,621)	(70,926,831)
Truck burnt	12,450,629	-
Proceeds from disposal of fixed assets	<u>33,559,322</u>	<u>224,317,059</u>
Net cash from investing activities	(423,157,924)	(80,752,032)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Long term loan	<u>(1,038,555,175)</u>	<u>(686,966,513)</u>
Net cash from financing activities	<u>(1,038,555,175)</u>	<u>(686,966,513)</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,285,091,481)</b>	<b>768,783,774</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b><u>1,997,761,389</u></b>	<b><u>1,228,977,615</u></b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b><u><u>712,669,908</u></u></b>	<b><u><u>1,997,761,389</u></u></b>
<b>ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS</b>		
	<b>2021</b>	<b>2020</b>
	<b>T.Shs.</b>	<b>T.Shs.</b>
Cash in hand	167,371	4,155,344
Bank balances	<u>712,502,537</u>	<u>1,993,606,045</u>
	<u><u>712,669,908</u></u>	<u><u>1,997,761,389</u></u>

NOTES TO THE FINANCIAL STATEMENTS

**1. ACCOUNTING POLICIES**

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

**a) Basis of preparation**

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards (IFRS). The financial statements are presented in Tanzania Shillings (T.Shs) and prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the directors best knowledge of current events and actions, actual results may differ from those estimates.

**b) Property, plant and equipment**

Depreciation is calculated on a reducing balance method. The principal annual rates adopted for this purpose are as follows: -

	<u>Rate %</u>
Land & Buildings	NIL
Plant and machinery	12½% p.a.
Motor trucks	25% p.a.
Tractors	37½% p.a.
Saloon and pickups	25% p.a.
Furniture and fittings	12½% p.a.
Generator	12½% p.a.
Kitchen items	12½% p.a.
Shed	5% p.a.
Computers	37½% p.a.
Containers	12½% p.a.
Transformer	12½% p.a.
Solar sysytem	37.5% p.a.

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

Gains and losses on disposal of equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating (loss)/profit.

**c) Inventories and work in progress**

Inventories are stated/valued at the lower of cost and net realisable value.

**d) Revenue recognition**

Turnover represents the invoice and cash sales value of goods supplied and transport services provided by the company before value added tax.

**e) Translation of foreign currencies**

Translation of foreign currencies during the year are converted into Tanzania Shillings at rates ruling at the transaction dates. Assets and liabilities at the balance sheet date which are expressed in foreign currencies are translated into Tanzania Shillings at rates ruling that date. The resulting differences from conversion and translation are dealt with in the profit and loss account in the year in which they arise.

**f) Taxation**

**Current tax**

Current tax is provided on the results for the year, adjusted in accordance with tax legislation.

**g) Comparatives**

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

**Financial Statements**

**For the year ended 31st December, 2021**

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

**1. ACCOUNTING POLICIES (CONTINUED)**

**h) Taxation (Continued)**

**Deferred tax**

No provision has been made in the accounts for deferred taxes which may arise due to timing differences.

**i) Trade receivables**

Trade receivables are carried at original invoiced amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the year end. Bad debts are written off when all reasonable steps to recover them have been taken without success.

**j) Cash and cash equivalents**

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand net of bank overdraft. In the balance sheet, the bank overdraft is included under current liabilities.

**2. SALES**

	<b>2021</b>	<b>2020</b>
	<b>T.Shs.</b>	<b>T.Shs.</b>
Transport Income	15,363,161,537	14,403,790,081
Sub Transport	217,085,980	95,914,173
Demurrage income	69,207,000	44,035,497
Rental income	102,542,300	80,640,200
Insurance claims	106,318,286	185,791,913
Furniture sales	635,593	300,000
	<u>15,858,950,696</u>	<u>14,810,471,864</u>

**3. COST OF SALES**

	<b>2021</b>	<b>2020</b>
	<b>T.Shs.</b>	<b>T.Shs.</b>
Opening inventory	45,212,502	85,426,700
Salaries and Wages	538,544,200	562,934,000
Weighing bridges and road tolls	1,197,492,960	802,627,403
Travelling expenses	1,956,315,005	1,735,599,173
Motor vehicles running expenses	8,640,070,284	7,631,068,436
Insurances	542,660,516	493,013,296
Depreciation for the year on motor trucks	1,066,183,646	1,276,820,024
Sub Transport	175,154,218	88,343,487
Demurrage charges	975,858	21,133,102
Ferry service expenses	-	2,021,700
Other Cost of sales (3.1)	593,558	280,892
Closing inventory	<u>(49,521,210)</u>	<u>(45,212,502)</u>
<b>Cost of sales</b>	<u><b>14,113,681,537</b></u>	<u><b>12,654,055,711</b></u>

**(3.1) OTHER COSTS**

Opening inventory	39,214,308	26,745,200
Purchases	<u>26,938,200</u>	<u>12,750,000</u>
	66,152,508	39,495,200
Closing inventory	<u>(65,558,950)</u>	<u>(39,214,308)</u>
<b>Other Cost of sales</b>	<u><b>593,558</b></u>	<u><b>280,892</b></u>

**Charan Singh & Sons Limited**

**Financial Statements**

**For the year ended 31st December, 2021**

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

<b>4. Other Income</b>	<b>2021</b>	<b>2020</b>
	<b>T.Shs.</b>	<b>T.Shs.</b>
Gain on disposal of asset	19,559,322	39,841,049
Gain on exchange	86,167,464	165,115,873
Fabrication income	-	43,610,000
Roundings	-	38,384
	<u>105,726,786</u>	<u>248,605,306</u>
<b>5. ADMINISTRATIVE EXPENSES</b>	<b>2021</b>	<b>2020</b>
	<b>T.Shs.</b>	<b>T.Shs.</b>
Employment:		
Salaries and wages	44,580,000	34,380,000
N.S.S.F contributions	67,533,120	58,453,000
N.H.I.F contributions	20,619,030	16,761,900
Staff welfare expenses	269,746	5,388,432
Medical expenses	-	3,036,576
Skills and development levy	46,344,568	58,013,638
Workers compensation fund	5,508,565	7,023,140
Visa and work permits	11,845,000	224,465
Uniform expenses	640,000	-
	<u>197,340,029</u>	<u>183,281,151</u>
<b>Other administration expenses:</b>		
Directors fees	470,490,000	700,716,000
Directors salary	105,000,000	105,000,000
Postage, telephone and internet charges	9,100,979	6,788,810
Electricity and water charges	16,179,076	20,377,675
Printing and stationery	3,691,727	4,769,002
Subscriptions	1,250,000	1,250,000
Audit fees	5,500,000	6,000,000
Donations	13,055,000	8,236,750
Fire and safety expenses	1,521,000	1,464,500
Security charges	38,572,271	34,622,348
Travelling expenses	22,848,110	12,857,060
Legal and professional fees	-	3,075,000
Municipal service levy	47,592,106	44,562,247
Newspaper and periodicals	540,000	540,000
EFD Machine	-	590,000
WCF penalty	-	56,192
Entertainment expenses - DSTV subscriptions	2,188,600	2,672,600
Tax arrears	103,093,544	-
<b>Total other administrative expenses</b>	<u>840,622,413</u>	<u>953,578,184</u>
<b>Total administrative expenses</b>	<u>1,037,962,442</u>	<u>1,136,859,335</u>

**Financial Statements**

**For the year ended 31st December, 2021**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)	2021 T.Shs.	2020 T.Shs.
<b>6. OTHER OPERATING EXPENSES</b>		
Rent	4,284,082	7,799,834
Licences	6,357,863	5,665,070
Insurances- small cars	10,777,111	-
Repairs and renewals	19,051,019	6,738,982
Land rent and property tax	6,537,000	4,366,900
Damages	1,144,106	15,156,862
Container handling charges	46,700,000	44,900,000
	<u>94,851,181</u>	<u>84,627,648</u>
<b>7. SELLING EXPENSES</b>		
Advertisement and sales promotion	<u>300,000</u>	<u>-</u>
<b>8. DEPRECIATION</b>		
Charge for the year on other Property, plant and equipments other than Motor Trucks.	<u>77,687,726</u>	<u>85,872,140</u>
<b>9. FINANCE COST</b>		
Bank charges and commissions	15,790,345	13,821,455
Loan interest	58,655,938	117,128,085
	<u>74,446,283</u>	<u>130,949,540</u>
<b>10. TAXATION</b>		
Based on taxable profits for the year	190,528,801	282,517,213
Under provision in respect of previous years	188,960,811	-
	<u>379,489,612</u>	<u>282,517,213</u>
<b>11. SHARE CAPITAL</b>		
Authorised Share capital 10000000 shares of Shs.1,000/- each	<u>10,000,000,000</u>	<u>10,000,000,000</u>
Issued share capital: 551,200 shares of Shs.1,000/- each	<u>551,200,000</u>	<u>551,200,000</u>

**12. LONG TERM LOAN**

This is due to Stanbic Bank Tanzania Limited for purchase of Motor Trucks and repaid in monthly installments over period of three years and secured on joint registered assets to be financed, debenture deed over fixed and floating assets of the Company personal guarantee of Directors of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. PROPERTY, PLANT AND EQUIPMENT

	NIL	5%	12.50%	25.00%	37.50%	25.00%	12.50% Furniture and Fittings	12.50%	12.50%	5.00%	37.50%	25.00%	12.50%	37.50%	12.50%	37.50%	Total T.Shs.
		Land and Buildings T.Shs.	Godown T.Shs.	Plant and Machinery T.Shs.	Motor Trucks T.Shs.	Tractors T.Shs.	Saloon and Pickups T.Shs.	Generator T.Shs.	Kitchen Equipment T.Shs.	Shed T.Shs.	Computers T.Shs.	Container T.Shs.	Transformer T.Shs.	Solar system T.Shs.			
Net book value																	
At 1st January, 2021	160,408,432	160,408,432	319,474,035	140,405,065	3,833,252,356	712,727	1,193,098,398	2,069,309	6,771,179	189,733,755	8,927,175	53,917,673	34,453,125	2,541,090	5,954,460,658		
Additions	-	-	-	-	445,712,630	-	111,758,438	406,780	-	-	7,931,356	-	-	9,500,000	575,309,204		
Disposals	-	-	-	(14,000,000)	(12,450,629)	-	-	-	-	-	-	-	-	-	(26,450,629)		
	160,408,432	319,474,035	126,405,065	4,266,514,357	712,727	1,304,856,836	2,476,089	8,696,339	6,771,179	189,733,755	16,858,531	53,917,673	34,453,125	12,041,090	6,303,319,233		
<b>Depreciation</b>																	
Change for the year	-	15,973,702	8,825,636	1,066,183,646	267,273	12,268,060	309,511	1,087,042	846,397	9,486,688	6,321,949	13,479,418	4,306,641	4,515,409	1,143,871,372		
Net book value																	
At 31st December, 2021	160,408,432	303,500,333	117,579,429	3,200,330,711	445,454	1,292,588,776	2,166,578	7,609,297	5,924,782	180,247,067	10,536,582	40,438,255	30,146,484	7,525,681	5,359,447,861		

**Charan Singh & Sons Limited****Financial Statements****For the year ended 31st December, 2021****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

<b>14. INVENTORIES</b>	<b>2021</b>	<b>2020</b>
	<b>T.Shs.</b>	<b>T.Shs.</b>
Lubricants and spares	49,521,210	45,212,502
Finished goods	65,558,950	39,214,308
	<u>115,080,160</u>	<u>84,426,810</u>

<b>15. TRADE AND OTHER RECEIVABLES</b>	<b>2021</b>	<b>2020</b>
	<b>T.Shs.</b>	<b>T.Shs.</b>
Trade receivables	2,091,957,343	2,150,741,168
Vat Refundable	100,785,634	-
	<u>2,192,742,977</u>	<u>2,150,741,168</u>

<b>16. CASH AND CASH EQUIVALENTS</b>	<b>2021</b>	<b>2020</b>
	<b>T.Shs.</b>	<b>T.Shs.</b>
Cash in hand	167,371	4,155,344
Bank balances	712,502,537	1,993,606,045
	<u>712,669,908</u>	<u>1,997,761,389</u>

For the purpose of the cash flow statement, the year end cash and cash equivalents comprise the following:

Cash in hand	167,371	4,155,344
Bank balances	712,502,537	1,993,606,045
	<u>712,669,908</u>	<u>1,997,761,389</u>

<b>17. TRADE AND OTHER PAYABLES</b>	<b>2021</b>	<b>2020</b>
	<b>T.Shs.</b>	<b>T.Shs.</b>
Trade creditors	224,659,138	2,121,876,920
Accrued charges	38,167,588	115,759,070
	<u>262,826,726</u>	<u>2,237,635,990</u>

<b>18. DIRECTOR'S CURRENT ACCOUNTS</b>	<b>2021</b>	<b>2020</b>
	<b>T.Shs.</b>	<b>T.Shs.</b>
The balance due at year end is as follows:		
Mr. Amritpal Singh Bhamra	644,221,871	425,963,848
Mr. Balraj Singh Mudher	590,650,330	355,582,473
Mr. Navraj Singh Bhamra	835,814,819	765,879,786
Mr. Navtej Singh Mudher	446,649,284	281,514,800
Mr. Varinder Singh Bhamra	711,507,722	492,983,015
	<u>3,228,844,026</u>	<u>2,321,923,922</u>

**Charan Singh & Sons Limited**

**Financial Statements**

**For the year ended 31st December, 2021**

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

**19. OPERATING PROFIT**

The following items have been charged in arriving at operating profit/(loss):

	<b>2021</b>	<b>2020</b>
	<b>T.Shs.</b>	<b>T.Shs.</b>
Auditors' remuneration	5,500,000	6,000,000
Depreciation on property, plant and equipment	1,066,183,646	1,143,871,372
Staff costs (as below)	<u>197,340,029</u>	<u>183,281,151</u>
<b>Staff costs</b>		
Salaries and wages	44,580,000	34,380,000
N.S.S.F contributions	67,533,120	58,453,000
N.H.I.F contributions	20,619,030	16,761,900
Staff welfare expenses	269,746	5,388,432
Medical expenses	-	3,036,576
Skills and development levy	46,344,568	58,013,638
Workers compensation fund	5,508,565	7,023,140
Visas and work permits	11,845,000	224,465
Uniform expenses	<u>640,000</u>	<u>-</u>
	<u>197,340,029</u>	<u>183,281,151</u>

**20. COUNTRY OF INCORPORATION**

The Company is incorporated in Tanzania under the Companies Act and is resident in Tanzania.

**21. CURRENCY**

The financial statements are presented in Tanzania Shillings (Shs.)

**22. RELATED PARTY TRANSACTIONS**

The following balances arose out of transactions carried out with related parties.

	<b>2021</b>	<b>2020</b>
	<b>T.Shs.</b>	<b>T.Shs.</b>
(i) Balances due from related parties		
Serengeti Simba Tanzania Limited	<u>249,024,781</u>	<u>267,484,800</u>
(ii) Balances due to related parties		
Serengeti Simba Tanzania Limited	<u>99,981</u>	<u>18,560,000</u>