

CHARAN SINGH AND SONS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

CONTENTS	PAGE
Company information	1
Report of the directors	2 - 6
Statement of directors' responsibilities	7
Declaration of the head of finance	8
Report of the independent auditor	9 - 10
Financial statements:	
Statement of profit or loss	11
Statement of financial position	12
Statement of changes in equity	13
Statement of cash flows	14
Notes: Significant accounting policies	15 - 20
Notes	21 - 25
The following page does not form an integral part of these financial statements	
Schedule of expenditure	26 - 27

COMPANY INFORMATION

	Name	Nationality
DIRECTORS	: Navtej Singh Mudher	British
	: Navraj Singh Bhamra	Tanzanian
	: Amritpal Singh Bhamra	Tanzanian
	: Balraj Singh Mudher	Tanzanian
	: Varinderpal Singh Bhamra	Tanzanian
REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS	: Plot No. 169/170, Farm 181/182	
	: P.O.Box 711	
	: RAU, Moshi	
	: Tanzania	
INDEPENDENT AUDITOR	: PKF Associates Tanzania	
	: PO Box 7323	
	: Dar-es-Salaam, Tanzania	
COMPANY SECRETARY	: PKF Advisory Limited	
	: PO Box 7323	
	: Dar es Salaam	
	: Tanzania	
PRINCIPAL BANKERS	: Exim Bank Tanzania Limited	
	: Moshi Branch	
	: P. O.Box 3001	
	: Moshi, Tanzania	
	: CRDB Bank Plc	
	: Moshi Branch	
	: PO Box 1302	
	: Moshi, Tanzania	
	: Stanbic Bank Tanzania Ltd	
	: Main Branch	
	: PO Box 1435	
	: Moshi, Tanzania	

REPORT OF THE DIRECTORS

The directors submit their report and the audited financial statements for the year ended 31 December 2022, which disclose the state of affairs of Charan Singh and Sons Limited (the company).

INCORPORATION

Charan Singh and Sons Ltd is a private company limited by shares. It was registered in the United Republic of Tanzania on 2nd February 1985 through Certificate of Incorporation number 10648.

COMPANY'S VISION

Charan Singh and Sons Limited's vision is to meet the diverse needs of our clients, we aim to further expand our business by widening the range of cargo we transport.

COMPANY'S MISSION

To stretch our transportation network and routes to Countries situated in the Northern and West African region.

PRINCIPAL ACTIVITY

The principal activities of the company is of Transportation and Saw Mill.

BUSINESS REVIEW

During the year 2022, the total revenue of the company increased from Tshs. 15,858,950,696 in 2021 to Tshs. 20,240,445,150. Profit before tax for the year increased from Tshs 565,748,313 in 2021 to Tshs 711,051,051.

Key performance indicators	2022 Tshs	2021 Tshs
Revenue	20,240,445,150	15,858,950,696
Gross profit	2,227,721,875	1,745,269,159
Gross profit margin (%)	11%	11%
(Loss)/profit for the year	(112,869,957)	186,258,701
Net (loss)/profit margin (%)	-1%	1%

CAPITAL STRUCTURE	2022 Tshs	2021 Tshs
<i>Authorised share capital</i>		
10,000,000 ordinary shares of Tshs 1,000 each	<u>10,000,000,000</u>	<u>10,000,000,000</u>
<i>Issued and fully paid up:</i>		
551,200 ordinary shares of Tshs 1,000 each	<u>551,200,000</u>	<u>551,200,000</u>

REPORT OF THE DIRECTORS (CONTINUED)

CAPITAL STRUCTURE (continued)

The shares of the company are held as follows:

Name of shareholder	% Share holding	Number of	2022 Tshs	2021 Tshs
	20.0%	110,240	110,240,000	110,240,000
Navtej Singh Mudher	20.0%	110,240	110,240,000	110,240,000
Navraj Singh Bhamra	20.0%	110,240	110,240,000	110,240,000
Amritpal Singh Bhamra	20.0%	110,240	110,240,000	110,240,000
Balraj Singh Mudher	20.0%	110,240	110,240,000	110,240,000
Varinderpal Singh Bhamra				
	100%	551,200	551,200,000	551,200,000

DIRECTORS' INTEREST IN THE SHARES OF THE COMPANY

All of the shareholder's listed above are also directors in the company

DIRECTORS

The names of directors who held office during the year and to the date of this report are shown on page 1.

DIVIDENDS

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

CORPORATE GOVERNANCE

The directors believe that high standards of corporate governance directly influence the company's stakeholders' confidence and the directors recognise the importance of integrity, transparency, responsibility

Board meetings; information for directors and board performance evaluation

The Board is required to meet at least once a year. The Board deals with all significant matters including providing Management with strategic direction in running the company, ensuring that a competent management team is in place to manage the business, ensuring that there is an effective internal controls system and at all times, the company is in compliance with laws and regulations. The board reports performance to the shareholders and stakeholders.

The directors are regularly given appropriate and timely information on key activities of the business to fulfil their fiduciary duties. Specifically, directors are provided with all available information in respect of items to be discussed at a meeting of the Board or Committee prior to the meeting. They may also seek independent professional advice, at the company's expense, concerning the affairs of the company.

Conflict of interest

The directors of the company are under a fiduciary duty to act honestly and in the best interest of the company. The company has put in place a policy to ensure that directors avoid putting themselves in positions where their self-interests conflict with their duty to act in the best interests of the company.

REPORT OF THE DIRECTORS (CONTINUED)

CORPORATE GOVERNANCE (continued)

Risk management

The Board recognizes that managing risks to ensure an optimal mix between risk and return is an integral part of achieving corporate goals. The Board has put in place procedures for identifying risks and implementing risk mitigation actions to ensure the risk of failure to achieve business objectives is appropriately mitigated.

As a key risk management incentive, the company has put in place a comprehensive system of setting and implementing objectives, measuring and reporting performance against the objectives and implementing corrective action to ensure that objectives are achieved. In addition, risks are further identified and managed through in-house risk reviews and the internal and external audit processes.

Internal controls

The Board has a collective responsibility for the company's system of internal controls and reviews the controls effectiveness. In this respect the Board relies on Management to establish systems and controls in the running of the business of the company and to provide assurance to the Board that they have done so. The system of internal control in place has defined procedures and operational and financial controls to ensure that assets are safeguarded, transactions are authorised and recorded properly, and that material errors and irregularities are either prevented and or detected within a reasonable period of time. The system of internal controls puts management at the forefront of developing and implementing appropriate controls, processes and procedures that support a conducive internal controls environment.

In reviewing the effectiveness of the systems of internal control and risk management, the Board takes into account the results of all audit and review on the company by both external and internal assurance providers. The Board has reviewed the company's system of internal control and is satisfied that the system is effective.

In addition, the company's activities expose it to a number of financial risks including credit risk, and liquidity risk as set-out below:

Credit risk

The company's principal financial assets are cash and bank balances and trade and other receivables. The company's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings. The company has no significant concentration of credit risk, with exposure spread over a number of counterparties.

Cash flow and foreign currency risk

The majority of the company's sales and purchases are in Tanzania Shillings and the company is not exposed to significant foreign currency risk.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company monitors its need for cash on a regular basis and takes appropriate action through intercompany financing arrangements.

REPORT OF THE DIRECTORS (CONTINUED)

RELATED PARTY TRANSACTIONS AND BALANCES

Details of transactions with related parties are disclosed in Note 15 to these financial statements.

SUBSEQUENT EVENTS

No material events or circumstances between the accounting date and the date of this report have arisen that require either disclosure or adjustment to the financial statements.

SOLVENCY AND GOING CONCERN

The company's state of affairs is set out on page 12 of the financial statements.

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 the company has adequate resources to continue in operational existence for the foreseeable future.

COMPLIANCE WITH THE LAWS

The Board is satisfied that the company has, to the best of their knowledge, complied with all applicable laws and conducted its business affairs in accordance with the law. To the knowledge of the Board, no director, employee or agent of the company acted or committed any indictable offence under the Anti-Corruption laws in conducting the business of the company nor been involved or been used as a conduit for money laundering or any other activity incompatible with the relevant laws.

ACCOUNTABILITY AND AUDIT

Full disclosure

The Board recognizes its responsibility to present a balanced and understandable assessment of the

Audit and shareholder relations

The company's financial statements are prepared in accordance with International Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SMEs) and in the manner required by the Companies Act, 2002 and are audited in accordance with International Auditing Standards. The directors recognize and have confirmed their responsibility over the financial statements. All shareholders are invited to the Annual General Meeting and are free to put questions to the Board and the Auditors on matters concerning operations and financial statements of the company.

POLITICAL AND CHARITABLE DONATION

The company made charitable organizations donations during the year amounting to Tshs 2,490,000 (2021: Tshs 13,055,000).

CORPORATE SOCIAL RESPONSIBILITY

The company continued to provide direct support to the community in which it operates in form of social and financial support.

REPORT OF THE DIRECTORS (CONTINUED)

COMPLIANCE WITH LAWS AND REGULATIONS

During the year ended 31 December 2022 there were no serious prejudicial matters to report as required by Tanzania Financial Reporting Standard No.1 (TFRS 1) on Report by those charged with Governance.

STATEMENT OF COMPLIANCE

The Directors' Report has been prepared in full compliance with Tanzania Financial Reporting Standard No.1 (TFRS 1) on Report by those charged with Governance.

INDEPENDENT AUDITOR

PKF Associates Tanzania (PKF) is the auditor of the Company for the year ended 31 December 2022. The address and other details of the auditor are shown on page 1. There is no statutory auditor rotation required for private companies in Tanzania. PKF has indicated their willingness to continue in office and are eligible for re-appointment. A resolution proposing the re-appointment of PKF as the auditor of the Company will be put to the Annual General Meeting.

RESPONSIBILITY OF THE AUDITOR

The auditor is responsible for reporting on whether the financial statements give a true and fair view in accordance with the applicable financial reporting framework.

BY ORDER OF THE BOARD



2023
Balraj Singh Mudher
Director



2023
Amritpal Singh Bhamra
Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Tanzania Companies Act, 2002 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Charan Singh and Sons Limited as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the company keeps proper accounting records that are sufficient to show and explain the transactions of the company; that disclose, with reasonable accuracy, the financial position of the company and that enable them to prepare financial statements of the company that comply with the International Financial Reporting Standard for Small and Medium Sized Entities and the requirements of the Tanzania Companies Act, 2002. The directors are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors accept responsibility for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium Sized Entities and in the manner required by the Tanzanian Companies Act, 2002. They also accept responsibility for:


- i. Designing, implementing and maintaining such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- ii. Selecting and applying appropriate accounting policies;
- iii. Making accounting estimates and judgements that are reasonable in the circumstances;

The Directors are of the opinion that the financial statements give a true and fair view of the financial position of the company as at 31 December 2022 and of the company's financial performance 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.

In preparing these financial statements the directors have assessed the company's ability to continue as a going concern. Nothing has come to the attention of the directors to indicate that the company and its subsidiaries will not remain a going concern for at least the next twelve months from the date of this statement.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the board of directors on 28-06- 2023 and signed on its behalf by:


Balraj Singh Mudher
Director


Amritpal Singh Bhamra
Director

Charan Singh and Sons Limited
Annual report and financial statements
For the year ended 31 December 2022

DECLARATION OF THE HEAD OF FINANCE OF CHARAN SINGH AND SONS LIMITED

The National Board of Accountants and Auditors (NBAA) according to the powers conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of an entity showing a true and fair view of the entity's position and performance in accordance with the International Financial Reporting Standard for Small and Medium Sized Entities and statutory financial reporting requirements.

Full legal responsibility for the preparation of the financial statements rests with the Board of Directors as stated under the Directors Responsibility statement on the previous page.

In regard thereof, I CHIRAG A. VAJA being the Head of Finance of Charan Singh and Sons Limited hereby acknowledge my responsibility of ensuring that the company's financial statements for the year ended 31 December 2022 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of Charan Singh and Sons Limited as on that date and that they have been prepared based on properly maintained financial records.

Signed by: 

Position: CONSULTANT / ACCOUNTANT

NBAA Membership No: 9488

Date: 28th June 2023

**REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF CHARAN SINGH AND SONS LIMITED**

Opinion

We have audited the financial statements of Charan Singh and Sons Limited set out on pages 11 to 25, which comprise the statement of financial position as at 31 December 2022, and the statement of profit or loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Charan Singh and Sons Limited as at 31 December 2022, and of its financial performance 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 Tanzania Companies Act, 2002.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Tanzania, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the directors' report, statement of directors responsibility, declaration of the head of finance and the schedule of expenditure but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Statements

The directors are responsible for the preparation of the company financial statements that give a true and fair view in accordance with the IFRS for SMEs and the requirements of the Tanzania companies Act, 2002, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the company financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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**REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF CHARAN SINGH AND SONS LIMITED (CONTINUED)****Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

As part of an audit carried out in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of director's use of the going concern basis of accounting and based on the audit evidence obtained, assess whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other matters prescribed by the Tanzanian Companies Act, 2002

In our opinion the information given in the report of the directors on page 2 to 4 is consistent with the financial statements

As required by the Tanzania Companies Act, 2002 we report to you that based on our audit:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) in our opinion proper books of account have been kept by the company, so far as appears from our examination of those books; and
- (iii) the company's statement of financial position and statement of profit and loss are in agreement with the books of account.

The engagement partner responsible for this audit resulting in this independent auditor's report is :



CPA Mustansir Gulamhussein, Practising certificate No. ACPA-PP 1810
For and on behalf of PKF Associates Tanzania
Certified Public Accountants
Dar es Salaam
Ref: PKF/A/C038/112/23/mg

Date: 28-06-2023

Charan Singh and Sons Limited
Annual report and financial statements
For the year ended 31 December 2022

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	2022 Tshs	2021 Tshs
Revenue	3	20,240,445,150	15,858,950,696
Cost of sales		<u>(18,012,723,275)</u>	<u>(14,113,681,537)</u>
Gross profit		<u>2,227,721,875</u>	<u>1,745,269,159</u>
Other operating income	4	99,590,131	19,559,322
Administrative expenses		(1,579,327,712)	(967,888,410)
Other operating expenses		<u>(36,933,243)</u>	<u>(172,535,820)</u>
Operating profit	5	711,051,051	624,404,251
Finance cost	6	<u>-</u>	<u>(58,655,938)</u>
Profit before tax		<u>711,051,051</u>	<u>565,748,313</u>
Tax charge	7	<u>(823,921,008)</u>	<u>(379,489,612)</u>
(Loss)/profit for the year		<u><u>(112,869,957)</u></u>	<u><u>186,258,701</u></u>

The notes on pages 15 to 25 form an integral part of these financial statements.

Report of the independent auditor - pages 9 and 10.

Charan Singh and Sons Limited
Annual report and financial statements
For the year ended 31 December 2022

STATEMENT OF FINANCIAL POSITION

	Notes	2022 Tshs	2021 Tshs
CAPITAL EMPLOYED			
Share capital	8	551,200,000	551,200,000
Retained earnings		4,276,732,403	4,389,602,360
Equity attributable to owners of the company		4,827,932,403	4,940,802,360
Non-current liabilities			
Borrowings		-	331,199,549
Deferred tax	9	486,059,709	-
		486,059,709	331,199,549
		5,313,992,112	5,272,001,909
REPRESENTED BY			
Non-current assets			
Property, plant and equipment	10	6,368,114,723	5,750,553,579
Current assets			
Inventories	11	57,973,793	115,080,160
Trade and other receivables	12	2,582,937,957	2,192,742,977
Cash and cash equivalents	13	1,149,459,497	712,669,908
		3,790,371,247	3,020,493,045
Current liabilities			
Trade and other payables	14	4,696,335,619	3,491,670,752
Taxation		148,158,239	7,373,963
		4,844,493,858	3,499,044,715
Net current liabilities		(1,054,122,611)	(478,551,670)
		5,313,992,112	5,272,001,909

The financial statements on pages 11 to 25 were authorised and approved for issue by the Board of Directors on 28-06-2023 and were signed on its behalf by:


Balraj Singh Mudher
Director


Amritpal Singh Bhamra
Director

The notes on pages 15 to 25 form an integral part of these financial statements.
Report of the independent auditor - pages 9 and 10.

STATEMENT OF CHANGES IN EQUITY

	Ordinary Share capital Tshs	Retained earnings Tshs	Total Tshs
Year ended 31 December 2022			
As start of year	551,200,000	4,389,602,360	4,940,802,360
Loss for the year	-	(112,869,957)	(112,869,957)
At end of year	<u>551,200,000</u>	<u>4,276,732,403</u>	<u>4,827,932,403</u>
Year ended 31 December 2021			
As start of year	551,200,000	4,203,343,659	4,754,543,659
Profit for the year	-	186,258,701	186,258,701
At end of year	<u>551,200,000</u>	<u>4,389,602,360</u>	<u>4,940,802,360</u>

The notes on pages 15 to 25 form an integral part of these financial statements.

Report of the independent auditor - pages 9 and 10.

STATEMENT OF CASH FLOWS

	Notes	2022 Tshs	2021 Tshs
Cash flows from operating activities			
Profit before tax		711,051,051	565,748,313
Adjustments for:			
Corporate tax fines and interest		9,518,163	-
Depreciation on property, plant and equipment	10	1,346,696,223	1,143,871,372
Interest expense	6	-	58,655,938
Gain on disposal of property, plant and equipment	4	(99,590,131)	(19,559,322)
Cash flows from operating activities before changes in working capital		1,967,675,306	1,748,716,301
Changes in working capital:			
- inventories		57,106,367	(30,653,350)
- trade and other receivables		(390,194,980)	(42,001,809)
- trade and other payables		1,204,664,867	(1,067,889,160)
Cash generated from operations		2,839,251,560	608,171,982
Interest paid		-	(58,655,938)
Tax paid		(206,595,187)	(372,894,426)
Net cash from operating activities		2,632,656,373	176,621,618
Cash flows from investing activities			
Cash paid for purchase of property, plant and equipment	10	(2,010,972,890)	(966,414,922)
Proceeds from disposal of property, plant and equipment		146,305,655	543,256,998
Net cash used in investing activities		(1,864,667,235)	(423,157,924)
Cash flows from financing activities			
Repayment of Long-term loans		(331,199,549)	(1,038,555,175)
Net cash used in financing activities		(331,199,549)	(1,038,555,175)
Increase in cash and cash equivalents		436,789,589	(1,285,091,481)
Movement in cash and cash equivalents			
At start of year		712,669,908	1,997,761,389
Increase		436,789,589	(1,285,091,481)
At end of year	13	1,149,459,497	712,669,908

The notes on pages 15 to 25 form an integral part of these financial statements.

Report of the independent auditor - pages 9 and 10.

NOTES

General Information

Charan Singh and Sons Ltd is a private company limited by shares. It was registered in the United Republic of Tanzania on 2nd February 1985 through Certificate of Incorporation number 10648.. The address of its registered office and its principal place of business is in Plot No. 169/170, Farm 181/182, P.O.Box 711, RAU, Moshi, Tanzania.

The principal activities of the company is of Transportation and Saw Mill.

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 in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities issued by the International Accounting Standards Board and are consistent with the previous period.

The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with the IFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements, are disclosed in note 2 (b).

These financial statements comply with the requirements of the Tanzania Companies Act, 2002. The statement of profit or loss represent the profit and loss account referred to in the Act. The statement of financial position represents the balance sheet referred to in the Act.

Going concern

The financial performance of the company is set out in the report of the directors and in the statement of profit or loss. The financial position of the company is set out in the statement of financial position.

Based on the financial performance and position of the company and its risk management policies, the directors are of the opinion that the company is well placed to continue in business for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

b) Key sources of estimation uncertainty and judgements

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.

NOTES (CONTINUED)

1) Significant accounting policies (continued)

b) Key sources of estimation uncertainty and judgements (continued)

Useful lives, depreciation methods and residual values of property, plant and equipment accounted for using the cost model.

Management reviews the useful lives, depreciation methods and residual values of the items of property, plant and equipment accounted for using the cost model on a regular basis. During the financial year, the directors determined no significant changes in the useful lives and residual values.

The carrying amounts of property, plant and equipment is disclosed in note 10.

Impairment of non-financial assets

Impairment exists when the carrying amount of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

The carrying amounts of property, plant and equipment is disclosed in note 10.

c) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the company's activities. Revenue is shown net of sales/value-added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when: the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

- i) Sales of goods are recognised upon delivery of products and customer acceptance;
- ii) Sales of services are recognised upon performance of the services rendered by reference to the stage of completion of the service contract.
- iii) Rental income is accrued by reference to time on a straight line basis over the lease term;

d) Property, plant and equipment

All property, plant and equipment is initially recorded at cost and thereafter stated at historical cost less accumulated depreciation and any accumulated impairment losses (except as stated below). Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use.

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 can be reliably measured. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

NOTES (CONTINUED)

1) Significant accounting policies (continued)

d) Property, plant and equipment (continued)

Depreciation on all other assets is calculated on straight line method to write down the cost of each asset to its residual value over its estimated useful life using the following annual rates:

	<u>Rates %</u>
Land	Lease term
Buildings	5
Motor Trucks	12.5
Tractor	37.5
Saloon and Pickups	25.0
Furniture and fitting	12.5
Generator	12.5
Kitchen items	12.5
Shed	5.0
Computers	37.5
Containers	12.5
Transformers	12.5
Solar System	37.5

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The assets' residual values, useful lives and methods of depreciation are reviewed at the end of each reporting period and adjusted prospectively, if appropriate,.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating profit/loss.

e) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives which is estimated at five years.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in profit or loss.

f) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, deposits held at call with banks, and financial assets with maturities of less than 91 days, net of bank overdrafts, money market lines and restricted cash balances.

NOTES (CONTINUED)

1) Significant accounting policies (continued)

g) Impairment of non-financial assets (continued)

At each reporting date, property, plant and equipment and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or cash generating unit (CGU)) 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.

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory with its selling price less costs to complete and sell. If an item of inventory is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) 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 (CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

h) Financial assets

Trade and other receivables are initially recognised at the transaction price. 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.

i) Financial liabilities

Financial liabilities are initially recognised at the transaction price (less 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. Borrowings are recognised initially at the transaction price (that is, the present value of cash payable to the bank, including transaction costs). Borrowings are subsequently stated at amortised cost. Interest expense is recognised on the basis of the effective interest method and is included in finance costs. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

i) Borrowing costs

Borrowing costs are interest and other costs that the company incurs in connection with the borrowing of funds. All borrowing costs are recognised in profit or loss in the period in which they are incurred.

j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the first-in-first-out (FIFO) 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.

NOTES (CONTINUED)

1) Significant accounting policies (continued)

k) Provisions

Provisions for restructuring costs and legal claims are recognised when: the company has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation; and the amount can be reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

l) Translation of foreign currencies

Transactions in foreign currencies during the year are converted into Tanzanian Shillings (functional currency) at rates ruling at the transaction dates. Assets and liabilities at the reporting date which are expressed in foreign currencies are translated into Tanzanian Shillings at rates ruling at that date. The resulting differences from conversion and translation are dealt with in profit or loss in the year in which they

m) Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

n) Taxation

The tax expense for the year comprises current tax and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income or equity.

o) Current tax

The current income tax charge/credit is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is provided using the liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

NOTES (CONTINUED)

1) Significant accounting policies (continued)

o) Current tax (continued)

Deferred tax (continued)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Offsetting

An entity shall offset current tax assets and current tax liabilities, or offset deferred tax assets and deferred tax liabilities if, and only if, it has a legally enforceable right to set off the amounts and the entity can demonstrate without undue cost or effort that it plans either to settle on a net basis or to realise the asset and settle the liability simultaneously.

p) Share capital

Ordinary shares are classified as equity.

Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

q) Dividends

Proposed dividends are disclosed as a separate component of equity until declared. Dividends are

r) Employee benefit obligations

Pension obligations

The company and its employees contribute to the National Social Security Fund (NSSF), a statutory defined contribution scheme registered under the NSSF Act. The company's contributions to the defined contribution scheme are charged to profit or loss in the year to which they relate.

Accrued leave

The estimated monetary liability for employees' accrued annual leave entitlement at the reporting date is recognised as an expense accrual.

s) Dividends

Proposed dividends are disclosed as a separate component of equity until declared.

Dividends are recognised as a liabilities in the period in which they are approved by the company's shareholders.

t) Comparatives

There were no changes in presentation in the current year.

NOTES (CONTINUED)

	2022	2021
	Tshs	Tshs
3. Revenue		
Revenue from sale of services		
Transportation income	18,868,664,589	15,363,161,537
Subcontractors transportation income	177,766,310	217,085,980
Demurage income	23,690,000	69,207,000
Rental income	105,145,000	102,542,300
Insurance claims	57,865,014	106,318,286
Furniture sales	354,237	635,593
Revenue from sale of goods		
Soya sales	1,006,960,000	-
	<u>20,240,445,150</u>	<u>15,858,950,696</u>
4. Other operating income		
Gain on disposal of property, plant and equipment	<u>99,590,131</u>	<u>19,559,322</u>
5. The following items have been charged in arriving at the operating profit:		
Depreciation on property, plant and equipment (Note 10)	59,668,567	77,687,726
Cost of inventories recognised as expense	18,012,723,275	14,113,681,537
Auditor's remuneration	11,544,450	5,500,000
Total exchange differences recognised in establishment	(197,509,834)	(86,167,464)
Trade receivables - impairment (Note 12)	91,984,227	-
Write down of inventories recognised as an expense (Note 11)	32,779,475	-
Operating lease rentals	4,674,278	4,284,082
Staff costs (Note 5.1)	<u>1,059,673,197</u>	<u>772,830,029</u>
5.1 Staff costs		
Salaries and wages	43,850,200	44,580,000
Directors salary (Note 15)	105,000,000	105,000,000
National social security fund	68,939,440	67,533,120
Skill and development levy	57,121,376	46,344,568
Workers compensation fund	3,781,261	5,508,565
Directors fees (Note 15)	740,640,000	470,490,000
Other staff costs	<u>40,340,920</u>	<u>33,373,776</u>
	<u>1,059,673,197</u>	<u>772,830,029</u>
6. Finance cost		
Interest on bank borrowings	<u>-</u>	<u>58,655,938</u>
7. Tax		
Current tax	198,704,222	190,528,801
Prior year under provision in current tax	139,157,077	188,960,811
Deferred tax charge (Note 9)	<u>486,059,709</u>	<u>-</u>
Tax charge	<u>823,921,008</u>	<u>379,489,612</u>

NOTES (CONTINUED)

7. Tax charge(continued)

	2022	2021
	Tshs	Tshs
The tax on the company's profit before tax differs from the theoretical amount that would arise using the basic rate as follows:		
Profit before tax	711,051,051	565,748,313
Tax calculated at a tax rate of 30%	213,315,315	169,724,494
Tax effect of:		
- expenses not deductible for tax purpose	40,780,751	20,804,307
- prior year under provision in Corporate tax	139,157,077	188,960,811
- prior year deferred tax liability not recognised	430,667,865	-
Tax charge	823,921,008	379,489,612

8. Share capital

Authorised share capital		
10,000,000 Ordinary shares of Tshs 1,000 each	10,000,000,000	10,000,000,000
Issued and fully paid up:		
551,200 Ordinary shares of Tshs 1,000 each	551,200,000	551,200,000

9. Deferred tax

Deferred tax is calculated, in full, on all temporary differences under the liability method using a tax rate of 30%. The movement on the deferred tax account is as follows:

	2022	2021
	Tshs	Tshs
At start of year	-	-
Charge to profit or loss (Note 7)	486,059,709	-
At end of year	486,059,709	-

Deferred tax (assets) and liabilities, deferred tax charge/(credit) in profit or loss are attributable to the following items:

	At start	Charge/(credit)	At end
	of year	to profit or loss	of year
	Tshs	Tshs	Tshs
Deferred tax liability			
Property, plant and equipment	-	464,235,870	464,235,870
Unrealised foreign exchange difference	-	59,252,950	59,252,950
Provisions	-	(37,429,111)	(37,429,111)
	-	486,059,709	486,059,709

NOTES (CONTINUED)

10. Property, plant and equipment

	Land and buildings Tshs	Godown Tshs	Plant and machinery Tshs	Motor vehicles Tshs	Furniture, fittings & equipment Tshs	Shed Tshs	Computers Tshs	Work in progress Tshs	Total Tshs
At 31 December 2022									
Cost	160,408,432	353,987,851	339,972,792	10,014,581,378	11,783,097	205,874,300	33,280,954	429,848,900	11,549,737,704
Accumulated depreciation	(8,020,422)	(65,662,535)	(122,005,283)	(4,924,386,967)	(4,703,157)	(34,639,586)	(22,205,031)	-	(5,181,622,981)
Net carrying amount	<u>152,388,010</u>	<u>288,325,316</u>	<u>217,967,509</u>	<u>5,090,194,411</u>	<u>7,079,940</u>	<u>171,234,714</u>	<u>11,075,923</u>	<u>429,848,900</u>	<u>6,368,114,723</u>
Year ended 31 December 2022									
Opening net book amount	160,408,432	303,500,333	203,299,146	4,493,364,941	8,091,360	180,247,067	10,536,582	391,105,718	5,750,553,579
Additions	-	-	43,414,305	1,921,630,509	-	-	7,184,894	38,743,182	2,010,972,890
Disposal	-	-	-	(46,715,523)	-	-	-	-	(46,715,523)
Depreciation charge	(8,020,422)	(15,175,017)	(28,745,942)	(1,278,085,516)	(1,011,420)	(9,012,353)	(6,645,553)	-	(1,346,696,223)
Closing net book amount	<u>152,388,010</u>	<u>288,325,316</u>	<u>217,967,509</u>	<u>5,090,194,411</u>	<u>7,079,940</u>	<u>171,234,714</u>	<u>11,075,923</u>	<u>429,848,900</u>	<u>6,368,114,723</u>
At 31 December 2021									
Cost	160,408,432	353,987,851	296,558,487	8,139,666,392	11,783,097	205,874,300	26,096,060	391,105,718	9,585,480,337
Accumulated depreciation	-	(50,487,518)	(93,259,341)	(3,646,301,451)	(3,691,737)	(25,627,233)	(15,559,478)	-	(3,834,926,758)
Net carrying amount	<u>160,408,432</u>	<u>303,500,333</u>	<u>203,299,146</u>	<u>4,493,364,941</u>	<u>8,091,360</u>	<u>180,247,067</u>	<u>10,536,582</u>	<u>391,105,718</u>	<u>5,750,553,579</u>
Year ended 31 December 2021									
At start of year	160,408,432	319,474,035	240,013,292	5,027,063,481	8,840,488	189,733,755	8,927,175	-	5,954,460,658
Additions	-	-	9,500,000	557,471,068	406,780	-	7,931,356	391,105,718	966,414,922
Disposal	-	-	(14,000,000)	(12,450,629)	-	-	-	-	(26,450,629)
Charge for the year	-	(15,973,702)	(32,214,146)	(1,078,718,979)	(1,155,908)	(9,486,688)	(6,321,949)	-	(1,143,871,372)
At end of year	<u>160,408,432</u>	<u>303,500,333</u>	<u>203,299,146</u>	<u>4,493,364,941</u>	<u>8,091,360</u>	<u>180,247,067</u>	<u>10,536,582</u>	<u>391,105,718</u>	<u>5,750,553,579</u>

NOTES (CONTINUED)

11. Inventories	2022 Tshs	2021 Tshs
Spares, tyres and lubricants	25,194,318	49,521,210
Furniture	65,558,950	65,558,950
Less: impairment provisions	(32,779,475)	-
	<u>57,973,793</u>	<u>115,080,160</u>

12. Trade and other receivables

Trade receivables	1,780,392,850	1,842,932,472
Less: provision for impairment	(91,984,227)	-
Net trade receivables	1,688,408,623	1,842,932,472
Other receivables	11,278,800	-
Prepayments	184,466,703	-
Receivable from related party (Note 15)	248,924,800	249,024,871
VAT recoverable	449,859,031	100,785,634
Total trade and other receivables	<u>2,582,937,957</u>	<u>2,192,742,977</u>

The company recognised an impairment loss of Tshs 91,984,227 (2021: Nil) against trade receivables due to default by customers.

13. Cash and cash equivalents

	2022 Tshs	2021 Tshs
For the purpose of the statement of cash flows, the year end cash and cash equivalents comprise the following:		
Cash in hand	5,016,115	167,371
Cash at bank	1,144,443,382	712,502,537
	<u>1,149,459,497</u>	<u>712,669,908</u>

14. Trade and other payables

Trade payables	1,102,535,560	224,559,157
Payable to related party (Note 15)	-	99,981
Other payables and accruals	154,544,194	38,167,588
Amount due to directors (Note 15)	3,439,255,865	3,228,844,026
	<u>4,696,335,619</u>	<u>3,491,670,752</u>

15. Related party transactions

The company is equally owned by Navtej Singh Mudher (20%), Navraj Singh Bhamra (20%), Amritpal Singh Bhamra (20%), Balraj Singh Mudher (20%) and Varinderpal Singh Bhamra (20%).

Other related parties include companies with common directorship or common shareholding.

NOTES (CONTINUED)

15. Related party transactions (continued)	2022 Tshs	2021 Tshs
The following transactions were carried out with related parties;		
i) Key management personnel compensation - Note 5		
- Salaries	105,000,000	105,000,000
- Fees	740,640,000	470,490,000
	<u>845,640,000</u>	<u>575,490,000</u>
ii) Receivable from related party - Note 12		
- Serengeti Simba Tanzania Limited	<u>248,924,800</u>	<u>249,024,871</u>
iii) Payable to related party - Note 14		
- Serengeti Simba Tanzania Limited	<u>-</u>	<u>99,981</u>
iv) Amount due to directors - Note 14		
- Amritpal Singh Bhamra	725,363,271	644,221,871
- Balraj Singh Mudher	714,872,570	590,650,330
- Navraj Singh Bhamra	758,615,319	835,814,819
- Navtej Singh Mudher	446,649,284	446,649,284
- Varinderpal Singh Bhamra	793,755,421	711,507,722
	<u>3,439,255,865</u>	<u>3,228,844,026</u>

The amounts due from/(to) related parties are interest free, have no specific dates of repayment and are unsecured.

16. Contingent liabilities

The directors are not aware of contingent liabilities against the company as at the date of this report.

17. Events after the reporting period

The directors confirm that there were no events subsequent to the year-end up to the date of this report that require either disclosure or adjustment in the financial statements.

18. Incorporation

Charan Singh & Sons Limited is incorporated in Tanzania under the Companies Act as a private Limited liability company and is domiciled in Tanzania.

19. Presentation currency

These financial statements are presented in Tanzanian Shillings (Tshs).

SCHEDULE OF EXPENDITURE

	2022	2021
	Tshs	Tshs
1. COST OF SALES		
Furniture expenses (1.1)	-	593,558
Direct expenses (1.2)	17,151,869,118	14,113,087,979
Soya purchases	860,854,157	-
Total cost of sales	18,012,723,275	14,113,681,537
1.1 Furniture expenses		
Opening inventory	65,558,950	39,214,308
Production	-	26,938,200
Closing inventory	(65,558,950)	(65,558,950)
	-	593,558
1.2 Direct expenses		
Opening stock of spares, tyres and lubricants	49,521,210	45,212,502
Salaries and wages	538,544,200	538,544,200
Demurrage charges	71,598,862	975,858
Insurance	236,828,288	542,660,516
Motor vehicle running expenses	10,337,006,066	8,640,070,284
Subcontractors transportation expenses	204,747,908	175,154,218
Depreciation on property, plant and equipment	1,282,870,704	1,066,183,646
Travelling expenses	2,228,344,708	1,956,315,005
Weighbridge charges and road tolls	2,227,601,490	1,197,492,960
Closing stock of spares, tyres and lubricants	(25,194,318)	(49,521,210)
	17,151,869,118	14,113,087,979
2. SELLING AND DISTRIBUTION EXPENSES		
Advertisement and sales promotion	-	300,000
3. ADMINISTRATIVE EXPENSES		
Employment:		
Salaries and wages	43,850,200	44,580,000
Directors salary	105,000,000	105,000,000
National social security fund	68,939,440	67,533,120
Skill and development levy	57,121,376	46,344,568
Workers compensation fund	3,781,261	5,508,565
Directors fees	740,640,000	470,490,000
Other staff costs	40,340,920	33,373,776
Total employment costs	1,059,673,197	772,830,029

SCHEDULE OF EXPENDITURE(Continued)

3. ADMINISTRATIVE EXPENSES (CONTINUED)	2022	2021
	Tshs	Tshs
Other administrative expenses:		
Audit fee	11,544,450	5,500,000
Subscriptions	4,800,000	1,250,000
Donation	2,490,000	13,055,000
Water and electricity expenses	14,496,928	16,179,076
Fire equipment charges	2,615,000	1,521,000
General office expenses	3,152,698	2,728,600
Legal and professional fees	4,000,000	-
Printing and stationary	2,257,705	3,691,727
Telephone, postage and internet	7,966,444	9,100,979
Transport and travelling expenses	47,834,483	22,848,110
Fine and penalties	9,518,163	103,093,544
Loss on truck accident	136,022,000	-
Bank charges	25,376,643	15,790,345
Bad debts	91,984,227	-
Stock impairment	32,779,475	-
Prior year taxes assessed by the TRA (2017 - 2019);		
- Pay as you earn	24,871,417	-
- Withholding tax	11,935,637	-
- Skills and development levy	6,098,745	-
- Value added tax	79,910,500	-
Total other administrative expenses	519,654,515	194,758,381
Total administrative expenses	1,579,327,712	967,888,410
3. OTHER OPERATING EXPENSES		
Establishment		
Rent	4,674,278	4,284,082
Licences	5,286,040	6,357,863
Insurance	14,779,688	10,777,111
Repair and maintainance	10,473,101	19,051,019
Land rent and property tax	5,002,700	6,537,000
Damages	5,591,922	1,144,106
Container handling charges	29,950,000	46,700,000
City service levy	60,789,979	47,592,106
Security expenses	38,226,802	38,572,271
Net foreign exchange gain	(197,509,834)	(86,167,464)
Depreciation on property, plant and equipment	59,668,567	77,687,726
	36,933,243	172,535,820