

AIM STEEL LIMITED

FINANCIAL STATEMENTS & REPORTS

30TH JUNE 2022

MWEMA & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS IN PUBLIC PRACTICE

TAX CONSULTANTS

P.O.BOX 891

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ARUSHA

AIM STEEL LIMITED**CONTENTS**

	Page
Directors & Professional Advisers	2
Report of the Directors	3
Statement of Directors Responsibilities	4
Report of the Auditors	5
Profit and Loss Account	6
Statement of Financial Position -Balance Sheet	7
Statement of Changes in Equity	8
Cash Flow Statement	9
Notes to the Financial Statements	10,11,12
Statement of Comprehensive Income	13
Overhead Expenses	14,15

AIM STEEL LIMITED

DIRECTORS AND PROFESSIONAL ADVISORS

BOARD OF DIRECTORS:

MRS.KANAKLATA K.PATEL

MR.NIKHIL K.PATEL

MR.VIRAN K.PATEL

MRS. PALAK N.PATEL

REGISTERED OFFICE:

Plot No 17/18 Block T
Sokoine Road
P.O.Box 530,
Arusha

AUDITORS:

Mwema & Company
P.O.Box 891 Arusha
Certified Public Accountants in Public Practice

BANKERS:

Exim Bank (T) Limited
National Bank of Commerce Ltd.
Standard Chartered Bank T.Ltd
Azania Bank Ltd.
NMB Bank
Diamond Trust Bank Tz Ltd

AIM STEEL LIMITED

DIRECTORS REPORT AND AUDITED ACCOUNTS TO THE MEMBERS OF THE COMPANY FOR THE YEAR ENDED 30TH JUNE 2022

1 The directors present their report together with the financial statements for the year ended 30TH JUNE 2022 which discloses the state of affairs of the Company.

2 STATEMENT OF DIRECTORS' REPOSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS.

The Directors are required under the Companies Act, 2002 to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company as at the end of the financial period and its profit or loss for that year.

The directors confirm that suitable accounting policies, reasonable and prudent judgement have been used and consistently applied in preparation of the Financial Statements for the year ended 30TH JUNE 2022. The Directors also confirm that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to ensure that the financial statements comply with the Companies Act, 2002. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

3 INCORPORATION.

The company is incorporated in Tanzania under the Companies Act 2002. The Company's contact address:

P. O. BOX 530
ARUSHA.

4 PRINCIPAL ACTIVITY.

The Principal activity of the Company is Trading in Hardware & Steel Materials and Mall Renting etc.

5 ADMINISTRATIVE EFFICIENCY.

Significant administrative matters affecting the company's performance are summarized below:

- (a) Payment of all statutory dues such as WCF,PAYE,SDL,NSSF, were made on time.
- (b) All properties and assets of the company are insured against normal business risks.
- (c) There have been no court cases against the company or the management during the year.

6 RELATED PARTY TRANSACTIONS.

There were no contracts in force or any other transactions during the year in which any of the related parties has or had an interest which is of significance to the company.

All transactions with related parties would be undertaken on arm's length basis when exists.

7 EMPLOYEES WELFARE.

The management/employee relationship remained cordial throughout the year.

AIM STEEL LIMITED**8 SOLVENCY.**

The directors confirm that applicable accounting standards have been followed and that the financial statements have been prepared on going concern basis. The directors have reasonable expectation that the company has adequate resources to continue in operation existence for the foreseeable future. The Company's state of affairs as on 30th June 2022 is shown in the accompanying statement of financial position and is considered to be solvent for the foreseeable future.

9 RESULTS FOR THE YEAR.

The results of the company and the state of it's affairs are set out in the annexed financial statements

10 DIRECTORS.

Directors of the Company who held Office during the year were:

Name	Position	Nationality
MRS.KANAKLATA K.PATEL	Director	Tanzanian
MR.NIKHIL K.PATEL	Director	Tanzanian
MR.VIRAN K.PATEL	Director	Tanzanian
MRS. PALAK N.PATEL	Director	British

11 RISK MANAGEMENT AND INTERNAL CONTROL**(i) Risk and internal control assessment**

The company has an enterprise risk management policy, which outlines roles and responsibilities of various officers in the risk management process. Plans are currently underway to develop risk management operational guidelines (Manual) for the day to day management of risks.in addition the performance audit function assists management with risks assessment and mitigation.

(ii) Safeguarding of company's Assets

The directors are responsible for safeguarding the assets of the company. During the year under review, no incident of loss of company's assets was recorded.

(iii) Compliance with Laws and Regulations

The principal functions and operations of the company are governed by the Company Act 2002,Income Tax Act 2004 and it's regulations. The directors confirm that the activities and operations of the company were conducted in accordance with the stipulated laws and guidelines. The directors are not aware of non-compliance with other applicable laws and regulations that would have material impact on.

(iii) Reliability of Accounting Records

The Company has competent staff who have adequate experience with the financial environment, proper books of accounts have been maintained and the financial statements are prepared and presented in compliance with the International Financial Reporting Standards (IFRS)

12 DIVIDENDS

The directors do not recommend the payment of dividend.

13 AUDITORS.

The auditors of the Company have indicated their willingness to continue in Office.

BY ORDER OF THE BOARD



DIRECTOR

AIM STEEL LIMITEDDIRECTORS RESPONSIBILITIES

The Companies Act requires the Directors to prepare financial statements for each financial year 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 of the Company for that year. It also requires the Directors to ensure that Company keeps proper accounting records which disclose the reasonable accuracy at any time the financial position of the Company. They are also responsible for safeguarding the assets of the Company.

The Directors accept the responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and in the manner required by the Companies Act. The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its operating results. The Directors further accept responsibility for the maintenance of the accounting records which may be relied in the preparation of financial statements, as well as adequate systems of internal financial control.

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


.....
DIRECTOR


.....
DIRECTOR

AIM STEEL LIMITED**INDEPENDENT AUDITOR'S REPORT
to the members of AIM STEEL LIMITED****REPORT ON THE FINANCIAL STATEMENTS****Opinion**

We have audited the financial statements of AIM STEEL LIMITED ("the Company") set out on pages 6 to 15, which comprise the statement of financial position as at 30TH JUNE 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of AIM STEEL LIMITED as at 30TH JUNE 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 2002 of Tanzania.

Directors' responsibility for the financial statements

The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 2002 of Tanzania, 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluation the overall presentation of the financial statements.

we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

AIM STEEL LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)
to the members of AIM STEEL LIMITED

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

This report, including the opinion, has been prepared for, and only for, the Company's members as a body in accordance with the Tanzanian Companies Act, 2002 and for not other purpose We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of the audit;
As required by the Tanzanian Companies Act, 2002, we report to you, based on our audit, that:

- (i) In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books;
- (ii) The Directors' report is consistent with the financial statements;
- (iii) The Company's statement of financial position, statement of profit or loss and statement of other comprehensive income are in agreement with the books of account. for the year ended 30th June 2022



JOHN P. MAJO (FCPA 104)
MWEMA & COMPANY (PF037)
Certified Public Accountants in Public Practice.

15 DEC 2022

AIM STEEL LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2022.**

	<u>NOTE</u>	<u>2022</u> <u>T SHS.</u>	<u>2021</u> <u>T SHS.</u>
TURNOVER	1 (C)	45,243,976,526	29,149,860,521
PROFIT/LOSS BEFORE TAXATION		219,139,750	92,992,108
AFTER CHARGING:-			
DEPRECIATION		<u>1,235,432,083</u>	<u>836,204,001</u>
TAXATION	4	65,741,925	27,897,632
TOTAL PROFIT/LOSS AFTER TAXATION		<u>153,397,825</u>	<u>65,094,476</u>

STATEMENT OF RETAINED EARNINGS

PROFIT / LOSS FOR THE YEAR	153,397,825	65,094,476
RETAINED PROFIT AT THE BEGINNING OF THE YEAR	245,614,737	440,887,642
LESS: PRIOR YEARS ADDITIONAL TAXES	(153,012,215)	(260,367,381)
RETAINED PROFIT AS AT 30TH JUNE 2022.	<u>246,000,347</u>	<u>245,614,737</u>

AIM STEEL LIMITED
STATEMENT OF FINANCIAL POSITION
BALANCE SHEET AS AT 30TH JUNE 2022.

<u>ASSETS</u>	<u>NOTE</u>	<u>2022</u> <u>T.SHS.</u>	<u>2021</u> <u>TSHS.</u>
<u>NON CURRENT ASSETS:</u>			
<u>Fixed Assets:</u>			
PROPERTIES, PLANT & EQUIPMENTS	2	36,146,832,669	35,825,901,131
<u>CURRENT ASSETS</u>			
Accounts Receivables		7,435,819,767	7,909,962,487
Prepayments & Deposits		546,500	546,500
Stock In Trade		5,151,164,510	2,344,580,470
Taxation	4	300,195,682	287,744,909
Cash & Cash Equivalents	5	155,073,287	116,998,621
		<u>13,042,799,746</u>	<u>10,659,832,987</u>
TOTAL ASSETS		<u>49,189,632,415</u>	<u>46,485,734,118</u>
<u>EQUITY & LIABILITIES:</u>			
<u>CAPITAL & RESERVES</u>			
Share Capital	3	50,000,000	50,000,000
Capital Revaluation Reserve		21,935,229,539	21,935,229,539
Retained Earnings		246,000,347	245,614,737
		<u>22,231,229,886</u>	<u>22,230,844,276</u>
<u>CURRENT LIABILITIES</u>			
Accounts Payable		13,620,299,805	11,811,613,646
Directors Current Account		(74,225,830)	(74,353,230)
Security Deposits		253,887,522	247,385,422
Bank Over Draft	6	6,617,154,734	6,345,504,668
Bank Term Loan	7	784,726,298	1,712,739,336
Bank Post Importation Loan	8	5,756,560,000	4,212,000,000
		<u>26,958,402,529</u>	<u>24,254,889,842</u>
TOTAL EQUITY AND LIABILITIES		<u>49,189,632,415</u>	<u>46,485,734,118</u>

These financial statements were approved by the Board of Directors on 15/12/2022 and were signed on its behalf by:


DIRECTOR

K.K. Patel
DIRECTOR

AIM STEEL LIMITEDSTATEMENT OF CHANGES IN EQUITY 30TH JUNE 2022.

	<u>SHARE CAPITAL</u>	<u>RETAINED EARNINGS</u>	<u>CAPITAL REVALUATION RESERVE</u>	<u>TOTALS</u>
<u>YEAR ENDED 30TH JUNE 2021.</u>				
At the beginning of the year	50,000,000	440,887,642	21,935,229,539	22,426,117,181
Additions for the year	-	65,094,476	-	65,094,476
Prior Years Additional Taxes	-	(260,367,381)		(260,367,381)
At the end of the year	50,000,000	245,614,737	21,935,229,539	22,230,844,276
<u>YEAR ENDED 30TH JUNE 2022.</u>				
At the beginning of the year	50,000,000	245,614,737	21,935,229,539	22,230,844,276
Additions for the year	-	153,397,825	-	153,397,825
Prior Years Additional Taxes	-	(62,227,824)		(62,227,824)
Provision - Tax Liability 2019-20		(90,784,391)		(90,784,391)
At the end of the year	50,000,000	246,000,347	21,935,229,539	22,231,229,886

AIM STEEL LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE 2022.**

	2022	2021
	T SHS	T SHS
<u>CASH FLOW FROM OPERATING ACTIVITIES:</u>		
Profit /Loss for the Year	219,139,750	92,992,108
<u>Add: Adjustment for</u>		
Depreciation	1,235,432,083	836,204,001
Operating Profit before working capital changes.	1,454,571,833	929,196,109
<u>(INCREASE) / DECREASE IN CURRENT ASSETS / LIABILITIES:</u>		
Accounts Receivable	474,142,720	(1,158,854,382)
Accounts Payable	1,808,686,159	(338,082,763)
Security Deposits	6,502,100	(3,928,008)
Stocks	(2,806,584,040)	836,976,795
Directors Current Account	127,400	(20,538,549)
Cash Generated from Operations	(517,125,661)	(684,426,907)
<u>TAXATION:</u>		
Taxes Paid	(231,204,913)	(291,635,417)
<u>CASH FLOW FROM INVESTING ACTIVITIES:</u>		
Purchase of Fixed Assets : Properties,Plant & Equipments.	(1,557,799,560)	(271,206,047)
Sale of Assets	1,435,939	-
Cash Generated from Investing Activities	(1,556,363,621)	(271,206,047)
<u>CASH FLOW FROM FINANCING ACTIVITIES:</u>		
Bank Term Loan	(928,013,038)	(804,130,289)
Bank Overdrafts	271,650,066	426,308,352
Bank Post Importation Loan	1,544,560,000	644,077,068
Cash Generated from Financing Activities	888,197,028	266,255,131
Net Increase in Cash and Cash Equivalent	38,074,666	(51,817,131)
Cash and Cash Equivalent at the beginning of the Year	116,998,621	168,815,752
Cash and Cash Equivalent at the end of the Year	155,073,287	116,998,621
<u>Cash and Bank Balance Analysis:</u>		
Cash and Bank Balance	155,073,287	116,998,621
	155,073,287	116,998,621

AIM STEEL LIMITED**1. SIGNIFICANT ACCOUNTING POLICIES**

The Principal accounting policies adopted in the preparation of these 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 Tanzanian Shillings and prepared under the historical cost convention. The preparation of financial statements in conformity with IFRS requires the use of estimates and liabilities at that effect 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) Depreciation

The fixed assets of the company are depreciated on reducing balance basis so as to write off the cost of the assets concerned over their useful lives at the following rates per annum.

VEHICLES,CANTERS,CRANES,TRUCKS (Under 7 Tons)	37.50%	PER ANNUM
MOTOR VEHICLES,TRUCKS,TRAILERS,FORKLIFTS & M/CYCLES	25.00%	PER ANNUM
PLANT & MACHINERIES	25.00%	PER ANNUM
COMPUTERS,SERVERS & ACESSORIES	37.50%	PER ANNUM
FURNITURE,FITTINGS, OFFICE CABIN PARTITION,CONTAINER	12.50%	PER ANNUM
FOR STORAGE,OFFICE MACHINES & EQUIP, RADIOCALL & SECURITY	12.50%	PER ANNUM
ALARM SYSTEM,GODOWN FIXTURES,ELECTRONIC WEIGH BRIDGE & SCALES	12.50%	PER ANNUM
BUILDINGS (DEPRECIATION ON STRAIGHT LINE BASIS)	5.00%	PER ANNUM

(c) Revenue Recognition

Turnover comprises of revenue derived from sales of hardware and steel materials.

(d) Currency

These financial statements are expressed in Tanzanian Shillings.

(e) Stock

Stocks are valued at the lower of cost or realisable market value.

2. FIXED ASSTES (See Page 12)**3. SHARE CAPITAL**

	2022	2021
	<u>T SHS</u>	<u>T SHS</u>
Authorised:		
1,000,000 shares of Tshs 1,000/- each	1,000,000,000	1,000,000,000
Issued and fully paid:		
50,000 shares of Tshs 1,000/- each	50,000,000	50,000,000

	2022	2021
	<u>T SHS</u>	<u>T SHS</u>
4. TAXATION		
Balance Brought Forward	(287,744,909)	(284,374,505)
Add : Provision for the Year	65,741,925	27,897,632
Prior Years Additional Taxes		
2017	-	8,555,869
2018	-	16,855,408
2019	-	146,140,128
VAT Liability 2018-2019	-	75,315,976
EFD Tax Liability	4,500,000	13,500,000
WithHolding Tax on Services Y/I 2020	16,580,816	
WithHolding Tax on Rental Y/I 2020	14,182,633	
P.A.Y.E. Liability Y/I 2020	10,730,515	
Skills & Development Liability Y/I 2020	2,396,247	
Corporate Tax - Interest Y/I 2020	4,878,918	
VAT Liability 2019-2020	8,958,695	
Provision of Corporate Tax Liability for the Year of Income 2019-2020	90,784,391	
	<hr/>	
	(68,990,769)	3,890,508
Less : Prior Years Additional Taxes Paid		
EFD Tax Liability	(4,500,000)	(13,500,000)
VAT Liability 2018-2019		(75,315,976)
2019		(89,312,713)
WithHolding Tax on Services Y/I 2020	(16,580,816)	
WithHolding Tax on Rental Y/I 2020	(14,182,633)	
P.A.Y.E. Liability Y/I 2020	(10,730,515)	
Skills & Development Liability Y/I 2020	(2,396,247)	
Corporate Tax - Interest Y/I 2020	(4,878,918)	
VAT Liability 2019-2020	(8,958,695)	
Taxes Paid during the Year Prov and W/T	(168,977,089)	(113,506,728)
Balance Carried Forward	<hr/> <hr/>	<hr/> <hr/>
	(300,195,682)	(287,744,909)
5. CASH & CASH EQUIVALENT.		
N.B.C. Bank Arusha - T shs Account.	7,552,860	5,400,759
Standard Chartered Bank Arusha - T shs Account.	11,679,244	5,724,244
Azania Bank Ltd - Tshs Account.	11,064,504	11,064,504
N.M.B - T shs Account.	916,871	25,801,152
N.M.B - USD Account.	4,879,399	1,533,753
Exim Bank (T) Ltd - T shs Account.	2,333,279	42,351,240
Exim Bank (T) Ltd - USD Account.	620,377	1,311,921
Cash In Hand	116,026,753	23,811,048
	<hr/> <hr/>	<hr/> <hr/>
	155,073,287	116,998,621

11 (a)

6. BANK OVERDRAFTS.

Diamond Trust Bank Tz Ltd - T shs Account.

Diamond Trust Bank Tz Ltd - USD Account.

2022	2021
<u>T SHS</u>	<u>T SHS</u>
4,411,112,373	4,107,101,805
2,206,042,361	2,238,402,863
<u>6,617,154,734</u>	<u>6,345,504,668</u>

7. BANK TERM LOAN.

Diamond Trust Bank Tz Ltd - Long Term Loan.

784,726,298	1,712,739,336
<u>784,726,298</u>	<u>1,712,739,336</u>

8. POST IMPORTATION LOAN.

With Diamond Trust Bank Tz Ltd .

5,756,560,000	4,212,000,000
<u>5,756,560,000</u>	<u>4,212,000,000</u>

AIM STEEL LIMITED.NOTES TO THE FINANCIAL STATEMENTS AS ON 30TH JUNE 2022.

<u>2. FIXED ASSETS: PROPERTIES, PLANT & EQUIPMENTS</u>	<u>DEPR</u>	<u>N.B.V. ON 01.07.2021.</u>	<u>ADDITIONS / (DISPOSALS)</u>	<u>TOTALS</u>	<u>DEPRECIATION.</u>	<u>N.B.V. ON 30.06.2022.</u>
<u>PARTICULARS</u>						
VEHICLES: CANTERS, CRANES, TRUCKS (Under 7 Tons)	37.50%	2,875,302	(4,237,288)	2,803,968	1,051,488	1,752,480
SALE OF T362 ASD MITSUBISHI FUSO TRUCK			4,165,954			
PROFIT ON SALE OF T362 ASD MITSUBISHI FUSO TRUCK						
MOTOR VEHICL, TRUCKS, TRAILERS, FORKLIFTS & M/CYCL	25.00%	283,717,648	(8,474,576)	282,353,043	70,588,261	211,764,782
SALE OF T567 BNS SCANIA TRUCK			7,109,971			
PROFIT ON SALE OF T567 BNS SCANIA TRUCK						
COMPUTERS, SERVERS & ACESSORIES	37.50%	31,576,172	-	31,576,172	1,913,980	29,662,192
No Dep taken on ERP Software 26,472,225/- (2019-20)						
PLANT & MACHINERIES	25.00%	4,525,919	1,425,449,512	1,429,975,431	357,493,858	1,072,481,573
FURNITURE, FITTINGS, AND OFFICE CABIN PARTITION	12.50%	11,537,286	-	11,537,286	1,442,161	10,095,125
CONTAINER FOR STORAGE	12.50%	276	-	276	35	241
OFFICE MACHINES AND EQUIPMENTS	12.50%	14,736,702	3,603,898	18,340,600	2,292,575	16,048,025
RADIO CALLS, SECURITY ALARM SYST, CCTV CAMERAS	12.50%	11,749,924	-	11,749,924	1,468,741	10,281,183
GODOWN FIXTURES	12.50%	34,427,399	-	34,427,399	4,303,424	30,123,975
ELECTRONIC WEIGH BRIDGE AND SCALES	12.50%	12,176,534	-	12,176,534	1,522,067	10,654,467
LAND AND BUILDINGS						
Plot No 4 Mbezi Industrial Area Dar-es-Salaam	5.00%	9,666,772,274	20,215,850	9,686,988,124	73,947,981	9,613,040,143
Plot No 445 Block CC Sombetini Arusha	5.00%	16,032,132,756	44,639,300	16,076,772,056	636,522,913	15,440,249,143
Plot No 9 Njiro Arusha	5.00%	7,671,802,062	63,891,000	7,735,693,062	19,211,944	7,716,481,118
Company House	5.00%	1,273,453,117	-	1,273,453,117	63,672,656	1,209,780,461
Plot No 457 Block CC Sombetini Arusha	-	774,417,760	-	774,417,760	-	774,417,760
TOTALS T SHS		35,825,901,131	1,556,363,621	37,382,264,752	1,235,432,083	36,146,832,669

AIM STEEL LIMITED**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH JUNE 2022.**

	2022	2021
	T SHS	T SHS
INCOME:		
SALES INCLUDING SPECIAL RELIEF & ZERO RATED SALES	45,243,976,526	29,149,860,521
LESS: DIRECT EXPENSES,COST OF SALES		
Opening Stock	2,344,580,470	3,181,557,265
Purchases	43,729,760,808	25,164,698,792
	46,074,341,278	28,346,256,057
Less: Closing Stock	5,151,164,510	2,344,580,470
	40,923,176,768	26,001,675,587
GROSS PROFIT.	4,320,799,758	3,148,184,934
OTHER INCOME:		
Rent Income.	856,460,563	738,494,734
Rent Income Special Relief	70,498,500	-
Service Charge.	15,301,163	31,303,051
Other Income From AIM MALL.	189,954,868	193,007,906
Transport Income	145,038,774	177,449,631
Vehicle Insurance Claim	66,549,376	5,231,345
Profit on Sale of Trucks T 362 ASD & T 567 BNS	11,275,925	
TOTAL INCOME	5,675,878,927	4,293,671,601
LESS:		
OVERHEAD EXPENSES.		
Establishment Expenses	487,384,966	454,529,021
Administration Expenses.	700,616,488	521,273,444
Labour Expenses.	496,830,788	464,513,029
Financial Expenses.	1,279,182,480	1,236,466,766
Selling & Distribution Expenses.	1,257,292,372	687,693,232
Depreciation.	1,235,432,083	836,204,001
	5,456,739,177	4,200,679,493
NET PROFIT / LOSS BEFORE TAXATION.	219,139,750	92,992,108
TAXATION.	65,741,925	27,897,632
NET PROFIT AFTER TAXATION.	153,397,825	65,094,476

AIM STEEL LIMITED**OVERHEAD EXPENSES FOR THE YEAR ENDED 30TH JUNE 2022.**

	2022	2021
	T SHS	T SHS
<u>ESTABLISHMENT EXPENSES</u>		
Shop & Godown Rent.	152,740,689	156,564,432
Insurances.	245,456,825	211,253,889
Security Expenses.	76,176,100	73,256,977
Land Rent & Property Tax.	13,011,352	13,453,723
	487,384,966	454,529,021
<u>ADMINISTRATION EXPENSES.</u>		
Directors Fees.	108,000,000	80,000,000
Electricity Charges.	191,002,075	177,101,881
EUWARA - Consumer Instalation Fees.	-	500,000
Water Charges.	13,056,341	11,258,967
Postages & Courier Charges.	939,400	1,371,100
Vehicle - Fuel & Lubricants for Saloons & S/Wagons.	64,064,984	59,650,737
Vehicle - Licenses,Sumatra.	2,722,500	2,444,502
Vehicle - Parking Fees.	2,177,700	2,560,000
Printing & Stationery.	27,001,138	25,654,845
Telephone, Mobile & Internet Exps.	16,450,239	15,047,620
Travelling Expenses.	49,710,640	11,914,510
Refuse Collection Fees.	1,390,000	6,264,000
Environment Management Fees.	1,600,000	2,500,000
OSHA Fees.	2,340,000	3,076,950
BASATA Fees.	550,000	550,000
COSOTA & Business Licences.	1,838,000	1,640,000
Fire & Rescue Fees.	11,000,000	10,900,000
Generator Running Exps.	15,897,180	9,473,278
Office Computer Spares & Repairs.	31,933,025	15,916,176
Weigh Bridge and Weights & Measures Dept Fees.	7,812,180	10,559,057
Papers & Periodicals.	325,000	370,200
VAT Disallowed for Expences on Refund Claim	52,341,642	-
Stamp Duty & NHC Lease Agreement Fees.	3,872,221	-
Mall Cleaning Charges.	51,026,000	46,350,600
Mall Events.	4,240,000	4,640,000
Godown Repairs.	18,437,573	8,624,064
Donations.	330,000	4,550,000
Company Return Filing Fees to BRELA.	22,000	7,500
Legal Charges.	-	5,897,457
Audit & Consultation Fees.	20,536,650	2,450,000
	700,616,488	521,273,444

AIM STEEL LIMITED**OVERHEAD EXPENSES FOR THE YEAR ENDED 30TH JUNE 2022. (CONTINUED)**

	2022	2021
	<u>T SHS</u>	<u>T SHS</u>
<u>LABOUR COSTS</u>		
Salaries & Payments In Lieu of Leave.	373,417,000	343,626,600
N.S.S.F Contributions.	37,341,700	34,362,660
Skills & Development Levy.	26,866,036	20,055,112
Staff Medical Expenses.	2,433,800	3,922,946
Expatriate Staff - Permit Fees.	54,531,750	59,109,445
Workers Compensation Fund.	2,240,502	3,436,266
	<u>496,830,788</u>	<u>464,513,029</u>
<u>FINANCIAL EXPENSES</u>		
Bank Charges. Facility & Interest Charges.	1,279,182,480	1,236,466,766
<u>DEPRECIATION</u>		
Charge for the Year	1,235,432,083	836,204,001
<u>SELLING & DISTRIBUTION EXPENSES</u>		
Transport.	281,303,077	30,019,600
Loading & Off Loading.	297,473,909	77,751,200
Vehicle - Fuel & Lubricants for Trucks.	363,034,910	338,020,843
Vehicle - Spares & Repairs.	151,972,731	137,263,265
Vehicle - Tyres & Tubes.	52,003,053	47,509,629
Advertisement & Promotion.	300,000	1,050,000
Bill Board Charges.	18,470,800	1,500,000
Municipal Service Levy.	92,733,892	54,578,695
	<u>1,257,292,372</u>	<u>687,693,232</u>

INCOME TAX COMPUTATION FOR THE YEAR 2022.

	<u>T SHS.</u>
Profit as per Accounts.	219,139,750
<u>Add Back:</u>	
Depreciation.	1,235,432,083
15% Vehicle - Fuel & Lubricants Saloons & S/W	9,609,748
Donations.	330,000
	<u>1,464,511,581</u>
Less: Depreciation Wear & Tear	<u>(1,235,432,083)</u>
Total Adjusted Profit.	<u>229,079,498</u>

<u>DEPRECIATION WEAR & TEAR SCH:</u>	<u>CLASS I</u> <u>37.50%</u>	<u>CLASS II</u> <u>25.00%</u>	<u>CLASS III</u> <u>12.50%</u>
W.D.V AS AT 01.07.2021	34,451,474	288,243,567	84,628,121
<u>ADDITIONS:</u>			
SALE OF T 362 ASD MITSUBISHI FUSO TRUCK	(4,237,288)		
PROFIT ON SALE OF T 362 ASD MITSUBISHI FUSO TRUCK	4,165,954		
HIGH VOLTAGE TRANSFORMER		50,658,417	
GENERATOR - PERKINS 22KV		27,023,462	
COLD ROLLING LINE MACHINE		1,325,174,996	
INSTOLATIONS & CABLES - COLD ROLLING MACHINE		22,592,637	
SALE OF T 567 BNS SCANIA TRUCK		(8,474,576)	
PROFIT ON SALE OF T 567 BNS SCANIA TRUCK		7,109,971	
ELECTRONICS EQUIPMENTS FOR MALL			3,603,898
	<u>34,380,140</u>	<u>1,712,328,474</u>	<u>88,232,019</u>
LESS : ANNUAL ALLOWANCE	** 2,965,468	428,082,119	11,029,003
** Annual Allow on ERP Softw Tshs 26,472,225/-not taken bought in the year 2019-2020.			
W.D.V AS AT 30.06.2022	<u>31,414,672</u>	<u>288,243,567</u>	<u>77,203,016</u>

CLASS VI - 5%

	<u>Residue B/F</u>	<u>Additions</u> <u>During the year</u>	<u>Qualified</u> <u>Expenditure</u>	<u>Allowance</u> <u>during the year</u>	<u>Residue C/F</u>
Building on Plot No 4 Mbezi - Dar-es-salaam	1,458,743,765	20,215,850	1,478,959,615	73,947,981	1,405,011,634
Building on Plot No 9 Njiro - Arusha	320,347,872	63,891,000	384,238,872	19,211,944	365,026,928
Aim Mall Building PI 445 BL CC Sombetini					
Arusha	12,685,818,962	44,639,300	12,730,458,262	636,522,913	12,093,935,349
Company House	1,273,453,117	-	1,273,453,117	63,672,656	1,209,780,461
	<u>15,738,363,716</u>	<u>128,746,150</u>	<u>15,867,109,866</u>	<u>793,355,493</u>	<u>15,073,754,373</u>