

INTEGRITY LOGISTICS TANZANIA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



*Plot No. 354/64 Bridge /India Street
3rd Floor, Co-Architecture Bldg
P.O. Box 33031
DAR ES SALAAM*

LAGHE Consult

Certified Public Accountants, Auditors and Tax Consultants

*Uhuru Street
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IRINGA*

INTEGRITY LOGISTICS TANZANIA LIMITED
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For the year ended 31 December 2020

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COMPANY INFORMATION

BOARD OF DIRECTORS : Pirthipal Singh Sanghera - Director/Chairman Tanzanian
: Henry Williams Sallu - Director Tanzanian

SENIOR MANAGEMENT TEAM : Pirthipal Singh Sanghera - Managing Director
:

REGISTERED OFFICE : Plot No. 109 Block C, Chang'ombe Industrial Area, Dakawa Road
: P.O.Box 6517
: Dar es Salaam, Tanzania

PRINCIPAL PLACE OF BUSINESS : Plot No. 109 Block C, Chang'ombe Industrial Area, Dakawa Road
: P.O.Box 6517
: Dar es Salaam, Tanzania

AUDITORS : LAGHE Consult
: Certified Public Accountants
: Plot No. 354/64, Bridge/India St.
: 3rd Floor-Co-Architecture Bldg
: P.O.Box 33031,
: Dar-es-Salaam, Tanzania

PRINCIPAL BANKERS : DTB Bank Tanzania Ltd
Main Branch
: P.O. Box 115
: Dar es Salaam, Tanzania

: NIC Bank
Samora Branch
: P.O. Box 20268
: Dar es Salaam, Tanzania

DIRECTORS' REPORT

The directors submit their report and the audited financial statements for the year ended 31 December 2020, which disclose the state of affairs of INTEGRITY LOGISTICS TANZANIA LIMITED.

PRINCIPAL ACTIVITIES

The principal activity of the company is to render clearing and freight forwarding services, in Tanzania and the neighbouring countries.

RESULTS FOR THE YEAR

The results for the year ended 31 December 2020 are set out on page 6 and the appropriations therefrom in the statement of changes in equity on page 8.

FUTURE PROSPECTS

The objective of the company is to ensure that it renders best freight forwarding services by increasing the fleet so as to cover most parts of Tanzania and expand the transit goods conveyance services to all neighbouring countries.

DIRECTORS' DRAWINGS

The money drawn from the business by the Director are categorised as Directors Drawings which are the Appropriations of business profit as shown in the Statement of Equity.

DIRECTORS

The directors who held office at the date of this report are shown on page 1.

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

SHAREHOLDERS' INTERESTS

The Shareholders' interest and ownership according to the number of issued and fully paid up shares of the company as at 31 December 2020 are as follows:

	Shares Subscribed and Paid up	Nominal Value Tshs.
Pirthipal Singh Sanghera	4005	320,400,000
Harsimran Kaur Sanghera	445	35,600,000
	<u>4450</u>	<u>356,000,000</u>

CORPORATE GOVERNANCE

The directors believe that high standards corporate governance directly influences the organisation's shareholders and investor confidence and the directors recognise the importance of integrity, transparency, responsibility and accountability.

EMPLOYEE WELFARE

The relationship between Employees and Management has been good and there were no unresolved form either party during the year. The company's employment terms are reviewed annually to ensure that they meet statutory and market conditions.

AUDITORS

LAGHE Consult were re-appointed in year 2020 and continue in accordance with the Companies Act 2002.

BY ORDER OF THE BOARD



Director

16 - August - 2021

Date

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 judgments and estimates, consistent with previous years, and in conformity with the 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 financial affairs of the company as at 31 December 2020 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.

Approved by the board of directors on16.02.2021 and signed on its behalf by:



DIRECTOR

DECLARATION OF HEAD OF FINANCE OF INTEGRITY LOGISTICS TANZANIA LIMITED

The National Board of Accountants and Auditors (NBAA) according to the power 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 responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Board/Management to discharge the responsibility of preparing financial statements of INTEGRITY LOGISTICS TANZANIA LIMITED position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors as under Directors Responsibility statement on an earlier page.

I IRIS S. SHELYD..... being the Head of Finance of INTEGRITY LOGISTICS TANZANIA LIMITED, hereby acknowledge responsibility of ensuring the financial statements for the year ended 31 December, 2020 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 INTEGRITY LOGISTICS TANZANIA LIMITED as on that date and that they have been prepared based on properly maintained financial records.

Signed By: [Signature].....

Position: ACCOUNTANT.....

NBAA Membership No. : ACPA.....

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REPORT OF THE INDEPENDENT AUDITORS

To the shareholders of INTEGRITY LOGISTICS TANZANIA LIMITED

Report on the Financial Statements

Opinion

We have audited the financial statements of INTEGRITY LOGISTICS TANZANIA LIMITED, which comprise the statement of financial position as at 31 December 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 10 to 19.

In our opinion, the financial statements present fairly, in all material respects, the financial position of INTEGRITY LOGISTICS TANZANIA LIMITED as at 31 December 2020, 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.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our opinion.

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 requirements of the 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 misstatements, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 management, as well as evaluating the overall presentation of the financial statements.

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 Companies Act 2002 and for no other purposes.

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

- (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;
- (iii) the company's statement of financial position and the profit and loss account are in agreement with the books of account;
- (iv) the directors report is consistent with the financial statements; and
- (v) information specified by law regarding directors remuneration and transactions with the company is disclosed.



LAGHE CONSULT
Certified Public Accountants & Auditors
P. O. Box 33031 DAR ES SALAAM
P.O. Box 783 IRINGA
TANZANIA


Leopold Bulondo-ACPA 898-PP
Engagement Consultant

16th August, 2021

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STATEMENT OF COMPREHENSIVE INCOME

	NOTE	2020 TZS	2019 TZS
Sales	9	12,859,004,942	14,184,014,085
Cost of Sales	10	(11,337,260,983)	(12,744,226,116)
Gross Profit / (Loss)		<u>1,521,743,959</u>	<u>1,439,787,968</u>
Sundry Income	11	65,227,523	2,724,341
Operating Expenses			
Administrative Costs	12	(909,842,264)	(765,558,643)
Selling and Distribution Costs	13	(13,009,440)	(18,094,062)
Financial Costs	14	(113,198,623)	(154,349,964)
General Costs	15	(29,591,754)	(39,088,245)
Depreciation		(368,404,628)	(313,355,312)
Profit Before Tax		<u>152,924,771</u>	<u>152,066,083</u>
Tax		(45,877,431)	(45,619,825)
Profit for the Year		<u><u>107,047,340</u></u>	<u><u>106,446,258</u></u>

The significant accounting policies on page 10 to 13 and the notes on pages 14 to 19 form an integral part of these financial statements.

Report of the independent auditors on page 5.



Pirthipal Singh Sanghera
 DIRECTOR


INTEGRITY LOGISTICS TANZANIA LIMITED
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STATEMENT OF FINANCIAL POSITION

	NOTE	2020 TZS	2019 TZS
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	1,192,928,143	1,462,636,038
Total Non-Current Assets		<u>1,192,928,143</u>	<u>1,462,636,038</u>
Current Assets			
Trade and Other Receivables	4	2,691,261,925	2,116,749,098
Cash and Bank Balances		156,045,822	108,132,654
Total Current Assets		<u>2,847,307,747</u>	<u>2,224,881,752</u>
TOTAL ASSETS		<u><u>4,040,235,891</u></u>	<u><u>3,687,517,789</u></u>
EQUITY AND LIABILITIES			
Equity			
Share Capital	5	356,000,000	356,000,000
Retained Earnings		563,508,470	456,461,131
Prior Year Adjustments		(808,994,189)	(427,945,244)
Advance Towards Share Capital		144,000,000	-
Total Equity		<u>254,514,282</u>	<u>384,515,887</u>
Non-Current Liabilities			
Loans & Advances	6	725,371,382	886,649,942
Total Non-Current Liabilities		<u>725,371,382</u>	<u>886,649,942</u>
Current Liabilities			
Trade and Other Payables	7	2,860,172,784	2,257,800,153
Corporation Tax	8	18,697,256	23,175,117
Bank Overdraft		181,480,188	135,376,690
Total Current Liabilities		<u>3,060,350,227</u>	<u>2,416,351,960</u>
TOTAL EQUITY AND LIABILITIES		<u><u>4,040,235,891</u></u>	<u><u>3,687,517,789</u></u>

The significant accounting policies on page 10 to 13 and the notes on pages 14 to 19 form an integral part of these financial statements.

Report of the independent auditors on page 5.


Pirthipal Singh Sanghera
DIRECTOR

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STATEMENT OF CHANGE IN EQUITY

	Share Capital	Retained Earnings	Prior Year Adjustments	Advance Towards Share Capital	Total
	TZS				TZS
Balance as at 01st January, 2018	356,000,000	283,447,890	(332,825,316)	-	306,622,574
Profit / (Loss) for the year	-	66,566,983	-	-	66,566,983
Prior Year Adjustment	-	-	(95,119,928)	-	(95,119,928)
Balance as at 31st December, 2018	356,000,000	350,014,873	(427,945,244)	-	278,069,629
Balance as at 01st January, 2019	356,000,000	350,014,873	(427,945,244)	-	278,069,629
Profit / (Loss) for the year	-	106,446,258	-	-	106,446,258
Prior Year Adjustment	-	-	-	-	-
Balance as at 31st December, 2019	356,000,000	456,461,131	(427,945,244)	-	384,515,887
Balance as at 01st January, 2020	356,000,000	456,461,131	(427,945,244)	-	384,515,887
Profit / (Loss) for the year	-	107,047,340	-	-	107,047,340
Prior Year Adjustment	-	-	(381,048,945)	-	(381,048,945)
Advance Towards Share Capital	-	-	-	144,000,000	144,000,000
Balance as at 31st December, 2020	356,000,000	563,508,470	(808,994,189)	144,000,000	254,514,282

Report of the independent auditors on page 5.

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CASH FLOWS STATEMENT

	2020 TZS	2019 TZS
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year Before Taxation	152,924,771	152,066,083
Adjustment for Non-cash items		
Tax Adjustment	(17,960,267)	22,285,482
Prior Year Adjustments	(381,048,945)	288,322
Depreciation	368,404,628	313,355,312
	<u>122,320,188</u>	<u>487,995,200</u>
Change in Working Capital Items		
(Increase) / Decrease in Trade and Receivables	(574,512,827)	(10,130,047)
Increase / (Decrease) in Trade and Other Payables	602,372,630	6,335,580
Cash (used in) operations	<u>27,859,803</u>	<u>(3,794,467)</u>
Tax Paid	(40,800,000)	(32,000,000)
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>109,379,991</u>	<u>452,200,733</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Fixed Assets	(134,519,282)	(854,477,037)
Proceeds from Sale of Fixed Assets	44,227,523	2,434,641
NET CASH FLOWS FROM INVESTING ACTIVITIES	<u>(90,291,760)</u>	<u>(852,042,397)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) / Increase in Loan	(161,278,560)	486,536,443
(Decrease) / Increase in Bank Overdraft	46,103,498	(14,577,210)
Advance Towards Share Capital	144,000,000	-
NET CASH FLOWS FROM FINANCING ACTIVITIES	<u>28,824,937</u>	<u>471,959,232</u>
INCREASE IN CASH AND CASH EQUIVALENTS	<u>47,913,169</u>	<u>72,117,569</u>
Cash and Cash Equivalent at the beginning of the year	<u>108,132,654</u>	<u>36,015,085</u>
Cash and Cash Equivalent at the end of the year	<u>156,045,822</u>	<u>108,132,654</u>

1. GENERAL INFORMATION

INTEGRITY LOGISTICS TANZANIA LIMITED

is a Private Limited liability company incorporated under the Companies Act, 2002. The company was incorporated on 18th May, 2010 and its registered offices are located at Plot No. 109, Block C, Chang'ombe Industrial Area, Dakawa Road, P.O. Box 6517, Dar es salaam, Tanzania.

2. 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

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS).

b) Revenue Recognition

Revenue comprises the fair value of the consideration received or receivable from freight forwarding services rendered, in the ordinary course of business and is stated net of Value Added Tax (VAT), rebates and discounts.

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 when the specific criteria have been met for each of the company's activities as described below. The amount of revenue is not considered to be reliably measured until all contingencies relating to transportation services rendered have been resolved. The company bases its estimates on historical results, taking into consideration the type of customer, type of transaction and specifics of each arrangement.

- i) Sales of freight forwarding services are recognised upon delivery of consignments and customer acceptance.
- ii) Sales of services are recognised upon performance of the services rendered.

c) Other Income

Other income is recognised on a time basis. When receivable pertaining to interest is impaired, the company reduces the carrying amount to its recoverable amount and the difference is recognised as a loss to the statement of comprehensive income.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Translation of foreign currencies

Foreign currency transactions during the year are converted into Tanzania Shillings (the reporting currency) at rates ruling at the transaction dates. Assets and liabilities at the statement of financial position date which are expressed in foreign currencies are translated into Tanzania Shillings at rates ruling at that date. The differences resulting from the transaction are dealt with in the statement of comprehensive income in the year in which they arise. The resulting differences from conversion and translation are dealt with in the statement of comprehensive income in the year in which they arise.

e) Property, Plant and equipment

All property, plant and equipment is initially recorded at cost and thereafter stated at historical cost less depreciation. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use. Subsequently, Property and Equipment are revalued and are shown at revalued amounts, less subsequent depreciation.

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 the statement of comprehensive income during the financial year in which they are incurred.

Depreciation is calculated on a reducing balance method to write down the cost of each asset to its residual value over its estimated useful life using the following annual rates:

	Rate %
Motor vehicles	25.0
Office equipment	25.0
Generator	12.5
Computer & Printers	25.0
Furniture and fittings	12.5

Depreciation on assets purchased during the year are charged on a pro-rata basis, and depreciation is charged on assets from the date when they are ready for use and stop on the date the asset is de-recognised by the company.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

When the trade receivable is uncollectible, it is written off against the allowance account for trade and other receivables. Subsequent recoveries of amounts previously written off are credited against 'selling and distribution expenses' in the statement of comprehensive income.

g) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at call with banks, and investments of three months or less in money market instruments.

h) Trade payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method.

i) Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in equity.

Current tax

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions for future operating losses are not recognised.

Provisions are measured at the present value of expenditures expected to be incurred to settle the obligation using a pre-tax rate that reflects the current market assessments of time value of money and the risks specific to the obligation.

k) Share capital

Ordinary shares are classified as equity.

l) Comparatives

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

	2020 TZS	2019 TZS
4.0 Trade and Other Receivables		
Trade Receivables	1,908,005,750	1,621,138,478
Less: Provision for Bad debts	-	-
NetTrade Receivables	<u>1,908,005,750</u>	<u>1,621,138,478</u>
Sundry Debtors	-	171,068,825
Goods in Transit Insurance		-
Staff Loan	6,585,000	12,185,000
Container Deposit	12,641,475	12,649,835
Prepaid Rent	8,560,000	-
Prepaid Customs Bond	590,000	-
Prepaid Stamp Duty	697,500	-
Provision-Clearing & Transport charges Rec'ble	709,002,600	182,502,620
Provision-Tenants Service fee & Rental Income	21,000,000	-
Other Provisions Receivable	24,179,600	-
Prepayments & Receivables	-	41,434,945
Advance for Truck & Trailer	-	77,048,995
Drivers Collections	-	(1,279,600)
TOTAL	<u><u>2,691,261,925</u></u>	<u><u>2,116,749,098</u></u>
5.0 Share Capital		
Authorised Share Capital 10,000 Ordinary shares @ Tshs 80,000	<u>800,000,000</u>	<u>800,000,000</u>
Issued and Fully Paid-up 4,450 Ordinary shares @ Tshs 80,000	<u><u>356,000,000</u></u>	<u><u>356,000,000</u></u>
6.0 Long term loans		
Directors Loan	39,855,750	39,855,750
Bank loans	685,515,632	846,794,192
Total	<u><u>725,371,382</u></u>	<u><u>886,649,942</u></u>

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	2020	2019
	TZS	TZS
7.0 Trade and Other Payables		
Trade Creditors	3,191,375,560	1,951,277,468
Sundry Creditors	-	10,271,668
PAYEE Payable	-	2,547,830
SDL Payable	-	1,258,227
NSSF Payable	6,748,280	-
WCF Payable	-	-
Net salary Payable	6,777,497	7,088,498
VAT Payable	(652,511,730)	(588,188,987)
VAT Input	-	-
Withholding Tax Payable (15%)	15,988,235	14,400,000
City Service Levy-Payable	2,781,379	575,772
Accrued Charges-Accounting & Audit fees	7,355,040	7,359,664
Directors Fees Payable	45,732,400	142,800,000
Unrealised Forex Exchange Gain/loss	(15,326,661)	(5,681,014)
Withholding Tax Payable (5%)	448,807	207,250
Provision for Container Deposit	1,843,888	-
Provision for Other Operating Exps	1,220,339	1,530,000
Provision for Transport Exp-	244,490,000	594,353,777
Provision for General Trucking Expenses	3,249,750	118,000,000
TOTAL	2,860,172,784	2,257,800,153
8.0 Corporation Tax		
Balance Brought Forward	23,175,117	9,555,292
Corporation Tax Adjustment	(9,555,292)	-
Current Taxation	45,877,431	45,619,825
	<u>59,497,256</u>	<u>55,175,117</u>
Provisional Tax Paid	(40,800,000)	(32,000,000)
Balance Carried Forward	18,697,256	23,175,117
9.0 Revenue		
Clearing & Forwarding charges-Transit	8,869,734,664	10,213,210,735
Clearing & Forwarding charges-Local	-	32,666,996
Trucking Revenue-Transit	3,812,920,460	3,800,830,624
Trucking Revenue-Local	176,349,818	137,305,730
TOTAL	12,859,004,942	14,184,014,085
10.0 Cost of Sales		
Clearing & Forwarding charges-Transit	8,029,824,875	9,348,894,111
Clearing & Forwarding charges-Local	-	2,190,800
Trucking Expenses	3,307,436,108	3,393,141,205
TOTAL	11,337,260,983	12,744,226,116

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	2020	2019
	TZS	TZS
11.0 Sundry Income		
Profit on Sale of Asset	44,227,523	2,434,641
Rental Fee Income	12,000,000	-
Tenant Service Fees	9,000,000	289,700
TOTAL	65,227,523	2,724,341
12.0 Administrative Costs		
Salaries & Wages	361,039,549	295,230,552
NSSF-Employer Contribution	36,103,955	27,573,653
PSSSF-Employer Contribution	-	1,949,402
Skills Development levy	15,327,025	13,285,375
WCF Contribution Exp	3,610,395	2,952,306
Directors Fees	106,588,235	103,058,824
Electricity & water	11,987,413	6,409,173
Insurance -Office Motor Vehicles & cycles	8,319,634	743,820
Insurance Premium with SALUTE	-	5,792,468
Insurance -Good in Transit	134,544,825	125,150,415
Repair & Maintenance Office	7,753,490	9,673,707
Repair & Maintenance - Motor cycle	2,093,175	2,883,330
Repair & Maintenance - Motor Vehicles	5,139,626	9,212,739
NHC Rent Expenses	7,502,500	3,118,600
Rent Expenses	94,350,000	25,200,000
Land Rent Expenses	1,312,150	-
Printing & Stationery	8,278,121	4,595,215
Staff Transport Expenses	1,584,960	4,590,705
Staff Residents & Work Permit	-	7,314,000
Staff Welfare	3,268,570	6,402,100
Communication expenses	19,132,000	17,145,000
Postage charges	3,737,199	5,955,535
Medical Expenses	3,831,891	6,353,800
Motor Vehicle Fuel Expenses	6,088,363	9,595,400
Motor Cycle Fuel Expenses	4,605,000	3,935,000
Generator Fuel Expenses	3,055,000	2,326,388
Office Expenses	-	4,288,030
Security Service charges	17,415,000	13,290,000
IT Charges	2,706,004	2,423,754
Parking Fees	-	812,500
City Service Levy	38,662,184	43,896,853
Business License (Freight Forwarding & Transport)	776,000	400,000
Parking Fees	685,000	-
Stamp Duty on Rent	345,000	-
TOTAL	909,842,264	765,558,643

	2020 TZS	2019 TZS
13.0 Selling and Distribution Costs		
Sales & Advertising expenses	13,009,440	18,094,062
Total	<u>13,009,440</u>	<u>18,094,062</u>
14.0 Financial Costs		
Bank charges & Commission:		
Diamond Trust Bank Charges	21,549,928	35,165,120
DTP VAT Input on Bank Charges	4,152,396	5,922,299
DTP VAT Input on Bank Charges	-	-
Eco Bank Charges	1,828,448	1,652,545
Eco Bank VAT Input on Bank Charges	19,389	16,813
Exchange Gain/Loss	743,888	254,808
Forex Gain/Loss	(22,443,606)	16,535,645
Loan Processing charges with SALUTE	910,455	8,521,509
Interest on Principal Amount with SALUTE	5,506,633	-
NBC Bank Charges	290,000	-
Nic Bank Charges	4,215,803	2,953,813
NIC VAT Input on Bank Charges	353,518	225,906
Stanbic Bank Charges	340,662	2,420,662
Tracking expenses with SALUTE	794,270	595,181
Interest Expenses on Amalgamated Loan	4,956,365	-
Interest on Assessment (2017-2018)	12,896,575	-
Subtotal-Bank charges	<u>36,114,723</u>	<u>74,264,300</u>
Interest on bank loan:		
CBA Interest Expense	8,093,148	6,354,820
Diamond Trust Bank Interest on Loan 4	16,891,270	27,454,207
Diamond Trust Bank Interest on Loan 5	32,476,286	35,146,852
Diamond Trust Bank Interest on Loan 6	6,926,243	-
7017 Diamond Trust Bank Interest on OD	12,696,953	11,129,784
Subtotal-Interest on Bank Loans	<u>77,083,900</u>	<u>80,085,664</u>
GRAND Total	<u>113,198,623</u>	<u>154,349,964</u>

	2020 TZS	2019 TZS
15.0 General Costs		
Membership Fees	9,588,493	10,465,000
Consultancy Services	687,500	11,721,896
Audit Fees	7,355,040	7,359,904
Garbage Collection expense	1,917,200	5,611,000
Customs Bond Fees	590,000	-
Licence & Road Permit for Motorcycle	200,000	-
Doations	1,785,000	2,830,445
BRELA Fees	125,000	1,100,000
OSHA Inspection charges	3,430,000	-
Legal Fees	858,521	-
Fumigation Expenses	105,000	-
Fire Extinguishers expenses	450,000	-
Subscription Fees-GCLA	2,300,000	-
Land Valuation Fees	200,000	-
Total	29,591,754	37,988,245

16.0 Cash and Cash Equivalent

For the purpose of the cash flow statement, cash and cash equivalent is made up of the following:

Diamond Trust Bank-A/c-	4,381,202	14,424,839
Diamond Trust Bank-A/c-	-	230,319
ECOBANK RWANDA-	57,084,948	70,149
ECOBANK TANZANIA-	59,443,847	65,048,718
NIC BANK-USD A/C	27,612,774	21,564,220
NBC BANK-USD A/C	230,000	-
NBC BANK-TZS A/C	140,000	-
2070 STANBIC BANK-TZS A/C	-	13,924
2069 STANBIC BANK-USD A/C	-	2,904,402
Cash in Hand-TZS	3,966,722	463,619
Cash in Hand-USD	3,186,329	3,412,464
Grand Total	156,045,822	108,132,654

17.0 Capital Commitments

The Company had no Capital Commitments as at 31st December 2020

18.0 Contingent Liabilities

As at the Balance Sheet date the Company had no contingent liabilities

19.0 Comparative Figures

Previous year's figures have been grouped whenever deemed necessary to make them comparative with current year's figures.



TANZANIA REVENUE AUTHORITY

DOMESTIC REVENUE DEPARTMENT

Office of Self Assessment for Corporate Tax

TIN: 110-351-070 Year of Income: 2020

TAXPAYER NAME: INTEGRITY LOGISTICS TANZANIA LIMITED Tax Type: Corporate Tax

BLOCK NO: Assessment No: F422446152

P.O.BOX: 6517 Date of Issue: 20 August 2021

POSTAL TOWN: DAR ES SALAAM

RE: RETURN OF INCOME FOR THE YEAR OF INCOME 2020

With reference to the provision of Section 91 of the Income Tax Act, Cap. 332 and Section 46 of the Tax Administration Act, 2015, your submitted return of income with reference number 20201103510708202150716 has been assessed with a principal tax liability of TZS. 6,138,177.11 and penalty/interest of TZS. 2,346,908.86 as depicted in the table below;

You are required to effect payment on or before respective due dates as indicated below:

Tax Debit Number	GFS Codes	Amount	Due date for payment	Case Type
511297808	11121101	6,138,177.11	03 July 2021	PRINCIPAL
511297883	11610136	2,346,908.86	19 September 2021	PENALTY

Please quote the above Tax Debit Number when registering payments using Tax Bank or SWIFT/TELEX.

In case you are aggrieved with this assessment you may object by filing notice of Objection to the Commissioner General within 30 days from the date of service of the assessment in accordance with the provisions of section 51 of the Tax Administration Act, Cap. 438 read together with its Regulations.

"Together We Build Our Nation"

Paul Walalaze
Regional Manager
Temeke Tax Region

P.O.BOX-45941 Dar es Salaam, Tanzania ,
Tel:022-2861122,022-2861138,022-2864653
Email :rm_temeke@tra.go.tz Website:www.tra.go.tz

Source of income	Description	Amount in Tzs
Total Income	Income from Business or Investment	156,460,590.37
	Deduct:	
	Unrelieved Losses from prior years	0.00
	Taxable Income/(Loss)	156,460,590.37
	Tax rate	0.3
	Tax Liability	46,938,177.11
If the entity is liable to Alternative Minimum Tax	Current Year's Turnover	0.00
	Tax rate	0.005
	Tax Liability	0.00
Income from a Repatriated income of a Domestic Permanent Establishment	Repatriated income of a Domestic PE	0.00
	Tax rate	0.1
	Tax Liability	0.00
Income from Final Withholding Payments	Final Withholding Payments	0.00
	Tax on final withholding payments	0.00
	Tax Liability	0.00
Grand Tax Liability	Grand Tax liability	46,938,177.11
Deduct: Taxes already Assessed	Non-final withholding payments	0.00
	Final withholding payments	0.00
	Provisional Installments payments	40,800,000.00
	Total Taxes already Assessed	40,800,000.00
Additional tax Assessed (Discharged)		6,138,177.11
Penalties and Interest	Interest for under estimation - Section 75 of TAA, 2015	0.00
	Penalty for late filing - Section 78 of TAA, 2015	2,346,908.86
	Penalty for non submission of SETPI Section 78 of TAA 2015	0.00
	Total Penalty and Interest	2,346,908.86
Total Additional Tax Assessed		8,485,085.97