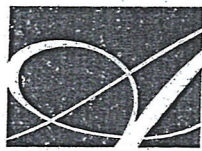


IMPERIAL ROAD HAULAGE LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2022.



*Assad*  
ASSOCIATES

Certified Public Accountants and Tax Consultants

*Samora Tower, Mezzanine 2nd floor (M2),  
Corner of Bridge and Mansfield Street,  
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<b>CONTENTS</b>	<b>PAGE</b>
Company information	1
Report of the directors	2 - 4
Statement of directors' responsibilities	5
Declaration of the Head of Finance/ Accounting	6
Independent Practitioner's Report	7
Financial statements:	
Statement of profit or loss	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Significant accounting policy	12 - 14
Notes to these financial statements	15 - 19
Tax computation	20

**Company Information**

**Board of directors**

<b>Names</b>	<b>Nationality</b>
: Mr. Mujtaba F. Bharwani	Tanzanian
: Mrs. Mehjabin F. Bharwan	Tanzanian

**Registered office**

: Plot No 125-127  
: Mbagala Mission Street  
: P.O.Box 2150  
: Mbagala  
: Dar es Salaam  
: Tanzania

**Principal bankers**

NMB Bank  
Main Branch  
Dar es Salaam  
Tanzania

Exim Bank Tz Ltd  
Dar es Salaam  
Tanzania.

Diamond Trust Bank Ltd  
Dar es Salaam  
Tanzania.

Stanbic Bank Limited  
Dar es Salaam  
Tanzania.

**Independent Practitioner**

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

**Company Secretary**

Mrs Mehjabin F Bharwani  
P O Box 2150  
Dar es Salaam  
Tanzania

## REPORT OF THE DIRECTORS

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

## INCORPORATION

The Company is domiciled in Tanzania where it is incorporated as a private company limited by shares under the Tanzanian Company Act, 2002. The address of the registered office is set out on page 1.

## PRINCIPAL ACTIVITIES

The principal activity of the company is that of freight transport by road.

## COMPOSITION OF THE BOARD OF DIRECTORS

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

Names	Nationality	Position
Mr. Mujtaba F. Bharwani	Tanzanian	Director
Mrs. Mehjabin F. Bharwan	Tanzanian	Director

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

## CORPORATE GOVERNANCE

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

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

## SHARE CAPITAL

The details of authorised and issued share capital are disclosed in note 10 of these financial statements.

Name of the shareholders	No of shares	Shareholding
Mr. Mujtaba F. Bharwani	40	57%
Mrs. Mehjabin F. Bharwan	30	43%
	<b>70</b>	<b>100%</b>

## REPORT OF THE DIRECTORS (CONTINUED)

### RESULTS

	2022 <u>T.SHS '000</u>	2021 <u>T.SHS '000</u>
Profit before tax	31,506	30,060
Tax charge - Current year	(9,452)	(9,018)
Profit for the year	<u>22,054</u>	<u>21,042</u>

### DIVIDEND

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

### RISK MANAGEMENT AND INTERNAL CONTROL

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

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

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

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

The Board carries risk and internal control assessment through board meetings and the Senior Management meetings.

### SOLVENCY

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

### EMPLOYEES' WELFARE

#### Management and employees' relationship

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

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

**REPORT OF THE DIRECTORS (CONTINUED)**

**INDEPENDENT PRACTITIONER**

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

**BY ORDER OF THE BOARD**



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**Mr. Mujtaba F. Bharwani**  
Director

03/04 2023



---

**Mrs. Mehjabin F. Bharwan**  
Director

03/04 2023

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium Sized Entities and the requirements of Tanzania Companies Act, 2002 and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.


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

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

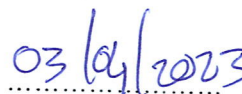
The directors have reviewed the company's cashflow forecast for the year ended 31 December 2023 and in light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company as at 31 December 2022 and of its profit and cash flows for the year then ended in accordance with the International Financial Reporting Standards for Small and Medium Sized Entities and the requirements of the Tanzanian Companies Act, 2002.

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



Mr. Mujtaba F. Bharwani  
Director



Date

**DECLARATION OF THE HEAD OF FINANCE/ACCOUNTING OF IMPERIAL ROAD HAULAGE 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/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 true and fair view of the entity's 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 under Directors Responsibility statement on an earlier page.

I Newton Mathew ..... being the Head of Finance/Accounting of Imperial Road Haulage Limited hereby acknowledge my responsibility of ensuring that 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 Imperial Road Haulage Limited as on that date and that they have been prepared based on properly maintained financial records.

Signed by: Newton Mathew .....

Position: Outsourced Consultant .....

NBAA Membership No: Acps 2839 .....



**Assad**  
**ASSOCIATES**

Certified Public Accountants, Authorized Auditors and Tax Consultants

**INDEPENDENT PRACTITIONER'S COMPILATION REPORT  
TO THE MEMBERS OF IMPERIAL ROAD HAULAGE LIMITED**

**Report on the financial statements**

We have compiled the accompanying financial statements of Imperial Road Haulage Limited based on information you have provided. These financial statements comprise the statement of financial position of Imperial Road Haulage Limited as at 31st December 2022, the statement of profit or loss, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

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

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

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

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

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

**FOR : ASSAD ASSOCIATES  
CERTIFIED PUBLIC ACCOUNTANTS**

Signed by: **Sajjad Jusab**  
FCPA 216

Date

01/04/2023

Place : Dar es Salaam

Samora Tower, Mezzanine 2<sup>nd</sup> Floor (M2), Corner of Bridge & Mansfield Street,  
Opp. Saint Joseph Church, P.O.Box 7286, Dar Es Salaam , Tanzania.


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STATEMENT OF PROFIT OR LOSS

	Notes	2022 T.SHS '000	2021 T.SHS '000
Revenue	1	7,789,730	7,812,089
Less: Direct expenses	2	(6,402,605)	(6,470,024)
<b>Gross profit</b>		<b>1,387,125</b>	<b>1,342,065</b>
<b>Other income</b>	3	<b>8,557</b>	<b>56,156</b>
Administrative expenses	4	(1,178,049)	(1,353,140)
Finance expenses	5	(186,128)	(15,020)
<b>Profit before tax</b>		<b>31,506</b>	<b>30,060</b>
<b>Less: Tax charge for current year</b>		<b>(9,452)</b>	<b>(9,018)</b>
<b>Profit for the year</b>		<b>22,054</b>	<b>21,042</b>

STATEMENT OF FINANCIAL POSITION

	Notes	2022 T.SHS '000	2021 T.SHS '000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Equipment	6	7,337,049	2,327,272
		<u>7,337,049</u>	<u>2,327,272</u>
<b>Current assets</b>			
Inventory	7	-	198,021
Trade & other receivables	8	1,191,531	733,978
Cash and cash equivalents	9	2,039,576	8,311
		<u>3,231,107</u>	<u>940,310</u>
<b>TOTAL ASSETS</b>		<u><b>10,568,156</b></u>	<u><b>3,267,582</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	10	42,000	42,000
Retained earnings		98,539	76,485
		<u>140,539</u>	<u>118,485</u>
<b>Non Current Liability</b>			
Long term loan	11	9,442,884	3,106,558
		<u>9,442,884</u>	<u>3,106,558</u>
<b>Current liabilities</b>			
Trade and other payables	12	981,281	933,816
Taxation		3,452	4,518
		<u>984,733</u>	<u>938,334</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>10,568,156</b></u>	<u><b>3,267,582</b></u>

  
 Mrs. Mehjabin F. Bharwan  
 Director

03/04/2023  
 Date

STATEMENT OF CHANGES IN EQUITY

	<b>Share Capital <u>T.SHS '000</u></b>	<b>Retained Earnings <u>T.SHS '000</u></b>	<b>Total <u>T.SHS '000</u></b>
<b>Year ended 31st December 2022</b>			
At start of year	42,000	76,485	118,485
Total profit for the year	-	22,054	22,054
<b>At end of year</b>	<b><u>42,000</u></b>	<b><u>98,539</u></b>	<b><u>140,539</u></b>
<b>Year ended 31st December 2021</b>			
At start of year	60,000	55,442	115,442
Share Restructuring	(18,000)		(18,000)
Total profit for the year	-	21,042	21,042
<b>At end of year</b>	<b><u>42,000</u></b>	<b><u>76,485</u></b>	<b><u>118,485</u></b>

**STATEMENT OF CASH FLOWS**

	Notes	2022 T.SHS '000	2021 T.SHS '000
<b>Cash flows from operating activities</b>			
Profit for the year		31,506	30,060
<i>Adjustment for:</i>			
Prior year adjustments		-	-
Depreciation	6	577,629	769,454
Profit before changes in working capital		609,135	799,514
<i>Changes in working capital</i>			
Inventories		198,021	(58,946)
Trade and other receivables		(457,553)	5,911
Preliminary expenses		-	-
Deposits		-	-
Trade and other payable		47,465	(6,329)
<i>Cash (used in)/generated from operations</i>		397,068	740,150
Tax paid fro prior year		(4,518)	
Tax paid for the year		(6,000)	(4,500)
<b>Net cash (used in)/generated from operating activities</b>		<b>386,550</b>	<b>735,651</b>
<b>Cash flows from investing activities</b>			
Purchase of equipment	6	(5,587,407)	(38,516)
Proceeds from disposal		-	-
<b>Net cash used in from investing activities</b>		<b>(5,587,407)</b>	<b>(38,516)</b>
<b>Cash flows from financing activities</b>			
Share restructuring		-	(18,000)
Loan		7,297,046	(690,638)
<b>Net cash generated from financing activities</b>		<b>7,297,046</b>	<b>(708,638)</b>
<i>Net increase/ (decrease) in cash and cash equivalents</i>		2,031,265	(11,503)
Cash and cash equivalents at start of year		8,311	19,815
<b>Cash and cash equivalents at end of year</b>	9	<b>2,039,576</b>	<b>8,311</b>

## SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 1a) Basis of preparation

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

### 1b) Revenue recognition

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

### 1c) Taxation

#### Current tax assets and liabilities

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

#### Tax expense

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

### 1d) Translation of foreign currencies

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

At the end of each reporting period:

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

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

## SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 1e) Equipment

Equipment are tangible items that:

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

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

Subsequent costs are included in the asset's carrying value only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance is charged to the statement of comprehensive income in the year to which it relates.

Items of equipments are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided using the reducing balance method to write down the cost less estimated residual value over the useful life of equipment. The following annual rates are used for the depreciation of equipment.

Assets	Rate
Furniture & fittings	12.5%
Motor vehicles	25%
Trailers	25%

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

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

### 1f) Impairment of asset

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

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

### 1g) Financial instruments

#### Initial measurement

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

#### Financial assets

The company's financial assets includes trade and other receivable, due from related companies, cash and cash equivalent.

#### Trade and other receivables

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

## SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 1g) Financial instruments (continued)

#### Financial liabilities

The company's financial liabilities includes trade and other payables, taxation and bank overdraft.

#### Trade and other payables

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

### 1h) Cash and cash equivalents

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

Cash and cash equivalents are classified as loans and receivables.

### 1i) Share capital

Ordinary shares are classified as equity.

### 1j) Employee benefits

#### Short term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

#### Defined contribution plans

Payments to defined contribution plans are expensed as they fall due. The company and its employees contribute to National Social Security Fund (NSSF) a statutory defined contribution scheme registered under the NSSF Act.

### 1k) Provisions and contingencies

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

Contingent assets and contingent liabilities are not recognised.

### 1l) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using first in first out method. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of selling.

### 2) Key sources of estimation uncertainty

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

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

#### (i) Equipment

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

#### (ii) Income taxes

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

NOTES TO THE FINANCIAL STATEMENTS

	2022 <u>T.SHS '000</u>	2021 <u>T.SHS '000</u>
<b>1 Revenue</b>		
Sales from transport and logistic income	7,789,730	7,812,089
<b>2 Direct expenses</b>		
Fuel, oil and lubricants	3,373,070	3,487,013
Licenses, insurance and road tolls	720,300	653,300
Spares and repairs	1,315,460	1,218,212
Tyres, tubes, batteries and tarpaulins	886,341	998,642
Fire and safety inspection fees	13,200	12,102
Vehicles, washing and cleaning	8,754	9,920
Food and night allowance	29,760	31,895
Parking fees	41,120	40,012
Fines and penalties	450	5,213
Weightbridge expenses	14,150	13,715
	<b>6,402,605</b>	<b>6,470,024</b>
<b>3 Other income</b>		
Tyres sales	456,878	879,780
<b>Cost of sales</b>		
Opening stock	198,021	139,075
Purchases and other direct expenses	250,300	882,570
Closing stock	-	(198,021)
Cost of goods sold	448,321	823,624
Gross profit	8,557	56,156
	<b>8,557</b>	<b>56,156</b>
<b>4 Administrative cost</b>		
Rent	36,000	36,000
Electricity and water	20,360	21,021
Postage, telephone and internet	9,630	8,012
Salaries, wages and Nssf contribution	299,937	266,332
Skills and development levy	9,782	9,685
Workers Compensation Fund	773	1,655
Business licenses	300	300
Filling fees	205	255
Repairs and maintenance - Office	30,630	40,300
Marketing, business travelling and hotel accomodation	30,401	33,012
Staff refreshment	3,390	5,210
Entertainment	8,620	9,201
Motor vehicle running expenses	36,501	33,015
Accountancy fees	3,000	3,000
Day and night watch security	17,000	16,801

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2022 <u>T.SHS '000</u>	2021 <u>T.SHS '000</u>
<b>4 Administrative cost (Continued)</b>		
Cleaning material	5,310	5,010
Staffs medicals	3,350	5,120
Staff welfares	7,120	9,120
General expenses	50,320	48,214
Staff transport	10,630	11,601
Transport	5,530	8,012
Printing and stationery	11,630	12,810
Depreciation	577,629	769,454
	<u><u>1,178,049</u></u>	<u><u>1,353,140</u></u>
<b>5 Finance expense</b>		
Bank charges and interest	186,128	15,020
	<u><u>186,128</u></u>	<u><u>15,020</u></u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6 Equipment

	Heavy Equipment TShs '000	Trailers TShs '000	Motor Vehicles TShs '000	Computers & accessories TShs '000	Furnitures & Fittings TShs '000	Tools and Equipment TShs '000	Total TShs '000
<b>Year ended 31 December 2022</b>							
<b>Net Book Value</b>							
As start of year	1,477,129	740,436	74,115	1,042	14,818	19,733	2,327,272
Additions	4,025,622	1,548,010	13,775	-	-	-	5,587,407
Disposal	-	-	-	-	-	-	-
	<b>5,502,751</b>	<b>2,288,446</b>	<b>87,890</b>	<b>1,042</b>	<b>14,818</b>	<b>19,733</b>	<b>7,914,679</b>
<b>Depreciation</b>							
Disposal	-	-	-	-	-	-	-
Charge for the year	369,282	185,109	18,529	391	1,852	2,467	577,629
	<b>369,282</b>	<b>185,109</b>	<b>18,529</b>	<b>391</b>	<b>1,852</b>	<b>2,467</b>	<b>577,629</b>
<b>Net book value as at 31.12.2022</b>	<b>5,133,468</b>	<b>2,103,337</b>	<b>69,361</b>	<b>651</b>	<b>12,965</b>	<b>17,267</b>	<b>7,337,049</b>
<b>Net book value as at 31.12.2021</b>	<b>1,477,129</b>	<b>740,436</b>	<b>74,115</b>	<b>1,042</b>	<b>14,818</b>	<b>19,733</b>	<b>2,327,272</b>

**Note:**

No depreciation has been calculated on additions done during the year of income 2022 as they were kept in use in the year 2023..

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2022 T.SHS '000	2021 T.SHS '000
<b>7 Inventories</b>		
Stock as at the year end	0	198,021
<b>8 Trade and other receivables</b>		
Trade receivables	129,260	247,098
Other receivables	1,061,275	485,860
Staff loan	996	1,020
	<b>1,191,531</b>	<b>733,978</b>
<b>9 Cash and cash equivalents</b>		
Cash in hand	9,063	8,030
Cash at bank	2,030,513	281
	<b>2,039,576</b>	<b>8,311</b>
<b>10 Share capital</b>		
<b>Authorised:</b>		
500 Equity shares of TShs 600,000 each.	<b>300,000</b>	<b>300,000</b>
<b>Issued and fully paid:</b>		
70 Equity shares of TShs 600,000 each.	<b>42,000</b>	<b>42,000</b>
<b>11 Long Term Liability</b>		
Mohamed enterprises	715,820	2,210,763
Global Hauliers	4,087,064	
DTB Loan	2,320,000	-
NMB Loan	2,320,000	-
	<b>9,442,884</b>	<b>3,106,558</b>

Bank Loan Details as below

Banks	Interest Rate(PA)	Repayment Period(months)	Facility in USD '000
NMB USD	9.00%	12	1,000
DTB USD	8.00%	12	1000

Purpose is for the procurement of 40 Trucks and 40 Trailers and to finance the operational and maintenance cost of the Truck

Security These facility is secured againg various moveable and immovable properties of the company and personal gurantees and indemnities of the director

**12 Trade and other payables**

Other payable and accrual	20,561	38,021
Trade payable	960,720	895,795
	<b>981,281</b>	<b>933,816</b>

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

**13 Contingent liability**

As at 31 December 2022, the Company had no litigations.

**14 Subsequent event**

There were no subsequent events after the year end, which requires adjustments or disclosures in the financial statements.

**15 Capital Commitments**

As at 31 December 2022, the Company had no capital expenditure contracted or accrued.

**16 Comparatives**

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

2022  
T.SHS '000

**Income Tax Computation**

Profit before tax as per accounts	31,506
<b>Add: Non-allowable expenses</b>	
Depreciation	577,629
	<u>577,629</u>
<b>Less: Allowable deductions</b>	
Wear and tear allowance	(577,630)
	<u>(577,630)</u>
<b>Taxable income for the year</b>	<b>31,505</b>

**POSITION OF TAXATION**

Balance brought forward	-
<b>Less: Corporation tax at 30%</b>	9,452
	<u>9,452</u>
<b>Less: Withholding tax paid for the year</b>	-
<b>Less: Provisional tax paid for the year</b>	(6,000)
	<u>(6,000)</u>
<b>Tax payable</b>	<b>3,452</b>

**WEAR AND TEAR ALLOWANCES SCHEDULE FOR THE YEAR 2022**

	CLASS I 37.5% RBM T.SHS '000	CLASS II 25% RBM T.SHS '000	CLASS III 12.5% RBM T.SHS '000	TOTAL T.SHS '000
WDV at 1.1.2022	1,042	2,291,680	34,551	2,327,273
Additions	-	-	-	-
Disposal	1,042	2,291,680	34,551	2,327,273
	-	-	-	-
Wear & Tear allowances	1,042	2,291,680	34,551	2,327,273
	(391)	(572,920)	(4,319)	(577,630)
WDV at 31.12.2022	651	1,718,760	30,232	1,749,643