

# VILLAGE SUPERMARKET LIMITED

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



### **MHASIBU CONSULTANTS**

**CERTIFIED PUBLIC ACCOUNTANTS AND AUDITORS,**  
P.O. Box 13768,  
NIC Life House, 3<sup>rd</sup> Floor, Sokoine Drive  
TEL NO: 022 – 2120238, 0735-991 002  
DAR ES SALAAM

# VILLAGE SUPERMARKET LIMITED

## AUDITOR'S REPORT

### Introduction

We have audited the financial statements of the Company set out on pages 5 to 13 which comprise the statement of financial position as at 31 December 2021 and the statement of comprehensive income for the year then ended, statement of changes in equity for the year then ended, statement of cash flows for the year then ended and notes to the financial statements, which include a summary of significant accounting policies.

### Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Village Supermarket Ltd as at 31<sup>st</sup> December 2021, 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, CAP 212 Act No. 12 of 2002.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and ethical requirements of the National Board of Accountants and Auditors (NBAA) that are relevant to our audit of the financial statements in Tanzania. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's financial statements of the current period. Our opinion on the financial statements is not modified with respect to any of the key audit matters described below, and we do not express an opinion on these individual matters. In this regard there were none to report.

### Other information

The directors are responsible for the other information. The other information comprises directors' report but does not include the Company financial statements and our auditor's report thereon.

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

In connection with our audit of the Company's financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Company's financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

# VILLAGE SUPERMARKET LTD

## **Responsibilities of the directors for the Company's financial statements**

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act, CAP 212 Act No. 12 of 2002, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The directors are responsible for overseeing the Company's financial reporting process.

## **Auditor's responsibilities for the audit of the Company's financial statements**

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

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, CAP 212 Act No. 12 of 2002 and for no other purposes.

## **Report on Other Legal and Regulatory Requirements**

As required by the Companies Act, CAP 212 Act No. 12 of 2002, we are also required to report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the Company has not kept proper accounting records, if the financial statements are not in agreement with the accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with Village Supermarket Ltd is not disclosed. In respect of the foregoing requirements, we have no matter to report.



**JOHN M. LYANGA  
MANAGING PARTNER  
MHASIBU CONSULTANTS**



**DATE: 28<sup>TH</sup> JULY, 2022**

# VILLAGE SUPERMARKET LTD

## DIRECTOR'S REPORT

### 1. Introduction

The Board of Directors has pleasure in presenting their report and the audited financial statements for the year ended 31<sup>st</sup> December, 2021.

### 2. Directors

The following are the Directors of the company

Names	Nationality
Mr. Abdul Jamani	Canadian
Mr. Hanif Jaffer	Tanzanian
Mrs. Nazira Jamani	Canadian

### 3. Results for the year

The company operating results for the year ended 31<sup>st</sup> December, 2021 are shown on statement of profit or loss and other comprehensive income set out on page 7 of these financial statements.

### 4. Subsequent Events

There are no material events that have occurred subsequent to 31<sup>st</sup> December, 2021 which warrant disclosure in or adjustments to the financial statements.

### 5. Solvency of the Company

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 Village Supermarket Limited has adequate resources to continue in operational existence for the foreseeable future.

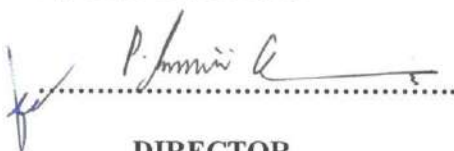
### 6. Corporate Governance

The directors believe that high standards of corporate governance directly influence the Village Supermarket Ltd performance. The Directors recognize the importance of integrity, transparency, responsibility and accountability.

### 7. Auditors

Mhasibu Consultants have expressed their willingness to continue as Auditors of the Village Supermarket Ltd.

By Order of the Board

  
.....  
DIRECTOR

.....  
28<sup>TH</sup> JULY, 2022



# VILLAGE SUPERMARKET LTD

## DIRECTOR'S REPORT

### STATEMENT OF DIRECTORS RESPONSIBILITY FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021

The Directors are required 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. The directors are also required to ensure the company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the company. It is also responsible for safeguarding the assets of the company.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards for Small and Medium Sized Entities. To the best of their knowledge and belief, the directors confirm 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 accounting records which may be relied upon 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.

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**DIRECTOR**

**28<sup>TH</sup> JULY, 2022**

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**DATE**



## VILLAGE SUPERMARKET LTD

### STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2021

ASSETS	NOTE	31.12.2021 TZS	31.12.2020 TZS
<b>NON CURRENT ASSETS</b>			
Property and Equipment	2	1,525,740,257	1,749,317,872
		<u>1,525,740,257</u>	<u>1,749,317,872</u>
<b>CURRENT ASSETS</b>			
Inventory		3,015,220,260	3,503,600,200
Receivable and Prepayments	3	4,156,562,162	4,097,975,345
Cash and Cash Equivalents	4	275,893,420	195,163,329
<b>TOTAL CURRENT ASSETS</b>		<u>7,447,675,842</u>	<u>7,796,738,874</u>
<b>TOTAL ASSETS</b>		<u>8,973,416,099</u>	<u>9,546,056,746</u>
<b>EQUITY AND LIABILITIES</b>			
Share Capital		525,000,000	525,000,000
Retained Deficit		(478,046,675)	(460,737,411)
<b>TOTAL EQUITY</b>		<u>46,953,325</u>	<u>64,262,589</u>
<b>NON CURRENT LIABILITIES</b>			
Loan	5	3,846,765,193	4,754,115,895
<b>TOTAL LIABILITIES</b>		<u>3,846,765,193</u>	<u>4,754,115,895</u>
<b>CURRENT LIABILITIES</b>			
Payables and Accruals	6	3,936,578,172	3,163,454,228
Taxation		6,090,295	2,560,222
Bank Overdraft	7	1,137,028,413	1,561,663,112
<b>TOTAL CURRENT LIABILITY</b>		<u>5,079,696,880</u>	<u>4,727,677,562</u>
<b>TOTAL LIABILITY</b>		<u>8,926,462,074</u>	<u>9,481,793,456</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>8,973,415,399</u>	<u>9,546,056,046</u>

NOTES 1 TO 11 FORM PART OF THESE FINANCIAL STATEMENTS

*[Signature]*  
.....  
DIRECTOR

*[Signature]*  
.....  
DIRECTOR

28/July/2022  
.....  
DATE



## VILLAGE SUPERMARKET LTD

### STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31ST DECEMBER, 2021

INCOME	NOTE	2021	2020
		TZS	TZS
Income	8	21,778,356,759	18,689,330,731
Less: Cost of Sales	9	<u>16,568,664,244</u>	<u>13,693,943,526</u>
<b>Gross profit</b>		<u>5,209,692,515</u>	<u>4,995,387,205</u>
<b>OPERATING EXPENSES:</b>			
Administrative Costs	10	4,199,409,024	3,766,314,030
Finance Costs	11	618,640,062	816,297,340
Depreciation		219,789,479	254,242,762
<b>Total Operating Expenses</b>		<u>5,037,838,565</u>	<u>4,836,854,133</u>
<b>Profit Before Tax</b>		171,853,950	158,533,072
Prior year tax		138,072,919	197,386,199
Corporation Tax		51,090,295	47,559,922
<b>PROFIT AFTER TAX</b>		<u>(17,309,264)</u>	<u>(86,413,048)</u>

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2021

	Share Capital	Retained Earnings	Total
	TZS	TZS	TZS
<b>As at 31st December, 2021</b>		(17,309,264)	
As at 1st January, 2021	525,000,000	(460,737,411)	64,262,589
Loss for the Year	-	(17,309,264)	(17,309,264)
<b>AS AT 31ST DECEMBER, 2021</b>	<u>525,000,000</u>	<u>(478,046,675)</u>	<u>46,953,325</u>
<b>As at 31st December, 2020</b>			
As at 1st January, 2020	525,000,000	(374,324,363)	150,675,637
Loss for the Year	-	(86,413,048)	(86,413,048)
<b>AS AT 31ST DECEMBER, 2020</b>	<u>525,000,000</u>	<u>(460,737,411)</u>	<u>64,262,589</u>

VILLAGE SUPERMARKET LTD

STATEMENT OF CASH FLOWS FOR THE YEAR  
ENDED 31ST DECEMBER, 2021

	2021	2020
	TZS	TZS
<b>OPERATING ACTIVITIES</b>		
(Loss)/Profit Before Tax	171,853,950	158,533,072
Add: Depreciation Charge	219,789,479	254,242,762
Loss on Disposal of Property and Equipment	-	-
<b>Cash Flows from Operations Before Capital Changes</b>	<u>391,643,430</u>	<u>412,775,834</u>
<b>WORKING CAPITAL CHANGES</b>		
Decrease/(Increase) in Inventory	488,379,940	(10,174,777)
Decrease/(Increase) in Receivables & Prepayments	(58,586,817)	(133,844,980)
(Decrease)/Increase in Payables and Accruals	773,123,944	778,818,030
<b>Net Changes in Working Capital</b>	<u>1,202,917,067</u>	<u>634,798,274</u>
<b>Cash Generated from Operations</b>	1,594,560,496	1,047,574,108
Tax Paid prior year	(138,072,919)	(199,811,744)
Tax Paid current year	(45,000,000)	(45,000,000)
<b>Net Cash from Operating Activities</b>	<u>A 1,411,487,578</u>	<u>802,762,365</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of Non Current Assets	3,788,136	(48,451,478)
<b>Net Cash Used in Investing Activities</b>	<u>B 3,788,136</u>	<u>(48,451,478)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Share Capital	-	-
Bank overdraft	(427,193,921)	141,248,761
Loans	(907,350,701)	(831,930,769)
<b>Net Cash Used in Financing Activities</b>	<u>C (1,334,544,622)</u>	<u>(690,682,009)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	<u>(A+B+C) 80,731,092</u>	<u>63,628,878</u>
Cash at the Beginning of the Year	195,162,329	131,533,451
<b>Cash and Cash Equivalent at the End of the Year</b>	<u>275,893,420</u>	<u>195,162,329</u>

NOTES 1 TO 13 FORM PART OF THESE FINANCIAL STATEMENTS

*He*  
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DIRECTOR

*19*  
.....  
DIRECTOR

28 July 2022  
.....  
DATE



## VILLAGE SUPERMARKET LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2021

#### NOTE: 1.0 SIGNIFICANT ACCOUNTING POLICIES.

##### (a) BASIS OF PREPARATION.

These financial statements have been prepared in accordance with and comply with, International Financial Reporting Standard and the Companies Act, 2002. The financial statements are prepared under the historical cost convention.

##### (b) PROPERTY, PLANT AND EQUIPMENT.

All items of property, plant and equipment are initially recorded at cost. Cost comprises of expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized 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 of the item can be measured reliable. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Subsequently, items of plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided on a reducing balance method and calculated separately for each part of an item of property, plant and equipment with a cost that is significant in relation the total cost of the item.

Applicable depreciation rates are as follow:-

<b>Description</b>	<b>Rate</b>
Motor Vehicles	25.00%
Furniture and Fittings	12.50%
Plant & Machinery	12.50%
Office Equipment	12.50%

Major renovation are depreciated over the remaining useful life of the related asset or to the date of the next major renovation, whichever is sooner.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. No depreciation is charged if the residual value of an item is equal to or greater than its carrying value.

## VILLAGE SUPERMARKET LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2021

(c) **IMPAIRMENT OF ASSETS.**

An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level of which there are separately identifiable cash flows (Cash-generating units).

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortization are tested for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.

(e) **CURRENT ASSETS HELD FOR SALE.**

A non-current asset is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets held for sale include only assets available for immediate sale in their present condition in respect of which there is a high probability that a sale will have been completed within one year from the date of reclassification.

(d) **FINANCIAL ASSTES.**

Financial assets comprise of loan and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments and that are not quoted in an active market. These are classified as non-current assets if their maturities are greater than 12 months. Loans and receivables with maturities of 12 months or less are included in trade and other receivable in the balance sheet.

(e) **OPERATING LEASES –T/RENTED PREMISES.**

Lease agreements that do not transfer substantially all risks and rewards of ownership to the company as the lessee are classified as operating leases.

(f) **INVENTORIES**

Inventories are stated at the lower of costs or net realizable value. Cost is determined using first-in- out (FIFO) method.

## VILLAGE SUPERMARKET LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2021

#### **PROVISIONS.**

Provisions are recognized when the company has a present legal or constructive obligation as result of past events, it is probable that an outflow of resources will be required to settle the obligation, and reliable estimate of the amount can be made. Where the company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

#### (i) **FOREIGN CURRENT TRANSACTIONS.**

##### (I) Functional and Presentation Currency.

The financial statements are presented in Tanzania shillings, which is the Company functional and presentation currency.

##### (ii) **Transaction and Balances.**

Transactions in foreign currency during the year are converted into Tanzania Shillings at rates ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are restated in Tanzania Shillings using the rate ruling at the balance sheet date. Exchange gains and losses are dealt with the income statement in the year in which they arise.

#### (j) **COMPUTER SOFTWARE.**

Acquired Computer Software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Costs of acquiring software that is regarded as an integral part of same identifiable hardware are recognized as part of the cost of the hardware. Costs of acquiring other software are recognized as intangible assets and re amortized over their estimated useful lives.

Costs that are directly associated with the production of identifiable and unique software products controlled by the Company, and that will probably generate economic benefits exceeding costs beyond one year, are recognized as intangible assets. Direct costs include the costs of software development employees and an appropriate portion of relevant overheads.

Other costs associated with developing or maintaining computer software programs are recognized as an expense as incurred.

Computer software development costs recognized as assets are amortized over their estimated useful lives (not exceeding three years).

#### (k) **REVENUE RECOGNITION.**

Profit comprises the fair value of the sale of services, net of value added tax, rebates and discounts.

## VILLAGE SUPERMARKET LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2021

(i) **Other Services.**

Sales of service are recognized in the accounting period in which the services are rendered, by reference to completion of the specific transaction, assessed on the basis of the actual service provided as a proportion of the total services to be provided.

(l) **TRADE RECEIVABLES.**

Trade receivables are recognized initially at original invoice amount which is fair value at transaction date. Subsequently trade receivables other than short-term receivables are measured at amortized cost using the effective interest methods less allowance for impairment. Short-term receivables are measured at cost less allowance for impairment. An allowance for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate, or where more appropriate, at the interest rate that the company would have to pay to finance such receivables. The amount of the provision is recognized in the income statement.

(m) **CASH AND CASH EQUIVALENTS.**

Cash comprise of cash on hand and demand deposits with banks. Cash equivalents comprise of investments in money market instruments with maturity periods of three months or less. Bank overdrafts are included within borrowings in current liabilities on the balance sheet.

(n) **FINANCIAL RISK MANAGEMENT.**

**Credit Risk.**

The Company's principal financial assets are bank balances and cash, ad trade and other receivables. The company's credit risk is primarily attributable to its trade receivables.

The amounts presented in the balance sheet are net of allowances for doubtful receivables estimated by the management based on the long outstanding balances and the assessment of the current of the current economic environment.

**Foreign Currency Risk.**

As a result of bank balances (favorable and unfavorable) denomination in the United States Dollar, the company's financial position and results can be affected by movement in exchange rates between Tanzanian Shillings (TZS) and United States Dollars (US\$). The company does not consider that there is a significant downside risk on holding these foreign currency balances arising form exchange rate movements. Consequently, no specific financial risk management measures have been initiated.

## VILLAGE SUPERMARKET LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

#### NOTE 2: PROPERTY, AND EQUIPMENT

PARTICULARS	PLANT & MACHINERY	MOTOR VEHICLE	FURNITURE & FITTINGS	OFFICE EQUIPMENT	TOTAL
	TZS '000		TZS '000	TZS '000	TZS '000
<b>YEAR 2020</b>					
<b>COST</b>					
As at 1st January, 2021	160,100,570	22,786,098	1,207,716,130	358,715,073	1,749,317,872
Additions	6,211,864	(10,000,000)	-	-	(3,788,136)
<b>AS AT 31ST DECEMBER, 2021</b>	<b>166,312,435</b>	<b>12,786,098</b>	<b>1,207,716,130</b>	<b>358,715,073</b>	<b>1,745,529,736</b>
<b>DEPRECIATION</b>					
Charge for the year	20,789,054	3,196,524.55	150,964,516	44,839,384	219,789,479
<b>AS AT 31ST DECEMBER, 2021</b>	<b>20,789,054</b>	<b>3,196,525</b>	<b>150,964,516</b>	<b>44,839,384</b>	<b>219,789,479</b>
<b>CARRYING AMOUNT AT 31.12.2021</b>	<b>145,523,380</b>	<b>9,589,574</b>	<b>1,056,751,614</b>	<b>313,875,689</b>	<b>1,525,740,257</b>

<b>YEAR 2020</b>					
<b>COST</b>					
As at 1st January, 2020	182,972,080	30,381,464	1,331,795,528	409,960,084	1,955,109,156
Additions	-	-	48,451,478	-	48,451,478
<b>AS AT 31ST DECEMBER, 2020</b>	<b>182,972,080</b>	<b>30,381,464</b>	<b>1,380,247,006</b>	<b>409,960,084</b>	<b>2,003,560,634</b>
<b>DEPRECIATION</b>					
Charge for the year	22,871,510	7,595,366.06	172,530,876	51,245,010	254,242,762
<b>AS AT 31ST DECEMBER, 2020</b>	<b>22,871,510</b>	<b>7,595,366</b>	<b>172,530,876</b>	<b>51,245,010</b>	<b>254,242,762</b>
<b>CARRYING AMOUNT AT 31.12.2020</b>	<b>160,100,570</b>	<b>22,786,098</b>	<b>1,207,716,130</b>	<b>358,715,073</b>	<b>1,749,317,872</b>
<b>CARRYING AMOUNT AT 31.12.2019</b>	<b>182,972,080</b>	<b>30,381,464</b>	<b>1,331,795,528</b>	<b>409,960,084</b>	<b>1,955,109,156</b>



## VILLAGE SUPERMARKET LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2021

	2021	2020
	TZS	TZS
<b>NOTE: 3 RECEIVABLES AND PREPAYMENTS</b>		
Trade debtors	-	343,726,352
Deposit, prepayment and advances	4,156,562,162	3,754,248,993
<b>TOTAL</b>	<b>4,156,562,162</b>	<b>4,097,975,345</b>
<b>NOTE: 4 CASH AND CASH EQUIVALENTS</b>		
Cash in hand	70,932,606	114,738,484
Cash at Bank	204,960,814	80,424,845
<b>TOTAL</b>	<b>275,893,420</b>	<b>195,163,329</b>
<b>NOTE:5 LOAN</b>		
Unsecured Loan	470,441,408	709,518,408
Bank loan (Term Loan)	3,376,323,785	4,044,597,487
	<b>3,846,765,193</b>	<b>4,754,115,895</b>
<b>NOTE: 6 PAYABLES AND ACCRUALS</b>		
Trade payables	3,850,606,685	3,126,438,315
Accrued charges	85,971,487	37,015,914
<b>TOTAL</b>	<b>3,936,578,172</b>	<b>3,163,454,228</b>
<b>NOTE:7 BANK OVERDRAFT</b>		
Diamond Trust Bank overdraft	1,137,028,413	1,561,663,112
	<b>1,137,028,413</b>	<b>1,561,663,112</b>
<b>NOTE: 8 INCOME</b>		
Sales Income	21,778,356,759	18,689,330,731
<b>TOTAL</b>	<b>21,778,356,759</b>	<b>18,689,330,731</b>
<b>NOTE: 9 COST OF SALES</b>		
Opening stock	3,503,600,200	3,493,425,423
Add: Purchases	16,080,284,304	13,704,118,303
<b>Cost of goods available for sale</b>	<b>19,583,884,504</b>	<b>17,197,543,726</b>
Less: Closing stock	3,015,220,260	3,503,600,200
<b>COST OF SALES</b>	<b>16,568,664,244</b>	<b>13,693,943,526</b>



## VILLAGE SUPERMARKET LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2021

**NOTE:10 ADMINISTRATIVE EXPENSES**

Accountancy & secretarial fees	3,000,000	3,000,000
Advertising	28,020,000	9,560,820
Bank charges	71,264,218	80,170,747
City service levy	56,097,917	31,920,591
Commission expenses	142,454,792	132,021,510
Consultancy & professional fees	96,576,644	150,310,835
Directors Salary	200,000,000	175,000,000
Electricity & water	415,561,186	454,876,585
Godown & Building Maintaince	546,344,115	401,900,677
Immigration permit expenses	171,964,660	68,229,050
Insurance expenses	50,647,179	20,150,777
Salaries, wages & other related costs	1,050,019,684	1,007,686,955
Skills & development levy	40,482,647	45,345,914
M/Vehicle running expenses	122,482,461	72,674,129
NSSF contribution	92,032,823	100,768,694
License fees	12,201,086	602,000
Internet & telephone	51,346,731	52,386,024
Printing, postage & stationery	2,389,237	8,347,594
Security expenses	123,892,273	112,905,679
Staff welfare	90,176,360	57,778,127
Travelling expenses	158,127,298	135,713,428
Repairs & maintenance	371,406,965	412,961,804
Sales expenses	233,030,368	222,593,833
Workmen's compensation	9,157,306	9,408,257
Medical expenses	615,500	-
Loading & Offloading	60,117,573	-
<b>TOTAL</b>	<b>4,199,409,024</b>	<b>3,766,314,030</b>

**NOTE:11 FINANCE COSTS**

Foreign exchange loss realised	(365,131)	109,306,345
Interest expenses - on Over Draft	-	234,242,580
Interest expenses - on asset finance and overdraft	619,005,193	472,748,415
<b>TOTAL</b>	<b>618,640,062</b>	<b>816,297,340</b>



**VILLAGE SUPERMARKET LTD**

**TAX COMPUTATION -31 DECEMBER, 2021**

**TIN : 102-156-501**

**31.12.2021**

**TZS**

Profit as per accounts for 31.12.2021		171,853,950
Add : Depreciation	219,789,479	
		391,643,430
Less: Wear and tear allowance	219,789,479	
Less : Initial Allowance	1,552,966	221,342,445
Adjusted profit for the year		<b><u>170,300,984</u></b>

**TAX LOSSES C/FWD**

Tax losses b/fwd		-
Adjusted profit for the year		170,300,984
Tax losses c/fwd		<b><u>170,300,984</u></b>

**TAXABLE PROFIT/(LOSS)**

Adjusted loss		170,300,984
Taxable profit for the year (30%)		<b><u>51,090,295</u></b>

Tax claimable b/fwd		-
Less: Provisional tax paid for the year		-
Less: Withholding tax on Interest Income		(45,000,000)
<b>Tax payable</b>		<b><u>6,090,295</u></b>

**WEAR AND TEAR COMPUTATION**

Description	Amount	CLASS II	CLASS III	TOTAL
	Rate	25%	12.5%	
Office equipments	358,715,073	-	44,839,384	44,839,384
Furniture & fittings	1,207,716,130	-	150,964,516	150,964,516
Plant & Machinery	166,312,435	-	20,789,054	20,789,054
Motor vehicles	12,786,098	3,196,525	-	3,196,525
<b>Total</b>		<b><u>3,196,525</u></b>	<b><u>216,592,955</u></b>	<b><u>219,789,479</u></b>

**INITIAL ALLOWANCE**

	At Cost (TZS)	Initial Allowance	Qualifying Exp
Plant & Machinery	6,211,864	3,105,932	3,105,932

Summary of initial allowance claim  
 Less:50% C/F to be claimed in 2020  
**50% to be claimed in the year**

3,105,932

**1,552,966**

*for P. Muni*  
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**DIRECTOR**

28 July 2022  
**DATE**

