

FINANCIAL STATEMENTS

31 DECEMBER 2023

SATURN CORPORATION LIMITED

P. O. BOX 647  
DAR ES SALAAM

*M. A. Hassam & Co.*

Certified Public Accountants in Public Practice

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DAR ES SALAAM

SATURN CORPORATION LIMITED

Annual report and financial statements  
for the year ended 31 December 2023

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# SATURN CORPORATION LIMITED

## Company Information for the year ended 31 December 2023

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<b>Directors</b>	Mr. Chirag Kiritkumar Tanna - Tanzanian Ms. Sneha Chug - Canadian (Resigned w.e.f 01.09.2023) Mr. Rehmatulah Habib Rehmatulah - Tanzanian
<b>Registered office</b>	Plot No. 94, Kipawa, Ilala Postal Code 12106, Nyerere Road P.O. Box 647 Dar es Salaam Tanzania
<b>Company secretary</b>	Mr. Chirag Kiritkumar Tanna Plot No. 294 & 295, Postal Code 11102, Upanga Mashariki, CBD Ilala P.O. Box 647 Dar es Salaam
<b>Auditors</b>	M. A. Hassam & Co. Certified Public Accountants in Public Practice Mtendeni Street P.O. Box 20719 Dar es Salaam
<b>Bankers</b>	Exim Bank Tanzania Limited Main Branch P.O. Box 1431 Dar es Salaam  CRDB Bank Plc Water Front Branch P.O. Box 71936 Dar es Salaam  KCB Bank Tanzania Limited Lumumba Branch P. O. Box 804 Dar es Salaam  Equity Bank Tanzania Limited Golden Jubilee Branch P. O. Box 110183 Dar es Salaam  Stanbic Bank Tanzania Limited Ohio Street Branch P. O. Box 72647 Dar es Salaam

## SATURN CORPORATION LIMITED

### Directors' Report for the year ended 31 December 2023

The directors present their report and the financial statements for the year ended 31 December 2023.

#### Incorporation

The company is incorporated in Tanzania under the Companies Act, 2002 on 20th April 2021 under the Certificate of Incorporation No. 151627781.

#### Principal activities

The principal activity of the company is dealing in import and sale of motor vehicles and accessories.

#### Directors' interests

The directors' interest in the share capital of the company is as follows:

	Ordinary shares of TZS 10,000 /- each			
	2023		2022	
	No. of shares	Nominal value TZS'000	No. of shares	Nominal value TZS'000
Chirag Kiritkumar Tanna	161,510	1,615,100	71,610	716,100
Rehmatulah Habib Rehmatulah	104,200	1,042,000	46,200	462,000
	<u>265,710</u>	<u>2,657,100</u>	<u>117,810</u>	<u>1,178,100</u>

#### Results for the period

The performance of the company during the period is set out on page 6 of these financial statements.

#### Auditors

The auditors, M A Hassam & Co. have indicated their willingness to continue in office and are eligible for re-appointment.

By order of the board



Chirag Kiritkumar Tanna  
Director

Date: 28/6/2024

SATURN CORPORATION LIMITED

Statement of Directors' Responsibilities  
for the year ended 31 December 2023

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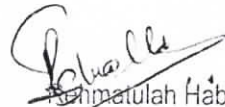
The Companies Act 2002, requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its operating results for that period. It also requires the directors to ensure 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 responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards for Small and Medium Sized Entities (SME) 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 the financial affairs of the company as at 31 December 2023 and of its operating results for the period then ended. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of the financial statements, as well as adequate systems of

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.



Chirag Kirikumar Tanna  
Director



Rehmatulah Habib Rehmatulah  
Director

Date: 28/6/2024

SATURN CORPORATION LIMITED

**Declaration of Independent Accountant  
for the year ended 31 December 2023**

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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 an independent accountant responsible for the preparation of financial statements of the entity.

It is the duty of a Professional Accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of the 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. Legal responsibility for the preparation of financial statements rests with the Board of Directors as per the Statement of Directors' Responsibilities on Page 3.

I, Shadrack C Msekanda being the independent accountant hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2023 have been prepared in compliance with applicable accounting standards and statutory requirements, give a true and fair view of the position of the Company and are prepared based on properly maintained financial records.

Signature: \_\_\_\_\_

NBAA No.: \_\_\_\_\_

Date: \_\_\_\_\_



**Independent Auditors' Report to the members of  
SATURN CORPORATION LIMITED  
for the year ended 31 December 2023**

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**Opinion**

We have audited the financial statements which comprise of the statement of financial position, the statement of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, comprising significant accounting policies and other explanatory information, for the year ended 31 December 2023 and have obtained all the information and explanation which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, the accompanying financial information give a true and fair view of the financial position of the company as at 31 December 2023 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

**Basis of opinion**

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

**Respective responsibilities of the directors and auditors**

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Directors are responsible for overseeing the Company's financial reporting process.

**Auditors' Responsibilities for the Audit of the financial Statements**

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

**Independent Auditors' Report to the members of  
SATURN CORPORATION LIMITED  
for the year ended 31 December 2023**

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

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

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



**Murtaza Hassam - ACPA 2239**  
Partner  
M. A. Hassam & Co.  
Certified Public Accountants in Public Practice

Dar es Salaam

Date : 29.06.2024



SATURN CORPORATION LIMITED

Statement of Comprehensive Income  
for the year ended 31 December 2023

	Notes	2023 TZS	2022 TZS
Sales		79,484,445,204	61,782,617,401
Cost of sales	2	<u>(70,150,455,256)</u>	<u>(58,407,545,601)</u>
<b>Gross profit</b>		9,333,989,948	3,375,071,801
Other income		32,256,434	-
Selling and distribution		(404,681,694)	(43,035,996)
Administrative expenses		(1,359,029,021)	(973,492,496)
Finance cost		(975,531,178)	(309,067,605)
Foreign exchange gain / (loss)		(1,060,938,974)	84,220,928
Depreciation		<u>(60,669,932)</u>	<u>(102,479,242)</u>
<b>Profit before tax</b>	3	5,505,395,583	2,031,217,390
Income tax expense	4	<u>(1,653,838,674)</u>	<u>(609,365,217)</u>
<b>Profit for the year</b>		<u><u>3,851,556,909</u></u>	<u><u>1,421,852,173</u></u>


The accounting policies and notes on pages 10 to 18 form part of these financial statements.  
Independent auditor's report on page 5

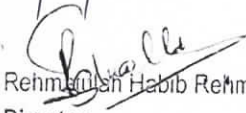
SATURN CORPORATION LIMITED

Statement of Financial Position  
as at 31 December 2023

	Notes	2023 TZS	2022 TZS
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipments	5	<u>32,906,521,736</u>	<u>5,498,829,942</u>
<b>Current assets</b>			
Inventories	6	10,050,229,029	22,655,351,329
Trade and other receivables	7	10,299,231,061	6,543,220,132
Cash and bank balances	8	<u>2,708,730,387</u>	<u>422,397,836</u>
		<u>23,058,190,477</u>	<u>29,620,969,297</u>
<b>Total assets</b>		<u><u>55,964,712,213</u></u>	<u><u>35,119,799,240</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	9	5,210,000,000	2,310,000,000
Shareholders funds		-	66,000,000
Retained earnings		5,538,549,603	1,698,491,584
<b>Total equity</b>		<u>10,748,549,603</u>	<u>4,074,491,584</u>
<b>Non - current liabilities</b>			
Deferred taxation	10	(16,761,339)	(33,563,291)
Borrowings	11	<u>33,586,400,662</u>	<u>14,152,210,380</u>
		<u>33,569,639,323</u>	<u>14,118,647,089</u>
<b>Current liabilities</b>			
Borrowings	11	-	924,000,000
Trade and other payables	12	11,359,486,565	15,823,984,986
Taxation	13	<u>287,036,722</u>	<u>178,675,580</u>
		<u>11,646,523,287</u>	<u>16,926,660,566</u>
<b>Total equity and liabilities</b>		<u><u>55,964,712,213</u></u>	<u><u>35,119,799,240</u></u>

The financial statements were approved by the board of directors on 28/6/2024

  
Chrag Kirikumiar Tanna  
Director

  
Rehmanulsh Habib Rehmatullah  
Director

The accounting policies and notes on pages 10 to 18 form part of these financial statements.  
Independent auditor's report on page 5

SATURN CORPORATION LIMITED

Statement of Changes in Equity  
for the year ended 31 December 2023

	Share capital TZS	Shareholders fund TZS	Retained earnings TZS	Total TZS
Balance at 1 January 2022	2,310,000,000	-	283,745,407	3,731,852,173
Amount received from shareholders	-	66,000,000	-	66,000,000
Prior years corporate tax interest	-	-	(7,105,996)	(7,105,996)
Profit for the year	-	-	1,421,852,173	1,421,852,173
Balance at 31 December 2022	2,310,000,000	66,000,000	1,698,491,584	5,212,598,350
Balance at 1 January 2023	2,310,000,000	66,000,000	1,698,491,584	5,212,598,350
Issue of additional shares	2,900,000,000	-	-	2,900,000,000
Amount transferred for issue of Share Capital	-	(66,000,000)	-	(66,000,000)
Prior years corporate tax interest	-	-	(11,498,890)	(11,498,890)
Profit for the year	-	-	3,851,556,909	3,851,556,909
Balance at 31 December 2023	5,210,000,000	-	5,538,549,603	11,886,656,369

The accounting policies and notes on pages 10 to 18 form part of these financial statements.  
Independent auditor's report on page 5

**SATURN CORPORATION LIMITED**

**Statement of cash flow  
for the year ended 31 December 2023**

	Note	2023 TZS	2022 TZS
<b>Operating activities</b>			
Cash used in operation	14	9,884,678,465	(8,512,167,943)
Provisional tax paid		(1,350,000,000)	(450,000,000)
Prior year tax paid		(190,174,470)	(144,206,956)
<b>Net cash increase from operation</b>		<b>8,344,503,995</b>	<b>(9,106,374,899)</b>
<b>Investing activities</b>			
Purchase of property and equipments		(27,468,361,726)	(4,164,946,208)
<b>Net cash used in investing activities</b>		<b>(27,468,361,726)</b>	<b>(4,164,946,208)</b>
<b>Financing activities</b>			
Issue of additional shares		2,900,000,000	-
Shareholders fund		-	66,000,000
Borrowings		18,510,190,282	12,088,810,380
<b>Increase / (decrease) in financing activities</b>		<b>21,410,190,282</b>	<b>12,154,810,380</b>
Net decrease in cash and bank balance		2,286,332,551	(1,116,510,727)
Cash and cash equivalents at the beginning of the year		422,397,836	1,538,908,563
<b>Cash and bank balance at the end of the year</b>	8	<b>2,708,730,387</b>	<b>422,397,836</b>

The accounting policies and notes on pages 10 to 18 form part of these financial statements.  
Independent auditor's report on page 5

# SATURN CORPORATION LIMITED

## Notes to the Financial Statements for the year ended 31 December 2023

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### 1. Principal accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

#### (a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SME). The financial statement have been prepared under historical cost convention.

#### (b) Revenue and expenditure recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

##### *Sales of products*

Sales is recognized upon dispatch of goods to customers and represents sales net of sales returns and value added tax.

##### *Expenditure:*

Expenses are recognized in the income statement in the year in which they are incurred.

#### (c) Translation of foreign currency

Transactions in foreign currencies during the year are converted into Tanzanian Shillings at rates ruling at the transaction dates. Assets and liabilities at the balance sheet date which are expressed in foreign currencies are translated into Tanzanian Shillings at rates ruling at that date. The resulting differences from conversion of and translation are dealt within the income statement in the year to which they relate.

#### (d) Property and equipments

All categories of property and equipments are initially recorded at cost. Cost comprises of expenditure that is directly attributable to the acquisition of items. Subsequently 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 reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Other items of property and equipments are stated at historical cost less accumulated depreciation and accumulated impairment loss.

## SATURN CORPORATION LIMITED

### Notes to the financial statements (continued) for the year ended 31 December 2023

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Depreciation is calculated on the straight line method to write off the cost of each asset to its residual values over its estimated useful life using the following annual rates:

Building	5%
Leasehold improvements	2 years
Plant and machinery	12.5%
Motor vehicles	25%
Computer and accessories	37.5%
Equipments, furniture and fittings	12.5%

#### (e) Impairment of assets

At each balance sheet date, the company reviews the carrying amount of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the asset's recoverable amount is estimated and an impairment loss is recognized in the income statement whenever the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. There is no impairment of assets during the year.

#### (f) Inventories

Inventories are stated at lower of cost and net realizable value. Net realizable value is estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

#### (g) Cash and bank balance

Cash and bank balance are carried in the statement of financial position at cost.

#### (h) Trade and other receivables

Trade receivables are recognized initially at original invoice amount.

Other receivables are carried at anticipated realizable value. Bad debts are written off in the year in which they are identified.

#### (i) Deferred income taxes

Deferred tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. The tax rates enacted or substantively enacted at the balance sheet date are used to determine deferred tax.

SATURN CORPORATION LIMITED

Notes to the financial statements (continued)  
for the year ended 31 December 2023

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(j) Trade and other payables

Trade and other payables are stated at their nominal value.

(k) Employees' benefits

*Pension obligations*

The company contributes to the statutory National Social Security Fund. This is a defined contribution scheme registered under the National Social Security Act. The company's contributions are charged to the income statement in the year to which they relate.

*Provision for liabilities and charges*

Employees' entitlements to annual leave are recognised when they accrue to employees.

(l) Comparatives

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

SATURN CORPORATION LIMITED

Notes to the financial statements (continued)  
for the year ended 31 December 2023

	2023 TZS	2022 TZS
<b>2. Cost of sales</b>		
Inventory at 1 January	22,655,351,329	5,675,925,134
Purchases	47,880,131,803	66,720,408,750
Direct costs	9,665,201,153	8,666,563,046
	<u>80,200,684,285</u>	<u>81,062,896,930</u>
Inventory at 31 December	(10,050,229,029)	(22,655,351,329)
	<u><u>70,150,455,256</u></u>	<u><u>58,407,545,601</u></u>
<b>3. Profit before tax</b>		
The following items have been charged in arriving at operating profit:		
Depreciation	60,669,932	102,479,242
Staff cost	230,396,100	163,402,400
Audit fees	10,000,000	5,000,000
<b>4. Income tax expense</b>		
Current tax	1,637,036,722	628,675,580
Deferred tax (Note 10)	16,801,952	(19,310,363)
	<u><u>1,653,838,674</u></u>	<u><u>609,365,217</u></u>

SATURN CORPORATION LIMITED

Notes to the Financial Statements  
for the year ended 31 December 2023

5. Property and equipments

	Land	Factory assets (Work in progress)	Leasedhold improvements (Showroom)	Motor vehicles	Computer and accessories	Furniture, fittings and equipments	Total
	TZS	TZS	TZS	TZS	TZS	TZS	TZS
<b>Cost</b>							
At the start of the year	1,262,228,325	4,081,567,400	159,234,407	-	45,489,153	113,911,775	5,662,431,060
Additions	-	27,239,871,329	-	210,169,492	17,600,906	720,000	27,468,361,726
<b>At the end of the year</b>	<b>1,262,228,325</b>	<b>31,321,438,729</b>	<b>159,234,407</b>	<b>210,169,492</b>	<b>63,090,059</b>	<b>114,631,775</b>	<b>33,130,792,786</b>
<b>Depreciation</b>							
At the start of the year	-	-	139,330,107	-	9,870,620	14,400,391	163,601,118
Charge for the year	-	-	19,904,300	5,014,124	21,497,536	14,253,972	60,669,932
<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>159,234,407</b>	<b>5,014,124</b>	<b>31,368,156</b>	<b>28,654,363</b>	<b>224,271,050</b>
<b>Net book value</b>							
As at 31 December 2023	1,262,228,325	31,321,438,729	-	205,155,368	31,721,903	85,977,412	32,906,521,736
As at 31 December 2022	1,262,228,325	4,081,567,400	19,904,300		35,618,533	99,511,384	5,498,829,942

Independent auditor's report on page 5

SATURN CORPORATION LIMITED

Notes to the Financial Statements  
for the year ended 31 December 2023

	2023 TZS	2022 TZS
<b>6. Inventories</b>		
Motor vehicles and accessories	10,050,229,029	22,655,351,329
	<u>10,050,229,029</u>	<u>22,655,351,329</u>
<b>7. Trade and other receivables</b>		
Trade	7,065,933,000	1,112,127,644
Others	218,220,184	4,727,443,400
Deposits, prepayments and advances	-	38,312,800
Due from directors	200,000,000	-
VAT account	2,815,077,877	665,336,287
	<u>10,299,231,061</u>	<u>6,543,220,132</u>
<b>8. Cash and bank balances</b>		
Cash balance	106,254,550	46,968,819
Bank balance	2,602,475,837	375,429,018
	<u>2,708,730,387</u>	<u>422,397,836</u>
<b>9. Share capital</b>		
<b>Authorised:</b>		
1,000,000 ordinary shares of TZS 10,000/- each.	<u>10,000,000,000</u>	<u>10,000,000,000</u>
<b>Issued and fully paid up:</b>		
231,000 ordinary shares of TZS 10,000/- each.	2,310,000,000	2,310,000,000
<u>Additions</u>		
290,000 ordinary shares of TZS 10,000/- each.	2,900,000,000	-
	<u>5,210,000,000</u>	<u>2,310,000,000</u>
<b>10. Deferred tax</b>		
As at 1 January	(33,563,291)	(14,252,928)
Charge for the year	16,801,952	(19,310,363)
As at 31 December	<u>(16,761,339)</u>	<u>(33,563,291)</u>
Deferred tax liability is made as follows:		
Accelerated capital allowances	(16,761,339)	(33,563,291)
	<u>(16,761,339)</u>	<u>(33,563,291)</u>

Independent auditor's report on page 5

**SATURN CORPORATION LIMITED**

**Notes to the Financial Statements  
for the year ended 31 December 2023**

	2023 TZS	2022 TZS
<b>11. Borrowings</b>		
<b>Non current</b>		
Loan from Vin Metal Synergies FZCO	2,969,900,000	3,743,662,230
Bank loan	22,279,883,162	3,998,298,150
Loan from shareholders	8,336,617,500	6,410,250,000
	<u>33,586,400,662</u>	<u>14,152,210,380</u>
<b>Current</b>		
Short term from Vin Metal Synergies FZCO	<u>-</u>	<u>924,000,000</u>

**Loans from Vin Metal Synergies FZCO**

The company has received two long term loans totaling to US\$ 2,025,000 and a short term loan amounting to US\$ 400,000 from Vin Metal Synergies FZCO based in United Arab Emirates.

The term for the two long term loan are three years and six years respectively while for short term it is six months.

The interest for long term loans is 6% and 7% percent respectively while there is no interest chargeable for short term loan.

**Bank loan**

The company has been accorded with term loan facility amounting to US\$ 9,000,000 and letter of credit amounting to US\$ 3,000,000 by Exim Bank (Tanzania) Limited as per letter of offer dated 2 December 2022. Up to 31 December 2022, the company only received US\$ 1,730,865 as term loan.

Security

The obligation of the borrower in respect of the facility shall be secured as follows:

- i. Legal mortgage over landed property on Plot No. 2-11, Block B at Kigogo Kisarawe II Area in Kigamboni Municipality, under CT No. 194208 in the name of Saturn Corporation Limited
- ii. Legal mortgage over a two flats on the 9th and 10th floors of the property with subtitle No. 59293/4/3 situated on Plot No. 1403/45 and 1404/45 Central Area, Ilala Municipality, in the name of AM-PM Limited.
- iii. Specific debenture over plant and machineries to be purchased through bank finance in the name of Saturn Corporation Limited.
- iv. Specific debenture over 30 trucks and 15 tractors in the name of AM-PM Limited.
- v. Debenture over the entire present and future fixed and floating assets of the company.
- vi. Joint and severally personal guarantee of directors / shareholders of the company mentioned in item 7 of the letter of credit.

SATURN CORPORATION LIMITED

Notes to the Financial Statements  
for the year ended 31 December 2023

	2023 TZS	2022 TZS
<b>14. Cash used in operations</b>		
Reconciliation of profit before tax to cash used in operations:		
Profit before tax	5,505,395,583	2,031,217,390
<b>Adjustments for:</b>		
Depreciation	60,669,932	102,479,242
Shareholder's funds	(66,000,000)	-
<b>Changes in working capital</b>		
Decrease / (increase) in inventories	12,605,122,300	(16,979,426,195)
Increase in trade and other receivables	(3,756,010,929)	(4,151,075,483)
(Decrease) / increase in trade and other payables	(4,464,498,421)	10,484,637,103
	<u>9,884,678,465</u>	<u>(8,512,167,943)</u>

**15. Capital commitments**

The company had no capital commitments as at 31 December 2023.

**16. Contingent liabilities**

The company had no contingent liabilities, as at 31 December 2023.

SATURN CORPORATION LIMITED

Schedules to the financial statements  
for the year ended 31 December 2023

	2023 TZS	2022 TZS (Re-Stated)
<b>A1. Selling and distribution</b>		
Advertisement and sales promotion	26,775,194	43,035,996
Commission	306,250,000	-
Customers' staff training	71,656,500	-
	<u>404,681,694</u>	<u>43,035,996</u>
<b>A2. Administrative expenses</b>		
Audit fees	10,000,000	5,000,000
Bank charges	24,436,869	268,962,757
City service levy	238,481,536	185,347,851
Crane hire	29,662,200	-
Directors' remuneration	66,000,000	52,000,000
Donation	7,400,000	-
Electricity and water	9,707,203	4,725,847
Employment cost	230,396,100	163,402,400
Insurance	174,617,586	29,040,908
Land rent	11,849,050	11,849,100
License and fees	14,156,020	8,418,800
Legal and professional fees	2,455,778	361,864
Office, general and canteen	183,036,790	15,939,719
Printing and stationery	2,934,978	6,117,528
Postage, telephone and internet	6,331,200	132,750
Rent	151,828,012	137,904,000
Repairs and maintenance	13,116,593	41,769,102
Security charges	12,900,000	13,000,000
Service and maintenance charges	4,309,800	5,172,900
Stamp duty	1,720,788	277,174
Transport and travelling	78,167,018	-
VAT adjustment	-	24,069,795
Visa and permits	34,887,500	-
Warranty expenses	50,634,000	-
	<u>1,359,029,021</u>	<u>973,492,496</u>
<b>A3. Employment cost</b>		
Salaries and wages	193,540,000	136,050,000
NSSF contribution	25,954,000	18,805,000
Skills and development levy	9,604,400	7,522,000
Workmens Compensation Fund	1,297,700	1,025,400
	<u>230,396,100</u>	<u>163,402,400</u>

**SATURN CORPORATION LIMITED**

**Tax computation  
for the year ended 31 December 2023**

	TZS
<b>Profit as per accounts</b>	5,505,395,583
Add: <u>Non-allowable expenses</u>	
Depreciation	60,669,932
Donation	7,400,000
	68,069,932
	5,573,465,515
Less: Depreciation allowance	(116,676,442)
<b>Taxable Income</b>	<b>5,456,789,073</b>
Corporation tax at 30%	1,637,036,722
Less: Provisional tax paid	(1,350,000,000)
<b>Balance payable</b>	<b>287,036,722</b>

Schedule of depreciation allowance

	Class 1	Class 3	Class 6	
	Computer and accessories, Motor vehicles	Furniture, fittings and equipments	Leasedhold improvements and building	Total
	37.5%	12.5%	5%	
	TZS	TZS	TZS	TZS
W.D.V as at 1 January 2023	27,949,080	93,661,379	4,240,801,807	4,362,412,266
Additions	227,770,397	720,000	-	228,490,397
	255,719,477	94,381,379	4,240,801,807	4,590,902,663
Less: Depreciation allowance	(95,894,804)	(11,797,672)	(8,983,966)	(116,676,442)
Depreciation claimed up to 2022			(13,933,010)	(13,933,010)
<b>W.D.V as at 31 December 2023</b>	<b>159,824,673</b>	<b>82,583,707</b>	<b>4,217,884,831</b>	<b>4,460,293,211</b>

**Note:**

Wear and tear allowance is not provided on the Factory assets (WIP) amounting TZS 31,321,438,729 during the year .