

**MARIAM HAULIERS CO. LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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*Mariam Hauliers Co. Limited*  
*Company information*  
*For the year ended 31 December 2022*

	<b>Name</b>	<b>Nationality</b>
<b>Board of directors</b>	Mr. Salah Ahmed Ms. Shaffigha Isahaagi	Tanzanian Tanzanian
<b>Company secretary</b>	Mr. Salah Ahmed Plot No. 99 Haidaru Magomeni Makaburini Street Dar es Salaam	
<b>Registered office</b>	Plot No. 99 Haidaru Magomeni Makaburini Street Dar es Salaam	
<b>Independent auditor</b>	HKAS Associates Certified Public Accountants P.O. Box 31705 Dar es Salaam Tanzania	
<b>Principal bankers</b>	Diamond Trust Bank (T) Limited Dar es Salaam Tanzania	

**Mariam Hauliers Co. Limited**  
**Report of those charged with governance**  
**For the year ended 31 December 2022**

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The directors submit their report together with the audited 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 Companies Act, 2002. The address of the registered office is set out on page 1.

**Principal activities**

The principal activity of the company is provision of cargo transport services.

**Results and dividends**

The net profit for the year of TZS 67.7 million (2021: Profit of TZS 7.7 million) has been added to retained earnings. The directors do not recommend the declaration of a dividend for the year.

**Capital structure and cash flows**

The capital structure of the company is outlined in Note 7.

**Borrowings/liquidity**

The company's borrowings are analysed on Note 8.

**Directorate**

The directors who held office during the year and the date of this report are set out on page 1.

**Auditor**

During the year, HKAS Associates was re-appointed as the company's auditor and has expressed its willingness to continue in office in accordance with the Tanzanian Companies Act, 2002.

By order of the board

  
.....  
**Mr. Salah Ahmed**  
**Director**

Dar es Salaam

Date: 28/08/2023

**Mariam Hauliers Co. Limited**  
**Statement of directors' responsibilities**  
**For the year ended 31 December 2022**

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The Tanzanian Companies Act, 2002 requires the directors to prepare financial statements for each financial year that give a true and fair view of the financial position of the Company as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the Company keeps proper accounting records that (a) show and explain the transactions of the Company; (b) disclose, with reasonable accuracy, the financial position of the Company, and (c) enable the directors to ensure that every financial statement required to be prepared complies with the requirements of the Companies Act, 2002.

The directors accept responsibility for the preparation and presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and in the manner required by the Tanzanian Companies Act, 2002. They also accept responsibility for:

- i) designing, implementing and maintaining such internal control as they determine necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- ii) selecting suitable accounting policies and applying them consistently; and
- iii) making accounting estimates and judgements that are reasonable in the circumstances.

Having made an assessment of the Company's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the Company's ability to continue as a going concern.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the board of directors on 28/08/2023 2023 and signed on its behalf by:

**Mr. Salah Ahmed**  
**Director**



**Mariam Hauliers Co. Limited**  
**Declaration of the Head of Finance**  
**For the year ended 31 December 2022**

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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 the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

As stated above, it is the duty the Professional Accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of the company that show a true and fair view of the company's position and performance in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the directors as disclosed in the Statement of director's responsibility on page 3.

I \_\_\_\_\_ on behalf of the Head of Finance of Mariam Hauliers Co. Limited who supervised preparation of these financial statements hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2022 have been prepared in compliance with International Financial Reporting Standards for Small and Medium-sized Entities and the Tanzanian Companies Act, 2002 based on the information provided by the directors.

**Signed by:** .....

**Position:**

**NBAA Membership No.:** .....

**Date:**

**Report on the financial statements**

We have compiled the accompanying financial statements of Mariam Hauliers Co. Limited on pages 6 to 14 of this report based on information provided by the directors. These financial statements comprise the statement of financial position of the company as at 31 December 2022, their statement of profit and loss and of cashflows for the year then ended and a summary of significant accounting policies and other explanatory information.

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

We have applied our expertise in accounting and financial reporting to assist you in the operation and presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs). We have compiled with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the the accuracy and completeness of the information used to compile them are the directors' responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy 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 are prepared in accordance with IFRS for SMEs.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our compilation.

**FOR: HKAS ASSOCIATES**  
**CERTIFIED PUBLIC ACCOUNTANTS**



Signed by: Abdallah Sube  
ACPA:



*Mariam Hauliers Co. Limited*  
*Financial statements*  
*For the year ended 31 December 2022*

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 TZS'000	2021 TZS'000
Revenue	4	7,991,247	4,440,511
Cost of sales		<u>(6,135,421)</u>	<u>(3,403,279)</u>
<b>Gross profit</b>		1,855,826	1,037,232
Other income		-	5,932
Administrative expenses		(408,651)	(325,167)
Establishment expenses		(18,824)	(16,230)
Finance costs	5	(89,370)	(54,553)
Depreciation and amortization		<u>(1,243,569)</u>	<u>(534,893)</u>
<b>Profit before tax</b>		95,412	112,321
Tax expense	6	<u>(27,744)</u>	<u>(104,640)</u>
<b>Profit for the year</b>		<u><u>67,668</u></u>	<u><u>7,681</u></u>

*Mariam Hauliers Co. Limited*  
*Financial statements*  
*For the year ended 31 December 2022*

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	2022 TZS'000	2021 TZS'000
<b>EQUITY</b>			
Share capital	7	75,000	75,000
Retained earnings		57,977	9,440
<b>Total equity</b>		<u>132,977</u>	<u>84,440</u>
<b>Non-current liabilities</b>			
Long term borrowings	8	1,873,463	580,519
		<u>2,006,440</u>	<u>664,959</u>
<b>REPRESENTED BY</b>			
<b>Non-current assets</b>			
Property, plant and equipment	9	4,094,160	1,987,812
		<u>4,094,160</u>	<u>1,987,812</u>
<b>Current assets</b>			
Inventories	10	64,829	54,820
Trade and other receivables	11	117,465	95,530
Cash at bank and in hand		138,393	31,293
		<u>320,687</u>	<u>181,643</u>
<b>Current liabilities</b>			
Trade and other payables	12	2,170,313	1,495,256
Current tax payable		744	9,240
Short term borrowings	8	237,350	-
		<u>2,408,407</u>	<u>1,504,496</u>
<b>Net current liabilities</b>		<u>(2,087,720)</u>	<u>(1,322,853)</u>
		<u>2,006,440</u>	<u>664,959</u>

The financial statements on pages 6 to 14 were approved for issue by the board of directors on 28/08/2023 2023 and were signed on their behalf by:

Mr. Salah Ahmed  
 Director



*Mariam Hauliers Co. Limited*  
*Financial statements*  
*For the year ended 31 December 2022*

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital TZS'000	Retained earnings TZS'000	Total TZS'000
At 1 January 2021	75.000	1,759	76,759
Profit for the year	-	7,681	7,681
At 31 December 2021	<u>75.000</u>	<u>9,440</u>	<u>84,440</u>
At 1 January 2022	75.000	9,440	84,440
Profit for the year	-	67,668	67,668
Prior period taxes paid	-	(19,131)	(19,131)
At 31 December 2022	<u>75.000</u>	<u>57,977</u>	<u>132,977</u>

*Mariam Hauliers Co. Limited*  
*Financial statements*  
*For the year ended 31 December 2022*

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 TZS'000	2021 TZS'000
<b>Cash flows from operating activities</b>			
Profit for the year			
Adjustments for:		95,412	112,321
Depreciation of property, plant and equipment			
Interest expense	9	1,243,569	534,893
Changes in operating assets and liabilities:	5	89,370	54,553
(Increase)/decrease in trade and other receivables		(21,935)	139,252
(Increase)/decrease in inventories		(10,009)	(21,580)
Increase in trade payables		675,057	458,512
<i>Cash generated from operations</i>		<u>2,071,464</u>	<u>1,277,951</u>
Interest paid		(89,370)	(54,553)
Income tax paid		<u>(55,371)</u>	<u>(103,569)</u>
<i>Net cash generated from operating activities</i>		<u>1,926,723</u>	<u>1,119,829</u>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment	9	<u>(3,349,917)</u>	<u>(1,181,129)</u>
<i>Net cash used in investing activities</i>		<u>(3,349,917)</u>	<u>(1,181,129)</u>
<b>Cash flows from financing activities</b>			
Repayment of borrowings		(241,346)	(99,896)
Proceeds from borrowings		<u>1,771,640</u>	<u>139,478</u>
<i>Net cash generated from financing activities</i>		<u>1,530,294</u>	<u>39,583</u>
Net decrease in cash and cash equivalents		107,101	(21,717)
Cash and cash equivalents at start of year		<u>31,291</u>	<u>53,008</u>
Cash and cash equivalents at end of year		<u><u>138,392</u></u>	<u><u>31,291</u></u>

**NOTES**

**1. General information**

Mariam Hauliers Limited (the Company) is domiciled in Tanzania where it is incorporated under the Tanzanian Companies Act, 2002 as a private company limited by shares. The address of its registered office and principal place of business is stated on page 1. The principal activities of the Company are as stated on page 2.

**2. Basis of preparation and summary of significant accounting policies**

These financial statements have been prepared on a going concern basis and in compliance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board. The financial statements are presented in Tanzania Shillings (TZS), rounded to the nearest thousand. The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below.

*Revenue recognition*

Revenue from sales of goods is recognised when the goods are delivered and title has passed. Revenue from sale of services is recognised by reference to the stage of completion of the transaction at the end of the reporting period. Revenue is measured at the fair value of the consideration received or receivable, net of discounts and sales-related taxes collected on behalf of the government of Tanzania.

*Borrowing costs*

All borrowing costs are recognised in statement of comprehensive income in the period in which they are incurred.

*Income tax*

Tax expense represents the aggregate amount included in statement of comprehensive income for the period in respect of current tax.

Current tax is the amount of income tax payable or refundable in respect of the taxable profit or loss for the current and prior periods, determined in accordance with the Tanzanian Income Tax Act.

*Translation of foreign currencies*

All transactions in foreign currencies are initially recorded in Tanzania Shillings, using the spot rate at the date of the transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement or translation are recognised in statement of comprehensive income.

*Share capital*

Ordinary shares are recognised at par value and classified as 'share capital' in equity.

*Financial assets*

Trade and other receivables are initially recognised at the transaction price. Most sales are made on the basis of normal credit terms, and the receivables do not bear interest.

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 the statement of comprehensive income.

NOTES (CONTINUED)

**2. Basis of preparation and summary of significant accounting policies (continued)**

*Property, plant and equipment*

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses using the reducing balance method.

If there is an indication that there has been a significant change in the useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in statement of profit or loss.

*Leases*

Rentals payable under operating leases are charged to statement of comprehensive income on a straight-line basis over the term of the relevant lease.

*Inventories*

Inventories are stated at the lower of cost and selling price less costs to complete and sell. Cost is calculated using the first-in, first-out (FIFO) method.

*Impairment of non-financial assets*

At each reporting date, property, plant and equipment is reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) 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 the statement of comprehensive income.

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to selling price less costs to complete and sell, 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 the statement of comprehensive

*Financial liabilities*

Financial liabilities are initially recognised at the transaction price (less transaction costs). Trade payables are obligations on the basis of normal credit terms and do not bear interest. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest method.

*Employee benefits - post-employment benefit obligations*

The Company and the employees also contribute to the National Social Security Fund (NSSF), a national defined contribution scheme. Contributions are determined by local statute and the Company's contributions are charged to statement of comprehensive income in the year to which they relate.

NOTES (CONTINUED)

3. Judgements and key sources of estimation uncertainty

No significant judgements have had to be made by the directors in preparing these financial statements.

4. Revenue	2022 TZS'000	2021 TZS'000
Transport income	7,991,247	4,440,511
	<u>7,991,247</u>	<u>4,440,511</u>
5. Finance costs		
Interest on bank loan	89,370	54,553
	<u>89,370</u>	<u>54,553</u>
6. Tax expense		
Current tax	27,744	33,240
Prior period tax	-	71,400
Tax expense	<u>27,744</u>	<u>104,640</u>
7. Share capital	<b>No. of ordinary shares issued</b>	<b>Issued and fully paid up capital TZS'000</b>
At 31 December 2021 and 31 December 2022	<u>75,000</u>	<u>75,000</u>
8. Borrowings		
<b>Non-current</b> Bank loans	<u>1,873,463</u>	<u>580,519</u>
<b>Current</b> Bank overdraft	<u>237,350</u>	<u>-</u>
	<u>237,350</u>	<u>-</u>
<b>Total borrowings</b>	<u>2,110,813</u>	<u>580,519</u>

The company has obtained term loans from NBC and Diamond Trust Bank (T) Limited.

During the year, the company obtained overdraft facility from Diamond Trust Bank (T) Limited.

**Mariam Hauliers Co. Limited**  
**Financial statements**  
**For the year ended 31 December 2022**

**NOTES (CONTINUED)**

9. Property, plant and equipment	Land and buildings TZS'000	Trucks TZS'000	Trailers TZS'000	Furniture and equipment TZS'000	Computer equipment TZS'000	Total TZS'000
<b>Cost</b>						
At start of year	515,290	2,633,660	445,925	48,574	7,429	3,650,878
Additions	-	2,135,229	1,214,688	-	-	3,349,917
At end of year	515,290	4,768,889	1,660,613	48,574	7,429	7,000,795
<b>Accumulated depreciation and impairment</b>						
At start of year	73,493	1,317,527	239,173	26,991	5,881	1,663,067
Annual depreciation	22,090	862,840	355,360	2,698	581	1,243,569
At end of year	95,583	2,180,368	594,533	29,689	6,461	2,906,636
<b>Carrying amount</b>						
At end of year	419,706	2,588,521	1,066,080	18,885	968	4,094,160

The following annual rates are used for the depreciation of property, plant and equipment:

Buildings	5 per cent
Trucks	25 per cent
Trailers	25 per cent
Furniture and equipment	12.5 per cent
Computer equipment	37.5 per cent

*Mariam Hauliers Co. Limited*  
*Financial statements*  
*For the year ended 31 December 2022*

NOTES (CONTINUED)

	2022 TZS'000	2021 TZS'000
<b>10. Inventories</b>		
Spares and tools	28,957	32,580
Tires and tubes	33,550	18,580
Other items	2,322	3,660
	<u>64,829</u>	<u>54,820</u>
<b>11. Trade and other receivables</b>		
Trade receivables	117,465	88,950
Other receivables	-	6,580
	<u>117,465</u>	<u>95,530</u>
<b>12. Trade and other payables</b>		
Trade payables	2,145,055	1,494,256
Accrued expenses	25,258	1,000
	<u>2,170,313</u>	<u>1,495,256</u>

*Mariam Hauliers Co. Limited*  
*Supplementary information*  
*For the year ended 31 December 2022*

1. DIRECT EXPENSES	2022 TZS'000	2021 TZS'000
Border permit and road toll		
Trip allowance	817,100	596,500
Tracking charges	130,325	100,250
Fire extinguishers	65,509	40,623
Fuel	1,990	1,250
Demurrage charges	3,868,830	1,266,545
Oil and lubricants	3,234	7,864
Insurance and road licenses	52,784	2,550
Loading and offloading charges	225,954	211,244
Freight and clearing charges	11,202	13,580
Spares and repairs	6,350	48,560
Tyres and tubes	350,503	130,612
Weighbridge expenses	337,271	202,880
Vehicle subleasing	3,280	1,220
	<u>261,089</u>	<u>779,602</u>
	<u>6,135,421</u>	<u>3,403,279</u>
2. ADMINISTRATIVE EXPENSES		
<b>Employment:</b>		
Salaries and wages	237,950	216,000
National Social Security Fund	31,295	25,200
NHIF	9,281	7,560
Staff uniform	889	250
Skills and development levy	12,516	10,718
Workers Compensation Fund	1,705	2,022
	<u>293,636</u>	<u>261,750</u>
<b>Total employment costs</b>		
<b>Other administration expenses:</b>		
Directors' remuneration	75,000	36,000
Postage and telephone	9,958	2,880
Printing and stationery	5,589	3,660
Repair and maintenance	10,258	8,950
Audit and accounting fees	2,000	1,000
Legal and professional fees	3,000	2,800
Bank charges and commissions	8,090	6,860
Land rent	1,120	710
Other expenses	-	558
	<u>115,015</u>	<u>63,418</u>
<b>Total other administration expenses</b>		
<b>Total administrative expenses</b>	<u>408,651</u>	<u>325,167</u>
3. ESTABLISHMENT EXPENSES		
Electricity and water charges	6,254	4,110
Rent	3,600	3,600
Business and operational licenses	2,370	2,270
Parking charges	6,600	6,250
	<u>18,824</u>	<u>16,230</u>

Client: Mariam Hauliers Co. Limited		
Year ended: 31 December 2022		
Subject: Tax computation		

TIN: 123-723-686

Period of financial statements: 12 months

	Ref.:	TZS '000	TZS '000
<b>PROFIT BEFORE TAX AS PER FINANCIAL STATEMENTS</b>			<u>95,412</u>
<b>ADD: NON DEDUCTIBLE ITEMS</b>			
Depreciation expense		<u>1,243,569</u>	
<b>TOTAL NON DEDUCTIBLE ITEMS</b>			<u>1,243,569</u>
<b>LESS: DEDUCTIBLE ITEMS</b>			
Wear and tear allowance - Note (iii)	N.01/1	<u>(1,246,501)</u>	
<b>TOTAL DEDUCTIBLE ITEMS</b>			<u>(1,246,501)</u>
<b>TAXABLE PROFIT</b>			92,480
<b>CURRENT INCOME TAX @ 30%</b>			<u>27,744</u>
<b>Total paid</b>			
Quarter 1		6,750	
Quarter 2		6,750	
Quarter 3		6,750	
Quarter 4		<u>6,750</u>	
		<b>27,000</b>	
<b>Total tax payable for the year</b>			<b>744</b>

## (ii) WEAR AND TEAR SCHEDULE

	Class I 37.5% TZS '000	Class II 25% TZS '000	Class III 12.5% TZS '000	Total TZS '000
<b>W. D. V. at 01 January 2022</b>				
Additions	1,549	1,519,914	21,583	1,543,045
	-	3,349,917	-	3,349,917
<b>Subtotal</b>	1,549	4,869,831	21,583	4,892,963
Wear & tear allowance	(581)	(1,217,458)	(2,698)	(1,220,736)
Disposal	-	-	-	-
<b>W.D.V at 31 December 2022</b>	<u>968</u>	<u>3,652,373</u>	<u>18,885</u>	<u>3,672,226</u>
<b>Additions to buildings - Class VI</b>				
Cost	515,290			
Additions	-			
<b>Total cost</b>	<b>515,290</b>			
Wear and tear allowance 2020	(25,765)			
<b>WDV as at 31 December 2020</b>	<b>463,762</b>			
Wear and tear allowance - 2021	(25,765)			
<b>WDV as at 31 December 2021</b>	<b>437,997</b>			
Wear and tear allowance - 2022	(25,765)			
<b>WDV as at 31 December 2022</b>	<b>412,233</b>			