

**BULK  
DISTRIBUTORS  
LIMITED**

**REPORT OF THE DIRECTORS  
AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31ST DECEMBER 2024**

**TPA AUDITORS  
CERTIFIED PUBLIC ACCOUNTANTS IN PUBLIC  
PRACTICE  
P. O. BOX 10488  
ARUSHA**

# **BULK DISTRIBUTORS LIMITED**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

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## **BULK DISTRIBUTORS LIMITED**

### **COMPANY INFORMATION**

The Company is incorporated in Tanzania under the Companies Act, 2002, CAP 212 and domiciled in Tanzania.

#### **REGISTERED AND PRINCIPAL PLACE OF BUSINESS**

Bulk Centre  
Off Sokoine Road  
P.O. Box 3091  
Arusha  
**TANZANIA**

#### **BANKERS**

Azania Bank Limited  
Arusha Branch  
P. O. Box 1926  
**Arusha**

Standard Chartered Bank Tanzania  
Limited  
Arusha Branch  
P.O. Box 3000  
**Arusha**

Stanbic Bank Tanzania Limited  
Arusha Branch  
P. O. Box 6437  
**Arusha**

NBC Limited  
Arusha Branch  
P.O. Box 3004  
**Arusha**

Exim Bank Tanzania Limited  
Arusha Branch  
P.O. Box 1906  
**Arusha**

NMB Limited  
Arusha Branch  
P.O. Box 3093  
**Arusha**

CRDB Bank Plc  
Arusha Branch  
P.O. Box 3150  
**Arusha**

**BULK DISTRIBUTORS LIMITED**

**COMPANY INFORMATION (CONTINUED)**

Habib Bank  
Nkuruma Branch  
P.O. Box 70086  
**Dar – Es Salaam**

**COMPANY SOLICITORS**

Willybright Anaselly Mamkwe  
Advocates  
P.O. Box 2620  
**Arusha**

**COMPANY SECRETARY**

Willybright Anaselly Mamkwe  
Advocates  
P.O. Box 2620  
**Arusha**

**COMPANY AUDITORS**

TPA Auditors  
P.O. Box 10488  
**Arusha**

## **BULK DISTRIBUTORS LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

#### **INTRODUCTION.**

The Directors submit their report together with the audited financial statements for the year ended 31<sup>st</sup> December 2024.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS.**

The Companies Act, 2002 requires the Directors 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 its operating results for that year. It also requires the Directors to ensure the company keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company. They 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 judgments and estimates, in conformity with generally accepted accounting practice and in the manner required by 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 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. The Directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

#### **PRINCIPAL ACTIVITIES.**

The company's principal activities are trading in building and industrial hardware.

During the year under review there were no significant changes in the company's activities.

#### **RESULTS.**

The results for the year are set out on page 9.

## **BULK DISTRIBUTORS LIMITED**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

### **DIRECTORS' REPORT (CONTINUED).**

#### **EMPLOYEE WELFARE,**

#### **Management/employees' relationship**

The relationship between management and employees continued to be cordial throughout the year.

#### **Training**

The company strives to provide training to all its employees as and when it identifies a necessity.

#### **Medical facilities**

Medical care continued to be provided to all members of the company staff.

#### **Financial Support**

Loans, salary advances and other financial assistance are available to all confirmed employees depending on the assessment of the management as to the need and circumstances and ability to make repayments.

#### **Solvency**

The Company served all its short and long-term commitments satisfactorily and its state of affairs as at 31<sup>st</sup> December 2024 is set out in page 10 of these financial statements. The Board considers the Company to be solvent.

### **DIRECTORS**

**The Directors who served during the year and to the date of this report were:**

Rashida R. Nurbhai	-	Tanzanian	Chairperson
Taher R. Nurbhai	-	Tanzanian	Managing Director
Rukaiya R. Nurbhai	-	Tanzanian	

### **DIRECTORS' INTEREST.**

**The Directors' interest in the shares of the company is as follows:**

Rajab A. Nurbhai	-	306,000	Shares	51%	Deceased
Rashida R. Nurbhai	-	90,000	Shares	15%	
Taher R. Nurbhai	-	114,000	Shares	19%	
Rukaiya R. Nurbhai	-	90,000	Shares	15%	

**BULK DISTRIBUTORS LIMITED**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

**DIRECTORS' REPORT (CONTINUED).**

**AUDITORS.**

The auditors, TPA Auditors have expressed their willingness to continue in office and do so under the Companies Act, 2002.

By Order of the Board



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**CHAIRMAN**

29/06/2025

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**Date**

**BULK DISTRIBUTORS LIMITED**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**


**DECLARATION OF THE HEAD OF ACCOUNTING OF BULK DISTRIBUTORS 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/Governing Body/Management to discharge the responsibility of preparing financial statements of an entity showing a true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of the financial statements rests with the board of Directors/Governing board as under the Directors Responsibility statement on an earlier page.

I, **Eddah A. Mwanry**, being Certified Public Accountant engaged by Bulk Distributors Limited hereby acknowledge the responsibility of ensuring that financial statements for the year ended 31<sup>st</sup> December 2024 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that financial statements give a true and fair view position of Bulk Distributors Limited as on that date and that they have been prepared based on properly maintained financial records.

Signed by: **Eddah A. Mwanry** ..... 

Position: **CERTIFIED PUBLIC ACCOUNTANT.**

NBAA Membership No. **ACPA 3605**

Date: **28/06/2025** .....

## **BULK DISTRIBUTORS LIMITED**

### **REPORT OF THE INDEPENDENT AUDITORS to the members of BULK DISTRIBUTORS LIMITED.**

#### **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS.**

##### **Opinion**

We have audited the financial statements of **BULK DISTRIBUTORS LIMITED**, which comprise the statement of financial position as at 31<sup>st</sup> December 2024, and the statement of Profit or Loss and Other Comprehensive Income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31<sup>st</sup> December 2024 and of the results and cash flows for the year then ended in accordance with the International Financial Reporting Standards and comply with the Company's' Act, CAP 212.

##### **Basis for Opinion**

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

##### **Responsibilities of the Directors and Those Charged with Governance for the Financial Statements**

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as they 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, the 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 the Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

**BULK DISTRIBUTORS LIMITED**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

**REPORT OF THE INDEPENDENT AUDITORS (Continued).**

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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**Report on other legal and regulatory requirements .**

This report, including the opinion, has been prepared for, and only for, the Company's members as a body corporate in accordance with the Tanzanian Companies Act, 2002 and for no other purposes. As required by the Tanzanian Companies Act, 2002, we report to you, based on our audit, that:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books;
- (iii) The Directors' Report is consistent with the financial statements;
- (iv) Information specified by law regarding directors' remuneration and transactions with the Company is disclosed; and
- (v) The Company's Statement of Financial Position and income statement are in agreement with the books of account.

  
**N. M. F. DUHIA (FCPA 550)**  
**TPA AUDITORS (PF 117)**  
**CERTIFIED PUBLIC ACCOUNTANTS IN PUBLIC PRACTICE**  
**P. O. BOX 10488**  
**ARUSHA.**

29/6/ 2025



## BULK DISTRIBUTORS LIMITED

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024

	Notes	2024 Shs'000	2023 Shs'000
<b>Sales</b>	4	<b>115,917,340</b>	<b>89,862,138</b>
Cost of sales	5	<u>(104,441,503)</u>	<u>(78,689,398)</u>
<b>Gross profit</b>		<b>11,475,837</b>	<b>11,172,740</b>
Other income	6	<u>167,750</u>	<u>136,948</u>
		<b>11,643,587</b>	<b>11,309,688</b>
Selling and distribution expenses	7	<u>(799,424)</u>	<u>(695,764)</u>
Administrative expenses	8	<u>(8,288,360)</u>	<u>(8,187,262)</u>
		<b>(9,087,784)</b>	<b>(8,883,026)</b>
<b>Operating profit</b>		<b>2,555,803</b>	<b>2,426,662</b>
Finance costs	9	<u>(1,032,666)</u>	<u>(1,062,003)</u>
<b>Profit before income tax</b>		<b>1,523,137</b>	<b>1,364,659</b>
Income tax expense	10	<u>(695,299)</u>	<u>(877,464)</u>
<b>Profit for the year</b>		<b>827,838</b>	<b>487,195</b>
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<b>827,838</b>	<b>487,195</b>

Auditor's report on page 7 and 8

The notes on pages 13 to 21 form part of these financial statements.

## BULK DISTRIBUTORS LIMITED

### STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER 2024

<b>ASSETS</b>	<b>Notes</b>	<b>2024</b>	<b>2023</b>
		<b>Shs'000</b>	<b>Shs'000</b>
<b>Non-current assets</b>			
Property, plant and equipment	18	4,921,889	3,097,397
Leasehold land		1,288,361	1,286,395
Work in progress		1,053	182,554
Investments	11	48,169	48,169
Deferred income tax		129,719	136,360
		<u>6,389,192</u>	<u>4,750,875</u>
<b>Current assets</b>			
Stocks	12	15,188,017	8,253,637
Receivables and prepayments	13	8,699,405	9,169,607
Current income tax			42,014
Cash and cash equivalents	14	957,704	1,367,600
<b>Total current assets</b>		<u>24,845,127</u>	<u>18,832,858</u>
<b>Total assets</b>		<u>31,234,320</u>	<u>23,583,733</u>
<b>EQUITY</b>			
Share capital	15	600,000	600,000
Retained earnings		11,461,927	10,210,613
<b>Total equity</b>		<u>12,061,927</u>	<u>10,810,613</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Loans and borrowings		<u>3,104,797</u>	<u>3,044,382</u>
<b>Current liabilities</b>			
Current income tax		23,715	
Payables and accrued expenses	16	14,016,487	7,715,246
Bank overdraft		2,027,395	2,013,494
<b>Total current liabilities</b>		<u>16,067,597</u>	<u>9,728,740</u>
<b>Total liabilities</b>		<u>19,172,395</u>	<u>12,773,122</u>
<b>Total equity and liabilities</b>		<u>31,234,320</u>	<u>23,583,735</u>

The financial statements on pages 9 to 21 were approved by the Board of Directors on ..... and signed on its behalf by:



Taher R. Nurbhai  
Director

Auditor's report on page 7 and 8

The notes on pages 13 to 21 form part of these financial statements.

**BULK DISTRIBUTORS LIMITED****STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

	<b>Share capital Shs'000</b>	<b>Retained earnings Shs'000</b>	<b>Total Shs'000</b>
Balance at 1 <sup>st</sup> January 2024	600,000	8,482,635	9,082,633
Prior year stock adjustment - TRA		1,240,785	1,240,785
Profit for the year	-	487,192	487,195
<b>Balance at 31<sup>st</sup> December 2023</b>	<b><u>600,000</u></b>	<b><u>10,210,612</u></b>	<b><u>10,810,613</u></b>
Balance at 1 <sup>st</sup> January 2024	600,000	10,210,612	10,810,613
Prior year stock adjustment - TRA		423,477	423,477
Profit for the year	-	827,838	827,838
<b>Balance at 31<sup>st</sup> December 2024</b>	<b><u>600,000</u></b>	<b><u>11,461,927</u></b>	<b><u>12,061,928</u></b>

Auditor's report on page 7 and 8

The notes on pages 13 to 21 form part of these financial statements.

## BULK DISTRIBUTORS LIMITED

### STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024

	<b>2024</b>	<b>2023</b>
	<b>Shs'000</b>	<b>Shs'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	116,555,292	86,750,681
Cash paid to suppliers and employees	<u>(113,862,673)</u>	<u>(86,634,000)</u>
<b>Cash generated from operating activities</b>	<b>2,692,619</b>	<b>116,681</b>
Tax paid	<u>(622,930)</u>	<u>(562,914)</u>
<b>Net cash generated from/(used in) operating activities</b>	<b><u>2,069,689</u></b>	<b><u>(446,233)</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(2,733,435)	(1,710,240)
Leasehold land	(1,966)	(8,436)
Work in Progress	<u>181,502</u>	<u>(182,554)</u>
<b>Net cash used in investing activities</b>	<b><u>(2,553,899)</u></b>	<b><u>(1,901,230)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Loan received	60,415	3,044,382
Overdraft	<u>13,901</u>	<u>(652,474)</u>
<b>Net cash generated from financing activities</b>	<b><u>74,316</u></b>	<b><u>2,391,908</u></b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(409,894)</b>	<b>44,445</b>
Cash and cash equivalents at the beginning of the year	<u>1,367,600</u>	<u>1,323,155</u>
<b>Cash and cash equivalents at the end of the year</b>	<b><u>957,706</u></b>	<b><u>1,367,600</u></b>

Auditor's report on page 7 and 8

The notes on pages 13 to 21 form an integral part of these financial statements.

## **BULK DISTRIBUTORS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

#### **1. Company Information**

Detailed information about the company is set out on page 1 and 2.

#### **2. Principal 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 years presented, unless otherwise stated.

##### **(a) Basis of preparation**

The financial statements are prepared in compliance with International Financial Reporting Standards (IFRS). The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The financial statements are presented in Tanzania Shillings (Shs), rounded to the nearest thousand.

##### **(b) Significant accounting judgements, estimates and assumptions**

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions. It also requires management to exercise its judgment in the process of applying the company's accounting policies. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised and in any future periods affected.

##### **(c) Revenue recognition**

Revenue comprises the fair value of the consideration received and receivable for services rendered in the ordinary course of the company's activities. Revenue is shown net of value-added tax (VAT), rebates and discounts. Sales of services are recognised in the 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.

##### **(d) Functional currency and translation of foreign currencies**

Transactions are recorded on initial recognition in Tanzania Shillings, being the currency of the primary economic environment in which the company operates (the functional currency). Transactions in foreign currencies are converted into Tanzania Shillings using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

##### **(e) Property, Plant and Equipment**

Depreciation is calculated using the reducing balance method to write down their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

## **BULK DISTRIBUTORS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024 (CONTINUED)**

	%
Land development and buildings	5
Heavy motor vehicles	37.5
Light motor vehicles	25
Computer equipment	37.5
Furniture, fittings and equipment	12.5

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date.

Increases in the carrying amount arising on revaluation are credited to a revaluation surplus reserve in equity. Decreases that offset previous increases of the same asset are charged against the revaluation surplus; all other decreases are charged to the Statement of Comprehensive Income. Each year the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged to the Statement of Comprehensive Income) and depreciation based on the asset's original cost is transferred from the revaluation surplus to retained earnings.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's 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 levels for which there are separately identifiable cash flows (cash-generating units).

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining operating profit.

On disposal of revalued assets, amounts in the revaluation surplus relating to that asset are transferred to retained earnings.

#### **(f) Accounting for leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit or Loss and Other Comprehensive Income on a straight-line basis over the period of the lease.

#### **(g) Inventories**

Inventories are stated at the lower of cost and net realizable value. Cost is determined by the first-in, first-out (FIFO) method. Net realizable value is the estimate of the selling price in the ordinary course of business, less the estimated cost of realization. Provision is made where necessary for obsolescent, slow moving and defective stocks.

## **BULK DISTRIBUTORS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024 (CONTINUED)**

#### **(h) Receivables**

Receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. A provision for impairment of receivables is established when there is objective evidence that the company will not be able to collect all the amounts due according to the original terms of receivables. The amount of the provision is the difference between the carrying amount and the present value of expected cash flows, discounted at the effective interest rate. The amount of the provision is recognized in the Statement of Profit or Loss and Other Comprehensive Income.

#### **(i) Payables**

Payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method

#### **(j) Borrowings**

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective interest method; any differences between proceeds (net of transaction costs) and the redemption value is recognized in the Statement of Profit or Loss and Other Comprehensive Income over the period of the borrowings. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the Statement of Financial Position date.

#### **(k) Share capital**

Ordinary shares are classified as equity.

#### **(l) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

#### **(m) Provisions**

Provisions are made when the company has a present obligation (legal or constructive), as a result of past event where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

#### **(n) Employee benefits**

##### **(i) Retirement benefit obligations**

The company's contributions in respect of retirement benefit costs are charged to the income statement in the year to which they relate. The company contributes to the National Social

## **BULK DISTRIBUTORS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024 (CONTINUED)**

Security Fund, which is a defined contribution pension scheme. The company's obligations under the scheme are limited to specific contributions legislated from time to time.

#### **(ii) Other entitlements**

The estimated monetary liability for employees accrued annual leave entitlement at the Statement of Financial Position date is recognized as an expense accrual.

#### **(o) Income tax**

Income tax expense is the aggregate of the charge to the Statement of Profit or Loss and Other Comprehensive Income in respect of current income tax and deferred income tax. Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with the Tanzanian Income Tax Act.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. However, if the deferred income tax arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss, it is not accounted for. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted at the Statement of Financial Position date and are expected to apply when the related deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

#### **(p) Dividends**

Dividends on ordinary shares are charged to equity in the period in which they are declared or paid.

### **3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

#### **(a) Price fluctuation risk**

The company has no significant price fluctuation and financial management risks.

#### **(b) Foreign exchange risk**

The company does not operate internationally and has therefore no significant foreign exchange risk.

#### **(c) Credit risk**

The company has no significant credit risk.

**BULK DISTRIBUTORS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024 (Continued)**

	<b>2024</b>	<b>2023</b>
	<b>Shs'000</b>	<b>Shs'000</b>
<b>4. SALES</b>		
Sales	<u>115,917,340</u>	<u>89,862,138</u>
<b>5. COST OF SALES</b>		
Opening stock	8,253,637	7,520,845
Stock Adjustment	423,477	1,240,785
Purchases	105,546,138	75,112,871
Transportation and handling costs	4,107,646	679,886
Processing Cost	1,158,495	2,358,717
Construction/Installation	140,128	29,931
	<u>119,629,520</u>	<u>86,943,035</u>
Closing stock	<u>(15,188,017)</u>	<u>(8,253,637)</u>
	<u>104,441,503</u>	<u>78,689,398</u>
<b>6. OTHER INCOME</b>		
Insurance claim refund/Interest	42,235	2,627
Discount received	64,640	26,786
Dividend received	889	864
Rental Income	55,749	92,335
Gain on disposal of asset	4,237	1,000
Ex-change gain unrealized	-	5,743
Ex-change gain realized	-	7,593
	<u>167,750</u>	<u>136,948</u>
<b>7. SELLING AND DISTRIBUTION EXPENSE</b>		
Shop rent	624,603	506,880
Business licence	3,248	3,932
Advertising and sales promotion	170,637	182,395
Discount allowed	936	2,557
	<u>799,424</u>	<u>695,764</u>

**BULK DISTRIBUTORS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024 (CONTINUED)**

	<b>2024</b>	<b>2023</b>
	<b>Shs'000</b>	<b>Shs'000</b>
<b>8. ADMINISTRATIVE EXPENSES</b>		
Salaries and wages	1,047,215	1,000,077
Labour charges, bonus and commission	70,201	-
Directors' fees	78,000	78,000
Insurance, fees and licenses	132,239	385,852
Travelling and accommodations expenses	117,332	27,947
Postages, telephones, internet and faxes	25,976	33,767
Printing and stationery	40,115	27,053
Staff welfare and medical	46,129	40,477
Skills and development levy	39,109	40,104
Electricity and water	63,213	55,496
Fuel vehicle and generator	3,006,387	2,955,662
Motor vehicle and generator maintenance	1,161,550	995,202
Audit fees	11,200	12,200
Service levy, rates and refuse collection	141,020	341,131
Stock loss	245,779	-
Bad debt write off	55,021	8,470
Bad debts - staff Loans	7,377	60
Staff training, uniform and permit	61,785	4,955
Firefighting services	5,827	6,432
Round off/cash loss	417	(18)
Debt collection expenses	2,481	4,377
Transport	495,744	527,951
Security expenses	41,034	33,879
Repairs and maintenance	109,459	71,702
NSSF	95,464	90,082
Community services	26,898	24,316
Land rent	4,538	11,527
Legal and consultancy fees	22,746	5,422
Cleaning and general maintenance	4,603	6,415
Stamp duty	5,456	(1,365)
Miscellaneous expense	224	317
Newspaper, periodicals and subscriptions	111,296	79,956
Workers Compensation Fund	4,773	4,505
OSHA fees	15,115	15,040
Assessment for prior years	75,455	305,535
Valuation charges	8,240	3,966
Depreciation	908,942	990,770
	<b>8,288,360</b>	<b>8,187,262</b>
<b>9. FINANCE COSTS</b>		
Bank charges and interest	525,558	538,299
Exchange loss Realized	507,108	523,704
	<b>1,032,666</b>	<b>1,062,003</b>

**BULK DISTRIBUTORS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024 (Continued)**

	<b>2024</b>	<b>2023</b>
	<b>SHS'000</b>	<b>SHS'000</b>
<b>10. INCOME TAX EXPENSE</b>		
Current income tax expense	491,388	539,918
Previous years' current income tax expense	197,270	374,107
Deferred income tax expense/(credit)	6,641	(36,561)
	<u><b>695,299</b></u>	<u><b>877,464</b></u>
<b>11. INVESTMENTS</b>		
TCCIA shares	100	100
Kengen Shares	1,335	1,335
Twiga Shares	359	359
Precision Air Ltd	2,375	2,375
Tanga Cement	1,500	1,500
Vodacom	42,500	42,500
	<u><b>48,169</b></u>	<u><b>48,169</b></u>
<b>12. STOCKS</b>		
Goods for re-sale	<u><b>15,188,017</b></u>	<u><b>8,253,637</b></u>
<b>13. RECEIVABLES AND PREPAYMENTS</b>		
Trade and sundry debtors	8,188,836	8,158,090
Receivables from Related Parties (Note 17)	214,875	321,871
Loans and advances	65,777	118,892
Director's account	23,839	33,648
VAT Receivables	-	412,786
Withholding tax receivable	79,330	76,982
Prepaid expenses	126,748	47,338
	<u><b>8,699,405</b></u>	<u><b>9,169,607</b></u>
<b>14. CASH AND CASH EQUIVALENTS</b>		
Cash in hand	70,854	20,452
Bank balance	886,850	1,347,148
	<u><b>957,704</b></u>	<u><b>1,367,600</b></u>
<b>15. SHARE CAPITAL</b>		
<b>Authorized:</b>		
1,000,000 ordinary shares of tshs. 1,000 each	<u><b>1,000,000</b></u>	<u><b>1,000,000</b></u>
<b>Issued and fully paid:</b>		
600,000 ordinary shares of tshs. 1,000 each	<u><b>600,000</b></u>	<u><b>600,000</b></u>

**BULK DISTRIBUTORS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024 (Continued)**

	<b>2024</b>	<b>2023</b>
	<b>SHS'000</b>	<b>SHS'000</b>
<b>16. PAYABLES AND ACCRUED EXPENSES</b>		
Trade and sundry payables	14,168,047	7,251,890
Payable to Related Parties (Note 17)	(375,666)	
Accrued Expenses	205,400	463,356
VAT	18,706	-
	<u><b>14,016,488</b></u>	<u><b>7,715,246</b></u>
<b>17. RELATED PARTY TRANSACTIONS</b>		
<b>(a) Amounts due from Related Parties:</b>		
Golden Land Shelters Limited	(63,493)	72,571
Estate of Rajab A. Nurbhai	3,722	640
Africa Bulk Supplies Limited-Debtors with credit balance	274,646	248,660
	<u><b>214,875</b></u>	<u><b>321,871</b></u>
<b>(b) Amounts due to Related Parties:</b>		
Africa Bulk Supplies Limited-Creditors with debit balance	<u><b>432,594</b></u>	<u><b>430,532</b></u>
<b>(c) Services received from Related Parties:</b>		
Golden land Shelters Limited	12,447	
Rent paid to estate of Rajab A. Nurbhai	44,481	45,168
	<u><b>55,928</b></u>	<u><b>45,168</b></u>

**BULK DISTRIBUTORS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024 (Continued)**

**18. PROPERTY, PLANT AND EQUIPMENT**

	<b>BUILDINGS</b>	<b>PLANT AND MACHINERY</b>	<b>HEAVY MOTOR VEHICLES</b>	<b>LIGHT MOTOR VEHICLES</b>	<b>FURNITURE AND EQUIPMENT</b>	<b>COMPUTER EQUIPMENT</b>	<b>TOTAL</b>
<b>RATE</b>	5%	25.0%	37.5%	25%	12%	37.5%	
<b>COST:</b>	<b>SHS. '000</b>	<b>SHS. '000</b>	<b>SHS. '000</b>	<b>SHS. '000</b>	<b>SHS. '000</b>	<b>SHS. '000</b>	<b>SHS. '000</b>
At 01.01.2024	1,903,634	301,365	5,543,249	496,508	270,188	436,753	8,951,697
Additions	2,252,507	114,491	122,627	193,471	7,349	42,989	2,733,435
<b>At 31.12. 2024</b>	<b>4,156,140</b>	<b>415,857</b>	<b>5,665,876</b>	<b>689,979</b>	<b>277,537</b>	<b>479,743</b>	<b>11,685,132</b>
<b>DEPRECIATION:</b>							
At 01.01.2024	497,186	144,533	4,239,380	407,420	200,642	365,139	5,854,300
Charge for the year	182,948	67,831	534,936	70,640	9,612	42,976	908,942
<b>At 31.12.2024</b>	<b>680,133</b>	<b>212,364</b>	<b>4,774,316</b>	<b>478,060</b>	<b>210,254</b>	<b>408,116</b>	<b>6,763,242</b>
<b>CARRYING AMOUNT</b>							
<b>At 31.12.2024</b>	<b>3,476,007</b>	<b>203,492</b>	<b>891,560</b>	<b>211,919</b>	<b>67,284</b>	<b>71,627</b>	<b>4,921,889</b>
<b>At 31.12.2023</b>	<b>1,406,448</b>	<b>156,832</b>	<b>1,303,869</b>	<b>89,088</b>	<b>69,546</b>	<b>71,614</b>	<b>3,097,397</b>

**19. CONTINGENT LIABILITIES**

In the opinion of the directors, there were no contingent liabilities at the balance sheet date (2024: nil).

**20. CAPITAL COMMITMENTS**

There were no capital commitments contracted for or approved at the balance sheet date (2024: nil).

**21. COMPARATIVE FIGURES**

Previous year's figures have been regrouped wherever considered necessary to make them comparable with current year's figures.