

Report Annual 2002

Taarifa ya Mwaka 2002

TANGA CEMENT

BUILDING TANZANIA

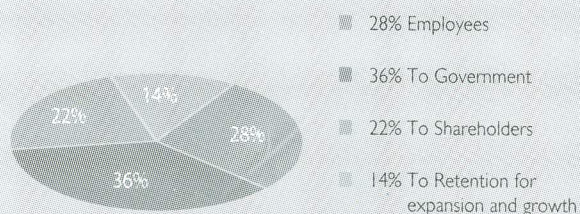


VALUE ADDED STATEMENT

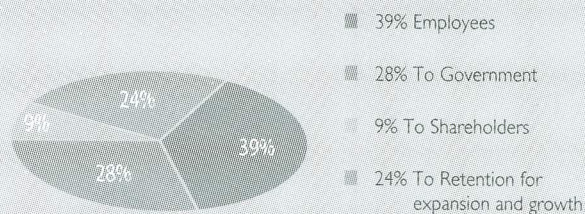
FOR THE YEAR ENDED 31 DECEMBER 2002

	2002	%	2001	%
	TSHS. 000		TSHS. 000	
VALUE ADDED				
Gross turnover	40,362,295		28,892,142	
Other Income	127,530		61,382	
Other operating expenditure	(24,247,926)		(19,224,525)	
	<u>16,241,899</u>	<u>100%</u>	<u>9,728,999</u>	<u>100%</u>
VALUE ALLOCATED				
To Employees	4,529,849	28%	3,737,160	39%
To Government	5,903,600	36%	2,767,509	28%
- Direct Taxation	2,986,873		968,504	
- Indirect Taxation	2,916,727		1,799,005	
To Shareholders	3,501,907	22%	853,841	9%
- Cash Dividend	-		673,115	
- Dividend Recommended	3,501,907		180,726	
To Expansion and Growth	2,306,543	14%	2,370,489	24%
- Depreciation	1,128,591		1,516,651	
- Retained Income for the Year	1,177,952		853,838	
	<u>16,241,899</u>	<u>100%</u>	<u>9,728,999</u>	<u>100%</u>

VALUE ALLOCATION 2002



VALUE ALLOCATION 2001



**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2002**

	Notes	2002 Tzs'000	2001 Tzs'000
Revenue	1(b)	40,362,295	28,892,142
Cost of sales	2	22,669,328	18,861,995
Distribution costs		<u>5,579,422</u>	<u>2,981,387</u>
Gross profit		12,113,545	7,048,760
Other operating income	4	127,435	59,748
Selling and administrative expenses	5	3,387,411	2,804,666
Depreciation	6	<u>1,128,591</u>	<u>1,516,651</u>
Net profit from operations	7	7,724,978	2,787,191
Interest received		95	1,634
Finance cost	8	<u>(58,341)</u>	<u>(112,642)</u>
Net profit before tax		7,666,732	2,676,183
Taxation	9	<u>2,986,873</u>	<u>968,504</u>
Net profit after tax		<u>4,679,859</u>	<u>1,707,679</u>
Basic earnings per share (Tzs)	10	<u>73.50</u>	<u>26.82</u>

The profit and loss account is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 51 to 64.

**BALANCE SHEET
AT 31 DECEMBER 2002**

	Notes	2002 Tzs'000	2001 Tzs'000
ASSETS			
Non current assets			
Property, plant and equipment	11	9,836,439	10,050,137
Due from Employees' Share			
Purchase Trust	12	1,074,079	-
Investment	13	<u>20,400</u>	<u>20,400</u>
		10,930,918	10,070,537
Current assets			
Inventories	14	5,343,855	6,446,943
Accounts receivable	15	6,407,556	5,014,177
Cash resources		<u>5,899,404</u>	<u>1,857,321</u>
		17,650,815	13,318,441
TOTAL ASSETS		<u>28,581,733</u>	<u>23,388,978</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Issued capital	16	1,273,421	1,273,421
Non distributable reserves		5,382,331	5,687,205
Retained earnings		<u>14,001,135</u>	<u>9,193,128</u>
		20,656,887	16,153,754
Non current Liabilities			
Provision for site restoration	17	31,200	31,200
Deferred tax provision	9	<u>523,745</u>	<u>1,983</u>
		554,945	33,183
Current liabilities			
Accounts payable	18	6,343,024	6,126,400
Taxation payable	19	1,026,877	442,913
Ordinary dividend	20	<u>-</u>	<u>632,728</u>
		<u>7,369,901</u>	<u>7,202,041</u>
TOTAL EQUITY AND LIABILITIES		<u>28,581,733</u>	<u>23,388,978</u>

The Board of Directors approved the accounts on pages 46 to 64 on 14 February 2003 and they were signed on its behalf by:


Dave J. King
Chairman


Leon E. Hooper
Managing Director

The balance sheet is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 51 to 64.



CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2002

	Notes	2002 Tzs'000	2001 Tzs'000
CASH FLOW FROM OPERATING ACTIVITIES			
	21a	8,724,697	4,082,265
Interest received		95	1,634
Interest paid		(4,816)	(119,629)
Income taxes paid	19	(1,881,147)	(1,106,329)
Ordinary dividends paid	21b	(813,454)	(1,283,714)
Cash generated from operations		6,025,375	1,574,227
CASH FLOW IN INVESTING ACTIVITIES			
Advances to Employees' Share Purchase Trust		(1,074,079)	-
Proceeds from disposal of plant and equipment		1,680	2,957
Purchase of plant and equipment		(910,893)	(839,072)
Cash flows in investing activities		(1,983,292)	(836,115)
FINANCING ACTIVITIES			
Repayment of borrowings		-	(880,322)
Cash flows in financing activities		-	(880,322)
Net increase / (decrease) in cash and cash equivalents		4,042,083	(142,210)
Opening cash resources		1,857,321	1,999,531
Closing cash and cash equivalents		5,899,404	1,857,321

The cash flow statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 51 to 64.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2002**

	Notes	Ordinary share capital Tzs'000	Non distributable reserves Tzs'000	Distributable reserves Tzs'000	Total Tzs'000
Balance as at 1 January 2001		1,273,421	6,102,211	8,986,885	16,362,517
Dividends	22	-	-	(1,916,442)	(1,916,442)
Attributable earnings		-	-	1,707,679	1,707,679
Transfers		-	(415,006)	415,006	-
Balance as at 31 December 2001		<u>1,273,421</u>	<u>5,687,205</u>	<u>9,193,128</u>	<u>16,153,754</u>
Balance as at 1 January 2002		1,273,421	5,687,205	9,193,128	16,153,754
Dividends	22	-	-	(180,726)	(180,726)
Attributable earnings		-	-	4,679,859	4,679,859
Asset write-back		-	4,000	-	4,000
Transfers		-	(308,874)	308,874	-
Balance as at 31 December 2002		<u>1,273,421</u>	<u>5,382,331</u>	<u>14,001,135</u>	<u>20,656,887</u>

Non-distributable reserves consist of a property, plant and equipment revaluation reserve.

The statement on changes in equity is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 51 to 64.

TANGA CEMENT
BUILDING TANZANIA



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