

**JB PROCUREMENT AGENCIES LTD**  
**FINANCIAL STATEMENTS**  
**FOR YEAR ENDED 31 DECEMBER 2021**

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**NOTES TO THE FINANCIAL STATEMENTS**

**2 ACCOUNTING POLICIES (Continued)**

**INVENTORY**

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the 'First-In-First-Out' method. Net realisable value is the estimate of selling price in the ordinary course of business after allowing for realisation costs.

**FOREIGN CURRENCIES**

Assets and liabilities expressed in foreign currencies are translated into Uganda shillings at the rates of exchange ruling at the balance sheet date. Transactions during the year are translated at the rates ruling at the dates of the transactions.

**COMPONENTS OF CASH AND CASH EQUIVALENTS**

For the purpose of the cash flow statement, cash is considered to be cash on hand and in operating bank accounts.

**COMPARATIVES**

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

<b>3 OPERATING PROFIT</b>	<b>2021</b>	<b>2020</b>
The operating profit is arrived at after charging:	<b>Ushs</b>	<b>Ushs</b>
Depreciation	5,706,244	17,807,422
<b>4 STAFF COSTS</b>		
Salaries and wages	20,800,000	20,800,000
	<b>20,800,000</b>	<b>20,800,000</b>