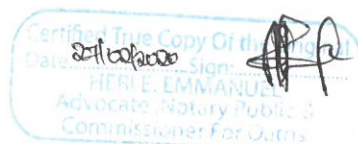


**M/S ALLIED MINING SERVICES
LIMITED**

**P.O. BOX 2260
MWANZA**

**FINANCIAL STATEMENTS
AS AT
DECEMBER 31st, 2016**

W.M. Kilele & Co.
Chartered Certified Public
Accountants/Auditors
P.O. Box 1424,
Mwanza



ALLIED MINING SERVICES LIMITED – P. O. BOX 2260, MWANZA.

REPORT OF THE AUDITORS

REPORT ON THE FINANCIAL STATEMENTS AS AT 31ST DECEMBER, 2016

We have audited the accompanying financial statements of ALLIED MINING SERVICES LIMITED set out on pages 4 to 19 which comprise the balance sheet as at 31st December, 2016 and the company income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of the Tanzania Companies Act, 2002. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparations and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; we considered the internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the accompanying financial statements give a true and fair view of the state of affairs of the company as at 31st December, 2016 and of the profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the requirements of the Tanzanian Companies Act, 2002.

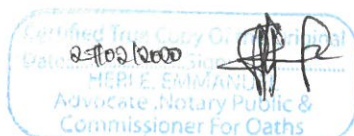
DATE: 30/06/2017

MWANZA

W. M. Kilele & Co.
CHARTERED CERTIFIED PUBLIC ACCOUNTANTS/AUDITORS



1



ALLIED MINING SERVICES LIMITED – P. O. BOX 2260, MWANZA.

DIRECTORS REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2016.

The directors have much pleasure to present their annual report and financial statements for the year ended 31st December, 2016.

1. **Registration.**
The company is registered under the Companies Act, CAP 202 of the laws of Tanzania under certificate of registration no 56208
2. **Company address.**
Nyakato Industrial area,
Plot # 108 Block F,
P. o box 2260,
Mwanza, Tanzania.
Tel: +255 28 2571561-3
Fax: +255 28 2571564
E-mail: mining@alliedgroup.co.tz
Web: www.alliedgroup.co.tz
3. **Business Activities.**
The Company is engaged mainly in the supply of hardware to the mining industry.
4. **Trading Results.**
The trading results are as shown on page 5 in the audited financial statements.
5. **Dividend.**
The directors do not recommend distribution of dividend.
6. **Directorate.**
The directors who served during the year are
ASHISH S. PATTNI
BINDIYA A. PATTNI
Both being eligible, continue in office.
7. **Auditors.**
M/S W. M. Kilele & Co, who were appointed as auditors to the company have expressed their willingness to continue in office.



BY ORDER OF THE BOARD



ALLIED MINING SERVICES LIMITED – P. O. BOX 2260, MWANZA.

STATEMENT OF DIRECTORS RESPONSIBILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2016

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Tanzania Company law requires the Directors to prepare financial Statements for each financial year. Under that law the Directors have elected to prepare financial statements for the Company in accordance with International Financial Reporting Standards (IFRS).

The financial statements are required by law and IFRS to present fairly the financial position and performance of the Company; the [Companies Act 2002] provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

The financial statements are required by law to give a true and fair view of the state of the affairs of the Company.

In preparing the financial statements, the Directors are required to:

- a) Select suitable accounting policies and then apply them consistently;
- b) Make judgements and estimates that are reasonable and prudent;
- c) State whether they have been prepared in accordance with IFRS; and
- d) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the requirements of the [Companies Act 2002]. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities


Statement as to disclosure of information to the auditors:

The Directors who were in office on the date of approval of these financial statements have confirmed that as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Directors have confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

GOING CONCERN:

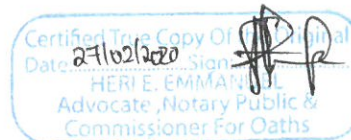
The directors confirm that they are satisfied that the company has adequate resources to continue in business for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

BY ORDER OF THE BOARD;

DIRECTOR.....

DIRECTOR.....

DATE: 30/06/2017.



ALLIED MINING SERVICES LIMITED

P.O. BOX 2260, MWANZA

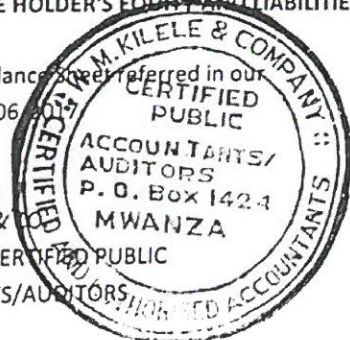


STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31st, 2016

	NOTE	2016 TZS	2015 TZS
ASSETS			
Non-Current Assets - Net	2	1,290,239,365	1,779,588,455
		<u>1,290,239,365</u>	<u>1,779,588,455</u>
Current Assets:-			
Cash in Hand		653,682	295,000
Cash at Bank		23,162,905	25,160,365
Trade Debtors		2,965,804,699	4,058,647,069
Stock in Trade		6,165,782,604	5,513,780,925
Prepayments	3	-	14,337,410
Employees Receivables	4	5,452,200	10,643,587
TOTAL		<u>9,160,856,090</u>	<u>9,622,864,356</u>
TOTAL ASSETS		<u>10,451,095,455</u>	<u>11,402,452,811</u>
EQUITY & LIABILITIES			
Share Capital;			
Authorized:			
50,000 Ordinary Shares @ TZs 100,000 per share	5	5,000,000,000	5,000,000,000
Issued and Fully Paid:			
5000 Ordinary Shares @ TZs 100,000 per share	5	500,000,000	500,000,000
Advance towards Share Capital		25,000	25,000
REVENUE RESERVE			
Retained Earnings		615,388,819	681,370,115
TOTAL EQUITY		<u>1,115,413,819</u>	<u>1,181,395,115</u>
CURRENT LIABILITIES			
Trade & Other Payables	6	8,391,862,349	8,330,870,163
VAT Payable		17,942,734	4,617,591
Bank Overdraft		634,086,553	741,726,930
TOTAL		<u>9,043,891,636</u>	<u>9,077,214,684</u>
NON-CURRENT LIABILITIES			
Due to Directors - Others		291,790,000	374,106,500
Due to Bhavesh Bhagwanji		-	769,736,512
TOTAL		<u>291,790,000</u>	<u>1,143,843,012</u>
TOTAL SHARE HOLDER'S EQUITY AND LIABILITIES		<u>10,451,095,455</u>	<u>11,402,452,811</u>

This is the Balance Sheet referred in our report of 30/06/2017

W.M. KILELE & COMPANY
CHARTERED CERTIFIED PUBLIC
ACCOUNTANTS/AUDITORS



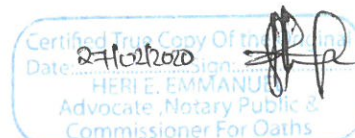
APPROVED AND SIGNED ON
BEHALF OF THE BOARD

DIRECTOR:.....

DIRECTOR:.....

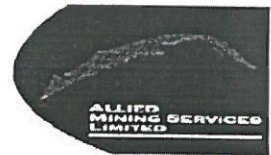
DATE:.....

The Accounting policies and notes 1 to 8 form an integral part of the financial statements.



ALLIED MINING SERVICES LIMITED

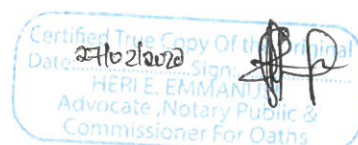
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STATEMENT OF COMPREHENSIVE INCOME

	NOTE	2016 TZS	2015 TZS
INCOME			
Sales		7,343,796,841	13,537,902,758
LESS: COST OF SALES			
Opening Stock		5,513,780,925	4,113,780,925
Purchases		6,860,923,779	12,497,592,455
Freight & Transport Charges		259,365,329	692,615,173
Import Clearance Charges		23,201,174	258,648,647
		<u>12,657,271,207</u>	<u>17,562,637,200</u>
Less: Closing Stock		(6,165,782,604)	(5,513,780,925)
Total Cost of Sales		<u>6,491,488,603</u>	<u>12,048,856,275</u>
GROSS PROFIT		852,308,238	1,489,046,483
LESS: EXPENDITURE			
General & Administrative Exp.	7	854,653,420	1,076,223,115
Operating Expenses	8	155,613,378	367,315,623
TOTAL		<u>1,010,266,798</u>	<u>1,443,538,738</u>
ADD/LESS:			
(Loss) on Sale of Fixed Assets		-	(784,795)
Gain(Loss) on Foreign Exchange		181,077,820	122,840,104
NET PROFIT/(LOSS) BEFORE TAXATION (PBT)		<u>23,119,260</u>	<u>167,563,054</u>
Less: Taxation Expense:-			
Less: Tax Paid for 2016		(60,000,000)	
Less: Other Taxes Paid for 2015		(29,100,556)	(92,626,719)
NET PROFIT/(LOSS) AFTER TAXATION (PAT)		<u>(65,981,296)</u>	<u>74,936,335</u>

The Accounting policies and notes 1 to 8 form an integral part of the financial statements.



ALLIED MINING SERVICES LIMITED
P.O. BOX 2260, MWANZA



CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31st, 2016

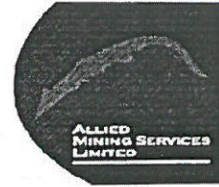
CASH FLOW FROM OPERATING ACTIVITIES	2016	2015
	TZS	TZS
Net Profit before Taxation	23,119,260	167,563,054
Add: Adjustment for non cash items:		
Depreciation	243,266,603	387,936,976
Loss on Sale of Fixed Assets	-	784,795
Operating Profit before working capital changes	266,385,863	556,284,825
WORKING CAPITAL CHANGES:-		
Increase/(Decrease) in Debtors	1,092,842,370	(1,689,182,063)
(Increase)/Decrease in Stock in Trade	(652,001,679)	(1,400,000,000)
Increase/(Decrease) Prepayments	14,337,410	(10,655,963)
Increase/(Decrease) Employee Receivables	5,191,387	9,324,382
Increase/(Decrease) Trade & Other Payables	60,992,186	2,157,397,120
Increase/(Decrease) Bank Overdraft	(107,640,377)	741,726,930
(Increase)/Decrease VAT Payable	13,325,143	(2,038,809)
Cash Generated From Operations	693,432,303	362,856,422
Less: Taxation Paid	(89,100,556)	(92,626,719)
Net cash generated from operations	604,331,747	270,229,703
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed Assets Disposed Proceeds	246,082,487	-
Fixed Assets Acquired	-	(387,663,918)
Net cash used in investing activities	246,082,487	(387,663,918)
CASH FLOW FROM FINANCING ACTIVITIES		
<i>Loan Taken / (Loan Repaid) :</i>		
Due to Directors - Others	(82,316,500)	-
Due to Bhavesh Bhagwanji	(769,736,512)	-
Net Cash Flow from Investing	(852,053,012)	-
Net cash increase/(decrease) over period	(1,638,778)	(117,434,215)
Net cash at the beginning of the period	25,455,365	142,889,580
Closing cash and cash equivalents	23,816,587	25,455,365
CASH AND CASH EQUIVALENTS		
Net Bank Balances	23,162,905	25,160,365
Cash on Hand	653,682	295,000
Total Cash & Cash Equivalents	23,816,587	25,455,365

The Accounting policies and notes 1 to 8 form an integral part of the financial statements.



ALLIED MINING SERVICES LIMITED

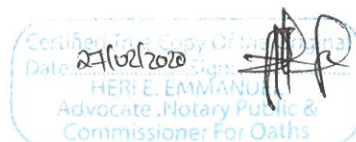
P.O. BOX 2260, MWANZA



MOVEMENT IN EQUITY FOR THE FINANCIAL YEAR 2016

	SHARE CAPITAL TZS	CAPITAL RESERVES TZS	RETAINED EARNINGS TZS	TOTAL TZS
As at January 1st, 2016	500,000,000	25,000	681,370,115	1,181,395,115
Net Income After Tax	-	-	(65,981,296)	(65,981,296)
As at December 31st, 2016	<u>500,000,000</u>	<u>25,000</u>	<u>615,388,819</u>	<u>1,115,413,819</u>

The Accounting policies and notes 1 to 8 form an integral part of the financial statements.



1. ACCOUNTING POLICIES – 2016.

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention in accordance with International Financial Reporting Standards (IFRS).

NON CURRENT ASSETS

All Building, Motor vehicles, computers, furniture and equipments are shown at cost less subsequent depreciation and impairment. The directors consider the carrying amounts of non current assets approximate to their fair value.

DEPRECIATION

Depreciation is calculated using the straight line method to allocate the cost of each asset to its residual value over the estimated useful life as follows:

Building	5%
Motor vehicles	37.5%
Furniture & equipments	12.5%
Computers	37.5%

FINANCIAL ASSETS AND LIABILITIES

Trade and other receivables

Trade and other receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Trade and other payables

Trade and other payables are not interest bearing and are stated at their nominal value.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and short term deposits with an original maturity of three months or less. For the purpose of cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above net of outstanding bank overdraft.

FOREIGN CURRENCIES

Transactions in foreign currencies are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in the income statement for the period, except for exchange differences on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

TAXATION

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the period. The company's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

REVENUE:

Revenue is measured at fair value of the consideration received or receivable in the normal course of business net of discounts and sales related taxes and is recognized to the extent that it is probable that the economic benefits associated with the transaction will flow into the company.

ALLIED MINING SERVICES LIMITED – P. O BOX 2260, MWANZA

RETIREMENT BENEFITS:

All eligible employees of the company are members of the National Social Security Fund of Tanzania (NSSF) in which the company contributes 10% and the employee contribute 10% on every month's Salary. During the year a total of Tshs 20,371,300/- was contributed to the Fund.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:

The company's activities expose it to a variety of financial risks, including credit risk and effects of changes in foreign currency exchange rates and interest rates. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance.

Risk management is carried out by the finance department under policies approved by the Board of Directors. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, and services offered. The company through its training, management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees and stakeholders understand their roles and obligations.

The most important types of risks are:

Credit Risk

Liquidity Risk

Market risk which is mainly due to foreign exchange risk and interest rate risk

Credit Risk

Potential concentration of credit risk consist principally of short-term cash and cash equivalent investments and trade and other receivables. Trade receivables comprise a large and widespread customer base and the company performs ongoing credit evaluations on the financial condition of its customers. The amounts presented in the balance sheet are net of allowances for doubtful receivables, estimated by the companies' management based on prior experience and the current economic environment. The carrying amount of financial assets represents the maximum credit exposure.

In determining the recoverability of a trade receivable, the company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk arises because of the possibility that the entity could be required to pay its liabilities earlier than expected.

The company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate borrowing facilities are maintained. The directors may from time to time at their discretion raise or borrow monies for the company as they deem fit. There are no borrowing limits in the articles of association of the company.

Maturity analysis for financial liabilities as at 31st December, 2016 showing the remaining contractual maturities:

	<1 month Tshs	1-5 months Tshs
Trade payables	967,049,044/-	7,424,813,305/-

Maturity analysis for financial assets as at 31st December, 2016 showing the remaining contractual maturities:

	<1 month Tshs	1-5 months Tshs
Trade receivables	838,083,019/-	2,127,751,680/-
Bank balance & Cash	23,816,587/-	0
Total	861,869,606/-	2,127,751,680/-

Market Risk:-

Interest rate risk

The company has no exposure to interest rate risk both at fixed and floating interest rates on its overdraft facility. As at 31 December, 2016, company earned no interest on short term deposit

Foreign exchange risk

The company's costs and expenses are principally incurred in Tanzania Shilling (TZS) and US Dollars (US \$). The company does not enter into hedging transactions. It is thus exposed to fluctuations of the US\$.

Operational risk

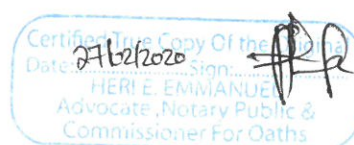
The company is exposed to operational risk, which is associated with human error, system failures and inadequate procedures and controls. The company ensures that there is an effective, integrated operational risk management framework that incorporates a clearly defined organizational structure, with defined roles and responsibilities for all aspects of operational risk management that support the identification, assessment, control and reporting of key business risks.

Capital risk management.

The company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the company consists of debt, which includes the short term borrowings disclosed in cash and cash equivalents and equity attributable to equity holders of the company, comprising issued capital, reserves and retained earnings as disclosed and the statement of changes in equity respectively.

The company reviews the capital structure regularly, as a part of this review, the company considers the cost of capital and the risks associated with each class of capital, through balancing its overall capital structure in payment of dividends and issue of new debt. The company's overall strategy remains unchanged.



ALLIED MINING SERVICES LIMITED
P.O. BOX 2260, MWANZA



NON CURRENT ASSETS & DEPRECIATION - 2016

PARTICULARS	81:1		ACQUISITION COST		DEPRECIATION		Net Book Value	
	01-01-2016	31-12-2016	Addition	Disposal	on existing & additions	on Disposal	31-12-2016	31-12-2015
	T.SHS	T.SHS	T.SHS	T.SHS	T.SHS	T.SHS	T.SHS	T.SHS
NYAKATO PLOT NO. 108 BLOCK F	20,000,000	20,000,000	-	-	-	-	20,000,000	20,000,000
BUILDING IMPROVEMENTS	98,305,085	98,305,085	-	-	3,582,084	-	68,059,591	71,641,675
BUILDING @ NYAKATO PLOT NO.108 BLKF	987,716,975	1,102,411,894	-	-	33,873,754	-	643,603,337	677,075,081
TOTAL LAND & BUILDINGS	1,106,022,060	1,106,022,060	-	-	37,455,838	-	731,660,938	769,116,756
COMPUTERS AND PRINTERS	16,163,105	16,163,105	-	-	298,550	-	497,584	796,114
MOTOR VEHICLES:								
Heli Forklift	24,545,625	24,545,625	-	-	548,638	-	914,396	1,463,034
MC 427 AZV Motor Cycle	889,832	889,832	-	-	19,889	-	33,148	53,037
T1111 CN Scania Crane	113,456,315	113,456,315	-	-	-	-	-	49,637,137
T203 DDD Low Bed Semi Trailer	186,112,693	186,112,693	-	-	23,002,820	-	34,338,034	61,340,854
T240 CLC Mitsu. Canter White	19,998,975	19,998,975	-	-	2,288,701	-	3,814,501	6,103,202
T241 CVZ Toyota Noah	5,732,920	5,732,920	-	-	1,343,652	-	2,239,470	3,583,072
T255 DCI Ford Ranger	74,576,272	74,576,272	-	-	22,722,457	-	37,870,761	60,593,218
T278 CTT TRAILER	68,153,000	68,153,000	-	-	-	7,321,124	-	21,297,815
T283 CTT TRAILER	68,153,000	68,153,000	-	-	-	7,321,124	-	21,297,815
T286 CTT TRAILER	68,153,000	68,153,000	-	-	-	-	-	21,297,815
T295 CFD Fuso Truck Blue	26,932,000	26,932,000	-	-	2,388,645	-	1,981,075	6,369,720
T351 CU Silver NAV4	9,960,035	9,960,035	-	-	1,050,473	-	1,750,788	2,801,261
T359 CU IST Car	5,335,740	5,335,740	-	-	562,753	-	937,922	1,500,675
T394 AMQ White Pick Up	9,497,767	9,497,767	-	-	82,883	-	138,138	231,021
T546 CEH Fuso White Truck	28,810,450	28,810,450	-	-	2,472,821	-	4,121,368	6,594,189
T583 AZU - Range Rover (Value Restricted) to 15,000,000	15,000,000	15,000,000	-	-	209,548	-	349,246	558,794
T583 AZU Range Rover	167,168,338	167,168,338	-	-	-	-	167,168,338	167,168,338
T610 ATD Green RAV 4	9,325,763	9,325,763	-	-	-	-	-	455,882
T619 BPC White RAV 4	9,930,327	9,930,327	-	-	355,136	-	591,893	947,029
T720 CGT Toyota Hilux	14,855,953	11,229,011	-	-	1,360,103	-	2,266,839	3,626,942
T729 BGI Porsche	14,147,876	14,147,876	-	-	316,230	-	517,049	843,279
T774 DEE Trailer	86,499,900	86,499,900	-	-	-	23,229,953	-	67,578,046
T778 DEE Trailer	86,499,900	86,499,900	-	-	-	23,229,953	-	67,578,046
T792 BLA Scania Blue Truck	81,164,229	81,164,229	-	-	2,162,483	-	3,604,135	5,796,616
T799 BZC Toyota Premio	12,848,140	12,848,140	-	-	808,694	-	1,347,824	2,156,518
T842 DDX Iveco Tractor	49,736,600	49,736,600	-	-	-	12,288,436	-	35,748,179
T850 DDX Iveco Tractor	33,309,292	33,309,292	-	-	-	12,288,436	-	35,748,179
T933 CTG Iveco Tractor	33,309,292	33,309,292	-	-	-	3,220,333	-	9,368,242
T934 CTG Iveco Tractor	33,309,292	33,309,292	-	-	-	3,220,333	-	9,368,242
T937 CTG Iveco Tractor	33,309,292	33,309,292	-	-	-	3,220,333	-	9,368,242
TOTAL MOTOR VEHICLES	1,407,144,126	707,502,177	699,641,954	-	61,695,924	102,661,149	269,894,875	680,434,439
FURNITURE AND EQUIPMENTS:								
CASH REGISTERED MACHINE	243,546	243,546	-	-	9,472	-	66,306	75,778
FAX MACHINE	100,559	100,559	-	-	4,390	-	30,732	35,122
FURNITURE & FIXTURES	37,187,437	37,187,437	-	-	4,098,633	-	24,690,435	32,789,068
FURNITURE & FIXTURES STAFF	5,876,102	5,876,102	-	-	288,001	-	2,016,006	2,304,007
GENERATOR	470,997	470,997	-	-	18,318	-	128,225	146,543
Motor Pump 11.5C003	128,000,000	128,000,000	-	-	11,356,771	-	79,497,396	90,854,167
Motor Pump N67MSTD23	128,000,000	128,000,000	-	-	11,356,771	-	48,502,604	90,854,167
PHOTOCOPIER MACHINE	644,172	644,172	-	-	25,054	-	175,375	200,429
Plasma Cutting Machine	101,198,038	101,198,038	-	-	10,804,999	-	75,634,992	86,439,991
Radial Drilling Machine	25,825,740	25,825,740	-	-	2,757,436	-	19,302,050	22,059,486
TELEPHONE EQUIPMENT & ACCESSORIES	8,867,850	8,867,850	-	-	435,297	-	3,047,075	3,482,372
TOTAL FURNITURES & EQUIPMENT	436,414,441	436,414,441	-	-	41,155,142	102,661,149	268,085,948	379,241,130
	2,965,743,732	2,266,101,778	699,641,954	-	140,605,454	1,429,421,876	2,290,339,365	1,779,588,453

Certified True Copy Of the Original
Date: 27/02/2020
Signature: [Handwritten Signature]
Name: HERI E. EMMANUEL
Title: Commissioner, Notary Public & Commissioner For Oaths


ALLIED MINING SERVICES LIMITED

P.O. BOX 2260, MWANZA



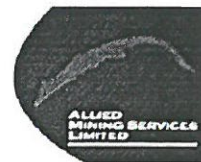
NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2016

	2016 TZS	2015 TZS
NOTE 3: PREPAYMENTS		
Duties & Taxes Clearing Account	-	14,337,410
TOTAL	-	14,337,410
NOTE 4: EMPLOYEE'S RECEIVABLES		
Ahmed Dhamin - Loan	-	413,552
Juma Hamisi (Mgosi)	150,000	150,000
Linus Sangu	50,000	-
Peter John Masemba	-	697,835
Thomas Sabega	200,000	200,000
Victor Caloza	-	630,000
Yunus N Khatry	4,802,200	8,302,200
Edward Benedict Sangawe	50,000	-
Steven J. Kigalu	200,000	-
TOTAL	5,452,200	10,393,587
NOTE 5: SHARE CAPITAL		
Authorized: 50,000 Ordinary Shares @ TZs 100,000 per share	<u>5,000,000,000</u>	<u>5,000,000,000</u>
Issued and Fully Paid: 5000 Ordinary Shares @ TZs 100,000 per share	<u>500,000,000</u>	<u>500,000,000</u>
NOTE 6: Trade & Other Payables		
Trade Payables	8,376,449,162	8,201,556,947
NSSF Payable	3,311,550	3,515,550
PAYE Payable	2,699,393	2,900,495
SDL Payable	745,100	966,776
Service Levy Payable	6,019,244	8,790,895
Salaries Payable	2,637,900	-
TOTAL	8,391,862,349	8,217,730,663

Certified True Copy Of the Original
 Date: 24/02/2020 Sign: 
 HERI E. EMMANUEL
 Advocate, Notary Public &
 Commissioner For Oaths

ALLIED MINING SERVICES LIMITED

P.O. BOX 2260, MWANZA



NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2016

	2016	2015
	TZS	TZS
NOTE 7: OPERATING EXPENSES		
Electricity Charges	3,570,365	10,855,849
Internet Subscription Charges	48,313,997	33,993,183
Mobile Phone Bill	13,167,450	13,831,960
Postage & Telegram	53,817	1,274,352
Rental Expenses	40,785,210	139,557,350
Computers Repair & Maintenance	3,877,422	17,330,806
Repair & Maintenance	110,644	33,371,309
Telephone Expenses	3,272,281	4,116,459
Vehicle Running Cost (Fuel)	42,462,191	112,984,356
TOTAL	155,613,378	367,315,624

NOTE 8: GENERAL & ADMINISTRATIVE EXPENSES

Audit Fees	1,200,000	2,000,000
Bank Charges & Commission	76,418,754	70,910,140
Depreciation Expense	243,266,603	387,936,976
Director's Remuneration	72,000,000	72,000,000
Due & Subscriptions	3,235,750	2,296,200
Fuel Expense - Generator	5,364,240	14,103,920
Insurance Expenses	18,949,516	13,635,103
NSSF Contribution	20,371,300	21,088,300
Office Expenses	90,602,998	200,503,110
Parking Fees	-	3,251,400
Printing & Stationery	4,201,255	11,866,180
Legas Fees	18,000,000	6,000,000
Regulatory Permits	39,340,828	26,007,500
Salaries & Wages	130,685,000	138,883,000
Security Services	23,400,000	24,180,000
Service Levy	22,769,638	40,613,707
Skills & Development Levy	10,144,432	11,598,566
Workers Compensation Fund	2,758,862	
Utility Bills	-	3,624,875
Customs / VAT Assessment	71,944,245	25,724,138
TOTAL	854,653,420	1,076,223,115

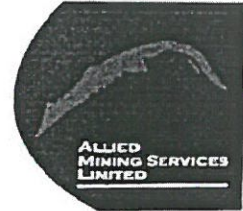
NOTE 9: DIRECTOR INTEREST IN SHAREHOLDING

The Company is owned by the following:-

	ORDINARY SHARES	NOMINAL VALUE Tshs
1. Ashish S. Pattni	4,504	450,400,000
2. Bindiya A. Pattni	496	49,600,000
	5,000	500,000,000

ALLIED MINING SERVICES LIMITED

P.O. BOX 2260, MWANZA



DEPRECIABLE ASSETS POOL - 2016

	CLASS I TZS	CLASS III TZS	CLASS VI TZS	TOTAL TZS
WDV as on January 1st, 2016	468,500,651.00	306,305,148.80	753,795,621.00	1,528,601,420.80
Additions	-	-	-	-
Disposal	(348,743,639.87)	-	-	(348,743,639.87)
	<u>119,757,011.13</u>	<u>306,305,148.80</u>	<u>753,795,621.00</u>	<u>1,179,857,780.93</u>
Depreciation Rate	37.50%	12.50%	5.00%	
Depreciation Allowance	44,908,879.00	38,288,144.00	37,689,781.00	120,886,804.00
WDV as on December 31st, 2016	<u>74,848,132.13</u>	<u>268,017,004.80</u>	<u>716,105,840.00</u>	<u>1,058,970,976.93</u>

COMPUTATION OF TAXABLE INCOME FOR THE FY 2016

	2016 TZS
Net Profit (before Tax) as per the Profit & Loss Statement	23,119,260
Add:	
Depreciation	243,266,603
PAY E Assessment	4,016,232
FDL Assessment	2,358,441
VAT Assessment	65,569,572
	<u>338,330,108</u>
Less: Depreciation Allowance	120,886,804
Adjusted Taxable Profit	<u><u>217,443,304</u></u>
Tax on Adjusted Taxable Profit	65,232,991
Less: Provisional Tax Paid	60,000,000
BALANCE PAYABLE	<u><u>5,232,991</u></u>

