

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022**

**M/S ALLIANCE GINNERIES LIMITED,
P.O. BOX 11074,
MWANZA.**

ALLIANCE GINNERIES LIMITED
Annual report and financial statements
for the year ended 31st December 2022.

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ALLIANCE GINNERIES LIMITED
Annual report and financial statements
for the year ended 31st December 2022.

COMPANY INFORMATION

Directors	Munir Zaveri	-	Kenyan
	Abdulla Taib	-	Kenyan
	Riyaz Zaveri	-	Kenyan

Registered office Plot No. 2 Kasoli Village,
P.O. Box 11074
MWANZA

Company secretary Boaz Ogola,
P.O. Box 11074
MWANZA

Practitioners Mhasibu Consultants
Certified Public Accountants in Public Practice
Dar Es Salaam
Tanzania

Principal Bankers CRDB Bank PLC
Standard Chartered Bank

ALLIANCE GINNERIES LIMITED
Directors' Report
for the year ended 31st December 2022.

1 The directors present their report and the financial statements for the year ended 31st December 2022.

2 Incorporation

The company is incorporated in Tanzania under the Companies Ordinance, Cap. 212 on 22nd November 1996 under the Certificate of Incorporation No. 31055.

3 Directors' interests

The directors' interest in the share capital of the company is as follows:

	Ordinary shares of TZS 6,993,370 each			
	2022		2021	
	No. of shares	Nominal value TZS	No. of shares	Nominal value TZS
Alleyne Business Limited	999	6,986,376,630	999	9,990,000
Abdalla Ali Taib	1	6,993,370	-	-
Caversham Nominees Limited	-	-	1	10,000
	1,000	6,993,370,000	1,000	10,000,000

4 Results for the year

The Directors present the following results for the year ended 31st December 2022

	2022		2021	
Profit / (Loss) for the year	TZS	(1,587,275,863)	TZS	149,478,969
Tax (charge)	TZS	-	TZS	(77,290,533)
Net Profit / (Loss) for the year after Tax	TZS	(1,587,275,863)	TZS	72,188,437

By Order of the Board



For: Alliance Ginneries Limited

Date: 16/06/2023

ALLIANCE GINNERIES LIMITED
Statements of directors' responsibilities
for the year ended 31st December 2022.

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 the operating results for that year. It also requires the directors to ensure that the company maintains proper accounting records which disclose, with reasonable accuracy, the financial position of the company. The directors 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 International Financial Reporting Standards and the requirements of the Companies Act. 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 as at 31 December 2022 and of its operating results for the year then ended. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of the financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the company will not remain a going concern for at least the next twelve months from the date of this statement.

Approved by the board of directors on and signed on its behalf by:



For: Alliance Ginneries Limited

Date: 16/06/2023

ALLIANCE GINNERIES LIMITED
Declaration by the Head of Finance
for the year ended 31st December 2022.

Declaration by the Head of Finance/ Accountin of
ALLIANCE GINNERIES 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 true and fair view of the position and performance in accordance with applicable International Accountanting Standards and statutory financial reporting requirements.

Full legal responsibility for the preparation of financial statements rests with the Board of Directors/Governing Body as under Director Responsibility statement on an earlier page.

I James N. Mburu, Being the Head of Finance/Accounting of **M/s Alliance Ginneries Limited** hereby acknowledge my responsibility of ensuring that financial statements for the year ended **31st December 2022** have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statement give a true and fair view position of **M/s Alliance Ginneries Limited** as on that date and that they have been prepared based on properly maintained financial records.

Signed: 

Signed by: James N Mburu

Position: Financial Controller

NBAA Membership No: TACPA 1433

Date: 16/06/2023



MHASIBU CONSULTANTS

Certified Public Accountants, Auditors & Tax Consultants

P. O. Box 13768, Azikiwe Life House,

5th Floor, Dar es Salaam, Tanzania.

Tel: +255-22-2120238, 0735 991 002

E-mail: info@mhasibu.co.tz; Website: www.mhasibu.com

REPORT OF ACCOUNTANTS

TO THE MEMBERS OF ALLIANCE GINNERIES LIMITED

We have compiled attached financial statements based on the information and explanations provided to us by the management and from the accounting records provided to us by the management.

Responsibilities of the Management:

The management of the ALLIANCE GINNERIES LIMITED responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations, if any.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

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

Report: -

We report that: -

- Confirmation in respect of amount due to and due from third parties, closing balances of debtors, creditors, group companies, stock, cash & bank has been confirmed by the management.
- The physical existence and continued usage of the fixed assets have been confirmed by the management.

The financial statements which are in agreement with the books of account, reflect the financial position of ALLIANCE GINNERIES LIMITED at 31 December 2022 and of the results and cash flows for the year then ended as per the books of account of the Company.

MHASIBU CONSULTANTS


JOHN M. LYANGA – FCPA-PR
MANAGING PARTNER
CERTIFIED PUBLIC ACCOUNTANTS



Date: 19/06/2023

Partners: John Lyanga and Winston Minja

ALLIANCE GINNERIES LIMITED
Statement of Comprehensive Income
for the year ended 31st December 2022.

	Notes	2022 TZS	2021 TZS
REVENUE			
Sales	9	46,807,015,892	37,193,145,799
Cost of Production		(45,343,236,127)	(35,037,118,361)
GROSS PROFIT		1,463,779,765	2,156,027,437
Other Comprehensive Income	10	2,610,120,915	764,598,530
		4,073,900,680	2,920,625,967
OPERATING EXPENSES			
Administrative Expenses		3,676,930,376	2,391,807,919
Other expenses		228,674,648	346,849,802
Finance cost		1,755,571,520	32,489,277
		5,661,176,543	2,771,146,998
NET PROFIT FOR THE YEAR		(1,587,275,863)	149,478,969

ALLIANCE GINNERIES LIMITED
Statement of Financial Position
as at 31st December 2022.

	Notes	2022 TZS	2021 TZS
ASSETS			
NON CURRENT ASSETS			
Property, Plant and equipment		1,534,391,013	1,066,671,812
	2	<u>1,534,391,013</u>	<u>1,066,671,812</u>
CURRENT ASSETS			
Stock - Engineering Spares/Packing Materials	6 (i)	510,311,696	238,025,429
Finished Goods Closing Stock	6 (ii)	6,069,500,745	134,460,000
Trade and other receivables	3	1,916,003,763	2,128,764,723
Cash and cash equivalents	4	51,932,769	1,109,019,224
		<u>8,547,748,973</u>	<u>3,610,269,376</u>
TOTAL ASSETS		<u>10,082,139,986</u>	<u>4,676,941,188</u>
EQUITY AND LIABILITIES			
SHAREHOLDER'S EQUITY			
Share capital	7	6,993,370,000	10,000,000
Retained earnings		(12,162,630,297)	(10,432,479,716)
Advances to Shareholders' fund		-	6,983,370,000
Accumulated Other Comprehensive income / (loss)		-	(1,686,291,711)
Total equity		<u>(5,169,260,297)</u>	<u>(5,125,401,427)</u>
NON CURRENT LIABILITIES			
Borrowings		-	-
		-	-
CURRENT LIABILITIES			
Trade and other payables	8	15,251,400,283	9,802,342,616
		<u>15,251,400,283</u>	<u>9,802,342,616</u>
TOTAL EQUITY AND LIABILITIES		<u>10,082,139,986</u>	<u>4,676,941,188</u>

To the best of our knowledge and belief we confirm that the financial statements on pages 5 to 15 present true and fair view of the business affairs of the Company as at 31 December 2022.



For: Alliance Ginneries Limited

Date: 16/06/2023

ALLIANCE GINNERIES LIMITED
Statement of Changes in Equity
for the year ended 31st December 2022.

	Share capital	Accumulated other Comprehensive income (Loss)	Shareholder's Fund	Retained earnings	Total
	TZS	TZS	TZS	TZS	TZS
Year ended 31st December 2021					
Balance at the beginning	10,000,000	(1,686,291,711)	6,983,370,000	(10,147,870,947)	(4,840,792)
Changes in the year	-	-	-	149,478,969	149,478
Income Tax Expenses	-	-	-	(434,087,739)	(434,087)
Balance at 31st December 2021	10,000,000	(1,686,291,711)	6,983,370,000	(10,432,479,716)	(5,125,401)
Year ended 31st December 2022					
Balance at the beginning	10,000,000	(1,686,291,711)	6,983,370,000	(10,432,479,716)	(5,125,401)
Changes in the year	6,983,370,000	1,686,291,711	(6,983,370,000)	(1,587,275,863)	99,015,
Income Tax Expenses	-	-	-	(142,874,717)	(142,874,
Balance at 31 December 2022	6,993,370,000	-	-	(12,162,630,297)	(5,169,260,

For: Alliance Ginneries Limited

 Date: 16/06/2023

ALLIANCE GINNERIES LIMITED
Statement of Cash Flows
for the year ended 31st December 2022.

	Notes	2022 TZS	2021 TZS
Cash Flows from Operating activities			
Profit/(loss) before Taxation		(1,587,275,863)	149,478,969
Adjust for: Depreciation		194,892,698	97,497,842
Adjusted Profit Before Tax		(1,392,383,166)	246,976,812
(Increase)/Decrease in Inventories	6	(6,207,327,012)	(159,663,026)
(Increase)/Decrease in trade & other receivables	3	212,760,960	111,241,228
Increase/(Decrease) in Trade & other Payables	8	5,449,057,667	1,429,675,191
Payment of Taxes		(142,874,717)	(434,087,739)
Cash generated / (deficit) from operation		(2,080,766,269)	1,194,142,467
Net cash from operating activities		(2,080,766,269)	1,194,142,467
Cash Flows From Investing activities			
Purchase of Property plant and equipment	2	(662,611,900)	(161,372,976)
Disposals		-	-
Net Cash used in Investing Activities		(662,611,900)	(161,372,976)
Cash Flows From Financing activities			
Increase/(Decrease) in Long Term Loans	9	-	-
Advances to Shareholders Fund	9	-	-
Changes in Accumulated Other comprehensive income		1,686,291,711	-
Net Cash used in Investing Activities		1,686,291,711	-
Net increase in cash and Cash equivalents		(1,057,086,455)	1,032,769,489
Cash and cash equivalents at the beginning of the year		1,109,019,224	76,249,734
Cash and cash equivalents at the end of the year		51,932,769	1,109,019,224

For: Alliance Ginneries Limited



Date: 16/06/2023

ALLIANCE GINNERIES LIMITED
SIGNIFICANT ACCOUNTING POLICIES
for the year ended 31st December 2022.

1 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

(a) Basis of preparation

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) for SMEs issued by the International Accounting Standards Board. The financial statements have been prepared under the historical cost convention except where otherwise stated in the accounting policies below. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgment in the process of applying the company's accounting policies. Changes in assumptions may have a significant impact on financial statements in the period the assumptions changed. The directors believe that the underlying assumptions are appropriate and that the company's financial statements therefore present the financial position fairly. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Notes.

(b) Translation of foreign currency

Any transactions in foreign currencies during the year are converted into Tanzanian Shillings at rates ruling at the transaction dates. Assets and liabilities at the balance sheet date which are expressed in foreign currencies are translated into Tanzanian Shillings at rates ruling at that date. The resulting differences from conversion of and translation are dealt within the profit and loss account in the year in which they relate.

(c) Property, Plant and equipment

(i) All categories of Property, plant and equipment are initially recorded at cost. Cost comprises of expenditure that is directly attributable to the acquisition of items. Subsequently costs are included in the asset's carrying amount or recognised as a separate asset as appropriate only when it is possible that future economic benefit associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are included.

(ii) Depreciation is calculated on the written down value method to write off the cost of each asset to its residual values over its estimated useful life using the following annual rates:

Building	5.00%
Plant & Machinery	25.0%
Office Equipment & Furniture & Fixture	12.5%
Motor Vehicle -Below 7 Tons	37.5%
Motor Vehicle -Above 7 Tons	25.0%
Computers	37.5%

ALLIANCE GINNERIES LIMITED
Significant Accounting policies (Continued)
for the year ended 31st December 2022.

(d) Impairment of assets

At each balance sheet date, the company reviews the carrying amount of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the asset's recoverable amount is estimated and an impairment loss is recognised in the income statement whenever the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. There is no impairment of assets during the year.

(e) Trade receivables

Trade receivables are initially recognised at original invoice amount. A provision of receivable 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.

Other receivables are carried at anticipated realizable value.

(f) Income taxes

There is no deferred tax. Tax Computation for the year 2022 has been prepared and attached herewith.

(g) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and/or performance of services, in the ordinary course of business and is stated net of VAT, rebates and discounts. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
 - it is probable that the economic benefits associated with the transaction will flow to the company;
 - the stage of completion of the transaction at the end of the reporting period can be measured reliably;
- and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Interest is recognised, in profit or loss, using the effective interest rate method.

(h) Comparatives

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

ALLIANCE GINNERIES LIMITED
Notes to the financial statements
for the year ended 31st December 2022.

2. PROPERTY, PLANT & EQUIPMENT

	Land, Fence & Roads	Ginnery Building	Computers	Motor Vehicles	Machinery	Furniture & Equipments	Non Depreciable Assets	Total
	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS
Year Ended 31 December 2022								
Cost or Valuation								
At the start of the year	228,976,813	1,360,136,729	38,295,489	1,384,345,373	2,592,504,361	216,009,991	31,342,460	5,851,611,217
Additions.	1,100,000	251,193,095	6,768,080	397,464,935	-	6,085,790	-	662,611,900
At the end of the year	230,076,813	1,611,329,824	45,063,569	1,781,810,308	2,592,504,361	222,095,781	31,342,460	6,514,223,116
Depreciation								
At start of the year	-	775,853,855	32,537,457	1,248,731,118	2,558,073,081	169,743,894	-	4,784,939,405
Charge for the year	-	41,773,798	4,697,292	133,269,802	8,607,820	6,543,986	-	194,892,698
At end of the year	-	817,627,654	37,234,749	1,382,000,919	2,566,680,901	176,287,880	-	4,979,832,102
Net book value								
As at 31 December 2022	230,076,813	793,702,170	7,828,820	399,809,389	25,823,460	45,807,901	31,342,460	1,534,391,013
As at 31 December 2021	228,976,813	584,282,874	5,758,032	135,614,256	34,431,280	46,266,097	31,342,460	1,066,671,811

In the directors opinion, there is no impairment of Property, plant and equipment.

**LAND, BUILDING AND NON-DEPRECIABLE ASSETS SCHEDULE
SCHEDULE - 1 FOR THE YEAR ENDED 31ST DECEMBER, 2022.**

Particulars	W.D.V as at 01.01.2022 T28	Additions T28	Total T28	Depreciation T28	W.D.V as at 31.12.2022 T28
Land, Fence & Roads					
Land	11,879,160	-	11,879,160	-	11,879,160
Almsrip Construction	8,144,000	-	8,144,000	-	8,144,000
Road Construction	168,846,073	-	168,846,073	-	168,846,073
Land - Mwanza Plot	40,07,580	1,100,000	41,207,580	-	41,207,580
Total	228,976,813	1,100,000	230,076,813	-	230,076,813
Ginnery Building					
Building	150,793,297	-	150,793,297	7,539,685	143,253,612
Sofer Ginnery Building	423,652,505	251,193,095	674,845,600	33,742,280	641,103,320
Incenerator	2,373,024	-	2,373,024	118,651	2,254,373
Abution Block	7,464,049	-	7,464,049	373,300	7,090,749
Total	584,282,875	251,193,095	835,475,970	41,773,798	793,702,171
Non-Depreciable Assets					
Beer Hoke	119,402	-	119,402	-	119,402
New Beer Hoke	31,223,058	-	31,223,058	-	31,223,058
Total	31,342,460	-	31,342,460	-	31,342,460

**MACHINERY SCHEDULE
SCHEDULE - 2 FOR THE YEAR ENDED 31ST DECEMBER, 2022.**

Particulars	W.D.V as at 01.01.2022 T28	Additions T28	Total T28	Depreciation T28	W.D.V as at 31.12.2022 T28
Ginning Machinery	2,349,723	-	2,349,723	587,431	1,762,293
AVR - Sew On (Ginning Machinery)	3,323,779	-	3,323,779	830,945	2,492,834
Roller Ginnery Machinery	16,758,777	-	16,758,777	4,169,664	12,589,083
Electric Power Line	8,760,554	-	8,760,554	2,190,139	6,570,416
Generator 675 KVA	364,289	-	364,289	91,072	273,216
Generator 40 KVA	12,192	-	12,192	3,048	9,144
Generator 12.5 KVA	18,851	-	18,851	4,713	14,138
Weigh Bridge	140,144	-	140,144	35,036	105,108
Transformer 850KVA	2,702,976	-	2,702,976	675,744	2,027,232
Total	34,431,881	-	34,431,881	8,607,821	25,824,060

**COMPUTERS AND IT EQUIPMENT SCHEDULE
SCHEDULE - 3 FOR THE YEAR ENDED 31ST DECEMBER, 2022.**

Particulars	W.D.V as at 01.01.2022 T28	Additions T28	Total T28	Depreciation T28	W.D.V as at 31.12.2022 T28
Computers	4,512,353	8,919,080	13,431,433	3,789,912	9,641,521
Computer Software	159	-	159	60	99
Printers	1,245,320	1,254,000	2,499,320	637,320	1,862,000
Total	5,767,832	10,173,080	15,940,912	4,487,292	11,453,620

**ALLIANCE GINNIERS LIMITED
MOTOR VEHICLE SCHEDULE
SCHEDULE - 4 FOR THE YEAR ENDED 31ST DECEMBER, 2022.**

Particulars	W.D.V as at 01.01.2022 T28	Additions T28	Disposals T28	Profit/Loss T28	Total T28	Depreciation T28	W.D.V as at 31.12.2022 T28
T 145 AHU - TRUCK	1,333	-	-	-	1,333	333	999
T 174 AHU - TRUCK	1,333	-	-	-	1,333	333	999
T 204 AHU - TRUCK	1,333	-	-	-	1,333	333	999
T 232 AHU - TRUCK	1,333	-	-	-	1,333	333	999
T 261 AHU - TRUCK	1,333	-	-	-	1,333	333	999
T 286 AHU - TRUCK	1,333	-	-	-	1,333	333	999
T 343 AHU - TRUCK	1,333	-	-	-	1,333	333	999
T 363 AHU - TRUCK	1,333	-	-	-	1,333	333	999
T 383 AHU - TRUCK	1,333	-	-	-	1,333	333	999
T 399 AHU - TRUCK	1,333	-	-	-	1,333	333	999
T 417 AHU - TRUCK	1,333	-	-	-	1,333	333	999
T 599 AHU - TRACTOR	18,628	-	-	-	18,628	4,657	13,971
T 595 AHU - TRACTOR	18,628	-	-	-	18,628	4,657	13,971
T 603 AHU - TRACTOR	18,628	-	-	-	18,628	4,657	13,971
T 968 AHU - TRACTOR	18,628	-	-	-	18,628	4,657	13,971
T 967 ASB - TRACTOR	18,628	-	-	-	18,628	4,657	13,971
T 213 AHP - TRACTOR	18,628	-	-	-	18,628	4,657	13,971
T 420 AQH - TRUCK	8,085	-	-	-	8,085	2,021	6,064
T 431 AHU - TRUCK	3,803	-	-	-	3,803	951	2,852
T 466 AHU - TRUCK	3,803	-	-	-	3,803	951	2,852
T 539 AHU - TRUCK	3,803	-	-	-	3,803	951	2,852
T 140 AHU - TRUCK	8,085	-	-	-	8,085	2,021	6,064
T 133 ASK - TRACTOR	66,673	-	-	-	66,673	16,668	50,004
T 145 ASK - TRACTOR	66,673	-	-	-	66,673	16,668	50,004
T 151 ASK - TRACTOR	66,673	-	-	-	66,673	16,668	50,004
T 153 ASK - TRACTOR	66,673	-	-	-	66,673	16,668	50,004
T 348 AAK - SCANIA	18,355	-	-	-	18,355	4,589	13,766
T 350 AAK - SCANIA	18,355	-	-	-	18,355	4,589	13,766
T 351 AAK - SCANIA	18,355	-	-	-	18,355	4,589	13,766
T 354 AAK - SCANIA	18,355	-	-	-	18,355	4,589	13,766
T 355 AAK - SCANIA	18,355	-	-	-	18,355	4,589	13,766
T 356 AAK - SCANIA	18,355	-	-	-	18,355	4,589	13,766
T 157 AHN - SCANIA	43,687	-	-	-	43,687	10,922	32,765
T 141 AHN - SCANIA	43,687	-	-	-	43,687	10,922	32,765
T 167 AHN - SCANIA	43,687	-	-	-	43,687	10,922	32,765
T 185 AHN - SCANIA	43,687	-	-	-	43,687	10,922	32,765
T 221 AHN - SCANIA	43,687	-	-	-	43,687	10,922	32,765
T 267 CWY - PICK UP	1,631,534	-	-	-	1,631,534	407,883	1,223,650
T 881 AHH (L) CRUISER	41,169	-	-	-	41,169	10,292	30,877
T 454 BBU L (CRUISER)	367,751	-	-	-	367,751	91,938	275,813
T 716 ASK (L) CRUISER	2,502,823	-	-	-	2,502,823	625,796	1,877,027
T 596 AHU - PICK UP	19,061	-	-	-	19,061	4,765	14,296
T 179 BSE-RAV 4	376,377	-	-	-	376,377	94,094	282,282
T 183 BSE-RAV 4	376,377	-	-	-	376,377	94,094	282,282
T 210 BSE-RAV 4	376,377	-	-	-	376,377	94,094	282,282
T 192 BSE-RAV 4	376,377	-	-	-	376,377	94,094	282,282
T 198 BSE-RAV 4	376,377	-	-	-	376,377	94,094	282,282
T 812 BRD-RAV 4	376,377	-	-	-	376,377	94,094	282,282
T 817 BRD-RAV 4	376,377	-	-	-	376,377	94,094	282,282
T 860 BRD-RAV 4	376,377	-	-	-	376,377	94,094	282,282
T 872 BRD-RAV 4	376,377	-	-	-	376,377	94,094	282,282
T 891 BRD-RAV 4	376,377	-	-	-	376,377	94,094	282,282
T 912 BRD-RAV 4	376,377	-	-	-	376,377	94,094	282,282
T 989 BRD-RAV 4	376,377	-	-	-	376,377	94,094	282,282
T 109 BRD-RAV 4	376,377	-	-	-	376,377	94,094	282,282
T 116 BRD-RAV 4	376,377	-	-	-	376,377	94,094	282,282
T 128 BRD-RAV 4	376,377	-	-	-	376,377	94,094	282,282

T 882 BTC-RAV 4	376,377	-	-	-	376,377	94,094	282,283
T 966 BTC-RAV 4	376,377	-	-	-	376,377	94,094	282,283
T 617 CAS-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 257 CAS-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 569 CAS-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 775 CAU-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 243 CAK-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 248 CAK-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 636 CAS-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 253 CAK-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 201 CAK-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 749 CAU-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 968 CBB-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 373 CBB-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 449 CBB-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 624 CBB-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 638 CBB-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 528 CBB-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 452 CBB-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 163 CAK-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 768 CCI-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 757 CCI-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 722 CAJ-RAV 4	516,326	-	-	-	516,326	129,081	387,244
T 790 CWY-CANTER	2,460,247	-	-	-	2,460,247	615,052	1,845,195
T25 NLX Motorbicyc	24,776,218	-	-	-	24,776,218	6,194,055	18,582,164
Forklift	432,694	-	-	-	432,694	108,174	324,520
T 282 CMS - Motorbicyc	186,878	-	-	-	186,878	46,719	140,159
T 289 ARM DT 125	593,262	-	-	-	593,262	148,316	444,947
T 295 ATB Felcon	237,305	-	-	-	237,305	59,326	177,979
Tractors	1,115,010	-	-	-	1,115,010	278,753	836,258
Loading Tractor	3,139,305	-	-	-	3,139,305	784,826	2,354,479
LOADING TRACTOR NO 2	63,584,726	-	-	-	63,584,726	15,896,181	47,688,544
MC105 CWP HAULIN	1,398,305	-	-	-	1,398,305	349,576	1,048,729
MC974 CPY SKYMARK	1,398,305	-	-	-	1,398,305	349,576	1,048,729
MC952 CPY SKYMARK	1,398,305	-	-	-	1,398,305	349,576	1,048,729
MC120 CWP HAULIN	1,398,305	-	-	-	1,398,305	349,576	1,048,729
MC135 CWP HAULIN	1,398,305	-	-	-	1,398,305	349,576	1,048,729
MC125 CWP HAULIN	1,398,305	-	-	-	1,398,305	349,576	1,048,729
MC117 CWP HAULIN	1,398,305	-	-	-	1,398,305	349,576	1,048,729
MC132 CWP HAULIN	1,398,305	-	-	-	1,398,305	349,576	1,048,729
MC110 CWP HAULIN	1,398,305	-	-	-	1,398,305	349,576	1,048,729
MC999 CWN HAULIN	1,398,305	-	-	-	1,398,305	349,576	1,048,729
MC 205 DRI MOTORCYCLE	1,800,000	-	-	-	1,800,000	450,000	1,350,000
T670 D2D TOYOTA RAV 4	-	13,651,954	-	-	13,651,954	3,412,988	10,238,966
T671 D2D TOYOTA RAV 4	-	13,673,068	-	-	13,673,068	3,418,267	10,254,801
T208 D2J TOYOTA RAV 4	-	13,620,081	-	-	13,620,081	3,405,620	10,214,461
T215 D2J TOYOTA RAV 4	-	13,914,321	-	-	13,914,321	3,478,580	10,435,741
T970 D2F TOYOTA RAV 4	-	13,486,240	-	-	13,486,240	3,371,560	10,114,680
T669 D2D TOYOTA RAV 4	-	13,799,833	-	-	13,799,833	3,449,958	10,349,875
T222 D2D TOYOTA RAV 4	-	13,651,953	-	-	13,651,953	3,412,988	10,238,965
T974 D2F D2F TOYOTA RUSH	-	10,778,582	-	-	10,778,582	2,694,645	8,083,936
T971 D2F D2F TOYOTA RUSH	-	13,781,696	-	-	13,781,696	3,443,424	10,338,272
T968 D2F TOYOTA LAND CRUISER V	-	235,253,822	-	-	235,253,822	58,813,455	176,440,366
MC 536 DHP SUPERTIGER	-	2,029,661	-	-	2,029,661	507,415	1,522,246
MC 560 DHP SUPERTIGER	-	2,029,661	-	-	2,029,661	507,415	1,522,246
MC 561 DHP SUPERTIGER	-	2,029,661	-	-	2,029,661	507,415	1,522,246
MC 563 DHP SUPERTIGER	-	2,029,661	-	-	2,029,661	507,415	1,522,246
MC 564 DHP SUPERTIGER	-	2,029,661	-	-	2,029,661	507,415	1,522,246
MC 566 DHP SUPERTIGER	-	2,029,661	-	-	2,029,661	507,415	1,522,246
MC 568 DHP SUPERTIGER	-	2,029,661	-	-	2,029,661	507,415	1,522,246
MC 569 DHP SUPERTIGER	-	2,029,661	-	-	2,029,661	507,415	1,522,246
MC 571 DHP SUPERTIGER	-	2,029,661	-	-	2,029,661	507,415	1,522,246
MC 574 DHP SUPERTIGER	-	2,029,661	-	-	2,029,661	507,415	1,522,246
MC 617 DHP SUPERTIGER	-	2,150,000	-	-	2,150,000	537,500	1,612,500
MC 828 DHA SUPERTIGER	-	1,940,678	-	-	1,940,678	485,169	1,455,508
MC 849 DHA SUPERTIGER	-	1,940,678	-	-	1,940,678	485,169	1,455,508
MC 851 DHA SUPERTIGER	-	1,940,678	-	-	1,940,678	485,169	1,455,508
MC 854 DHA SUPERTIGER	-	1,940,678	-	-	1,940,678	485,169	1,455,508
MC 855 DHA SUPERTIGER	-	1,940,678	-	-	1,940,678	485,169	1,455,508
MC 856 DHA SUPERTIGER	-	1,940,678	-	-	1,940,678	485,169	1,455,508
MC 860 DHA SUPERTIGER	-	1,940,678	-	-	1,940,678	485,169	1,455,508
MC 832 DHA SUPERTIGER	-	1,940,678	-	-	1,940,678	485,169	1,455,508
MC 864 DHA SUPERTIGER	-	1,940,678	-	-	1,940,678	485,169	1,455,508
MC 871 DHA SUPERTIGER	-	1,940,678	-	-	1,940,678	485,169	1,455,508
TOTAL	135,614,260	397,464,935	0	0	533,079,218	133,269,602	399,809,616

ALLIANCE GINNERIES LIMITED
FURNITURE & EQUIPMENTS SCHEDULE
SCHEDULE - 5 FOR THE YEAR ENDED 31ST DECEMBER, 2022.

Particulars	W.D.V as at 01.01.2022	Additions	Disposals	Total	Depreciation	W.D.V as at 31.12.2022
	T28					T28
Air Compressor Machine	554,854	-	-	554,854	69,357	485,497
Battery Charge	11,376	-	-	11,376	1,422	9,954
Blower	5,212	-	-	5,212	652	4,561
Calculator	9,519	-	-	9,519	1,190	8,329
Camera	170,228	-	-	170,228	21,379	148,850
Cash Boxes	342,189	-	-	342,189	42,774	299,415
Cooker	3,899	-	-	3,899	487	3,412
Containers	89,578	-	-	89,578	11,197	78,381
CCTV Camera System	5,858,110	-	-	5,858,110	732,264	5,125,846
Fire Extinguisher	378,537	-	-	378,537	47,317	331,220
Furniture	95,389	-	-	95,389	11,924	83,465
Furniture	3,340,593	700,000.00	-	4,040,593	505,053	3,535,540
Furniture - Mwanza	2,073,667	-	-	2,073,667	259,208	1,814,459
Gas Cylinder	10,700	-	-	10,700	1,338	9,362
Grinder	13,797	-	-	13,797	1,725	12,072
Household Equipments	4,109,592	-	-	4,109,592	513,699	3,595,893
Luggage & Suitcases	155,466	-	-	155,466	19,433	136,033
Mwanza Office Generator	1,246,417	-	-	1,246,417	155,802	1,090,615
Office Shelves	9,237	-	-	9,237	1,155	8,082
Solar Panel	262,321	-	-	262,321	33,403	228,918
Tools & Equipments	4,866,267	2,935,790	-	7,802,057	977,770	6,824,287
Photocopy Machine (Reclassified)	950,288	-	-	950,288	118,786	831,502
Drill Machine (Tools & Equipment)	6,463	-	-	6,463	808	5,655
Treadmill Machine	119,646	-	-	119,646	14,956	104,690
Telephone Mobile	45,664	-	-	45,664	5,836	39,828
Water Brewer	35,862	-	-	35,862	4,485	31,377
Water Pump	365,316	-	-	365,316	46,040	319,276
Water Pumps	15,507,694	2,450,000.00	-	17,957,694	2,219,711	15,737,983
Weighing Scales	2,399,280	-	-	2,399,280	299,910	2,099,370
Water Tank	-	-	-	-	-	-
TOTAL	46,266,101	6,065,790	0	52,331,893	6,543,967	45,787,926

ALLIANCE GINNERIES LIMITED
Notes to the financial statements
for the year ended 31st December 2022.

	2022 TZS	2021 TZS
3. TRADE AND OTHER RECEIVABLES		
Trade Debtors	937,620,373	1,447,577,108
Deposits	3,325,446	25,000
Prepayments	16,261,854	20,418,564
TRA - Advance Tax Paid	45,000,000	15,000,000
Commissioner for Vat	913,796,091	645,744,052
	<u>1,916,003,763</u>	<u>2,128,764,723</u>
4. CASH AND CASH EQUIVALENTS		
For the purposes of the cash flow statement, cash and cash equivalents comprise of cash in hand and cash at bank. The year-end cash equivalents comprise the following:		
Cash in Hand	9,426,215	127,059,285
Cash at Bank	42,506,554	981,959,938
	<u>51,932,769</u>	<u>1,109,019,224</u>
5. EMPLOYMENT COSTS		
Salaries & Wages	407,694,948	339,540,294
Salaries - Administration	273,618,351	170,677,558
Salaries - Production	215,186,433	199,720,680
Salaries - Operations	314,077,504	219,188,238.48
NSSF Contribution	104,097,478	83,942,159
W.C.F. Co Contribution	6,543,065	6,470,121
SDL	43,362,788	36,219,261
Staff Training & Seminar	8,468,726	4,922,365
	<u>1,373,049,293</u>	<u>1,060,680,676</u>
6. INVENTORIES		
(i) Consumables & Engineering Stock		
Electrical Items	16,851,480	7,019,142
Ginnery Spares	279,644,581	108,443,094
Lubricant	31,648,517	14,835,083
M/V Spares	85,251,353	0
Plumbing Spares	16,840,461	4,196,490
Packing Material	5,031,927	86,512,941
Paint	12,056,847	99,000
Building Materials	33,222,050	323,178
Fuel and Chemicals	29,764,479	16,596,500
	<u>510,311,696</u>	<u>238,025,429</u>
(ii) Finished Goods Stock		
Lint	2,190,650,945	-
Seed Cotton	25,183,400	-
Cotton Seeds	3,853,666,400	134,460,000
	<u>6,069,500,745</u>	<u>134,460,000</u>
	<u>6,579,812,441</u>	<u>372,485,429</u>

ALLIANCE GINNERIES LIMITED
Notes to the financial statements
for the year ended 31st December 2022.

	2022	2021
	TZS	TZS
7. SHARE CAPITAL		
Authorised:		
1,000 ordinary shares of TZS 6,993,370/- each	<u>6,993,370,000</u>	<u>10,000,000</u>
Issued & fully paid up:		
1,000 ordinary shares of TZS 6,993,370/- each	<u>6,993,370,000</u>	<u>10,000,000</u>
8. TRADE AND OTHER PAYABLES		
Trade Creditors	1,129,762,014	965,673,732
Advance Payments - USD Debtors	12,020,980,395	8,404,834,216
Accruals	2,100,657,875	431,834,668
	<u>15,251,400,283</u>	<u>9,802,342,616</u>
9. REVENUE		
Sales of Cotton Seed	6,767,359,878	7,641,424,090
Sales of Lint	40,039,656,015	29,551,721,709
	<u>46,807,015,892</u>	<u>37,193,145,799</u>
10. OTHER COMPREHENSIVE INCOME		
Trees for Future Grant	29,964,623	-
AbTF Grant	479,235,353	344,331,965
General	643,355	9,661,153
Others	261,776,644	-
Stoves Project	1,838,500,940	410,605,412
	<u>2,610,120,915</u>	<u>764,598,530</u>

ALLIANCE GINNERIES LIMITED
Schedules to the Financial Statements
for the year ended 31st December 2022.

		2022	2021
		TZS	TZS
Opening Stock	Notes	134,460,000	-
Purchases and Production Costs		48,971,421,306	33,707,775,008
		49,105,881,306	33,707,775,008
Finished Goods Closing Stock	6	6,069,500,745	134,460,000
		43,036,380,561	33,573,315,008
Add :Manufacturing Direct Expenses			
Buying Centre expenses		219,242,982	71,286,040
Forklift running expenses		13,047,941	7,633,484
Contract farming expenses		557,092,336	403,923,149
Generator (12.5 KVA) expenses		9,434,312	1,692,460
Generator (40 KVA) expenses		8,454,446	3,940,830
Licences		31,244,000	40,610,300
Motor Vehicles Running Expenses		1,366,670,903	678,284,788
Seed forwarding Expenses		70,209,072	43,610,822
Weighbridge Maintenance Costs		31,459,574	12,821,480
		2,306,855,566	1,463,803,354
Total Cost of Production		45,343,236,127	35,037,118,361
Administrative Expenses			
Accountancy Fees		4,225,000	2,200,000
Cash-in-Transit (CIT) Expenses		2,885,000	315,000
Computer Expenses		32,571,283	25,479,108
Depreciation		194,892,698	97,497,842
Employment Cost	5	1,373,049,293	1,060,680,678
EFD Machine Expenses		572,000	7,960,600
Fire Arms Expenses		7,146,000	3,300,000
Fumigation		8,438,000	2,118,000
Hygenic Cleaning & Household		155,880,067	121,934,235
Insurance Expenses		95,621,861	80,890,390
Legal Fees		2,160,000	2,610,000
Land Rates		64,974,876	15,368,920
Marketing Expenses		176,142,800	104,106,740
Abtf Water Project Expenses		232,424,161	144,455,500
Cooking Stove Project Expenses		511,558,399	147,813,267
Organinc Farming Project Expenses		136,676,396	230,034,790
Medical Expenses		13,668,300	8,563,600
Postage, Telephones & Internet Charges		14,103,041	11,596,999
Photocopy, Printing & Stationary Expenses		98,825,780	37,193,316
Repairs and road maintenance		176,328,673	85,750,524
Security Expenses		21,505,200	32,873,520
Bariadi District Service Levy		145,936,550	53,500,000
Travelling Expenses		76,893,127	47,830,413
Work Permits		80,005,833	60,145,850
Legal, Professional, Consultancy Fees		450,000	1,850,000
TRA Interest & Penalty		5,125,517	5,738,628
Trees for Future Project Expenses		44,670,520	-
		3,676,930,376	2,391,807,919
Other operating expenses			
Entertainment		2,645,823	2,173,300
Donation		45,103,050	24,581,863
General Expenses		176,677,775	319,094,639
Subscription		4,248,000	1,000,000
		228,674,648	346,849,802
Finance Cost			
Bank Charges		69,279,809	32,489,277
Finance Cost on Borrowings		1,686,291,711	-

ALLIANCE GINNERIES LIMITED

Income Tax computation for the year ended 31st December 2022.

	TZS	TZS
Profit as per accounts		(1,587,275,863)
Add: <u>Non-allowable expenses</u>		
Depreciation	194,892,698	
Telephone Expenses (5%)	705,152	
Household Expenses (20%)	31,176,013	
Work Permits	80,005,833	
Donation	45,103,050	
Entertainment (15%)	396,873	
Travelling Expenses (5%)	3,844,656	356,124,276
		<u>(1,231,151,589)</u>
Less: Depreciation allowance	<u>205,032,665</u>	<u>205,032,665</u>
Adjusted Profit		(1,436,184,253)
Income Tax Charge @ 30%		-
Less: Provisional Tax Paid		<u>(45,000,000)</u>
Income Tax Payable		<u>(45,000,000)</u>

Schedule of Depreciation Allowance

	Class 1 TZS	Class 2 TZS	Class 3 TZS	Class 6 TZS	Total TZS
W.D.V. as at 01.01.2022	6,335,119	200,712,238	52,884,535	612,874,531	872,806,421
Additions	6,768,080	397,464,935	6,085,790	251,193,095	661,511,899
	<u>13,103,199</u>	<u>598,177,173</u>	<u>58,970,324</u>	<u>864,067,626</u>	<u>1,534,318,321</u>
Disposal	-	-	-	-	-
	<u>13,103,199</u>	<u>598,177,173</u>	<u>58,970,324</u>	<u>864,067,626</u>	<u>1,534,318,321</u>
Less: Depreciation allowance	4,913,700	149,544,293	7,371,291	43,203,381	205,032,665
W.D.V. as at 31.12.2022	<u>8,189,499</u>	<u>448,632,880</u>	<u>51,599,034</u>	<u>820,864,245</u>	<u>1,329,285,657</u>