

**PYTECH LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**



**PYTECH LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

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**PYTECH LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

CORPORATE INFORMATION

REGISTERED OFFICE

P.O. Box 739

Mbeya

OR

P.O Box 60496

Mbeya

Tanzania

BOARD OF DIRECTORS

Gabriel Bizimungu

Justin Cyubahiro

NATIONALITY

Rwandan

Rwandan

CHIEF OFFICERS

Marco Barra Castro

Abel Nasasira

TITLE

Managing Director

Finance Administration Manager

BANK NAME

EQUITY BANK

**PYTECH LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

DIRECTORS' REPORT

1 The Directors submit their report together with the audited financial statements for the financial year ended 31 December 2022, which disclose the state of affairs of the Company.

2 PRINCIPAL ACTIVITIES.

The Company's principal activity is processing and selling pyrethrum product and by product

3 RESULTS.

During the year ended 31 December 2022, the Company recorded a loss of Tsh-(857,597,342), 2021: Tsh(560,034,490).

4 DIVIDENDS.

The directors do not recommend payment of a dividend in respect of the period ended 31 December 2022.

5 SOLVENCY.

The Board of Directors confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis. The Board of Directors has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

6 DIRECTORS

The directors who held office during the year and to the date of this report, except where otherwise, stated are:

<u>Name</u>	<u>Position</u>	<u>Nationality</u>	<u>Date of appointment</u>	<u>End term</u>
Gabriel Bizimungu	Director	Rwandan	2013	to date-
Justin Cyubahiro	Director	Rwandan	May 2021	to date-

7 CORPORATE GOVERNANCE

The Directors believe that high standards of corporate governance directly influence the confidence of the company's stakeholders including clients and regulators. In keeping with this commitment, the Company has established appropriate mechanisms and policies.

**PYTECH LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

DIRECTORS' REPORT

The Board takes overall responsibility for the Company, including the responsibility for identifying key risk areas, considering and monitoring investment decisions, considering significant financial matters, and reviewing the performance of management business plans and budgets. The Board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative, and the Company complies with sound corporate governance principles.

The Company is committed to the principles of effective corporate governance. The Directors also recognize the importance of Integrity, Transparency and Accountability. The Board met four times during the year.

8 CAPITAL STRUCTURE

The total authorized share capital of the company is 1000 ordinary shares of TZS 1,000,000 each and there were no shares issued as at 31st December 2022.

9 MANAGEMENT

The Company day to day operations are entrusted to the Managing Director.

The organization structure of the Company comprises of the following divisions

- Finance and Administration department; and
- Operations Department.

10 POLITICAL AND CHARITABLE DONATIONS

The Company did not make any charitable donation during the year.

11 AUDITORS

MOSES AB & COMPANY was approved by Board of Director to carry out the audit of PYTECH LIMITED for the financial year ended 31st December 2022

The auditors, **MOSES AB & COMPANY** have expressed their willingness to continue in office and are eligible for re-appointment. A resolution proposing their re-appointment as auditors for the year ending 31 December 2022 will be put at the Board meeting.

Approved by Board of Directors and signed on its behalf by



Marco Barra Castro
Managing Director

Date 18 APRIL 2023

PYTECH LIMITED
STATEMENT OF DIRECTOR'S RESPONSIBILITIES
FOR THE PERIOD ENDED 31 DECEMBER 2022
STATEMENT OF DIRECTORS' RESPONSIBILITIES

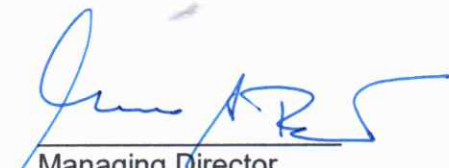
The Companies Act, CAP 212 Act No.12 of 2002 requires Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the year then ended. It also requires the Directors to ensure that the Company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company. They are also responsible for safeguarding the assets of the Company and hence taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

The directors accept responsibility for the 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 (IFRS) and the requirements of the Companies Act, CAP 212 Act No.12 of 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 profit in accordance with International Financial Reporting Standards (IFRS).

The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

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

Signed on behalf of the Board of Directors by:



Managing Director
Marco Barra Castro

Date 18 APRIL 2023

MOSES AB & COMPANY.

CERTIFIED PUBLIC ACCOUNTANTS.IN PUBLIC PRACTICE

P.O.BOX.2412.TEL:+2502182.FAX:+255-25-2502182.MOBILE.0754-010-

057.EMAIL:mosesabc@yahoo.co.uk.MBEYA.TANZANIA

REPORT OF THE INDEPENDENT AUDITOR

OPINION

We have audited the accompanying financial statements of **PYTECH LIMITED** based on the information you have provided. These financial statements comprise the statement of financial position of **PYTECH LIMITED** as at 31st December 2022, the statement of profit or loss, summary of significant accounting and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respect of the financial position of **PYTECH LIMITED** as at 31st December 2022 and of its Financial Performance for the year then ended in accordance with International Financial Reporting Standard(IFRSs).

BASIS FOR OPINION

We conducted our Audit in accordance with International accounting on Auditing ISA's. The standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement are free from material misstatement. An audit includes the examination of tests based on evidence supporting the amount and disclosures in the financial statements we comply with laws regulations and ethical code conduct. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our opinion

MANAGEMENT RESPONSIBILITY

Management is responsible for the preparation and fair presentation of this financial statement in accordance with international financial reporting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free material misstatement whether due to fraud or error

AUDITORS RESPONSIBILITIES

Our objectives are to obtain reasonable assurance about whether the financial statement are whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion



CPA.MOSES AB MWAKATAGE (FCPA 046)

MANAGING PARTNER,

29th MAY 2023

Date



**PYTECH LIMITED
REPORT AND FINANCIAL STATEMENTS
STATEMENT OF PROFIT OR LOSS**

FOR THE PERIOD ENDED 31 DECEMBER 2022

	NOTES	TZS 2021	TZS 2021
Turnover	4	2,980,067,683	929,541,672
Direct Costs	5	<u>(3,086,094,991)</u>	<u>(1,022,955,959)</u>
Gross Loss/Profit		(106,027,308)	(93,414,287)
Administrative Expenses	6	(496,193,547)	(288,103,4370
Operating Cost	8	(39,698,298)	(20,207,751)
Repair And Maintenance Costs	7	(89,925,305)	(109,356,8480
Travel and Accommodations		(14,886,243)	-
Depreciation	9	(98,735,204)	(43,897,403)
Amortization Of Sap Software	10	<u>(12,131,437)</u>	<u>(5,054,765)</u>
Loss Before Tax		(857,597,342)	(560,034,4900
Income Tax		-	-
Loss After Tax		<u>(857,597,342)</u>	<u>(560,034,490)</u>

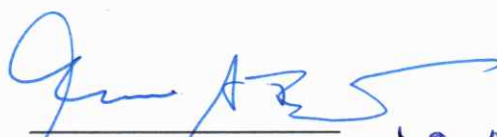
**PYTECH LIMITED
REPORT AND FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2022

DESCRIPTION		2022	2021
ASSETS		TZS	TZS
Property Plant And Equipment	9	930,139,958	929,887,704
Work In Progress		1,311,871,112	468,181,793
Intangible Asset	10	7,046,514	19,177,951
TOTAL NON CURRENT ASSET		<u>2,249,057,585</u>	<u>1,417,247,448</u>
CURRENT ASSETS			
Cash and bank balances	11	107,957,391	264,845,520
Account receivables	12	293,921,808	390,711,992
Tax Asset		2,000,000	-
Processing Materials	13	75,695,536	79,860,425
Flowers in transit (Inventory)		380,600,000	-
TOTAL CURRENT ASSET		<u>860,174,735</u>	<u>735,417,937</u>
TOTAL ASSETS		<u>3,109,232,320</u>	<u>2,152,665,385</u>
SHARE CAPITAL AND EQUITY			
Share capital	14	1,000,000,000	1,000,000,000
Retained earning		(1,469,138,224)	(611,540,882)
		<u>(469,138,224)</u>	<u>388,459,118</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
CURRENT LIABILITY			
Loan from Shareholders	16	727,589,863	727,589,863
Other Trade Payable	15	2,850,780,681	1,036,616,404
TOTAL CURRENT LIABILITY		<u>3,578,370,544</u>	<u>1,764,206,267</u>
TOTAL LIABILITIES		<u>3,578,370,544</u>	<u>1,764,206,267</u>
TOTAL EQUITY & LIABILITIES		<u>3,109,232,321</u>	<u>2,152,665,385</u>

Notes form an integral part of these financial statements

The financial statements from page 5 to 9 were approved by the Board of Directors onand signed on its behalf by;


Marco Barra Castro Date 18 April 2023
Managing Director

**PYTECH LIMITED
FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY**

FOR THE PERIOD ENDED 31 DECEMBER 2021

	Share Capital TZS	Retained Earnings TZS	Total Equity TZS
Year ended 31 December 2022			
At start of year	1,000,000,000	(611,540,882)	388,459,118
Additions	-	-	-
Loss for the year	-	(857,597,342)	(857,597,342)
At end of year	<u>1,000,000,000</u>	<u>(1,469,138,224)</u>	<u>(469,138,224)</u>
Year ended 31 December 2021			
At start of year	388,000,000	(51,506,392)	336,493,608
Additions	612,000,000	-	612,000,000
Loss for the year	-	(560,034,490)	(560,034,490)
At end of year	<u>1,000,000,000</u>	<u>(611,540,882)</u>	<u>388,459,118</u>

**PYTECH LIMITED
FINANCIAL STATEMENTS
STATEMENT OF CASH FLOWS**

FOR THE PERIOD ENDED 31 DECEMBER 2021

DESCRIPTION	Note	2022 TZS	2021 TZS
Cash flows from operating activities			
Profit before tax		(857,597,342)	(560,034,490)
Depreciation	9	110,866,641	48,952,168
		<u>(746,730,701)</u>	<u>(511,082,322)</u>
Operating profit before working capital changes			
Changes in working capital items			
Increase in stock		(376,435,111)	(79,860,425)
Decrease in trade receivables		94,790,183	(390,711,992)
Increase in trade and other payables		1,814,164,277	1,029,873,264
Cash generated from operations		<u>787,788,648</u>	48,218,524
Tax paid		<u>(2,000,000)</u>	-
Net generated from operations		<u>785,788,648</u>	<u>48,218,524</u>
Cash flows from investing activities			
Acquisition of fixed asset	9	(98,987,458)	(746,409,597)
Work in Progress		<u>(843,689,319)</u>	<u>(376,553,271)</u>
Net cash flows from investing activities		<u>(942,676,777)</u>	<u>(1,122,962,868)</u>
Cash flows from financing activities			
Loan from shareholders	15	-	727,589,863
Capital injection		-	612,000,000
Net cash flows from Financing activities		-	<u>1,339,589,863</u>
Net increase(decrease) in cash and cash equivalent		<u>(156,888,129)</u>	264,845,520
Cash and cash equivalents at the beginning of the year		<u>264,845,520</u>	-
Cash and cash equivalents at end of year		<u>107,957,391</u>	<u>264,845,520</u>

**PYTECH LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

NOTES TO FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

PYTECH LIMITED deals with Processing and Selling pyrethrum through **PYTECH LIMITED**. It is incorporated in Tanzania under the Companies Act of 2002 as a limited liability company and issued with a certificate of incorporation number **100419** on **27th day of June two thousand and thirteen** and domiciled in Tanzania. The address of its registered office is:

P O Box 739
Mbeya, Tanzania

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

These Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and comply with the Companies Act, CAP 212 Act No. 12 of 2002.

The Financial Statements have been prepared under the historical cost convention as modified by the revaluation of the land and buildings. The Financial Statements are presented in Tanzanian Shillings.

2.3 Foreign Currency Transactions

Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Tanzania shillings (TZS), which is the Company's functional and presentation currency.

2.4 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business.

**PYTECH LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

NOTES (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Property, Plant and Equipment

Internet devices and office equipment are stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value.

Property, plant and equipment are depreciated so as to write off the original cost or valuation on a straight-line basis over the expected useful economic lives of the assets concerned.

The annual rates used for this purpose are:

Buildings and Improvement	<u>%</u> 5
Computer devices	20-30
Internet devices	20-30
Furniture, fittings and equipment	10 – 25

Leasehold land is depreciated over 50 years or the period of the lease, whichever is less. Revaluation of computer, buildings, internet devices furniture, fitting and equipment is done every three years or more frequently when evidence indicates that the values have significantly changed.

Routine maintenance costs including annual checks are written off to the statement of profit or loss in the accounting period in which they are incurred. Work in progress is stated at cost, and transferred to respective categories of property and equipment when it is available for use. Work in progress is not depreciated.

An item of property, plant, and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in profit or loss in the year the asset is derecognized.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

2.6 Impairment of non-Financial Assets

Assets that are subject to amortization 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 the recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

**PYTECH LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

NOTES (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Impairment of non-Financial Assets (Continued)

Impairment losses of continuing operations are recognized in the statement of profit or loss in those expense categories consistent with the function of the impaired asset

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss.

After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2.7 Cash and cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand and cash at bank

2.8 Share Capital

Ordinary shares are classified as 'share capital' in equity. Any premium received over and above the par value of the shares is classified as 'share premium' in equity.

Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as deduction from the proceeds.

2.9 Dividend distribution

Dividend distribution to the shareholders is charged to equity and recognized as a liability in the Company's financial statements after being approved by the shareholders at the Annual General Meeting.

**PYTECH LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

NOTES (CONTINUED)

2.10 Trade Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

2.11 Trade Receivables

Trade receivables are amounts due from customers for goods and services provided to them in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method less provision for impairment.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Property and equipment

Critical estimates are made by the directors in determining depreciation rates for property, plant and equipment and their residual values. The rates used are set out in note 2.5.

Receivables

Critical estimates are made by the directors in determining the recoverable amount of impaired receivables.

**PYTECH LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

NOTES (CONTINUED)

	2022	2021
	TZS	TZS
4 TURNOVER		
Revenue Grist	<u>2,980,067,683</u>	<u>929,541,672</u>
	<u>2,980,067,683</u>	<u>929,541,672</u>
5 COST OF SALES/DIRECT COST		
COS Grist (Note 13)	2,787,060,622	927,766,876
COS Packaging Materials (Note 13)	10,006,271	2,841,525
Shipping costs	260,310,648	80,116,708
Other processing materials	<u>28,717,449</u>	<u>12,230,850</u>
	<u>3,086,094,991</u>	<u>1,022,955,959</u>
6 ADMINISTRATIVE EXPENSES		
Printing And Stationery	472,000	-
Petrol & Lubricants	5,381,256	60,000
Telephone And Fax	4,987,566	1,822,960
Internet Services	1,132,000	665,064
Administrative costs (Others)	20,066,750	-
Stamp Duty	489,211	-
Interest and penalties	1,800,000	-
Water & Electricity	7,622,642	1,897,000
Security Services	10,870,000	4,850,000
Consultancy Services	29,956,760	15,035,585
Office Expenses	3,909,064	1,925,790
Rental And Rates	50,420,011	21,795,760
Insurance	2,426,750	-
Legal Fees & Expenses	705,000	-
Recruitment Costs	-	214,818
Hire Of Vehicles	398,305	-
Hire Of Equipment	750,000	458,900
Local Administration Taxes	33,059,710	8,370,344
Contribution and Donations	20,182,500	19,747,000
External Audit Fees	10,000,000	10,000,000
Training costs	580,000	33,898
PTT and Courier costs	12,313,068	4,102,500
Pyrethrum Seeds	50,000,000	18,750,000
Research and field cost (other)	28,244,750	-
Establishment Cost	3,398,500	116,111,046
Gross Salary for permanent staff	151,212,996	44,551,132
NSSF 10% - Employer Contribution	15,121,296	4,455,112

**PYTECH LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

NOTES (CONTINUED)

	2022	2021
	TZS	TZS
SDL 4% - Employer Contribution	7,162,208	1,579,205
Casuals-Gross Salary	28,707,200	6,493,000
Advertising and Publicity	-	80,000
Registration Fee	-	1,689,256
Internal Travel Costs	-	1,909,628
Rounding Account	-	6
Gain/Loss on exchange rate	(7,649,428)	421,288
Bank charges	2,473,432	1,084,145
	<u>496,193,547</u>	<u>288,103,437</u>
7 REPAIR AND MAINTENANCE COSTS		
Motor Vehicles	1,382,000	-
IT equipment's	4,304,207	165,000
Factory Equipment	83,720,791	36,622,632
Laboratory Equipment	318,900	40,219,494
Plant Extraction	149,407	32,349,722
Motor Cycles	50,000	-
	<u>89,925,305</u>	<u>109,356,848</u>
8 Operating cost		
Plant Grinding	<u>39,698,298</u>	<u>20,207,751</u>
	<u>39,698,298</u>	<u>20,207,751</u>

PYTECH LIMITED

**FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

NOTES (CONTINUED)

PPE 2022

9	PROPERTY, PLANT AND EQUIPMENT	Land					Motor vehicle and Motor cycle		k equipment		Furniture and Fitting		Machinery and EQUIPMENT		TOTAL	
		TZS					TZS		TZS		TZS		TZS		TZS	
	Year ended 31 December 2022															
	Opening net book Value	251,608,226				-		16,743,749		7,892,288		653,643,441		929,887,704		
	Addition	-				65,124,067.81		17,650,000		1,460,000		14,753,390		98,987,458		
	Depreciation for the year	251,608,226				(65,124,068)		(34,393,749)		(9,352,288)		(668,396,831)		1,028,875,162		
	Net book amount	251,608,226				(14,182,740)		(13,412,500)		(2,263,333)		(68,876,631)		(98,735,204)		
	As at 31 December 2022	<u>251,608,226</u>				<u>50,941,328</u>		<u>20,981,249</u>		<u>7,088,955</u>		<u>599,520,200</u>		<u>930,139,958</u>		
	Cost	251,608,226				-		20,550,000		8,810,000		692,816,881		973,785,107		
	Addition	-				65,124,068		17,650,000		1,460,000		14,753,390		98,987,458		
	Accumulated Depreciation	251,608,226				65,124,068		38,200,000		10,270,000		707,570,271		1,072,772,565		
	Net book amount	<u>251,608,226</u>				<u>(14,182,740)</u>		<u>(17,218,751)</u>		<u>(3,181,045)</u>		<u>(108,050,071)</u>		<u>(142,632,606)</u>		
						<u>50,941,328</u>		<u>20,981,249</u>		<u>7,088,955</u>		<u>599,520,200</u>		<u>930,139,958</u>		

TECH LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022

NOTES (CONTINUED)

NOTE 2021

PROPERTY, PLANT AND EQUIPMENT

	Land	Motor vehicle and Motor cycle	Motor equipment	Furniture and Fitting	Machinery and EQUIPMENT	TOTAL
Year ended 31 December 2021						
Opening net book Value	251,608,226	-	-	-	-	251,608,226
Addition	-	-	20,550,000	8,810,000	692,816,881	722,176,881
Transfer	-	-	-	-	-	-
	<u>251,608,226</u>	-	<u>20,550,000</u>	<u>8,810,000</u>	<u>692,816,881</u>	<u>973,785,107</u>
Depreciation for the year	-	-	(3,806,251)	(917,712)	(39,173,440)	(43,897,403)
Net book amount	<u>251,608,226</u>	-	<u>16,743,749</u>	<u>7,892,288</u>	<u>653,643,441</u>	<u>929,887,704</u>
As at 31 December 2021						
Cost	251,608,226	-	20,550,000	8,810,000	692,816,881	973,785,107
Accumulated Depreciation	-	-	(3,806,251)	(917,712)	(39,173,440)	43,897,403
Net book amount	<u>251,608,226</u>	-	<u>16,743,749</u>	<u>7,892,288</u>	<u>653,643,441</u>	<u>929,887,704</u>

in accordance with company's policy, property, plant and equipment are re-valued every three years or sooner where the directors believe that there have been significant movements in fair value. Property, plant and equipment are re-valued with sufficient frequency so that the carrying amount approximates the fair values

**PYTECH LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

NOTES (CONTINUED)

10 Intangible Asset(Sap software)	2022 TZS	2021 TZS
Year ended 31 December		
Opening net book Value	24,232,716	-
Addition	-	24,232,716
Transfer	-	-
	<u>24,232,716</u>	<u>24,232,716</u>
Amortization of Software's	(12,131,437)	(5,054,765)
Net book amount	<u>12,101,279</u>	<u>19,177,951</u>
As at 31 December		
Cost	24,232,716	24,232,716
Accumulated Depreciation	(17,186,202)	(5,054,765)
Net book amount	<u>7,046,514</u>	<u>19,177,951</u>
 11 Cash and cash equivalent		
Equity Bank Ltd TZS Current a/c	102,135,029	12,792,874
Equity Bank Ltd USD\$	4,314,397	250,102,386
Petty Cash	1,507,964	1,950,259
	<u>107,957,391</u>	<u>264,845,520</u>
 12 Account receivable		
Advance on Contractor	-	160,002,760
Prepayment - Rent	1,666,667	2,817,006
VAT Account	184,079,266	-
Advances to CreditorsTrade		
Creditors	107,970,160	183,481,534
	<u>293,716,093</u>	<u>346,301,300</u>
 13 Inventory	2022 (TZS)	2021 (TZS)
Opening Stock	79,860,425	-
Add: Purchases	3,081,930,102	1,102,816,384
Less: Production Costs	(3,086,094,991)	1,022,955,959
Closing Stock	<u>75,695,536</u>	<u>79,860,425</u>

**PYTECH LIMITED
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NOTES (CONTINUED)

14 Share Capital	2022 TZS	2021 TZS
Share Capital		
Nary shares of TZS. 1,000,000 each	<u>1,000,000,000</u>	<u>1,000,000,000</u>
fully paid 1000 shares of TZS 1,000,000 each	<u>1,000,000,000</u>	<u>1,000,000,000</u>
15 Other trade payable		
Other Receivables	2,760,636,163	1,000,292,514
Finished Products (Grist)	-	318,591
PAYE Payable	3,260,258	3,032,150
SDL Payable	722,220	547,332
NSSF 20%	2,844,766	2,195,666
Withholding Tax 10%	145,000	525,042
Withholding tax 5%	270,474	270,474
Retentions Payable to sub-contractors	70,901,799	16,534,635
Accrued Expenses	<u>12,000,000</u>	<u>12,900,000</u>
	<u>2,850,780,681</u>	<u>1,036,616,404</u>
16 Loan from shareholders		
Due to Bizimungu Gabriel	363,794,932	363,794,932
Due to Cyubahiro Justin	<u>363,794,932</u>	<u>363,794,932</u>
	<u>727,589,863</u>	<u>727,589,863</u>

17 CONTINGENT LIABILITIES

In the opinion of the Directors, the Company had no contingent liabilities or commitments as at year end

18 EVENTS SUBSEQUENT TO YEAR-END

At the date of signing the financial statements, the Directors are not aware of any other matter or circumstance arising since the end of the financial period, not otherwise dealt with in these financial statements, which significantly affected the financial position of the Company and results of its operations.