

AM & PARTNERS LIMITED

THE REPORT OF THOSE CHARGED WITH GOVERNANCE

AND

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 ST DECEMBER 2023



JEMA Financial & Business Consult

jemafinancial14@yahoo.com

CERTIFIED PUBLIC ACCOUNTANTS, AUDITORS AND TAX CONSULTANTS

AM & PARTNERS LTD

P.O BOX 67432 DAR ES SALAAM

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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AM & PARTNERS LTD

COMPANY INFORMATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Board of directors

Eng. Abdallah Yassin Msemu
Eng. Ramadhani Yassin Msemu

Nationality

Tanzanian
Tanzanian

Date of Appointment

Since incorporation
Since incorporation

Registered office

AM & PARTNERS LTD
Kinyerezi, Kanga Street
PO BOX 67432
DAR ES SALAAM
TANZANIA

Independent auditor

JEMA FINANCIAL & BUSINESS CONSULT
Certified Public Accountants
PO BOX 12229
DAR ES SALAAM
TANZANIA

Principal banker

NMB
KOROGWE
PO BOX 67432
DAR ES SALAAM
TANZANIA

CRDB BANK
SAUTI BRANCH
PO BOX 67432
MWANZA

AM & PARTNERS LTD

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

THE REPORT OF THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2023

1. INTRODUCTION

The members charged with governance submit their report together with the audited financial statements for the year ended 31 December 2023, which disclose the state of affairs of AM & Partners Limited (the "Company").

2. STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

The members charged with governance are required under the Companies Act of 2002 to prepare financial statements of the company for each year, that show a true and fair view of the state of affairs of the company as at the end of the financial year, the operating results, statement of cash flows and statement of change in equity for the year then ended.

The members confirm that suitable accounting policies have been used and applied consistently. Reasonable and prudent judgement has been exercised where estimates were used in the preparation of Financial Statements for the year ended 31 December 2023. The directors also confirm that the International Financial Reporting Standards for SMEs have been followed and that the financial statements have been prepared on the going concern basis.

The members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with companies Act of 2002. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

3. PRINCIPAL ACTIVITY

The principal activities of the company is to carry on the business of civil and buildings construction.

In exercising its functions of control and management, AM & Partners Limited shall have due regard to:

- *The political, economic and social aspirations of the people of the United Republic of Tanzania
- * The health and general welfare of the members of the public by guiding its operations in a manner that conserves the environment in a coherent and sustainable way.

4. THOSE CHARGED WITH GOVERNANCE

The names of the members who served during the period under review are as follows;

NO	NAME	STATUS	NATIONALITY
1	ENG. ABDALLAH YASSIN MSEMOM	MEMBER	TANZANIAN
2	ENG. RAMADHANI YASSIN MSEMOM	MEMBER	TANZANIAN

5. RESULTS AND DIVIDENDS

The profit for the year of Shs 112,787,587 (2022: shs 209,477,305) has been added to retained earnings. The directors did not recommend the declaration of a dividend for the year (2022; shs 30,000,000).

AM & PARTNERS LTD

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THE REPORT OF THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2023

6. SOLVENCY AND GOING CONCERN

The members have reviewed the current financial position of AM & Partners Limited. On the basis of the review, the members are of the opinion that the Company is on a sound financial footing, that is able to meet its maturing financial obligations for the next twelve months.

7. EMPLOYEE WELFARE

Relationship between management and employees

The Company is an equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors such as gender, marital status, religion, tribe and disability which does not impair ability to discharge duties.

a) Training facilities

Training programs have been and are continually being developed to ensure employees are adequately trained at all levels.

b) Health and Safety

The Company has a strong safety and security section which ensures that a culture of safety prevails at all times. A safe working environment is ensured for all employees by providing adequate and proper personal protective equipment, training and supervision as necessary.

c) Persons with disabilities

Applications for employment by disabled persons are always considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and appropriate training and assistance is arranged. It is the policy of the Company that training, career development and promotion of disabled persons should, as far as possible and practical, be identical to that of other employees.

d) Employee benefit plan

The Company pays contributions to National Social Security Fund ("NSSF"), a publicly administered pension plan on a mandatory basis which qualifies to be a defined contribution plan

8. POLITICAL AND CHARITABLE DONATIONS

The Company did not make any political donations during the year (2022: NIL).

9. CORPORATE SOCIAL RESPONSIBILITY

The Company did not undertake any corporate social responsibility during the year (2022: NIL).

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

THE REPORT OF THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2023

10. STAKEHOLDERS' RELATIONSHIP

The Company continued to maintain a good relationship with all stakeholders including the regulators. Where possible meetings and discussions were held on issues of mutual concern or cross cutting.

11. AUDITORS

The Company appointed JEMA Financial & Business Consult as auditor for the financial year 2023. **JEMA Financial & Business Consult** has expressed its willingness to continue in office in accordance with the Tanzania Companies Act. No. 12 of 2002. The details of the auditor are provided on page 1.

12. RESPONSIBILITY OF THE AUDITOR

The auditor is responsible to provide assurance of the correctness and consistence of each and every information contained in the report by those charged with governance with those provided in the financial statements.

13. STATEMENT OF COMPLIANCE

This report has been prepared in Compliance with the Tanzania Financial Reporting Standard No.1 (Directors' Report).

BY ORDER OF THE BOARD OF THOSE CHARGED WITH GOVERNANCE



Eng. Abdallah Yassin Msemo (Director)

21/06/2024

Date



AM & PARTNERS LTD

Directors Report

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Companies 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. 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 for Small and Medium Sized Entities (“IFRS for SMEs”) and the requirements of the Companies 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 IFRS for SMEs. 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.

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 2023 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard and the requirements of the Tanzanian Companies Act.

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.

Approved by the board of directors on 21/06 2024 and signed on its behalf by:



Director



AM & PARTNERS LTD

Directors Report

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023


DECLARATION OF THE HEAD OF FINANCE/ACCOUNTING OF AM & PARTNERS LTD

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 to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors as under Directors Responsibility statement on an earlier page

I EMANUEL ELISHA being the Head of Finance of **AM & Partners Ltd** hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31st December, 2023 have been prepared in compliance with applicable accounting standards and statutory requirements

I thus confirm that the financial statements give a true and fair view position of **AM & Partners Ltd** as on that date and that they have been prepared based on properly maintained financial records

Signed by: 

Name :

Position :

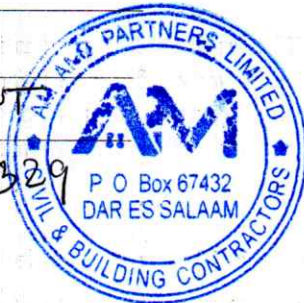
NBAA Membership No.:

Date:

ACCOUNTANT

GA 8329

21/6/2024



AM & PARTNERS LTD
P.O BOX 67432 DAR ES SALAAM
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF AM & PARTNERS LIMITED

Opinion

In our opinion, the financial statements give a true and fair view in all material respects of the financial position of AM & Partners Limited as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, International Standards on Auditing and comply with the Companies Act, 2002.

We have audited the accompanying financial statements of **AM & Partners LIMITED**, set out on pages 9 to 15, which comprise the statement of financial position as at 31 December 2023, the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Report on other legal requirements

This report, including the opinion, has been prepared for, and only for, the Company's members as a body in accordance with the Tanzanian Companies Act, 2002 and for no other purposes

As required by the Tanzanian Companies Act we report to you, based on our audit, that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) In our opinion, proper books of accounts have been kept by the company, so far as it appears.
- iii) the members report is consistent with the financial statements;
- iv) information specified by law regarding directors remuneration and transactions is appropriately disclosed and.
- v) the company's statement of financial position and comprehensive income are in agreement with the accounting records.

Emphasis of Matter

Without qualifying our opinion, we draw our attention to the following:

i) **Going Concern**

The going concern assumption is a fundamental principle in the preparation of the financial statements. The assessment of company's ability to continue as going concern is the responsibility of the company's management. According to International Standard on Auditing (ISA) 570 the auditor is required to evaluate management's assessment of the entity's ability to continue as a going concern. Our assessment found that there is no material uncertainty related to conditions that may cast significant doubt on the company's ability to continue as going concern.

Management's responsibility for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the International Financial Reporting Standard and the requirements of the Tanzanian Companies Act, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of financial statements

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 the auditors' 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, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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.

Our responsibility and liability as auditors will be limited only to the information, explanation, records and documentation we have requested and obtained from the client.



JUSTONE RWIZA (ACPA- PP 1806)
For JEMA Financial & Business Consult
(Certified Public Accountants, Auditors & Tax Consultants)
Bukoba, Tanzania

Date:21/06/ 2024



AM & PARTNERS LTD

P.O BOX 67432 DAR ES SALAAM

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	Shs 2023	Shs 2022
ASSETS			
Current Assets			
Cash at bank and in hand	12	42,660,693	180,404,800
Trade and other receivables	8	213,310,648	66,135,329
Current income tax	10	61,788,136	-
Deffered tax Asset	18	715,037	-
Property, plant and equipment	7	27,085,254	37,473,136
TOTAL ASSETS		345,559,768	284,013,265
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Other liabilities	9	26,430,669	16,816,956
Dividend Payable	14	27,000,000	27,000,000
Current tax payable	10	-	322,298
Borrowings	13	19,200,000	39,600,000
TOTAL LIABILITIES		72,630,669	83,739,254
SHAREHOLDER'S EQUITY			
Share capital	6	5,000,000	5,000,000
Retained earnings		267,929,099	195,274,011
Total Shareholders Equity		272,929,099	200,274,011
TOTAL EQUITY AND LIABILITIES		345,559,768	284,013,265

The significant accounting policies on pages 13 - 14 and the notes on pages 15 - 19 form an integral part of these financial statements.

Report of the Independant Auditor's on page 7 - 8

The financial statements on Pages 10 to 15 were approved for the issue by the Board of Directors on 31 May 2024 and were signed on their behalf by:

[Handwritten Signature]

Director

Date 21/06/2024



[Handwritten Signature]

Director

Date 21/06/2024

AM & PARTNERS LTD

P.O BOX 67432 DAR ES SALAAM

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023


STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Shs 2023	Shs 2022
Revenue	4	2,564,570,868	2,650,356,742
Direct Costs	15	(2,418,919,921)	(2,313,283,779)
Gross profit		145,650,947	337,072,963
Administration expenses	16	(22,768,318)	(23,534,603)
Establishment expenses	17	(19,089,646)	(14,285,068)
Profit/(Loss) before tax		103,792,982	299,253,292
Tax expense	11	(31,137,895)	(89,792,340)
Profit for the year		72,655,088	209,460,953

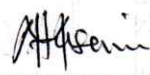
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.....
Director




.....
Director

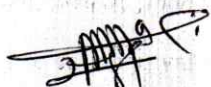
AM & PARTNERS LTD*P.O BOX 67432 DAR ES SALAAM***FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023****STATEMENT OF CASH FLOWS**

	Note	Shs 2023	Shs 2022
Cash flows from operating activities			
Profit for the year		103,792,982	299,253,292
Adjustments for non cash income and expenses:			
Depreciation	7	10,387,881	10,387,881
		114,180,864	309,641,174
Working capital adjustments:			
(Increase)/Decrease in Trade and other receivables	8	(147,175,318)	(25,221,825)
(Decrease)/Increase in Trade payables	9	9,291,415	(43,323,339)
Income tax paid	8	(93,641,067)	(89,470,042)
<i>Cash generated from operations</i>		(117,344,107)	151,625,967
<i>Net cash from operating activities</i>		(117,344,107)	151,625,967
Cash flows from investing activities			
Purchases of equipment, buildings	7	-	(47,861,017)
<i>Net cash (used in) investing activities</i>		-	(47,861,017)
Cash flows from financing activities			
Borrowings	6	(20,400,000)	(20,400,000)
<i>Net cash (used in) financing activities</i>		(20,400,000)	(20,400,000)
Cash and cash equivalents at start of year		180,404,800	97,039,850
Movement in Cash and Cash equivalents during the year:			
<i>Net cash/ (used in) from operating activities</i>		(117,344,107)	151,625,967
<i>Net cash used in investing activities</i>		-	(47,861,017)
<i>Net cash (used in) from financing activities</i>		(20,400,000)	(20,400,000)
Cash and cash equivalents at end of year	11	42,660,693	180,404,800

The significant accounting policies on pages 13 - 14 and the notes on pages 15 - 19 form an integral part of these financial statements.

Report of the Independent Auditor's on page 7 - 8

The financial statements on Pages 10 to 15 were approved for the issue by the Board of Directors on 31 May 2024 and were signed on their behalf by:



Director




Director

AM & PARTNERS LTD

P.O BOX 67432 DAR ES SALAAM

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES

1 General information

AM & Partners Ltd is domiciled in Tanzania where it is incorporated under the Tanzanian Companies Act as a private company limited by shares. The principal place of business is Dar es Salaam. The principal activities of the company is to carry on the business of the construction.

2 Basis of preparation and summary of significant accounting policies

These financial statements have been prepared on a going concern basis and in compliance with the International Financial Reporting Standard (IFRS) issued by the International Accounting Standards Board. They are presented in Tanzania Shillings (Shs), rounded to the nearest thousand. The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below.

Revenue recognition

Revenue and cost recognition. The accompanying financial statements are prepared according to percentage of the completion method and therefore take into account the profit earned to date on contracts not yet completed.

Contract costs include all direct material and labour costs and those indirect costs related to contract performance such as indirect insurance, miscellaneous expenses and depreciation costs. Provisions for estimated losses on uncompleted contracts are made in the period in which losses are determined. Changes in job performance, job conditions and

Borrowing costs

All borrowing costs are recognised in the statement of comprehensive income in the period in which they are incurred.

Income tax

Tax expense represents the aggregate amount included in profit or loss for the period in respect of current tax and deferred tax.

Current tax is the amount of income tax payable or refundable in respect of the taxable profit or loss for the current and prior periods, determined in accordance with the Tanzanian Income Tax Act.

A deferred tax asset or liability is recognised for tax recoverable or payable as a result of past transactions or events. Deferred tax arises from differences (known as temporary differences) between the carrying amounts of assets and liabilities in the balance sheet and their corresponding tax bases, and the carry forward of unused tax losses. The tax bases of assets are determined by the consequences of sale of the assets.

Deferred tax is calculated at the tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which the directors expect the deferred tax asset to be realised or the deferred tax liability to be settled, on the basis of tax rates that have been enacted or substantively enacted by the end of the reporting period.

At each reporting date, deferred tax assets are reviewed and adjusted, if necessary, by a valuation allowance, so that the net carrying amount equals the highest amount that is more likely than not to be recovered, based on current or estimated future taxable profit. Any changes to the valuation allowance are recognised in 'tax expense'.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES (CONTINUES)

Translation of foreign currencies

All transactions in foreign currencies are initially recorded in Tanzania Shillings, using the spot rate at the date of the transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement or translation are recognised in profit or loss.

Share capital and dividends

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Dividends are recognised as a liability in the year in which they are declared. Proposed dividends are accounted for as a separate component of equity until they have been declared at an annual general meeting.

Financial assets

Trade and other receivables are initially recognised at the transaction price. Most sales are made on the basis of normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in statement of comprehensive income.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. For all other assets, depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following annual rates are used for the depreciation of property, plant and equipment:

Office Equipment & Furnitures	12.50%
Computer and peripherals	33.30%
Motor bikes	25%

If there is an indication that there has been a significant change in the useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in profit or loss.

Impairment of non-financial assets

At each reporting date, property, plant and equipment, investment property, intangible assets, and investments in associates are reviewed to determine whether there is any indication that those assets have suffered an impairment loss.

If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES (CONTINUES)

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Financial liabilities

Financial liabilities are initially recognised at the transaction price (less transaction costs). Trade payables are obligations on the basis of normal credit terms and do not bear interest. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest method.

3 Judgements and key sources of estimation uncertainty

No significant judgements have had to be made by the directors in preparing these financial statements.

	Shs 2023	Shs 2022
4 REVENUE		
Standard Taxable Sales	158,536,444	31,446,591
Zero Rated Sales	2,406,034,424	2,618,910,151
	<u>2,564,570,868</u>	<u>2,650,356,742</u>

	2023	2022
5 PROFIT BEFORE TAX		
The following items have been recognised as expenses (income) in determining profit before tax:		
Depreciation of property, plant and equipment	10,387,881	10,387,881
Auditor's remuneration	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>

	No. of ordinary shares issued	Issued and fully paid up capital
6 SHARE CAPITAL		
At 1 January 2023	1,000	5,000,000
Issued	-	-
At 31 December 2023	<u>1,000</u>	<u>5,000,000</u>

The total number of authorised ordinary shares is 1,000 with a par value of Shs 10,000 each.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES (CONTINUES)

7 PROPERTY, PLAN AND EQUIPMENT

	Lease Improvement	Motorcycle	Computer & Equipments	Office Equipment & Furniture	Total
	Shs	Shs	Shs	Shs	Shs
At 1 January 2022					
Cost	45,200,000	4,661,017	1,350,000	1,450,000	52,661,017
Accumulated depreciation	(10,640,000)	(1,747,881)	(1,350,000)	(1,450,000)	(15,187,881)
Net carrying amount	34,560,000	2,913,136	-	-	37,473,136
Year ended 31 December 2023					
Opening carrying value	34,560,000	2,913,136	-	-	37,473,136
Depreciation charges	(8,640,000)	(1,747,881)	-	-	(10,387,881)
Closing carrying value	25,920,000	1,165,254	-	-	27,085,254
At 31 December 2023					
Cost	45,200,000	4,661,017	1,350,000	1,450,000	52,661,017
Accumulated depreciation	(19,280,000)	(3,495,763)	(1,350,000)	(1,450,000)	(25,575,763)
Net carrying value	25,920,000	1,165,254	-	-	27,085,254

8 TRADE AND OTHER RECEIVABLES

	Shs 2023	Shs 2022
VAT Receivable	3,872,784	58,500,451
VAT prior years	41,229,040	-
Sundry Debtors	168,208,824	7,634,878
Year ended 31 December 2023	213,310,648	66,135,329

9 ACCRUAL EXPENSES

PAYE payable	20,800	20,800
NSSF Payable	3,840,000	1,920,000
WCF Payable	52,800	52,800
Audit fees payable	1,000,000	1,000,000
City Service Levy payable	18,517,069	10,823,356
With holding tax payable	3,000,000	3,000,000
Year ended 31 December 2023	26,430,669	16,816,956

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES (CONTINUES)	Shs	Shs
10 CURRENT TAX (RECEIVABLE)/PAYABLE	2023	2022
Opening balance	322,298	1,009,239
Current year tax	31,852,931	89,792,340
With holding tax suffered	(85,641,067)	(81,470,042)
Advance tax paid during the year	(8,322,298)	(9,009,239)
Closing balance as at 31.12.2023	(61,788,136)	322,298
11 INCOME TAX EXPENSES	2023	2022
Current income tax	31,852,931	89,792,340
Deferred income tax (Note 11)	(715,037)	-
Income tax (Credit) / expense	31,137,895	89,792,340
The tax on the company's profit before income tax differs from the theoretical amount that would arise using the		
Profit before income tax	103,792,982	299,253,292
Tax calculated at the statutory tax rate of 30%	31,137,895	89,775,988
Tax effect of:		
Underestimation interest	-	16,352
Income tax (Credit) / expense	31,137,895	89,792,340
12 CASH AND BANK		
Cash in hand	409,000	93,272,843
Cash at Bank - CRDB (Mwanza)	170,086	2,242,520
Cash at Bank - CRDB (DAR)	42,081,607	84,889,437
	42,660,693	180,404,800
13 BORROWINGS		
Borrowing from Family - Full repayable in 2023 without interest, pre-payable without penalties	19,200,000	39,600,000
	19,200,000	39,600,000
The family support loan were issued with condition of settlement once the project ended with interest rate free		
14 DIVIDEND PAYABLE		
Proposed dividend	27,000,000	27,000,000

AM & PARTNERS LTD

P.O BOX 67432 DAR ES SALAAM

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

SCHEDULE OF OPERATING EXPENDITURE		Shs	Shs
		2023	2022
15	DIRECT COSTS		
	Labour and overhead	37,600,000	69,600,000
	Material	2,242,255,778	2,005,675,324
	Subcontractor	139,064,143	151,403,413
	Construction Fees	-	86,605,043
		<u>2,418,919,921</u>	<u>2,313,283,779</u>
16	ADMINISTRATION EXPENSES		
	Bank Charges	2,145,806	1,950,733
	Salary and Wages	9,600,000	9,600,000
	NSSF expenses	960,000	960,000
	WCF Expenses	52,800	52,800
	SDL expenses	1,316,000	2,020,000
	City Service Levy	7,693,713	7,951,070
	Auditing Fees	1,000,000	1,000,000
		<u>22,768,318</u>	<u>23,534,603</u>
17	ESTABLISHMENT EXPENSES		
	Water and electricity	1,800,000	-
	Business License	600,000	-
	Fuel Expenses	3,101,765	2,697,187
	Bid Expenses	3,000,000	1,000,000
	Cleaning Expenses - Municipal	200,000	200,000
	Depreciation expense	10,387,881	10,387,881
		<u>19,089,646</u>	<u>14,285,068</u>

AM & PARTNERS LTD

P.O BOX 67432 DAR ES SALAAM

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES (CONTINUES)	Shs	Shs
	2023	2022
18 DEFERRED INCOME TAX ASSETS/(LIABILITIES)		
Deferred income tax is calculated using the enacted tax rate of 30% (2022: 30%). The movement on the deferred income tax account is as follows		
At January	-	-
Debit/(Credit) to Profit & Loss	715,037	-
At December	<u>715,037</u>	<u>-</u>

The Company has not recognised the deferred tax asset as the Company's directors were uncertain as to the company ability to generate sufficient profits in the foreseeable future against which the tax losses carried forward will be fully utilised.

NOTES (CONTINUES)		(Credited) / charged to profit or loss account	At 31 December 2023
DEFERRED INCOME TAX ASSET	At 1 January 2023		
Year ended 31 December 2023			
Property and equipment on historical cost basis	-	715,037	(715,037)
Net deferred tax asset	<u>-</u>	<u>715,037</u>	<u>(715,037)</u>

AM & PARTNERS LTD

TAX COMPUTATION

PERIOD ENDED: 31 DECEMBER 2023

	Shs	2023 Shs
1. TAX COMPUTATION		
Profit before tax as per financial statements		103,792,982
Add: Depreciation on property, plant and equipment	10,387,881	-
	-	10,387,881
Less: Wear and tear allowance	(8,004,426)	-
		(8,004,426)
Less: Brought forward of loss		-
Adjusted taxable income		106,176,438
Tax @ 30% on adjusted profit		31,852,931
Underestimation interest - section 75		-
2. CORPORATE TAX ACCOUNT		
Tax liability		31,852,931
Less: Instalment taxes paid		(8,000,000)
With holding tax suffered		(85,641,067)
Net tax payable/(receivable) as at 31 December 2023		(61,788,136)

3. WEAR AND TEAR SCHEDULE

	Class I 37.50% Shs	Class V 20.00% Shs	Class III 12.50% Shs	Total Shs
W.D.V at 1 January 2022	4,661,017	43,200,000	-	47,861,017
Additions/(Disposal)	(1,747,881)	(8,640,000)	-	(10,387,881)
	2,913,136	34,560,000	-	37,473,136
Less:				
Wear & tear allowance **	-	-	-	-
W.D.V at 31 December 2022	2,913,136	34,560,000	-	37,473,136
W.D.V as at 1 January 2023	2,913,136	34,560,000	-	37,473,136
Additions/(Disposal)	-	-	-	-
Net tax payable/(receivable)	2,913,136	34,560,000	-	37,473,136
Less:				
Wear & tear allowance **	(1,092,426)	(6,912,000)	-	(8,004,426)
W.D.V at 31 December 2023	1,820,710	27,648,000	-	29,468,710

AM & PARTNERS LTD
DEFERRED TAX COMPUTATION
FOR THE YEAR ENDED 31 DECEMBER 2023

DEFERRED TAX COMPUTATION

ASSETS BASE:	2023	2022
Written down value of property, plant and equipment as per accounts	27,085,254	37,473,136
	<u>27,085,254</u>	<u>37,473,136</u>
Less:		
TAX BASE:		
Written down value of property, plant and equipment as per tax base	29,468,710	37,473,136
	<u>29,468,710</u>	<u>37,473,136</u>
TEMPORARY DIFFERENCES	(2,383,456)	-
DEFERRED TAX 30% OF TEMPORARY DIFFERENCES	(715,037)	-
	(715,037)	-