

DAMUKA INVESTMENT COMPANY LIMITED

TIN NUMBER: 137-648-377

P.O. BOX 2361

NANSIO - UKEREWE

TANZANIA

FINANCIAL STATEMENT

FOR

THE YEAR ENDED 31ST DECEMBER 2023

Prepared by:

BM FINANCIAL CONSULTANTS

Certified Public Accountants/Auditors & Tax Consultants

P.O.Box 135, Mwanza

Mobile: - 0753 672326

0767 230652

DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361- NANSIO UKEREWÉ
TIN NUMBER: 137-648-377
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31STDECEMBER 2023

TABLE OF CONTENTS

CORPORATE INFORMATION	1
DIRECTORS' REPORT	2
STATEMENT OF DIRECTORS' RESPONSIBILITIES	3
REPORT OF THE INDEPENDENT AUDITOR	4
<u>FINANCIAL STATEMENTS</u>	
STATEMENT OF FINANCIAL POSITION	5
STATEMENT OF COMPREHENSIVE INCOME	6
STATEMENT OF CHANGES IN EQUITY	7
CASH FLOW STATEMENT	8
NOTES TO THE FINANCIAL STATEMENTS	9-19
TAX COMPUTATION	20

DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361-NANSIO, UKEREWE
TIN NUMBER: 137-648-377
CORPORATE INFORMATION FOR THE YEAR ENDED 31ST DECEMBER 2023

- 1 **DIRECTORS**
ALOYSIOUS MUSAANYA Director
DANIEL NAMULANDA Director
GEORGE JOSEPH MAHUDI Director
- 2 **PRINCIPAL ACTIVITIES**
The Company's Principal activities is Selling of Fish Maws
- 3 **AUDITORS:** **BM FINANCIAL CONSULTANTS**
Certified Public Accountants/ Auditor &
Tax Consultant
P.O. Box 135, Mwanza
4. **BANKERS:** **PRINCIPAL BANKERS**
- CRDB BANK
5. **REGISTERED OFFICE:** - NDOWE – NANSIO, UKEREWE
6. **PRINCIPAL PLACE OF BUSINESS:** UKEREWE
7. **COMPANY TIN NO:** 137-648-377
8. **COMPANY REGISTRATION No.** 140752

DIRECTOR

X 
.....
Daniel Namulanda

Date: 16th April, 2024

DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361-NANSIO, UKERWE
TIN NUMBER: 137-648-377
DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2023

The directors submit their report together with the audited financial statements for the year ended 31st December 2023 which disclose the state of affairs of the Company.

1. DERECTORS

The directors of the company at the date of this report, all of whom have served since 1st Jan 2023, are: -

<u>Name</u>	<u>Position</u>	<u>Nationality</u>
Aloysious Musaanya	Director	Ugandan
Daniel Namulanda	Director	Ugandan
George Joseph Mahudi	Director	Tanzanian

2. DIRECTORS' INTEREST IN THE SHARES OF THE COMPANY

The directors' interest in the issued and fully paid shares of the company as at 31st December 2023 were as follows: -

	<u>31st Dec 2023</u>	
Ordinary Shares of Shs 1,000/- Each	<u>Number</u>	<u>share in percentage</u>
Aloysious Musaanya	100	10%
Daniel Namulanda	450	45%
George Joseph Mahudi	<u>450</u>	<u>45%</u>
	1000	100%

3. PRINCIPAL ACTIVITIES

The Company's Principal activities are Fishing Maws

4. DIVIDENDS PAID OR RECOMMENDED

The Directors of the company do not recommend the payment of a dividend in respect of the Current financial ended 31st December,2023

5. POLITICAL DONATIONS

The Directors on enquiry have satisfied themselves that there were no Political donations which were made in the year 2023.

6. ENVERONMENTAL ISSUES


The Board believes that the company as adequate systems in place for the management environmental requirements and is not aware of any breach of environmental requirements as they apply to the company

7. AUDITORS:

BM Consultants Accountants, Auditors have expressed their willingness to continue in the office and are eligible for re-appointment.

BY ORDER OF THE BOARD

Director

X 

Daniel Namulanda

Date: 16th April, 2024


DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 41-NANSIO, UKEREWE
TIN NUMBER: 137-648-377
STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31ST DECEMBER 2023

The Tanzanian companies Act (2002) requires the directors to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss. 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. 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 judgements and estimates, in conformity with International Financial Reporting Standards and requirements of the Tanzanian Companies Act 2004. 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 loss. 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 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 twelve months from the date of this statement.

Managing Director


.....
Daniel Namulanda

Date: 16th April, 2024

INDEPENDENT AUDITORS' REPORT

DAMUKA INVESTMENT COMPANY LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the ***DAMUKA INVESTMENT COMPANY LIMITED*** which comprise the statement of position as at 31st December, 2023 and statement of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Managements' Responsibility for the financial statements:

Management is responsible for the preparation and fair presentation of financial statements in accordance with International Financial Reporting Standards. The responsibility includes: 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; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility:

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with International Standard on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audits 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 auditor's 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 in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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

Opinion:

In our opinion, the financial statements present fairly, in all material respects, the financial position of the ***DAMUKA INVESTMENT COMPANY LIMITED*** the statement of position as at 31,December 2023 and of its statement of comprehensive income, changes in its equity, and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

BMI FINANCIAL CONSULTANTS
Authorized Certified Public Accountants/ Auditors & Tax Consultants
Mwanza.

Date: 16th APRIL 2024.

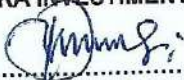


DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361, MWANZA
TIN NUMBER: 137-648-377

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2023

		<u>31.12.2023</u>	<u>31.12.2022</u>
<u>ASSETS</u>		<u>TSHS</u>	<u>TSHS</u>
<u>NON CURRENT ASSETS</u>			
Property, Plant & Equipment	Note 8	217,447,942.13	231,273,436.72
Total Non Current Assets		217,447,942.13	231,273,436.72
<u>CURRENT ASSETS</u>			
Inventories	Note 9	6,451,000.00	11,726,143.23
Accounts Receivables	Note 10	-	554,100.00
Cash & Cash Equivalents	Note 11	4,178.34	18,986,105.30
Total Current Assets		6,455,178.34	31,266,348.53
Total Assets		223,903,120.47	262,539,785.25
<u>EQUITY & LIABILITIES</u>			
<u>Equity</u>			
Capital Account		10,000,000.00	10,000,000.00
Retained Earnings (Accumulated Loss)		(26,314,368.38)	(33,081,540.77)
Total Equity		(16,314,368.38)	(23,081,540.77)
<u>LIABILITIES</u>			
<u>Current Liabilities</u>			
Accounts Payables	Note 13	240,217,488.85	285,621,326.02
Total Current Liabilities		240,217,488.85	285,621,326.02
Total Liabilities		240,217,488.85	285,621,326.02
Total Equity & Liabilities		223,903,120.47	262,539,785.25

Certified True and Correct
DAMUKA INVESTMENT COMPANY LIMITED


DIRECTOR

DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361-MWANZA
TIN NUMBER: 137-648-377

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2023

		<u>31.12.2023</u>	<u>31.12.2022</u>
		<u>TSHS</u>	<u>TSHS</u>
Service revenue	Note 2	1,450,921,554.81	226,677,327.73
Cost of Sales	Note 3	(1,269,556,360.46)	(198,342,661.77)
Gross Profit		181,365,194.35	28,334,665.97
Administrative Expenses	Note 4	(123,209,560.59)	(31,256,497.67)
Selling & Distribution Expenses	Note 5	(25,912,750.00)	(21,042,252.02)
Directors Remuneration	Note 6	(8,750,000.04)	(8,750,000.00)
Depreciation & Amortization Expenses	Note 8	(13,825,494.59)	(14,910,719.53)
Results from Operating Activities		9,667,389.13	(75,959,469.22)
Finance Cost	Note 7	-	-
Profit/ (Loss) for the year before Income Tax Expenses		9,667,389.13	(47,624,803.26)
Income Tax Expenses	Note 15	(2,900,216.74)	-
Profit/ (Loss) For the year After Income Tax Expenses		6,767,172.39	(47,624,803.26)

Certified True and Correct
DAMUKA INVESTMENT COMPANY LIMITED

 DIRECTOR

DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361, MWANZA
TIN NUMBER: 137-648-377

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2023

	<u>Share capital</u>	<u>Retained Earnings</u> <u>(Accumulated Loss)</u>	<u>TOTAL Equity</u>
Balance at 1 st January 2022	10,000,000.00	14,543,262.49	24,543,262.49
profit/ (Loss) for the year	-	(47,624,803.26)	(47,624,803.26)
Balance at 31st December 2022	10,000,000.00	(33,081,540.77)	(23,081,540.77)
Balance at 1 st January 2023	10,000,000.00	(33,081,540.77)	(23,081,540.77)
profit/ (Loss) for the year	-	6,767,172.39	6,767,172.39
Balance at 31st December 2023	10,000,000.00	(26,314,368.38)	(16,314,368.38)

DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361, MWANZA
TIN NUMBER: 137-648-377

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER 2023

		<u>31.12.2023</u>	<u>31.12.2022</u>
		<u>TSHS</u>	<u>TSHS</u>
1	<u>CASHFLOW FROM OPERATING ACTIVITIES:</u>		
	Profit/ (Loss) for the year	9,667,389.13	(47,624,803.26)
	Adjustment for depreciation	13,825,494.59	14,910,719.53
		23,492,883.72	(32,714,083.73)
2	<u>WORKING CAPITAL CHANGES:</u>		
	(Increases) /Decreases in Stocks	5,275,143.22	6,691,661.77
	(Increases) / Decreases in Accounts Receivables	554,100.00	993,000.00
	Increases / (Decreases) in current Liabilities	(45,403,837.17)	276,657,748.24
	Taxation Paid	(2,900,216.74)	-
	Net working capital Charges	(42,474,810.68)	284,342,410.01
	Net Cash flow used for investing activities	(18,981,926.96)	251,628,326.28
3	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
	Purchases of Property, Plant & Equipment	-	(234,049,000.00)
	Disposal of Property, Plant & Equipment	-	-
	Net Cash flow used for investing activities	-	(234,049,000.00)
4	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
	Issued and Fully paid share (Capital Introduced)	-	-
	Increases / (Decreases) in long term loan	-	-
	Net Cash flow from financing activities	-	-
	Changes in cash and cash equivalents for the year	(18,981,926.96)	17,579,326.28
	Cash and cash equivalent at start	18,986,105.30	1,406,779.02
	Cash and cash equivalent at close	4,178.34	18,986,105.30
	Cash and Cash equivalent at Close	4,178.34	18,986,105.30

DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361, NANSIO – UKEREWE
TIN NUMBER: 137-648-377
NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31STDECEMBER 2023

1 General Information

Damuka Investment Company Limited is a company incorporated in Republic of Tanzania under the Companies Ordinance (Cap. 212) Act No 11 of 2002. The address of the registered office is P.o. Box 2361 Nansio-Ukerewe

1.1 Principal Activities: Their Principal activity is Fishing Maws

1.2 Going Concern

The financial statement has been prepared on the going concern basis. The entities to continue as again concern is dependent upon the ability of the entity to generate profitable operations in the future and/or to obtain the necessary financing to meet its obligations and pay its liabilities arising from normal business operations as and when they come due business operations as and when they come due.

1.3 Basing of Accounting

The Financial statement have been prepared on the accrual basis of accounting, and in accordance with International financial reporting standards. Whereby revenue is recognized when earned and expenses are recognized when incurred.

1.3.1 Adoption of new and revised Standards

In the current year the company has adopted all the new and revised Standards and International Accounting Standard and the International Financial reporting Standard that are relevant to its operations and effective for annual reporting periods beginning on 1st January 2020. The adoption of these new and review standards and Interpretations had no material effect on how the results for the current or prior years have been prepared and presented.

1.3.2 Functional and presentation currency

These financial statements are prepared in Tanzania Shillings

1.3.3 Measurement base

The accounting principles recognized as appropriate for the measurement and reporting of the statement of comprehensive Income, cash flows and financial position on the accrual basis using historical cost are followed in the preparation of the financial Statement.

1.3.4 Use of estimates and Judgments

The preparation of financial statement requires management to make judgements estimates and assumptions that affect the application of assets liabilities, Income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361, NANSIO – UKERWE
TIN NUMBER: 137-648-377
NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2023

In particular, Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statement are: -

- ❖ Business Combination
- ❖ Valuation of Investment property
- ❖ Income Taxes
- ❖ Provisions
- ❖ Contigent Liabilities
- ❖ Valuation of financial Instruments

1.3.5 Presentation of Financial Statement

These Financial Statement are presented in accordance IAS I as follows.

- 1.4.7.1 A statement of financial Position as at of the period
- 1.4.7.2 Statement of Comprehensive Income for the period
- 1.4.7.3 Statement of changes in Equity
- 1.4.7.4 Statement of Cashflows
- 1.4.7.5 Accounting Policies and notes to the financial statement.

1.4.8 Financial Instruments

- (a) These financial instruments include bank Accounts, Certificates of Deposit, and Account's receivables and accounts payables.

All financial instruments are recognized in the financial position at their fair value.

- (b) Non derivative financial Instruments comprise Investments in Equity and debt securities, trade and other receivables, including service concession receivables, cash and cash equivalents; loan and borrowings and trade other payables

(c) **Financial Assets**

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- Receivables;
- Financial assets at fair value through profit or loss;
- Held to maturity investments; and
- Available-for-sale financial assets.

DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361, NANSIO – UKEREWE
TIN NUMBER: 137-648-377
NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2023

(d) **Financial Liabilities**

The financial liabilities include borrowings, trade and other payables and derivative financial instruments. Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at fair value through profit or loss, that are carried subsequently at fair value with gains or losses recognized in profit or loss.

1.4.9 Property, Plant and Equipment

(i) **Recognition and measurement**

Items of property, Plant and Equipment are measured at historical cost less accumulated depreciation and accumulated Impairment loss. Cost includes expenditure that direct is directly attributable to the acquisition of the asset.

(ii) **Subsequent Costs**

The cost of replacing part of an item of property, plant and Equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow and its cost can be measured reliably.

(iii) **Depreciation**

Depreciation is calculated on straight line basis to recognize the consumption of economic benefits of an asset over its useful life.

Depreciation assets are classified as follows: -

Land & Building	37.5%
Refrigerator	12.5%
Generator	12.5%
Brower	12.5%
CCTV Camera System	12.5%

1.4.10 Revenue Recognition

Revenue Comprises of the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the activities. Revenue is shown net of value added tax, returns, rebates and discounts.

(b) **Finance Income and Expenses**

(i) **Finance Income**

Finance Income Comprises Interest Income on funds invested (Including available-For-Sale financial Assets), dividend income, gains on the disposal of available for-sale financial Assets, changes in the value of financial assets at fair value through statement of Statement of Comprehensive Income, and gains on hedging instruments that are recognized in Statement of Comprehensive Income.

DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361, NANSIO – UKERWE
TIN NUMBER: 137-648-377
NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31STDECEMBER 2023

- Dividend Income is recognized in the Statement of Comprehensive Income on the date that the company's right to receive payment is established.

(ii) **Finance Expenses (Cost)**

Finance Expenses Comprise Interest on borrowings unwinding of discount on provisions, dividends on preference shares classified as liabilities changes in the fair value of financial assets at the fair value through Statement of Comprehensive Income, Impairment losses recognized on financial assets, and losses on hedging instruments that are recognized in Statement of Comprehensive Income.

1.4.11 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held with banks and investments in money market instruments.

1.4.12 Financial assets and liabilities

The entity classifies its financial assets in the following categories: at fair value through Statement of Comprehensive Income, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

1.4.13 Share Capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as deduction from the proceeds, net of tax.

Where any entity company purchases the Company's, equity share capital the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the company's equity holders. Where such shares are subsequently sold, reissued or otherwise disposed of, any consideration received is included in equity attributable to the company's equity holders, net of any directly attributable incremental transaction costs and the related income tax effects.

1.4.14 Accounts Payables & Others

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method

1.4.15 Current Income Tax (IAS 12)

Income Tax Expenses comprises current and differed Tax. Income Tax Expenses is recognized in statement of Statement of Comprehensive Income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361, NANSIO – UKEREWE
TIN NUMBER: 137-648-377
NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2023

1.5 Financial Risk Management

The Entity's activities expose it to a variety of financial risks: credit risk and liquid risk. The Entity's overall risk management programmed seeks to minimize potential adverse effect of the Entity's financial performance. Risk management is carried out by the management on behalf of the board of Director.

(a) Financial Risk

(i) Credit Risk

Concentration of credit risk with respect to trade receivables is limited due to the fact that a significant portion of the Entity's sales are on cash basis. The Entity's historical experience in collection of accounts receivable falls within the recorded allowances.

(ii) Liquid Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the Entity maintains flexibility in funding by keeping committed credit lines available in the form of short-term loans and bank overdrafts.

(iii) Interest rate Risk

The Entity's exposure to the risk of changes in market Interest rates is limited as the Entity's long-term loans and interest-bearing deposits carry fixed interest rates.

(iv) Foreign exchange risk

The entity is exposed to foreign exchange risk with respect to foreign currency arising from foreign supplies and revenue. The entity mitigates part of its foreign exchange risk through hedging activities including forward contracts.

(v) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the entity income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(b) Insurable risks

The entity has adequate insurance cover for its properties and material contents, loss of profits and public liability. The sums insured for each insurance cover are reviewed annually in accordance with recommendations from professional advisers, where applicable.

DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361, MWANZA
TIN NUMBER: 137-648-377

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

		<u>31.12.2023</u>	<u>31.12.2022</u>
		<u>TSHS</u>	<u>TSHS</u>
Note 2	<u>INCOME</u>		
	Service Revenue	1,450,921,554.81	226,677,327.73
Note 3	<u>COST OF SALES</u>		
	Opening Inventories	11,726,143.23	18,417,805.00
	Add: Purchases	1,239,669,807.87	190,110,000.00
	Add: Handling Charges	13,643,603.36	-
	Add: Transportation	10,967,806.00	1,541,000.00
		<hr/>	<hr/>
	Goods available for sale	1,276,007,360.46	210,068,805.00
	Less: Closing inventories	6,451,000.00	11,726,143.23
		<hr/>	<hr/>
	Cost of Sales	1,269,556,360.46	198,342,661.77
Note 4	<u>ADMINISTRATIVE EXPENSES</u>		
	Employees Cost (Waages)	40,752,000.00	10,474,000.00
	Export Royalty Fee	68,186,593.58	11,122,945.80
	Shop Rent	-	700,000.00
	Security	1,200,000.00	450,000.00
	Stationery & Printing	50,000.00	50,000.00
	Telephone Charges	420,000.00	420,000.00
	Business license from Nansio council	102,000.00	102,000.00
	Fisheries Business Licences	-	1,200,000.00
	Electricity & Water Charges	1,584,151.45	1,584,151.45
	Fumigation	750,000.00	-
	Bank charges	7,864,815.56	3,653,400.42
	Ministry of Land, Housing and Human settlement Development	400,000.00	-
	Auditors Remuneration	1,900,000.00	1,500,000.00
		<hr/>	<hr/>
	Total Administrative Expenses	123,209,560.59	31,256,497.67
Note 5	<u>SELLING & DISTRIBUTION EXPENSES</u>		
	Packing Materials	7,210,000.00	1,545,000.00
	Directors Business trip to China+	6,600,000.00	-
	Processing Materials	-	1,541,510.00
	Issuance of Amendment Certificate	-	2,345,000.00
	Handling Charges	-	3,507,992.02
	Export License	12,102,750.00	12,102,750.00
		<hr/>	<hr/>
	Total Selling & Distribution	25,912,750.00	21,042,252.02
Note 6	<u>DIRECTORS REMUNERATION</u>		
	Aloysious Musaanya	1,250,000.04	1,250,000.00
	Daniel Namulanda	3,750,000.00	3,750,000.00
	George Joseph Mahudi	3,750,000.00	3,750,000.00
		<hr/>	<hr/>
	Total Directors Remuneration	8,750,000.04	8,750,000.00
Note 7	<u>FINANCE EXPENSES</u>		
	Discount Allowed	-	-

DAMIUKA INVESTMENT COMPANY LIMITED, P.O.BOX 1-UKEREWE

TIN NUMBER: 137-648-377

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2023

PROPERTY, PLANT AND EQUIPMENT AS AT 31ST DECEMBER, 2023

Note 8

DETAILS	COST VALUATION			DEPRECIATION CHARGES			BOOK VALUE	
	01.01.2023	Addition	Total	01.01.2023	31.12.2023	Rate	31.12.2023	31.12.2022
LAND & BUILDING								
Land & Building Pot NO 85 Block No D	201,840,800.00	-	201,840,800.00	10,623,200.00	10,092,040.00	5%	191,748,760.00	201,840,800.00
Total Land & Building	201,840,800.00	-	201,840,800.00	10,623,200.00	10,092,040.00		191,748,760.00	201,840,800.00
Office Equipments								
Refrigerator 5@ 1,250,000	5,359,375.00	-	5,359,375.00	765,625.00	669,921.88	12.50%	4,689,453.13	5,359,375.00
Generators 2@ 750,000	1,004,882.81	-	1,004,882.81	143,554.69	125,610.35	12.50%	879,272.46	1,004,882.81
Electrical Fans	1,814,941.41	-	1,814,941.41	259,277.34	226,867.68	12.50%	1,588,073.73	1,814,941.41
Digital Scales	401,953.13	-	401,953.13	57,421.88	50,244.14	12.50%	351,708.98	401,953.13
Brower	1,004,882.81	-	1,004,882.81	143,554.69	125,610.35	12.50%	879,272.46	1,004,882.81
CCTV Camera System	1,004,882.81	-	1,004,882.81	143,554.69	125,610.35	12.50%	879,272.46	1,004,882.81
Wire Mashpallets	1,339,843.75	-	1,339,843.75	191,406.25	167,480.47	12.50%	1,172,363.28	1,339,843.75
Solar system	1,715,000.00	-	1,715,000.00	245,000.00	214,375.00	12.50%	1,500,625.00	1,715,000.00
Total Furniture	13,645,761.72	-	13,645,761.72	1,949,394.53	1,705,720.21		11,940,041.50	13,645,761.72
FURNITURE & FITTINGS								
Office Tables & Chairs	2,226,875.00	-	2,226,875.00	318,125.00	278,359.38	12.50%	1,948,515.63	2,226,875.00
Processing Tables for Fishmawes	13,125,000.00	-	13,125,000.00	1,875,000.00	1,640,625.00	12.50%	11,484,375.00	13,125,000.00
Total Furniture & Fittings	15,351,875.00	-	15,351,875.00	2,193,125.00	1,918,984.38		13,432,890.63	15,351,875.00
OFFICE MACHINERY								
EFD Machine	435,000.00	-	435,000.00	145,000.00	108,750.00	37.50%	326,250.00	435,000.00
Total Property, Plant & Equipment	231,273,436.72	-	231,273,436.72	14,910,719.53	13,825,494.59		217,447,942.13	231,273,436.72

DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361, MWANZA
TIN NUMBER: 137-648-377

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

		<u>31.12.2023</u>	<u>31.12.2022</u>
		<u>TSHS</u>	<u>TSHS</u>
Note 9	<u>INVENTORIES</u>		
	Items Purchased	6,451,000.00	11,726,143.23
Note 10	<u>ACCOUNTS RECEIVABLES</u>		
	Debtors	-	554,100.00
10.1	The Opinion of the director the carrying amounts of the current portion of trade and other receivables approximate to their fair value. Fair values are based on discounted cashflows using a discount rate based upon the weighted average cost of capital that directors expect to be applicable at the balance sheet date.		
Note 11	<u>CASH & CASH EQUIVALENTS</u>		
	<u>Cash at Bank</u>		
	BANK-CRDB	4,178.34	18,986,105.30
	Cash on hand	-	-
		<u>4,178.34</u>	<u>18,986,105.30</u>
Note 12	<u>SHARE CAPITAL</u>		
	Authorised share capital		
	1,000 Shares of Shs. 10,000/- Each	<u>10,000,000.00</u>	<u>10,000,000.00</u>
	<u>ISSUED AND FULLY PAID UP SHARE CAPITAL</u>		
	1,000 Share of 10,000/- Each	<u>10,000,000.00</u>	<u>10,000,000.00</u>
	<u>SHAREHOLDER'S OF THE COMPANY</u>	<u>31.12.2023</u>	<u>Percentage</u>
		<u>Shares</u>	<u>Holdings %</u>
	Aloysious Musaanya	100	10%
	Daniel Namulanda	450	45%
	George Joseph Mahudi	<u>450</u>	<u>45%</u>
		1000	100%
Note 13	<u>ACCOUNTS PAYABLES</u>		
	Audit fees	1,900,000.00	1,500,000.00
	SDL Payable	1,856,325.00	483,230.00
	Workers Compesation Fund (WCF)	297,012.00	-
	Trade Creditors	<u>236,164,151.85</u>	<u>283,638,096.02</u>
		240,217,488.85	285,621,326.02
Note 14	<u>EMPLOYEES COST</u>		
	<u>Administrative Wages</u>		
	Salaries & Wages	40,752,000.00	10,474,000.00
	Directors Remuneration	8,750,000.04	8,750,000.00
	Total Employment Cost	<u>49,502,000.04</u>	<u>19,224,000.00</u>
Note 15	<u>INCOME TAX EXPENSES</u>		
	Current Tax	2,900,216.74	-
	Prior Year Tax	-	-
		<u>2,900,216.74</u>	<u>-</u>

DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361, MWANZA
TIN NUMBER: 137-648-377

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

	<u>31.12.2023</u>	<u>31.12.2022</u>
	<u>TSHS</u>	<u>TSHS</u>
Note 16 <u>CAPITAL COMMITMENTS</u>		
There were no future commitments not provided for the financial statements as at 31st December 2023		
Note 17 <u>CONTINGENT LIABILITIES</u>		
There was no any contingent envisaged by business at 31st December 2023		
Note 18 <u>COMPARATIVE INFORMATION</u>		
In the current year Where necessary, Comparative figures have been adjusted to conform with changes in presentation		
Note 19 <u>FINANCIAL ASSETS AND LIABILITIES</u>		
Assets and liabilities , and their fair values		
The table below sets out classification of each class of financial Assets and liabilities and their fair values excluding accrued interest		
<u>FINANCIAL ASSETS</u>		
Cash & Cash Equivalents	Note 11 4,178.34	18,986,105.30
Accounts Receivables	Note 10 -	554,100.00
Total Financial Assets	4,178.34	19,540,205.30
<u>FINANCIAL LIABILITIES</u>		
Accounts Payables	Note 13 240,217,488.85	285,621,326.02
Total Financial Liabilities	240,217,488.85	285,621,326.02

DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361, MWANZA
TIN NUMBER: 137-648-377

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

	<u>31.12.2023</u>	<u>31.12.2022</u>
	<u>TSHS</u>	<u>TSHS</u>
Note 20		
<u>FINANCIAL INSTRUMENTS (IAS 32)</u>		
Categories of Financial Instruments		
<u>Assets</u>		
<u>Loans and Receivables</u>		
Accounts Receivables	-	554,100.00
Cash & Cash Equivalents	4,178.34	18,986,105.30
<u>Available for sale Financial Assets</u>		
Investments	-	-
<u>NON FINANCIAL ASSETS</u>		
Property, Plant and Equipment	217,447,942.13	231,273,436.72
Investment Property	-	-
Intangible Assets	-	-
Inventories	6,451,000.00	11,726,143.23
Total Assets	223,903,120.47	262,539,785.25
<u>EQUITY & FINANCIAL LIABILITIES</u>		
Financial Liabilities at amortised cost		
Trade Creditors	236,164,151.85	283,638,096.02
Accrued Charges	4,053,337.00	1,983,230.00
Bank Overdraft		
<u>EQUITY & NON FINANCIAL LIABILITIES</u>		
Capital	10,000,000.00	10,000,000.00
Accumulative Retained Earnings (Accumulated Loss)	(26,314,368.38)	(33,081,540.77)
Capital Reserve	-	-
Equity & Liabilities	223,903,120.47	262,539,785.25

20.1 FINANCIAL INSTRUMENTS

The Director's financial instruments consist of cash, receivables, payables Unless otherwise noted, it is management's opinion that the director is not exposed to significant interest, currency, or credit risk arising from these financial instruments. The fair value of the instruments approximates their carrying values, unless otherwise noted.

The Director are exposed to financial risk that arises from the fluctuation in interest rates and in the credit quality of its customers. Director structures its finances so as to stagger the maturities of debt, thereby minimizing exposure to interest rate fluctuations.

Credit risk exists in that a significant majority of the director receivables is held by customers franchise and is concentrated in the retail industry. The proprietor mitigates this risk through diversification of its customer base, limiting its exposure to any one customer and maintaining strict collection procedures.

DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361, MWANZA

TIN NUMBER: 137-648-377

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

	<u>31.12.2023</u> TSHS	<u>31.12.2022</u> TSHS
Note 21 <u>FINANCIAL INFORMATION OF THE PROPRIETOR</u>		
Total Assets	223,903,120.47	262,539,785.25
Total Liabilities	240,217,488.85	285,621,326.02
Total Assets & Liabilities	<u>(16,314,368.38)</u>	<u>(23,081,540.77)</u>
<u>CAPITAL AND RESERVES</u>		
Balance Brought forward	10,000,000.00	10,000,000.00
Retained Earnings/ (Accumulative Loss)	<u>(26,314,368.38)</u>	<u>(33,081,540.77)</u>
Total Capital & Reserve	<u>(16,314,368.38)</u>	<u>(23,081,540.77)</u>

DAMUKA INVESTMENT COMPANY LIMITED, P.O.BOX 2361, MWANZA
TIN NUMBER: 137-648-377
COMPUTATION OF INCOME FOR THE YEAR ENDED 31ST DECEMBER 2023

	<u>31.12.2023</u>	<u>31.12.2022</u>
	<u>TSHS</u>	<u>TSHS</u>
Profit / (Loss) as per Account	9,667,389.13	(47,624,803.26)
Add: Depreciation	13,825,494.59	14,910,719.53
	<u>23,492,883.72</u>	<u>(32,714,083.73)</u>
Less: Depreciation Allowance	13,825,494.59	14,910,719.53
Chargeable Income/ Loss	9,667,389.13	(47,624,803.26)
Corporate Tax	2,900,216.74	-
Less: Tax Paid	4,000,000.00	3,200,000.00
Tax OverPaid/ Due	(1,099,783.26)	(3,200,000.00)