

**WATERCOM (T) LIMITED**  
**P.O. Box 20831,**  
**Dar es Salaam**  
**Annual Report 2024**

**WATERCOM (T) LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024**

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**WATERCOM (T) LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024**

**CORPORATE INFORMATION**

**Board of Directors**

<b><u>Name</u></b>	<b><u>Nationality</u></b>
Mr. Said Edha Nahdi	Tanzanian
Mr. Ameir Munif Nahdi	Tanzanian
Mr. Khalid Munif	Tanzanian

**Registered Office of the Company**

Plot No. 4004/4005/4006  
Kisarawe II Area, Kigamboni  
P.O Box 20831,  
Dar Es Salaam  
Tanzania

**Auditors**

Baker Tilly DGP & Co.,  
Certified Public Accountants  
P. O. Box 1314,  
Dar Es Salaam  
Tanzania

**Company Secretary**

Baker Tilly DGP & Co.,  
P. O. Box 1314,  
Dar Es Salaam  
Tanzania

**Bankers**

CRDB Bank PLC  
KCB Bank  
ABSA Bank  
NMB Bank Plc

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

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**DIRECTORS REPORT**

1. The Directors have pleasure in submitting their report together with the audited Financial Statements for the year ended 31<sup>st</sup> December 2024, which disclose the state of affairs of the company.
2. **Principal Activities**  
The company's principal activity continued to be that of manufacturing packaged drinking water for sale in domestic market.  
  
Apart from above, there have been no major significant changes in the company's activities.
3. **Factors Affecting the Solvency of the Company**  
The company's position as shown on page Nos: 9 of these financial statements is satisfactory.
4. **Administrative Efficiency**  
Payments of all statutory dues such as Pay as you earn, National Social Security Fund, Skills & Development Levy, Workers Compensation Fund and VAT were made in time.
5. **Dividends**  
The Directors of the company do not recommend any dividends for the year (2023: NIL).
6. **Related Party Transactions**  
The company had related transactions with its associated companies and directors. All these transactions were carried out at an arms length.
7. **Directors**  
The Directors of the company at the date of this report all of whom have served the board from 1<sup>st</sup> January 2024 were:

<u>Name</u>	<u>Nationality</u>	<u>Position Held</u>
Mr. Ameir Munif Nahdi	Tanzanian	Director
Mr. Khalid Munif Nahdi	Tanzanian	Director
Mr. Said Edha Nahdi	Tanzanian	Director

8. **Corporate Governance**  
The Directors believe that high standard of corporate governance directly influence the confidence of the organization's stakeholders and investors. The Directors recognize the importance of integrity, transparency and responsibility.
9. **Company Shareholding**  
As at 31<sup>st</sup> December 2024 the company had three shareholders and there is no any change in the shareholding structure compared to previous year.

Directors as at 31<sup>st</sup> December 2024 are listed below:

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

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**Ordinary Shares of T.shs 1,000/= each**


	<b>2024</b>	<b>2023</b>
	<b><u>No. of shares</u></b>	<b><u>No. of shares</u></b>
Mr. Ameir Munif Nahdi	3,334	3,334
Mr. Khalid Munif Nahdi	3,333	3,333
Mr. Said Edha Nahdi	<u>3,333</u>	<u>3,333</u>
<b>Totals</b>	<b><u>10,000</u></b>	<b><u>10,000</u></b>

**10. Auditors**

The external auditors, M/S BakerTilly DGP & Co have expressed their willingness to continue in office and will be recommended for re-appointment at the forthcoming Annual General Meeting.

**By order of the Board**

  
\_\_\_\_\_  
Director SAID EDHA NAHDI  
Name: \_\_\_\_\_  
Dar Es Salaam  
Date 06/08/2025

  
\_\_\_\_\_  
Director KHALID MUNIF NAHDI  
Name: \_\_\_\_\_  
Dar Es Salaam  
Date 06/08/2025

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

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**STATEMENT OF DIRECTOR'S RESPONSIBILITY**


The Directors are required under the Companies Act, supplemented by International Financial Reporting Standards, 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 the profit or loss of the company for that period. The auditors are responsible for reporting on these financial statements.

The Directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgments and estimates have been made in the preparation of the financial statements for the year ended 31<sup>st</sup> December 2024. The Directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis.

The Directors 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 the Companies Act 2002. They are also responsible for safeguarding the assets of the company and, hence, for taking reasonable steps for prevention and detection of fraud or other irregularities.

The company's net current assets position is negative. There is no substantial concern over the going concern assertion of the company, keeping in view the support extended by the Directors and related parties.

  
\_\_\_\_\_  
Director SAID EDHA NANDI  
Name: \_\_\_\_\_  
Dar Es Salaam  
Date 06/08/2025

  
\_\_\_\_\_  
Director KHALID MUNIR NANDI  
Name: \_\_\_\_\_  
Dar Es Salaam  
Date 06/08/2025

**WATERCOM (T) LIMITED**  
**P. O. Box 20831, Dar es Salaam**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

**DECLARATION OF THE HEAD OF ACCOUNTING AND FINANCE**

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The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Board of Directors/Governing Body/Management to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the 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/Governing Body as under paragraph of Responsibilities of the Authorized Representatives on an earlier page.

I, NTULI GILBERT NDA being the ACCOUNTANT of Watercom (T) Limited hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31<sup>st</sup> December 2024 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 Watercom (T) Limited on that date and that they have been prepared based on properly maintained financial records.

Signed by: N. Gilbert  
Position: \_\_\_\_\_  
NBAA Membership No.: CPA-T 9453  
Date: 06, AUG, 2025

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
WATERCOM (T) LIMITED****Opinion**

We have audited the financial statements of Watercom (T) Limited, which comprise the Statement of Financial Position as at 31<sup>st</sup> December 2024, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31<sup>st</sup> December 2024 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the Companies Act, 2002.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with The National Board of Accountants and Auditors (Code of Ethics) By - Laws, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of matter**

We draw attention to:

**1. Material Uncertainty Related to Going Concern**

Without qualifying our opinion, we draw attention to Note 3.17 to the financial statements, which indicates that the Company incurred losses of 5,994.172 million for the year ended 31 December 2024 (2023: loss of 13,654.92 million) and as of that date, the accumulated losses were 71,624.97 million (2023: TZS 72,588.06) and the company's current liabilities exceeded the current assets by TZS 272,505.35 million (2023: TZS 244,103 million). These events or conditions, read in conjunction with other matters as set forth in Note 13.17 indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as going concerns.

**2. Inventories have been valued and verified by the management.**

Our report is not modified in respect of the above matters.

**Other information**

The directors are responsible for the other information. The other information comprises the Director's Report as required by the Companies Act, 2002, which we obtained prior to the date of this report. Other information does not include the Financial Statements and our auditor's report thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the directors for the financial statements**

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 2002 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.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of financial statements

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit 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 Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosure made by the directors.

Conclude on the appropriateness of the director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

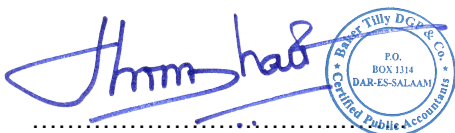
We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Report on other legal and regulatory requirements

As required by the Companies Act, 2002, 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 account have been kept by the Company, so far as appears from our examination of those books;
- iii) the director's report is consistent with the financial statements;
- iv) information specified by the law regarding director's remuneration and transactions with the Company is disclosed; and
- v) the Company's Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income are in agreement with the books of accounts.

**For Baker Tilly DGP & Co.**  
Certified Public Accountants,



**Kailas K. Bhattbhatt**  
Partner

Place : Dar es Salaam  
Date : 8th August 2025

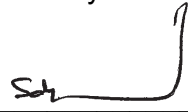
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

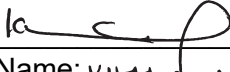
PARTICULARS	NOTE	2024 TZS '000	2023 TZS '000
Revenue		322,323,023	270,654,131
Cost of sales	3	<u>(268,491,219)</u>	<u>(239,710,418)</u>
Gross profit		53,831,804	30,943,713
Other income	4	<u>224,220</u>	<u>232,819</u>
		54,056,024	31,176,532
<u>Less: Expenses</u>			
Administrative expenses	5	(21,626,901)	(14,222,704)
Selling and distribution expenses	6	(15,490,700)	(16,019,201)
Financial expenses	7	<u>(3,635,053)</u>	<u>(3,462,338)</u>
		(40,752,654)	(33,704,243)
Profit / (Loss) before tax		13,303,370	(2,527,711)
Less : Tax expense / credit	8	<u>(19,297,542)</u>	<u>(11,127,211)</u>
<b>Profit / (Loss) after tax</b>		<b><u>(5,994,172)</u></b>	<b><u>(13,654,922)</u></b>
<b>Other comprehensive income / (loss)</b>			
Impairment of financial assets		(66,359)	6,508
<b>Total comprehensive income / (loss)</b>		<b><u>(6,060,531)</u></b>	<b><u>(13,648,414)</u></b>

The significant accounting policies on pages 12 to 17 and the notes on pages 18 to 26 form an integral part of these financial statements.

Report of the Independent Auditor is on page 6 & 7.

The financial statements on Pages 8 to 26 were approved by the Board of Directors and signed on behalf by:

  
 Name: SAID EDITA NANDI  
 Director  
 Dated: 06/08/2025

  
 Name: KHALID MUNIR NANDI  
 Director  
 Dated: 06/08/2025


**STATEMENT OF FINANCIAL POSITION AS ON 31ST DECEMBER 2024**


	NOTE	2024 TZS '000	2023 TZS '000
<b>Non current assets</b>			
Property, plant and equipment	16	307,296,047	259,994,125
Capital work-in-progress		45,490,440	52,362,854
Deferred tax assets	8	421,013	2,169,106
		<u>353,207,500</u>	<u>314,526,085</u>
<b>Current assets</b>			
Inventories	9	16,801,969	22,267,312
Trade and other receivables	10	22,319,469	16,835,833
Cash and cash equivalents	11	9,585,399	17,961,728
Current tax	15	773,925	-
		<u>49,480,762</u>	<u>57,064,873</u>
<b>Total assets</b>		<b><u>402,688,262</u></b>	<b><u>371,590,957</u></b>
<b>Equity</b>			
Share capital	12	10,000	10,000
Revaluation reserve		123,806,190	123,976,914
Retained earnings		(78,648,597)	(71,624,975)
Share application money		1,990,000	1,990,000
		<u>47,157,593</u>	<u>54,351,939</u>
<b>Non current liabilities</b>			
Deferred tax liabilities	8	33,544,556	16,071,182
		<u>33,544,556</u>	<u>16,071,182</u>
<b>Current liabilities</b>			
Trade and other payables	13	319,401,785	296,661,695
Provisions	14	2,584,329	2,265,875
Current tax	15	-	2,240,266
		<u>321,986,114</u>	<u>301,167,835</u>
<b>Total equity and liabilities</b>		<b><u>402,688,262</u></b>	<b><u>371,590,957</u></b>

The significant accounting policies on pages 12 to 17 and the notes on pages 18 to 26 form an integral part of these financial statements.

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Director  
Dated: 06/08/2025

  
Name: KHALID MUNIR NAHDI  
Director  
Dated: 06/08/2025

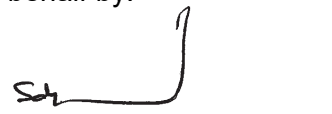
**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2024**

Particulars	Share capital	Revaluation reserve	Retained earnings	Total
	TZS '000	TZS '000	TZS '000	TZS '000
<b>Year ended 31st December 2023</b>				
As at start of the year	10,000	124,147,638	(55,507,893)	68,649,745
Transfer of revaluation depreciation from reserve	-	(170,724)	-	(170,724)
Prior year adjustments	-	-	(2,468,668)	(2,468,668)
	10,000	123,976,914	(57,976,561)	66,010,353
Net profit / (loss)	-	-	(13,648,414)	(13,648,414)
<b>At the end of the year</b>	<b>10,000</b>	<b>123,976,914</b>	<b>(71,624,975)</b>	<b>52,361,939</b>
<b>Year ended 31st December 2024</b>				
As at start of the year	10,000	123,976,914	(71,624,975)	52,361,939
Transfer of revaluation depreciation from reserve	-	(170,724)	-	(170,724)
Prior year adjustments	-	-	(963,091)	(963,091)
	10,000	123,806,190	(72,588,066)	51,228,124
Net profit / (loss)	-	-	(6,060,531)	(6,060,531)
<b>At the end of the year</b>	<b>10,000</b>	<b>123,806,190</b>	<b>(78,648,597)</b>	<b>45,167,593</b>

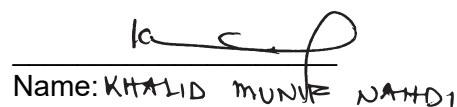
The significant accounting policies on pages 12 to 17 and the notes on pages 18 to 26 form an integral part of these financial statements.

Report of the Independent Auditor is on page 6 & 7.

The financial statements on Pages 8 to 26 were approved by the Board of Directors and signed on behalf by:



Name: SAID EDHA NANDI  
 Director  
 Dated: 06/08/2025



Name: KHALID MUNEEF NANDI  
 Director  
 Dated: 06/08/2025


**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2024**


PARTICULARS	2,024 TZS '000	2023 TZS '000
<b><u>Cash flows from operating activities</u></b>		
Profit / (Loss) before tax	13,303,370	(2,527,711)
<u>Adjustment for:</u>		
Depreciation and amortisation	26,481,824	16,541,883
Impairment of financial assets	(66,359)	6,508
Prior period adjustment	(963,091)	(2,468,668)
	<u>38,755,744</u>	<u>11,552,013</u>
<u>Movements in working capital:</u>		
(Increase)/ decrease in inventories	5,465,343	11,927,300
(Increase)/ decrease in trade and other receivables	(5,483,638)	5,163,986
Increase/ (decrease) in trade and other payables	20,818,278	58,431,905
Cash generated from operations	<u>59,555,727</u>	<u>87,075,204</u>
Less: Taxes paid	(850,000)	(250,000)
<b>Net cash generated by operating activities (A)</b>	<b><u>58,705,727</u></b>	<b><u>86,825,204</u></b>
<b><u>Cash flow from investing activities</u></b>		
Payments of purchase of property, plant and equipment	(73,954,470)	(47,010,684)
Cash paid for purchase of WIP	6,872,414	(28,114,118)
<b>Net cash (used in) / generated by investing activities (B)</b>	<b><u>(67,082,056)</u></b>	<b><u>(75,124,802)</u></b>
<b><u>Cash flow from financing activities</u></b>		
Proceed from issue of equity share capital	-	-
<b>Net cash (used in) / generated by financing activities (C)</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b><u>(8,376,329)</u></b>	<b><u>11,700,402</u></b>
Cash and cash equivalents at the beginning of the year	<u>17,961,728</u>	<u>6,261,326</u>
<b>Cash and cash equivalents at the end of the year</b>	<b><u>9,585,399</u></b>	<b><u>17,961,728</u></b>

The significant accounting policies on pages 12 to 17 and the notes on pages 18 to 26 form an integral part of these financial statements.

Report of the Independent Auditor is on page 6 & 7.

The financial statements on Pages 8 to 26 were approved by the Board of Directors and signed on behalf by:

  
Name: SAID EDHA NAHDI  
Director  
Dated: 06/08/2025

  
Name: KHALID MUNKWE NAHDI  
Director  
Dated: 06/08/2025

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

**1. GENERAL INFORMATION**

Watercom (T) Limited is incorporated in Tanzania under the Companies Ordinance as a limited liability company and it is domiciled in Tanzania. The principal activities of the company are disclosed in the Directors Report.

The address of its registered office is:  
P O Box 20831,  
Plot No.4004/4005/4006, Kisarawe II, Kigamboni,  
Dar es Salaam -Tanzania

**2. ADOPTION OF NEW AND REVISED STANDARDS & INTERPRETATIONS.**

**a) Standards, Amendments to the standards and Interpretations effective in the year 2024**

The following standards, amendments and new interpretations issued by the IFRIC and are mandatory for the accounting periods beginning on or after 1<sup>st</sup> January 2024:

- Proceeds before Intended Use (Amendment to IAS16)
- Onerous Contracts-Cost of Fulfilling a Contract — (Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment – Onerous Contracts).
- Conceptual Framework for Financial Reporting (Amendments to IFRS 3)
- Annual Improvements to IFRS: 2018-2020 Cycle

The adoption of these standards, amendments and interpretations has not led to any change in the accounting policies of the Company.

**b) Standards, Amendments and Interpretations issued, but not yet effective**

A number of new standards, amendments to standards and interpretations are effective for forthcoming periods and the Company had not adopted any of these Standards, Amendments of interpretations from an early date. The management does not foresee any major change in the accounting policies of the Company due to such amendments.

- Definition of Accounting Estimates (Amendments to IAS 8)
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)
- IFRS 17 Insurance Contracts.
- Lease Liability in a Sale and Leaseback (Amendment to IFRS 16)
- IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-Current)
- IAS 1 Presentation of Financial Statements (Amendment – Non-current Liabilities with Covenants).

**3.SUMMARY OF ACCOUNTING POLICIES**

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

**3.1 BASIS OF PREPARATION**

The financial statements have been prepared on a going concern basis.

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements are presented in the functional currency, Tanzania Shillings (TShs). The policies set out below have been consistently applied to all the

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

years presented except for those relating to the classification and measurement of financial instruments.

The Financial Statements are made for the period ended on 31<sup>st</sup> December 2024.

These financial statements have been prepared under the historical cost convention. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying company's accounting policies. The areas involving a high degree of judgement or complexity, on where assumptions and estimates are significant to the financial statement are disclosed in Note 3.2

**3.2 REVENUE RECOGNITION**

Revenue is recognised when the goods are sold and is represented net of VAT.

**3.3 FOREIGN CURRENCY TRANSLATION**

**(i) Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency for the company is the Tanzania Shillings.

**(ii) Transactions and balances**

Foreign currency transactions are translated into Tanzania Shillings using the exchange rate prevailing at the dates of the transactions. Monetary assets and liabilities at the balance sheet date, which are expressed in foreign currencies, are translated into Tanzania Shillings at rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

**3.4 PROPERTY, PLANT AND EQUIPMENT**

All property, plant and equipment are shown initially at cost, less subsequent depreciation and impairment. Cost includes expenditure directly attributable to the acquisition of the items. Subsequent costs are included in asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be reliably measured.

The company has adopted cost model for the valuation of assets as provided in IAS 16, Property, Plant and Equipment.

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

	<b>Rate (%)</b>
Buildings	5.00
Motor Vehicles (Class II)	37.50
Saloon Cars	25.00
Air Conditioners	12.50
Plant & Machinery	12.50
Generator	12.50
Office & Factory equipment	12.50

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

Furniture, Fixture and Fittings	12.50
Computer & Office equipment	37.50

Major renovations are depreciated over the remaining useful life of the related asset or to the date of the next major renovation, whichever is sooner. All other repairs and maintenance expenditures are charged to the profit and loss account during the financial period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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.

Gain or losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are included in the profit and loss account.

**3.5 INTANGIBLE ASSETS**

The company has accounting software license and capitalized it on the basis of the cost incurred to acquire and bringing it to use. The costs are amortized using straight line method over the expected useful life of ten years. Costs incurred for updating or maintaining the computer software programs are recognized as an expense as and when incurred.

**3.6 IMPAIRMENT OF ASSETS**

At each balance sheet date, the company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists; the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

**3.7 OPERATING & FINANCE LEASES**

The company is having no finance lease transaction during the period. The company has operating lease agreement during the period. Operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

There is no future commitments arising out of operating lease agreements as on the date of balance sheet since all such agreements requires payments to be made in advance and the same have been disclosed under deposits and advance.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

**3.8 INVENTORIES**

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average cost method and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the open market less applicable selling expenses. Stores and consumables are stated at cost less any provision for obsolescence.

**3.9 ACCOUNTS RECEIVABLE**

Receivables are initially recognised at fair value and subsequently measured at their amortised costs using effective interest method. A provision for impairment trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the carrying amount and the expected cash flows discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

**3.10 CASH AND CASH EQUIVALENTS**

Cash & Cash equivalents comprise of cash held by the company and current accounts operated with banks for company's normal trade transactions. The carrying amount of these assets approximates their fair value.

**3.11 BORROWINGS**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost and any difference between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowing costs are expensed in the period they accrue unless they can be related, with certainty, to fixed assets construction projects in which case they are capitalised as part of the asset's cost.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

**3.12 DEFERRED INCOME TAXES**

Income tax expense is the aggregate of the charge to the profit and loss account in respect of current income tax and deferred income tax. Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with the Tanzania Income Tax Act, 2004.

Deferred income tax is provided in full using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that directors consider that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is recognised as income tax benefit or expense in the year in which it arises.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

**3.13 TAXATION**

Income tax expense is the aggregate of the charge to the profit and loss account in respect of current income tax and deferred income tax. Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with the Tanzania Income Tax Act, 2004.

**3.14 EMPLOYEES BENEFITS**

The Company has defined benefits contributions plans. Under defined contribution plan, the Company contributions to publicly administered pension plan (NSSF) on a mandatory basis. The Company has no further payment obligations once the contributions have been paid.

**3.15 PROVISIONS**

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

**3.16 FINANCIAL RISK MANAGEMENT**

The Companies activities expose it to a variety of financial risks: foreign currency risk, credit risk, commodity price fluctuation risk and cash flow interest-rate risk. The Company's overall risk management programme seeks to minimize potential adverse effects on the financial performance. Risks management is carried out by the management on behalf of the Board of Directors.

**Credit risk**

The Company has no significant concentrations of credit risk. It has policies in place to ensure that the sales of products are made to customers with an appropriate credit history. Sales to retail customers are made in cash or via strictly credit terms.

**Foreign currency risk**

As and when the need arises, the Company enters into transactions denominated in foreign currencies (primarily United States Dollars ("US\$")). In addition, the Company has assets and liabilities denominated in United States Dollars ("US\$"). As a result, it is subject to transaction and translation exposure from fluctuations in foreign currency exchange rates. The company is generally dealing in local currency and thus, it is not much exposed to foreign currency risk.

**Interest rates and liquidity risk**

Fluctuation in interest rates has impact on the operating activities. In the ordinary course of business, the Company receives cash from its operations and is required to fund working capital and capital expenditure requirements. The company has availed long term and short term funding from the banks. The interest rates are dependent upon the market conditions and are subject to change. The said change can affect the profitability of the company. However, the management keeps a close watch on the developments in the market and accordingly takes steps to minimize the risk.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

**3.17 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgements 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.

**a) Critical accounting estimates and assumptions**

**Property, plant 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 3.4 above.

**b) Critical judgement in applying the entity's accounting policies.**

In the process of applying the Company's accounting policies, management has made judgement in determining whether assets are impaired or not.

**c) Going Concern**

The financial statements have been prepared on the going concern basis, on the assumption that the company will continue its activities for the foreseeable future and the shareholders will extend their support as and when required.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>TZS '000</b>	<b>TZS '000</b>
<b>3 Cost of sales</b>		
Opening stock of raw materials	20,495,987	30,346,756
Add: Purchases	159,747,803	164,488,795
Less: Closing stock of raw materials	<u>(13,837,179)</u>	<u>(20,495,987)</u>
Cost of material consumption	166,406,611	174,339,564
<b>Add: Direct costs</b>		
Casual wages	2,457,432	1,817,581
Clearing and forwarding charges	6,310,551	4,878,757
Custom processing fees	379,242	245,997
Excise duty	23,941,720	17,270,161
Depreciation on plant and machinery	18,086,761	8,903,771
Wharfage charges	2,028,505	1,769,732
Chemical cost	521,073	459,817
Fuel and Power expenses - direct	8,817,730	6,417,639
Offloading charges	850	-
Repairs and maintenance - direct	32,857,066	16,049,995
Freight charges	504,872	-
RDL-expenses	2,574,797	1,695,356
Wami Ruvu Basin Water Board	355,000	260,928
Import duties expense	3,881,266	3,178,427
Government chemist laboratory expense	393,480	224,764
Tanzania atomic energy commission expenses	<u>167,729</u>	<u>121,396</u>
	103,278,074	63,294,321
Add : Opening stock of finished goods	1,771,325	3,847,857
Less: Closing stock of finished goods	<u>(2,964,790)</u>	<u>(1,771,325)</u>
<b>Total cost of sales</b>	<b><u>268,491,219</u></b>	<b><u>239,710,418</u></b>
<b>4 Other income</b>		
Interest income on related parties	224,220	232,819
<b>Total</b>	<b><u>224,220</u></b>	<b><u>232,819</u></b>
<b>5 Administrative expenses</b>		
Amortisation of intangibles	-	385
Audit fees	6,515	6,265
Salaries and wages - Admin	4,337,077	3,375,509
Depreciation	8,565,787	7,808,451
General insurance expenses	279,173	409,794
Cleaning expenses	227,284	225,819
Dues, rates, fees and license charges	699,400	277,427
TUICO contribution	112	-
NSSF / PPF contribution - Admin	433,796	385,832
Rent	516,998	537,000
Professional and legal fees	56,433	28,258
Repairs and maintenance - Indirect	5,184,894	-
SDL cost	151,862	147,657
Printing and stationery expenses	84,092	65,658
Security expenses	435,996	370,453
Staff welfare expenses	36,290	142,049
Subscription charges	200,815	71,800
Office expenses	13,191	43,197
Telephone and internet expenses	101,434	102,482
Transportation and travelling overseas expenses	155,510	90,517
Fines and penalties	6,117	35,941
WCF contribution expenses	21,685	19,220
NHIF employer contribution	<u>112,440</u>	<u>78,990</u>
<b>Total</b>	<b><u>21,626,901</u></b>	<b><u>14,222,704</u></b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024**

	2024 TZS '000	2023 TZS '000		
<b>6 Selling and distribution expenses</b>				
Advertising expenses	38,135	536,500		
City service levy charges	696,101	759,826		
Sales and distribution expense	95,125	191,827		
Power and fuel expenses-other	14,639,602	14,330,580		
Transport and Travelling expenses	21,737	200,468		
<b>Total</b>	<b>15,490,700</b>	<b>16,019,201</b>		
<b>7 Financial expenses</b>				
Bank charges	279,861	387,290		
Interest expense on related parties	1,951,814	3,075,048		
Foreign exchange loss / (gain) - unrealised	1,403,378	-		
<b>Total</b>	<b>3,635,053</b>	<b>3,462,338</b>		
<b>8 Tax expenses</b>				
Current tax	76,075	1,353,271		
Deferred tax	19,221,467	9,773,940		
<b>Total</b>	<b>19,297,542</b>	<b>11,127,211</b>		
<b>Reconciliation of tax expenses:</b>				
Net profit as per statement of profit or loss	13,303,370	(2,527,711)		
Tax @ 30 % (2023: 30%)	3,991,011	(758,313)		
Adjustment for:				
Alternate minimum tax	-	1,353,271		
Effect of disallowances under tax laws				
Permit and visa fees	1,835	-		
Others	15,304,696	10,532,253		
<b>Tax expenses as per books</b>	<b>19,297,542</b>	<b>11,127,211</b>		
<b>Break-up of deferred tax:</b>				
<b>Particulars</b>	<b>At start of the year</b>	<b>Charge to statement of profit or loss</b>	<b>Charged to equity</b>	<b>At end of the year</b>
	TZS '000	TZS '000	TZS '000	TZS '000
<b>Deferred tax liabilities</b>				
Property, plant and equipment				
- accelerated capital allowance	(21,121,892)	17,524,591	-	(3,597,301)
- revaluation	37,193,074	(51,217)	-	37,141,857
	16,071,182	17,473,374	-	33,544,556
<b>Deferred tax asset</b>				
Tax losses carried forward	(2,169,106)	2,169,106	-	-
Unrealised foreign exchange loss	-	(421,013)	-	(421,013)
	(2,169,106)	1,748,093	-	(421,013)
<b>Net deferred tax liability / (asset)</b>	<b>13,902,076</b>	<b>19,221,467</b>	<b>-</b>	<b>33,123,543</b>
<b>9 Inventories</b>				
Closing stock of raw materials			13,837,179	20,495,987
Closing stock of finished goods			2,964,790	1,771,325
			<b>16,801,969</b>	<b>22,267,312</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024**

	<b>2024</b>	<b>2023</b>		
	<b>TZS '000</b>	<b>TZS '000</b>		
<b>10 Trade and other receivables</b>				
Advance to suppliers	-	228,056		
Interest receivable	1,617,392	1,393,171		
Trade debtors	8,089,060	8,378,224		
VAT receivable	6,265,879	380,617		
Due from associate companies and related parties	5,791,852	5,834,120		
Import duties claimable	701,539	701,539		
	<u>22,465,722</u>	<u>16,915,727</u>		
Impairment of accounts receivable	<u>(146,253)</u>	<u>(79,894)</u>		
	<b><u>22,319,469</u></b>	<b><u>16,835,833</u></b>		
<b>Basis for impairment of financial assets</b>				
i) Trade receivables are non-interest bearing and generally on 31 day terms. Day sales outstanding for 2023 was				
ii) Other receivables are non interest bearing have an average term of 30-180 days.				
iii) For terms and conditions of related amount due to related parties refer to Note 18				
As at December 31, the ageing analysis of trade and other receivables was as follows <i>(all balances are in TZS):</i>				
	<b>Total</b>	<b>&lt;90 days</b>	<b>90-180 days</b>	<b>180days-1year</b>
At 31 December 2024				
<b><u>Prepayments and Advances</u></b>				
Gross amount (TZS)	-			
Expected Credit Loss rate (%)				
<b>Expected Credit Loss (TZS)</b>	-	-	-	-
<b><u>Related party balances</u></b>				
Gross amount (TZS)	5,791,852	5,791,852		
Expected Credit Loss rate (%)		0.50%		
<b>Expected Credit Loss (TZS)</b>	<b>28,959</b>	<b>28,959</b>		
<b><u>Trade and other receivables</u></b>				
Gross amount (TZS)	8,089,060	4,044,530	2,426,718	1,617,812
Expected Credit Loss rate (%)		0.5%	2%	3%
<b>Expected Credit Loss (TZS)</b>	<b>117,291</b>	<b>20,223</b>	<b>48,534</b>	<b>48,534</b>
			<b>2024</b>	<b>2023</b>
			<b>Tzs</b>	<b>Tzs</b>
At 1 January			79,892	86,400
Charge for the year			66,359	(6,508)
At 31 December			<u>146,251</u>	<u>79,892</u>
The allowance for expected credit losses/ impairment is made up as follows;				
Trade receivables			146,251	79,778
Other receivables			-	114
			<u>146,251</u>	<u>79,892</u>
<b>11 Cash and cash equivalents</b>				
Cash in hand			43,445	144,095
Cash at banks			9,541,954	17,817,633
			<u>9,585,399</u>	<u>17,961,728</u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>TZS '000</b>	<b>TZS '000</b>
<b>12 Share capital</b>		
<u>Authorised capital</u>		
10,000 shares of Tzs 1,000/- each	<u>10,000</u>	<u>10,000</u>
Issued and paid up share capital		
10,000 shares of Tzs 1,000/- each	<u>10,000</u>	<u>10,000</u>
<b>13 Trade and other payables</b>		
Trade creditors	202,184,246	179,491,527
Other payables	1,001,207	1,288,293
Assessment tax payable	3,705,183	2,910,113
Interest payable on related parties	13,991,342	13,969,271
Advance from customers	659	216,504
Due to associate companies and related parties	98,505,736	98,508,454
Withholding tax payable	13,412	277,533
	<u><b>319,401,785</b></u>	<u><b>296,661,695</b></u>
<b>14 Provisions</b>		
NSSF / PPF payable	152,580	70,670
NHIF Payable	11,791	12,928
SDL and PAYE payable	41,309	31,900
WCF payable	3,852	1,766
City service levy payable	123,044	183,870
Audit fees payable	16,990	16,613
Salaries and Wages Payable	-	291,809
Excise duty payable	2,234,763	1,656,318
	<u><b>2,584,329</b></u>	<u><b>2,265,875</b></u>
<b>15 Current tax</b>		
Tax Balance b/f	2,240,266	1,136,995
Tax Balance b/f adjusted on 2023 assesement	(2,240,266)	
Provision for tax current year tax	76,075	1,353,271
Advance tax paid	(850,000)	(250,000)
	<u><b>(773,925)</b></u>	<u><b>2,240,266</b></u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024**

**16 a) Property, plant & equipment**

Particulars	Land	Building	Plant and machinery	Office furnitures and equipments	Factory equipment	Computers and accessories	Motor vehicles Class I	Motor vehicles Class II	Total
	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
<b>Cost</b>									
Balances at 1st January 2023	545,361	16,862,690	100,947,366	9,570,970	7,108,246	21,340	1,559,928	16,160,692	152,776,593
Additions	400,000	11,120,839	22,487,831	200,229	8,452,809	42,908	-	4,306,069	47,010,684
Balances at 31st December 2023	945,361	27,983,529	123,435,197	9,771,199	15,561,055	64,248	1,559,928	20,466,761	199,787,277
<u>Comprising:</u>									
Cost									
Revaluation	945,361	27,983,529	123,435,197	9,771,199	15,561,055	64,248	1,559,928	20,466,761	199,787,277
Balances at 1st January 2024	945,361	27,983,529	123,435,197	9,771,199	15,561,055	64,248	1,559,928	20,466,761	199,787,277
Additions	18,878	-	65,876,340	182,663	464,806	40,027	-	7,371,757	73,954,470
Balances at 31st December 2024	964,239	27,983,529	189,311,537	9,953,861	16,025,861	104,275	1,559,928	27,838,517	273,741,747
<u>Comprising:</u>									
Cost									
Revaluation	964,239	27,983,529	189,311,537	9,953,861	16,025,861	104,275	1,559,928	27,838,517	273,741,747
<b>Accumulated depreciation</b>									
Balances at 1st January 2023	-	3,028,008	33,894,139	965,193	2,430,213	5,755	1,282,271	5,622,989	47,228,568
Depreciation for the year	-	1,058,622	8,903,771	1,100,751	1,641,355	21,935	104,121	3,710,943	16,541,498
Balances at 31st December 2023	-	4,086,630	42,797,910	2,065,944	4,071,568	27,690	1,386,392	9,333,932	63,770,066
Balances at 1st January 2024	-	4,086,630	42,797,910	2,065,944	4,071,568	27,690	1,386,392	9,333,932	63,770,066
Depreciation for the year	-	1,194,845	18,086,761	985,990	1,494,287	28,719	65,076	4,626,146	26,481,824
Disposals	-	-	-	-	-	-	-	-	-
Balances at 31st December 2024	-	5,281,475	60,884,671	3,051,934	5,565,855	56,409	1,451,468	13,960,078	90,251,890
<b>Carrying value</b>									
Balances at 31st December 2024	964,239	22,702,054	128,426,866	6,901,927	10,460,006	47,866	108,460	13,878,439	183,489,857
Balances at 31st December 2023	945,361	23,896,899	80,637,287	7,705,255	11,489,487	36,558	173,536	11,132,829	136,017,211

**WATERCOM (T) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

16 b) Property, Plant & Equipments (Revaluations)		COST/ VALUATIONS				DEPRECIATION			NET BLOCK	
S/No	Particulars	As At 1.1.2024	Additions	Disposal	As At 31.12.2024	As At 1.1.2024	Charge for the Year	As At 31.12.2024	As At 31.12.2024	As At 31.12.2023
		TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
1	APARTMENT NO 4A FOURTH FLOOR LOCATED ON PLOT NO 35 EX-DAYA AREA IN ILALA CITY,	243,000	-	-	243,000	-	-	-	243,000	243,000
2	APARTMENT NO 6B (SIXTH FLOOR) LOCATED ON PLOT NO 35 EX-DAYA AREA IN ILALA CITY,	243,000	-	-	243,000	-	-	-	243,000	243,000
3	PLOTS NO 1 & 2 MAGOGONI BEACH AREA, KIGAMBONI- <b>BUILDINGS</b>	2,257,892	-	-	2,257,892	338,685	112,895	451,580	1,806,312	1,919,207
	PLOTS NO 1 & 2 MAGOGONI BEACH AREA, KIGAMBONI- <b>LAND</b>	9,697,000	-	-	9,697,000	-	-	-	9,697,000	9,697,000
4	PLOT NO 3 BLOCK "L" KIBADA UNGINDONI AREA IN TEMEKE MUNICIPALITY- <b>BUILDINGS</b>	18,600	-	-	18,600	-	-	-	18,600	18,600
	PLOT NO 3 BLOCK "L" KIBADA UNGINDONI AREA IN TEMEKE MUNICIPALITY- <b>LAND</b>	209,360	-	-	209,360	-	-	-	209,360	209,360
5	PLOT NO 89 BLOCK "D" TEMEKE USALAMA AREA IN TEMEKE- <b>BUILDINGS</b>	76,360	-	-	76,360	18,327	6,109	24,436	51,924	58,033
	PLOT NO 89 BLOCK "D" TEMEKE USALAMA AREA IN TEMEKE- <b>LAND</b>	46,500	-	-	46,500	-	-	-	46,500	46,500
6	PLOT NO 281 & 282 block "10" KIBADA AREA IN KIGAMBONI- <b>BUILDINGS</b>	199,600	-	-	199,600	59,880	19,960	79,840	119,760	139,720
	PLOT NO 281 & 282 block "10" KIBADA AREA IN KIGAMBONI- <b>LAND</b>	2,697,198	-	-	2,697,198	-	-	-	2,697,198	2,697,198
7	PLOT NO 2053 BLOCK "D" KIBADA KIZIZA AREA IN KIGAMBONI - <b>BUILDINGS</b>	70,800	-	-	70,800	42,480	14,160	56,640	14,160	28,320
	PLOT NO 2053 BLOCK "D" KIBADA KIZIZA AREA IN KIGAMBONI- <b>LAND</b>	1,769,360	-	-	1,769,360	-	-	-	1,769,360	1,769,360
8	PLOT NO 2109 BLOCK "G" MJI MWEMA AREA IN KIGAMBONI - <b>BUILDINGS</b>	44,000	-	-	44,000	52,800	17,600	70,400	(26,400)	(8,800)
	PLOT NO 2109 BLOCK "G" MJI MWEMA AREA IN KIGAMBONI - <b>LAND</b>	173,400	-	-	173,400	-	-	-	173,400	173,400
7	PLOT NO 94 BLOCK "W" MAGOMENI AREA IN KINONDONI	146,416	-	-	146,416	-	-	-	146,416	146,416
8	PLANT AND MACHINERY ON FARMS NO 4004, 4005 & 4006 KISARAWA II, KIGAMBONI MUNICIPALITY	106,596,600	-	-	106,596,600	-	-	-	106,596,600	106,596,600
	<b>Total</b>	<b>124,489,086</b>	<b>-</b>	<b>-</b>	<b>124,489,086</b>	<b>512,172</b>	<b>170,724</b>	<b>682,896</b>	<b>123,806,190</b>	<b>123,976,914</b>

The revaluation on the company's assets was conducted and reported as at 31st December 2021 by an independent valuer, M/S COSWIL CONSULT LIMITED.

The assets which were revalued were Land and Buildings.

The basis for revaluation was replacement cost method for all the assets.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024**

**17 Intangible Assets**

Particulars	Software TZS '000	Total TZS '000
<b><u>Cost</u></b>		
Balances at 1st January 2023	3,850	3,850
Balances at 31st December 2023	<u>3,850</u>	<u>3,850</u>
Balances at 1st January 2024	3,850	3,850
Disposals	<u>-</u>	<u>-</u>
Balances at 31st December 2024	<u>3,850</u>	<u>3,850</u>
<b><u>Accumulated depreciation</u></b>		
Balances at 1st January 2023	3,465	3,465
Amortisation for the year	<u>385</u>	<u>385</u>
Balances at 31st December 2023	<u>3,850</u>	<u>3,850</u>
Balances at 1st January 2024	3,850	3,850
Amortisation for the year	<u>-</u>	<u>-</u>
Balances at 31st December 2024	<u>3,850</u>	<u>3,850</u>
<b><u>Carrying value</u></b>		
<b>Balances at 31st December 2024</b>	<u>-</u>	<u>-</u>
<b>Balances at 31st December 2023</b>	<u>-</u>	<u>-</u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024**

**18 Related party disclosure**

The company has following related parties by virtue of common shareholding / directorship:

In Tanzania

- 1) Oilcom (T) Limited
- 2) AI - Hushoom Investment (T) Ltd
- 3) Milkcom Diaries Ltd

**Transactions:**

	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>TZS '000</b>	<b>TZS '000</b>
<b><u>Trading:</u></b>		
Sales		
1) AI - Hushoom Investment (T) Ltd	4,232	15,254
2) Watercom (T) Limited -Pemba	323,094	
<b>Purchases</b>		
1) Oilcom (T) Limited	14,630,009	14,343,708
2) AI - Hushoom Investment (T) Ltd		-
<b>Expenses</b>		
1) Oilcom (T) Limited	1,678,517	2,513,293
2) AI - Hushoom Investment (T) Ltd	4,457,191	3,689,441

**Financial:**

Advances received

- |                        |           |            |
|------------------------|-----------|------------|
| 1) Oilcom (T) Limited  | 2,051,806 | 50,265,851 |
| 3) Milkcom Diaries Ltd | 3,131,545 | 1,430,842  |

**Repayment of advance**

- |                                    |            |            |
|------------------------------------|------------|------------|
| 1) Oilcom (T) Limited              | 20,305,618 | 53,793,201 |
| 2) AI - Hushoom Investment (T) Ltd |            | -          |
| 3) Milkcom Diaries Ltd             | 2,937,254  | 873,564    |

**Outstanding balances:**

**Due to associate company**

**Trading:**

- |                       |                   |                  |
|-----------------------|-------------------|------------------|
| 1) Oilcom (T) Limited | 13,623,916        | 3,672,590        |
| Subtotal              | <u>13,623,916</u> | <u>3,672,590</u> |

**Financial:**

- |                                    |                   |                    |
|------------------------------------|-------------------|--------------------|
| 1) Oilcom (T) Limited              | 79,655,591        | 95,565,475         |
| 2) AI - Hushoom Investment (T) Ltd | 5,207,479         | 2,942,837          |
| Subtotal                           | <u>84,863,070</u> | <u>98,508,312</u>  |
| Total                              | <u>98,486,987</u> | <u>102,180,902</u> |

**Financial:**

**Due from associate company**

- |                                |                  |                  |
|--------------------------------|------------------|------------------|
| 1) Milkcom Diaries Ltd         | 5,066,554        | 5,603,633        |
| 2) Watercom (T) Limited -Pemba | 383,401          |                  |
|                                | <u>5,066,554</u> | <u>5,603,633</u> |

**19 Contingent liabilities and commitments**

The management does not anticipate any contingent liabilities as at 31st December 2024.

**20 Previous year's figure have been regrouped / rearranged wherever necessary to make them comparable with those of current year.**