

SHEDA GENERAL SUPPLIES LIMITED

P.O.BOX 28

MAFINGA

Financial Statement for the Year ended 31st December, 2023

PREPARED BY:



**IPS-INSIGHT MANAGEMENT CONSULTANCY
CERTIFIED PUBLIC ACCOUNTANTS**

P.O.BOX 32135

DAR ES SALAAM

Contacts: +255763-963243/+255717-624812

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**IPS-INSIGHT MANAGEMENT CONSULTANCY
CERTIFIED PUBLIC ACCOUNTANTS
P.O.BOX 32135
DAR ES SALAAM**

INDEPENDENT AUDITORS' REPORT

To those charged with governance

SHEDA GENERAL SUPPLIES LIMITED

Opinion

We have audited the financial statements of SHEDA GENERAL SUPPLIES LIMITED which comprise the statement of financial position as at 31st December, 2023, and the statements of profit or loss and retained earnings, changes in equity and cash flows for the year then ended, and notes to the financial statements, including significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31st December, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS). Financial statements for year ended 31st December, 2023 were audited whereby unqualified opinion was issued.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Tanzania and we have fulfilled our 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

SHEDA GENERAL SUPPLIES LIMITED

INDEPENDENT AUDITORS' REPORT (Continued)

In preparing the financial statements, management is 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 management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditors' Responsibilities for the Audit of the 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 auditors' 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements for the year ended 31st December, 2023.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism 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 disclosures made by management.
- Conclude on the appropriateness of management'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, then we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

SHEDA GENERAL SUPPLIES LIMITED

INDEPENDENT AUDITORS' REPORT (Continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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 of financial statements for the year ended 31st December, 2023.

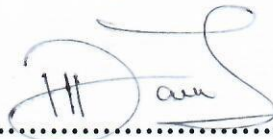
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

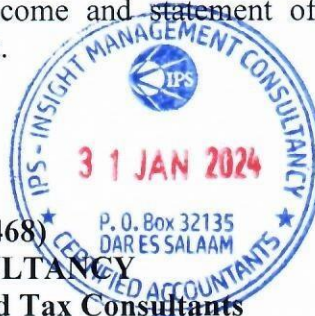
Report on other Legal Requirements

As required by the Companies Act 2002, we report to you, based on our audit, that:

- iv) 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;
- v) in our opinion, proper books of account have been kept by the company, so far as appears from our examination of those books; and
- vi) The statement of comprehensive income and statement of financial position are in agreement with the books of account.



CPA INNOCENT DAMIAN (ACPA-PP 3468)
IPS - INSIGHT MANAGEMENT CONSULTANCY
Certified Public Accountants, Auditors and Tax Consultants
Dar Es Salaam, Tanzania
Date: January 2024.



SHEDA GENERAL SUPPLIES LIMITED

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MAFINGA

STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED 31ST DECEMBER, 2023

	NOTE	31.12.2023 TSHS.	31.12.2022 TSHS.
NON CURRENT ASSETS			
Property, Plant and Equipments	2	910,693,551	757,437,601
CURRENT ASSETS			
Cash and Bank balances		44,842,443	42,354,645
Receivables	3	896,376,390	965,352,600
Inventories	9	1,637,627,000	1,487,367,200
Other		-	-
TOTAL CURRENT ASSETS		2,578,845,833	2,495,074,445
TOTAL ASSETS		3,489,539,384	3,252,512,046
EQUITY AND LIABILITIES			
EQUITY			
Paid up share capital		270,000,000	270,000,000
Advance toward share capital		100,000,000	100,000,000
Retained Earnings		2,890,397,999	2,490,117,063
TOTAL EQUITY		3,260,397,999	2,860,117,063
NON-CURRENT LIABILITIES			
Long Term Debt		-	-
Other		-	-
TOTAL NON-CURRENT LIABILITIES		-	-
CURRENT LIABILITIES			
Payables and accruals	4	1,036,270	1,235,000
Income Tax Payable	6	1,873,820	2,836,630
Short Term Debt		226,231,295	388,323,353
TOTAL CURRENT LIABILITIES		229,141,385	392,394,983
TOTAL LIABILITIES		229,141,385	392,394,983
TOTAL EQUITY AND LIABILITIES		3,489,539,384	3,252,512,046

Notes to the Accounts.

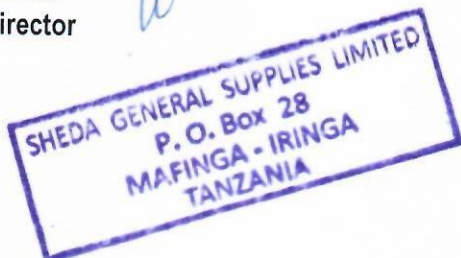
Note 01 to 12 form part of these Accounts.

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 Managing Director

20-09-2024

 Date



SHEDA GENERAL SUPPLIES LIMITED

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MAFINGA

STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED 31ST DECEMBER, 2023

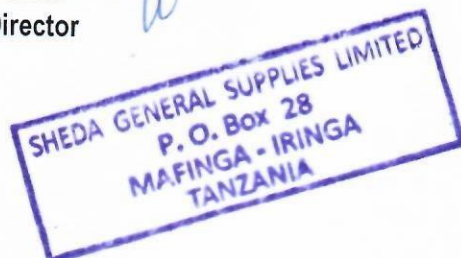
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Retained Earnings		2,890,397,999	2,490,117,063
TOTAL EQUITY		3,260,397,999	2,860,117,063
NON-CURRENT LIABILITIES			
Long Term Debt		-	-
Other		-	-
TOTAL NON-CURRENT LIABILITIES		-	-
CURRENT LIABILITIES			
Payables and accruals	4	1,036,270	1,235,000
Income Tax Payable	6	1,873,820	2,836,630
Short Term Debt		226,231,295	388,323,353
TOTAL CURRENT LIABILITIES		229,141,385	392,394,983
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TOTAL EQUITY AND LIABILITIES		3,489,539,384	3,252,512,046

Notes to the Accounts.

Note 01 to 12 form part of these Accounts.


.....
Managing Director


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Date



SHEDA GENERAL SUPPLIES LIMITED

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MAFINGA

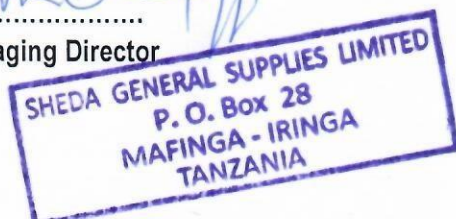
STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31ST DECEMBER, 2023

	NOTE	31.12.2023	31.12.2022
		TSHS.	TSHS.
Cash flow from operating Activities			
Net operating profit before tax		684,687,052	511,893,949
Adjustment for:-			-
Depreciation		11,744,049	14,497,406
Other		-	-
Operating profit before Changes in Working Capital items		696,431,101	526,391,355
Changes in Working Capital items			-
Decrease/(Increase) in Receivables		68,976,210	(65,972,600)
Decrease/(Increase) in Inventories		(150,259,800)	(441,912,820)
Increase/(Decrease) in Payables		(198,730)	(947,405)
(Increase)/Decrease in other current assets		-	-
Increase(Decrease) in other current liabilities		-	-
Change in Working Capital		(81,482,320)	(508,832,825)
Cash inflow From Operating Activities		614,948,781	17,558,530
Tax paid	7	(206,368,925)	(155,243,965)
Dividend Paid		(79,000,000)	(69,000,000)
Net Cash flow from operating Activities		329,579,856	(206,685,435)
Cash flow from Investing Activities.			-
Acquisition of fixed assets		(165,000,000)	(191,566,300)
Proceeds from Disposal of Fixed asset		-	-
Net cash flow from/(to) Investing Activities		(165,000,000)	(191,566,300)
Cash flow from Financing Activities			-
Increase/(Decrease) in Short Term Debt		(162,092,058)	388,323,353
Increase/(Decrease) in Long Term Debt		-	-
Net cash flow from/(to) Financing Activities		(162,092,058)	388,323,353
Cash and cash equivalent			-
Increase/Decrease in cash and cash equivalent for the year		2,487,798	(9,928,382)
Cash and cash equivalent at the beginning of the period		42,354,645	52,283,027
Cash and cash equivalent at the end of the period.		44,842,443	42,354,645

Notes to the Accounts.

Note 01 to 12 form part of these Accounts.

.....
Managing Director



.....
Date

20-09-2024

SHEDA GENERAL SUPPLIES LIMITED
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STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST DECEMBER, 2023

PARTICULARS	Share Capital	Advance to Share Capital	Retained Earnings	Total Equity
Balance b/f	270,000,000	100,000,000	2,490,117,063	2,860,117,063
Profit for the year	-	-	479,280,936	479,280,936
Dividend	-	-	(79,000,000)	(79,000,000)
Balance c/f	270,000,000	100,000,000	2,890,397,999	3,260,397,999

Notes on the Accounts
 Note 01 to 12 form part of these Accounts

[Handwritten Signature]

.....
 Managing Director



[Handwritten Date]

.....
 Date

SHEDA GENERAL SUPPLIES LIMITED

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MAFINGA

COMPANY INFORMATION

BOARD OF DIRECTORS:

AWADHI SAIDI SHEDAFA	-Director	- Tanzanian
HADIJA HASANI SHEDAFA	-Director	- Tanzanian
ZAHARA A. SHEDAFA	-Director	- Tanzanian

REGISTERED OFFICE

MAFINGA, Area
BOX 28
MAFINGA

SHEDA GENERAL SUPPLIES LTD is a private limited company based in MAFINGA was incorporated under Company Act, 212 of 2002. The company was incorporated in United Republic of Tanzania with certificate of registration from Brela and possess all documents for running the business. The company registered office is located at Mafinga-Tanzania.

PRINCIPAL ACTIVITIES

The principal activities of the company is wooden treated poles Business.

NOTES TO THE ACCOUNTS

NOTE 01

ACCOUNTING POLICIES

The principal accounting policies adopted in preparation of these financial statements are set out below. These policies have consistently applied to all the years presented unless otherwise stated.

BASIS OF PREPARATION

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS)

PROPERTY, PLANT AND EQUIPMENT/ NON CURRENT ASSETS

All property, plant and equipments are initially recorded at cost and thereafter stated at historical costs less depreciation.

SHEDA GENERAL SUPPLIES LIMITED
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DEPRECIATION.

Depreciation is calculated on the reducing balance method so as to write off these Assets over their useful live.

The rates used are as follows:-

Land and buildings	NIL
Business Building	5.0%
Furniture and fittings	12.5%
Equipment & machinery	12.5%
Motor Vehicle	25.0%

INVENTORIES

Inventories have been valued at cost or net realizable value whichever is lower.

LAND AND BUILDINGS.

Land and building are stated at the current market value.

ORDINARY SHARE CAPITAL ACCOUNT

Share Capital account comprises of Owners Equity fund raised by sales of shares.

SALES REVENUE

Revenue comprises the fair value of the consideration received or receivable from sales of goods/ services in ordinary course of business and is stated net to VAT, Rebates and Discounts. More than 5 percent of sales revenue is the direct cash receipts and making direct deposit to suppliers.

DIRECT EXPENSES

The direct expenses includes cost of fuel & lubricants, loading & offloading, hiring charges, insurance, repair and maintenance, machinery servicing etc which varies direct to the Trading/production/constructions/provision of services.

SHEDA GENERAL SUPPLIES LIMITED
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MOVEMENT OF NON CURENT ASSETS

NOTE 02

DESCRIPTION	Land and Buildings	Motor vehicles	Treatment Plants	Furniture and Equipments	Total
COST	TZS		TZS	TZS	TZS
Rate	0.0%	0.0%	20.0%	12.5%	
Balance As At 01.01.2023	595,164,300	332,372,000	103,071,000	45,100,000	1,075,707,300
Additions	165,000,000	-	-	-	165,000,000
Disposals	-	-	-	-	-
Balance As At 31.12.2023	760,164,300	332,372,000	103,071,000	45,100,000	1,240,707,300
DEPRECIATION					-
Balance As At 01.01.2023	-	233,933,297	52,874,672	31,461,730	318,269,699
Charge for the year	-	-	10,039,266	1,704,784	11,744,049
Disposals	-	-	-	-	-
Balance As At 31.12.2023	-	233,933,297	62,913,938	33,166,514	330,013,749
					-
CARRYING AMOUNT					-
Balance As At 31.12.2023	760,164,300	98,438,703	40,157,062	11,933,486	910,693,551
Balance As At 31.12.2022	595,164,300	98,438,703	50,196,328	13,638,270	757,437,601

SHEDA GENERAL SUPPLIES LIMITED
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RECEIVABLES SCHEDULE
AGE ANALYSIS

NOTE 03

S/N	NAMES	30 DAYS	60 DAYS	90 DAYS	TOTAL
1	Trade Debtors	441,745,300	284,956,300	169,674,790	896,376,390
					-
					-
Total		441,745,300	284,956,300	169,674,790	896,376,390

PAYABLES AND ACCRUALS

NOTE 04

TANESCO	13,252
Water and telephone bill	8,787
Accountancy fee	1,000,000
Sundry Payables	14,231
Total	1,036,270

COST OF SALES

NOTE 05

	31.12.2023	31.12.2022
	TSHS.	TSHS.
Opening Inventories	1,487,367,200	1,045,454,380
Add Purchases	1,267,638,000	1,328,369,120
Goods available for sales	2,755,005,200	2,373,823,500
Less Closing Inventories	1,637,627,000	1,487,367,200
Cost of sales/Production	1,117,378,200	886,456,300

SHEDA GENERAL SUPPLIES LIMITED
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ADMINISTRATION EXPENSES

	31.12.2023	NOTE 06 31.12.2022
	TSHS.	TSHS.
Diesel and Lubricants	40,147,700	32,215,930
Repair and Service-Machines	7,476,270	4,183,800
Repair and Service-Vehicles	5,542,690	3,188,720
Insurance and Licenses	10,624,200	9,847,380
Water and Electricity	5,132,610	4,625,620
Communication	1,426,530	1,382,600
Security	1,200,000	1,200,000
Printing and Stationery	736,500	654,630
Miscellaneous Expenses	9,477,300	7,466,720
Total	81,763,800	64,765,400

INCOME TAX PAYABLE

	31.12.2023	NOTE 07 31.12.2022
	TSHS.	TSHS.
Balance b/d	2,836,630	4,512,410
Taxation for the year	205,406,116	153,568,185
Tax Paid	(206,368,925)	(155,243,965)
Balance c/d	1,873,820	2,836,630

PERSONNEL EXPENSES

	31.12.2023	NOTE 08 31.12.2022
	TSHS.	TSHS.
Salary and wages	17,293,660	13,965,360
Staff welfare	2,863,620	2,626,500
Workers Compensation Fund	172,940	139,654
Security fund contribution	1,729,365	1,396,536
Skills and Development levy	778,215	628,450
Total	22,837,800	18,756,500

SHEDA GENERAL SUPPLIES LIMITED
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FINANCE COSTS

	31.12.2023	NOTE 09
	TSHS.	31.12.2022
		TSHS.
Bank charges, interest & fee	15,765,689	7,365,245
Total	15,765,689	7,365,245

PROFESSIONAL FEE

	31.12.2023	NOTE 10
	TSHS.	31.12.2022
		TSHS.
Accountancy & Audit fee	1,200,000	1,200,000
Legal fee	-	-
Architecture and other	-	-
Total	1,200,000	1,200,000

INVENTORIES LIST

	31.12.2023	NOTE 11
	TSHS.	31.12.2022
		TSHS.
Transmission Poles	1,395,033,000	1,288,747,830
Treatment Chemicals	172,762,000	158,746,370
Others	69,832,000	39,873,000
		-
	1,637,627,000	1,487,367,200

SALES REVENUE

	31.12.2023	NOTE 12
	Tshs	31.12.2022
		Tshs
Sales revenue	1,935,376,590	1,504,934,800
	-	-
	-	-
	1,935,376,590	1,504,934,800

