

**Annual Report
and
Audited Financial Statements
For the year ended
31.12.2023**

INSPIRE
AUDITORS

Certified Public Accountants in Public Practice (PF528)
Plot 136, Block 47, Mpakani B, Kijitonyama, Dar es Salaam
P.O. Box 105505
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Contact Person:
Dr. Mahangila, Deogratius (PhD)

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COMPANY INFORMATION

BOARD OF DIRECTORS

The directors of the company at that date of this report, all of whom have served during the year 2022 unless otherwise stated are:

S/N	Name	Nationality
1.	NICETAS ARBOGAST LYAMUYA	TANZANIAN
2.	VIJAYA CHEDELLA	INDIAN
3.	HARINARAYANA	INDIAN

COMPANY ADDRESS

POWER PACK TANZANIA LIMITED
THEMI INDUSTRIAL AREA
ARUSHA REGION
PLOT NO – 25 , BLOCK - C
P.O BOX - 10154
ARUSHA, TANZANIA.

INDEPENDENT AUDITOR

Inspire Auditors,
Certified Public Accountants in Public Practice (PF528)
Plot 136, Block 47, Mpakani B Kijitonyama, Dar es Salaam
P.O. Box 105505,
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**MANAGING DIRECTOR`S REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2023**

INTRODUCTION

The directors submit their report and the annual financial statements for the year ended **31st December 2023** which disclose the state of affairs of **POWER PACK TANZANIA LIMITED**

The financial statements for the year ended **31st December 2023** were authorized for issue in accordance with a resolution of the directors on June 27th, 2024.

The Directors present this report and the audited financial statements for the financial year ended 31st December 2023, which disclose the state of affairs of the Company.

INCORPORATION

The company is incorporated in Tanzania under Companies Act as a private company limited by shares.

PRINCIPAL ACTIVITIES

The principal activity of the company is to

- Manufacture of PET Bottles & Caps

COMPOSITION OF THE BOARD OF DIRECTORS

The directors of the Company at the date of this report and who have served since 2020, except where otherwise stated are: -

S/N	Name	Nationality
1.	NICETAS ARBOGAST LYAMUYA	TANZANIAN
2.	VIJAYA CHEDELLA	INDIAN
3.	HARINARAYANA	INDIAN

The Company Secretary as at 31st Dec 2023 was NICTEAS ARBOGAST LYAMUYA

CORPORATE GOVERNANCE

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

The Board is required to meet at least two times a year. The Board delegates the day-

to-day management of the business to the Chief Executive Officer assisted by senior management. Senior Management is invited to attend board meetings and facilitates the effective control of all the Company's operational activities, acting as a medium of communication and coordination between all the various business units.

The Board of Directors met twice during the year.

CAPITAL STRUCTURE

The company capital structure for the year under review is shown below.

FUTURE DEVELOPMENT PLANS

The company will continue to improve its profitability through the introduction of innovative products, focusing on value-added customer services and selective expansion of its branches while carefully managing both costs and risks. The company will continue to focus on improving productivity and introducing new services to the market.

RESULTS AND DIVIDEND

During the year the company had not Declared any dividend for the year 2023.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board accepts final responsibility for the risk management and internal control systems of the Company. It is the task of management to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:

- The effectiveness and efficiency of operations;
- The safeguarding of the Company's assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and
- Responsible behaviors towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system, of internal control can provide absolute assurance against misstatement or losses, the company system is designed to provide the Board with reasonable assurance that the procedures in place are operating effectively.

The Board assessed the internal control systems throughout the financial year ended 2023 and is of the opinion that they met accepted criteria.

SOLVENCY

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

EMPLOYEES WELFARE

Management and Employees' Relationship

There were continued good relation between employees and management for the year 2023. There were no unresolved complaints received by Management from the employees during the year. A healthy relationship continues to exist between management and trade union.

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

Persons with Disabilities

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

Employees Benefit Plan

The company pays contributions to a publicly administered pension plans on mandatory basis which qualifies to be a defined contribution plan.

RELATED PARTY TRANSACTIONS

There were no any related party transactions in these financial statements.

STATEMENT OF COMPLIANCE

The directors' report has been prepared in full compliance with Tanzania Financial Reporting Standard No. 1 (Governance Report) and constitutes an integral part of the financial statements.

AUDITORS

The auditors at Inspire have expressed their willingness to continue in office and are eligible for re- appointment. A resolution proposing the re-appointment as auditor of the Company for the year 2023 will be put to the Annual Board Meeting.

Approved by the Board of Directors on 27th June 2024 and signed on its behalf by:



CHEBELLA HARI NARAYANA
DIRECTOR

DATE 27 - 06 - 2024


CHEBELLA WAJAYA
DIRECTOR

DATE 27 - 06 - 2024



STATEMENT OF DIRECTORS RESPONSIBILITIES

The Companies Act, 2002 requires the Directors to prepare financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its operating results for that year. It also requires the Directors to ensure that the Company keeps proper accounting records which disclose with reasonable accuracy the financial position of the Company. The Directors are also responsible for safeguarding the assets of the Company.

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 2002, and for such internal controls as Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

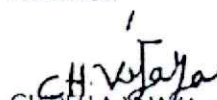
The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and in the manner required by the Companies Act, 2002. The Directors are of the opinion that the financial statements give a true and fair view of the state of affairs of the Company and of its operating results. The Directors further accept responsibility for the maintenance of accounting records which 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 the next twelve months from the date of this financial statement.

Approved by the board directors and signed on its behalf by:


CHEDELLA HARI NARAYANA
DIRECTOR

DATE 27 - 06 - 2024


CHEDELLA VIJAYA
DIRECTOR

DATE 27 - 06 - 2024



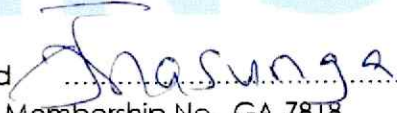
DECLARATION OF FINANCIAL CONSULTANT

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants 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 Accounting responsible for the preparation of financial statements of the entity concerned.

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

I, Joshua Masunga being the financial Consultant of **POWER PACK TANZANIA LIMITED** hereby acknowledge my responsibility of ensuring that financial statements for the period ended 31st December 2023 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view position **POWER PACK TANZANIA LIMITED** as on that date and that they have been prepared based on properly maintained financial records.

Signed 
NBAA Membership No. GA 7818
Date 27th June 2024

INDEPENDENT AUDITOR'S REPORTTo **POWER PACK TANZANIA LIMITED****Opinion**

We have audited the accompanying financial statements of **POWER PACK TANZANIA LIMITED** (the "Company") which comprise the Statement of Financial Position as at 31st December 2023, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended and summary of significant accounting policies.

In our opinion, the accompanying financial statements give true and fair view of the financial position of the Company as at 31st December, 2023 and of its financial performance and cash flows for the year then ended in accordance with the Financial Reporting Standards (IFRS) and requirements of the Companies Act 2002 of Tanzania.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). 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 firm in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with other ethical requirements that are relevant to our audit of the financial information in Tanzania. 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.

Other Information

The Directors are responsible for the other information, which comprises the report of Directors.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion 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 of our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, 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 of the Financial Statements that give a true and fair view in accordance with Financial Reporting Standards and the requirements of the Companies Act 2002 and for such Internal controls as Directors determine are 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 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 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 decision 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 disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements including the disclosures and whether the Financial Statements

represents the underline transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or operational activities within the Company to express an opinion on the Financial Statements. We are responsible for the direction, supervision and performance of the Company audit. We remain responsible for our audit opinion.

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

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

As required by the Tanzanian Companies Act, 2002 of Tanzania, 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 purpose 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 Directors' Report is consistent with the financial statements; and
- (iv) The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Name: CPA DR DEOGRATIUS N. MAHANGILA

Signed by:

NBAA Membership No. ...ACPA-PP.4029



Date

**For and on behalf of Inspire Auditors,
Certified Public Accountants in Public Practice (PF528)**

STATEMENT OF FINANCIAL POSITION

POWER PACK TANZANIA LIMITED			
FINANCIAL POSITION			
AS AT 31ST DECEMBER 2023			
DESCRIPTION	NOTES	31-Dec-23	31-Dec-22
		TZS	TZS
ASSETS			
NON-CURRENT ASSETS			
PROPERTY, PLANT & EQUIPMENT	10	5,027,338,584	2,766,179,008
OTHER NON-CURRENT ASSETS	11	-	2,000,000
		5,027,338,584	2,768,179,008
CURRENT ASSETS			
CASH AT HAND & BANK	12	510,155,303	576,588,673
TRADE AND OTHER RECEIVABLE	13	3,391,267,251	3,207,348,707
INVENTORIES	14	1,574,451,279	1,408,195,334
TOTAL CURRENT ASSETS		5,475,873,833	5,192,132,714
TOTAL ASSETS		10,503,212,417	7,960,311,722
EQUITY AND LIABILITIES			
EQUITY			
SHARE CAPITAL		322,000,000	322,000,000
RETAINED EARNINGS		6,161,504,886	4,269,213,507
TOTAL EQUITY		6,483,504,886	4,591,213,507
NON-CURRENT LIABILITIES			
DEFERRED TAX PAYABLE	15	773,629,271	484,462,106
OTHER NON-CURRENT LIABILITIES	16	1,161,036,917	1,797,984,695
TOTAL NON-CURRENT LIABILITIES		1,934,666,188	2,282,446,801
CURRENT LIABILITIES			
ACCRUED	17	217,829,778	126,585,486
TRADE AND OTHER PAYABLE	18	1,344,158,987	578,170,502
TAX PAYABLE	19	523,052,577	381,895,428
TOTAL CURRENT LIABILITIES		2,085,041,342	1,086,651,415
TOTAL EQUITY AND LIABILITIES		10,503,212,416	7,960,311,722

These financial statements were approved by the board of directors on 27th June 2024 and were signed on its behalf by:

CHEDELLA HARI NARAYANA
DIRECTOR



Signature

STATEMENT OF COMPREHENSIVE INCOME

POWER PACK TANZANIA LIMITED				
STATEMENT OF COMPREHENSIVE INCOME				
FOR THE YEAR ENDED 31ST DECEMBER 2023				
DESCRIPTION	NOTE	31-Dec-23	31-Dec-22	
		TZS	TZS	
REVENUE	4	18,223,966,116	13,782,651,888	
COST OF SALES	5	10,624,483,556	8,791,269,524	
GROSS PROFIT		7,599,482,560	4,991,382,364	
OTHER INCOME		(159,157)	2,000,000	
TOTAL INCOME		7,599,323,403	4,993,382,364	
DEPRECIATION	10	578,118,594	337,991,388	
EMPLOYMENT COST	6	673,193,484	482,971,108	
ADMINISTRATIVE COST	7	2,983,972,690	2,097,521,032	
FINANCE COST	7	128,771,647	163,879,766	
TOTAL OPERATING COST		4,364,056,415	3,082,363,295	
OPERATING PROFIT		3,235,266,988	1,911,019,069	
EXCHANGE LOSS/PROFIT	9	530,755,867	71,409,886	
PROFIT BEFORE TAX		2,704,511,121	1,839,609,183	
TAXATION		812,219,742	552,568,655	
CURRENT TAX EXPENSES		523,052,577	381,895,428	
DEFERRED TAX (CHARGE) CREDIT		289,167,165	170,673,227	
LOSS/ PROFIT FOR THE YEAR		1,892,291,379	1,287,040,528	
OTHER COMPREHENSIVE INCOME		-	-	
TOTAL COMPREHENSIVE INCOME		1,892,291,379	1,287,040,528	

These financial statements were approved by the board of directors on 27th June 2024 and were signed on its behalf by:

CHEDELLA HARI NARAYANA
DIRECTOR

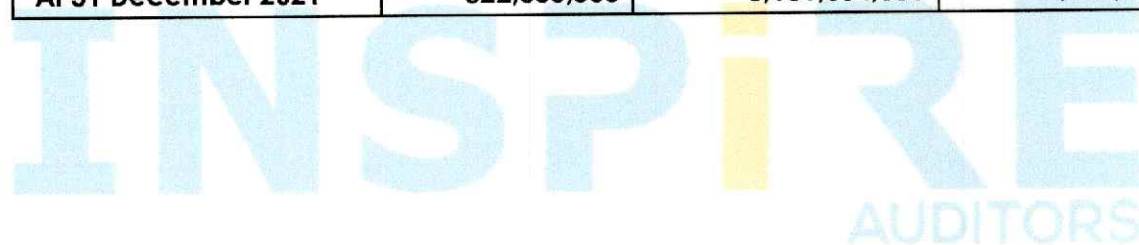
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Signature

STATEMENT OF CHANGES IN EQUITY

POWER PACK TANZNIA LIMITED			
STATEMENT OF CHANGES IN EQUITY			
FOR THE YEAR ENDED 31ST DECEMBER 2023			
Description	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	TZS	TZS	TZS
At 1 January 2023	322,000,000	4,269,213,507	4,591,213,507
Share Issued	-	-	-
Profit for the year	-	1,892,291,379	1,892,291,379
At 31 December 2021	322,000,000	6,161,504,886	6,483,504,886



These financial statements were approved by the board of directors on 27th June 2024 and were signed on its behalf by:

CHEDELLA HARI NARAYANA
DIRECTOR



C. H. Hari Narayana
Signature

STATEMENT OF CASH FLOW

POWER PACK TANZANIA LIMITED		
CASH FLOW STATEMENT		
FOR THE YEAR ENDED 31 DECEMBER 2023		
DESCRIPTION	31-Dec-23	31-Dec-22
	TZS	TZS
OPERATION ACTIVITIES		
PROFIT BEFORE TAX	2,704,511,121	1,839,609,183
LEE: TAX	(450,000,000)	(330,000,000)
ADJUSTMENT FOR NON CASH ITEMS		
DEPRECIATION ON PROPERT PLANT &EQUIPMENT	578,118,594	337,991,388
ACCRUED	91,244,292	(102,647,885)
GAIN/LOSS ON DISPOSAL OF PROPERT &EQUIPMENT	159,157	-
UNREALIZED FOREIGN CURRENCY GAINS AND LOSSES	-	-
WORKING CAPIATL ADJUSTMENT		
DECREASE(INCREASE) IN TRADE &OTHER RECEIVBLE	(183,918,543)	(1,404,948,358)
DECREASE(INCERASE) IN INVENTORIES	(166,255,944)	(397,692,718)
DECREASE(INCERASE) IN PREPAYMENTS	-	-
(DECREASE) INCREASE IN TRADE PAYABLE	834,093,058	231,965,859
NET CASH FROM OPERATING ACTIVITIES	3,407,951,734	174,277,469
INVESTING ACTIVITIES		
LOAN GIVEN	2,000,000	23,000,000
PURCHASE OF FIXED ASSETS &CONSTRUCTION OF BUILDING	(2,842,937,326)	(941,675,647)
PROCEED FROM SDALE OF PROPERT PLANT &EQUIPMENT	3,500,000	-
	(2,837,437,326)	(918,675,647)
FINANCING ACTIVITIES		
SHARE CHAPITAL	-	-
INCREASE(DECREASE) IN LOAN	(636,947,778)	582,168,924
NET CASH FLOW(USED IN) FROM FINANCING ACTIVITIES	(636,947,778)	582,168,924
NET INCREASE IN CASH &CASH EQUIVALENT	(66,433,370)	(162,229,254)
CASH AND CASH EQUIVALENT AT 1ST JANAURAY 2023	576,588,673	738,817,927
NET CASH EQUIVALENT AT DECEMBER 2022	510,155,303	576,588,673

These financial statements were approved by the board of directors on 27th June 2024 and were signed on its behalf by:

CHEDELLA HARI NARAYANA
DIRECTOR



[Handwritten Signature]
Signature

POWER PACK TANZANIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2023

1. GENERAL INFORMATION

Detailed information about the Company is set on page 2 of this report.

2. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements have been prepared in compliance with International Financial Reporting Standards (IFRSs). The measurement basis applied is the historical cost basis except where otherwise stated in the accounting policies below.

The financial statements are prepared in Tanzania shillings (Tshs), rounded to the nearest thousand.

The preparation of these financial statements in conformity with IFRSs requires the use of estimates and assumptions. It also requires the Directors to exercise their judgments in the process of judgments or complexity or where assumptions and estimates are significant to the financial statements.

(b) Foreign currency translation.

(i) Functional and presentation currency

Items included in the statements are measured using the currency of the economic environment in which the entity operates (the functional currency). The financial statements are presented in Tanzania Shillings (Tshs), which is the company functional currency.

(ii) Translation and Balances

Foreign currency translations are translated into Tanzania Shillings using the exchange rate prevailing at the date of the transaction.

(iii) Transaction balances

Monetary assets and liabilities at the reporting date, which are expressed in foreign currencies, are translated in Tanzania shillings at the rates ruling at the date. Foreign exchange gain or losses resulting from the settlement of such transaction and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

(c) Property, plant and equipment

All property, plant and equipment are shown at cost less subsequent depreciation and impairment. Cost includes expenditure directly attributable to the acquisition of the items. Subsequent costs are included in the 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 company and the cost of the item can be reliably measured.

Depreciation is calculated using the straight-line method to allocate the cost of each asset to its residual value over the estimated useful life. Depreciation is charged on the property, plant and equipment acquired during the year. The following depreciation table is applied to respective classes of assets.

Description	Rate (%)
Motor vehicles	25%
Furniture & Fittings	12.5%
Computer	37.5%
Tools & Equipment	12.5%

(d) Trade receivables

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

(e) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(f) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from the proceeds.

(g) Trade payables

Trade payables include obligation to pay for goods and services that has been acquired in the ordinary course of business from suppliers. Account payable is classified as current liabilities if payment is due within one year or less (or in a

normal operating cycle of the business if longer) if not, they are presented as non-current liabilities.

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

(h) Provisions

Provisions are recognized when there is present obligation, whether legal or contractive, as a result of the past event for which it is probable that a transfer of economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation.

Such provisions are calculated on a discounted basis where the effect is material to the original undiscounted provision. The carrying amount of the provision increase in each period to reflect the passage of time and the unwinding of the discounted and the movement is recognized in the statement of comprehensive income under finance costs.

(i) Income tax

Income tax expenses are the aggregate of the charge to the statement of comprehensive income in respect of the current and deferred income tax. Current income tax is the amount of income tax payable on the taxable profit of the year determined in accordance with the Tanzania Income Tax Act, 2004.

(j) Operating leases

Leases in which a significant portion of risk and reward of ownership are retained by the lesser are classified as operating leases. Payment made under operating leases (net of any incentives from the lessor) is charged to the statement of comprehensive income on a reducing balance basis over the period of lease.

(k) Revenue recognition

Revenue comprises the fair value of the consideration received and receivable for services rendered in the ordinary course of the company's activities. Revenue is shown net of value-added tax (VAT), rebates and discounts.

Sales of services are recognized in the period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

(l) Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated to amortized cost; any differences between proceeds (net of transaction costs) and the redemption value is recognized in statement comprehensive income over the period of borrowings, using the effective interest method.

(m) Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation of the current year.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

The Company is making estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related results. The estimates and assumptions that have a significant risk are addressed below:

(i) Property, plant and equipment

Critical estimates are made by the Directors in determining depreciation rate for property, plant and equipment and their residual values.

(ii) Income tax

Significant judgment is required in determining the Company's overall income tax provision or estimated future recovery of income tax losses. There are many transactions and calculations, for which the ultimate tax determination is uncertain. The Company recognizes liabilities for anticipated tax audit issues, based on estimates of whether additional tax will be due.

Where the final outcome of tax matter is different from the amounts that were initially recorded, such difference will have an impact on the current and any deferred income tax provisions in the period in which the determination is made.

NOTES TO FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS		
FOR THE YEAR ENDED 31ST DECEMBER 2023		
DESCRIPTIONS	31-Dec-23	31-Dec-22
	TZS	TZS
NOTE 4: INCOME.		
REVENUE	18,223,966,116	13,782,651,888
OTHER INCOME	(159,157)	2,000,000
TOTAL INCOME	18,223,806,959	13,784,651,888
NOTE 5 A: COST OF SALES		
OPEN STOCK	1,408,195,334	1,010,502,616
ADD: PURCHASES	10,790,739,500	9,188,962,242
COST OF GOODS AVAILABLE FOR SALE	12,198,934,834	10,199,464,858
LESS: CLOSING STOCK	(1,574,451,279)	(1,408,195,334)
TOTAL COST OF SALES	10,624,483,556	8,791,269,524
NOTE 6: EMPLOYMENT COST		
SALARY	603,033,352	436,585,200
SDL	22,477,317	17,453,489
WCF	2,968,136	2,100,546
NSSF	44,714,678	26,831,873
TOTAL EMPLOYMENT COST	673,193,484	482,971,108
NOTE 7: ADMINISTRATIVE EXPENSES		
Audit Fees	927,500	7,355,007
Customs Clearing Charges	358,250,453	349,338,720
Courier Charges	1,715,265	820,136
Consultancy Charges	-	44,472,184
Commission	-	2,850,000
Electricity Charges	989,123,591	703,491,344
Factory Maintenance	62,115,408	29,311,602
Fines & Penalties	2,728,863	2,286,333

Food Expenses - Dogs	6,327,200	5,581,200
Fuel Charges	183,207,899	121,899,303
Insurance	12,990,600	7,425,000
Internet Charges	6,598,800	7,183,704
Interest on Late Payment	1,443,197	25,751,940
Loading & Unloading Charges	54,040,000	25,600,000
Marketing Expenses	2,401,605	5,745,086
Medical Expenses	4,135,000	4,353,629
Office Maintenance Expenses	2,659,264	9,472,437
Parking Fees	311,300	218,800
Registration & License Fees	12,715,560	10,225,500
Repairs & Maintenance - Factory	9,162,153	40,880,697
Repairs & Maintenance - Vehicals	8,842,195	11,345,797
Rent Expenses	337,061,250	239,082,500
Roundoff	536	390,244
Security Charges	2,172,400	7,540,875
Service Levy	124,512,967	-
Staff Welfare	13,104,607	7,649,971
Stampduty	3,161,996	4,156,200
Stationery Expenses	20,245,155	12,842,894
Travelling Expenses	110,894,610	62,306,655
Transportation Charges	454,832,475	195,850,174
Wharfage Charges	152,577,993	108,433,751
VAT Writtenoff	21,255,850	-
Visa & Permit Charges	24,457,000	43,659,350
TOTAL ADMINISTRATIVE EXPENSES	2,983,972,690	2,097,521,032
NOTE 8 :FINANCE COST		
INTEREST ON LOAN	113,627,556	118,271,535
BANK CHARGES	15,144,091	45,608,231
TOTAL FINANCE COST	128,771,647	163,879,766

NOTE 9 :EXCHANGE LOSS/GAIN		
FOREIGN EXCHANGE LOSS	530,755,867	71,409,886
TOTAL EXCHANGE LOSS/GAIN	530,755,867	71,409,886
NOTE 11: OTHER NON CURRENT ASSETS		
LOAN TO CUBE PRESS	-	2,000,000
TOTAL OTHER NON CURRENT ASSETS	-	2,000,000
NOTE 12: CASH AT HAND & BANK		
CRDB 1- TZS	350,797,300	516,471,674
CRDB 1- USD	95,955,197	15,867,043
CRDB 1- EURO	300,000	
CANARA - TZS	15,185,029	-
CANARA - USD	-	4,528,949
I&M - TZS	4,201,264	-
I&M - USD	385,882	-
I&M - EURO	341,766	
CASH	42,988,866	39,721,006
TOTAL RECEIVABLE	510,155,303	576,588,673
NOTE 13: TRADE AND OTHER RECEIVABLE		
SUNDRY DEBTORS		
AGROSHINE INVESTMENT LIMITED		(691,960)
A&V GROUP LTD	896,800	3,680,090
BACHO BEVERAGES LIMITED	2,741,215	(1,029,550)
BEFHTRADE INVESTMENT LTD	19,002,720	-
BREWMASTER LIMITED	183,768,586	(4,851,120)
CANON GENERAL SUPPLY LIMITED	23,078,700	24,259,230
DERICK GLOBAL TRADING CO.LTD	201,434,328	223,500,965
DEVON TRADING COMPANYLIMITED	99,000,019	-
DGL BEVERAGE CO LTD	-	-
DUTCHKONA COMPANY LTD	(82,755)	
ERIC HUSSIEN (CHANNA)	-	33,480,000

ERNEST SILYANUS MATALI	4,983,110	4,983,110
HALAIS PRO CHEMIE INDUSTRIES LIMITED	2,984,760	1,875,812
HAPCO AGRO BUSINESS		(2,772,071)
ISACHA FEEDERS	5,180	-
KIBO SPIRITS TANZANIA LTD	164,646,550	103,874,150
KINGS SUPER BRANDS LTD	11,470,735	2,286,275
MAKHA BEVERAGE CO.LTD	(28,975)	
MATI SUPER BRAND LTD	29,996,969	30,145,939
MERU SPRING WATER	400	-
NDESOMA INDUSTRIES COMPANY LIMITED	440	-
NDESSA ELECTRONIC	1,920	-
NUTRO INDUSTRIES	4,300,044	4,294,496
PARAMOUNT INDUSTRIES (EA) LIMITED	19,607,905	21,622,230
PREMIDIES LIMITED	235,328,809	352,783,152
RASHID LAWRENCE	4,031,293	
SAIFI SODA FOUNTAIN LTD	108,940	
TINOTEX COMPANY LIMITED	4,718,600	
TRIPPLERMAR ENTERPRISES	5,327,700	
VL INVESTMENTS (T) LTD	9,000	
ADVANCES TO SUPPLIERS		
CANGZHOU KENUO INTERNATIONAL CO., LTD	255,500,000	-
CHOICE CHEMICALS LIMITED	296,062,000	
COMPTECH	165,995,795	35,506,468
FOSHAM EMINENT INDUSTRY	336,572,705	51,545,932
KALI GLOBAL		75,880,280
FRIENDSHIP CONTAINER MANUFACTURERS LTD	25,550,000	23,720,000
GLOBAL PET INDUSTRIES PVT LTD	36,892,284	
GUANGZHOU JEEPINE	17,294,182	12,996,022
HPET SMART TECHNOLOGY(CHINA) CO., LIMITED	63,875,000	
INSPIRE CONSULTANTS	75,800	75,800
SHUBHAM EXTRUSION TECHNIK PRIVATE LIMITED	63,875,000	

SPRL TRADING FZE	191,625,000	
S T TANZANIA LTD	266,000,000	
SRPL GENERAL TRADING LLC		547,932,000
SAI GLOBAL LLC		987,530,016
TAIZHOU DINGYUE MOULD CO LTD	25,550,000	
WEBER INDIA	38,733,034	125,445,592
META SOLUTIONS AND SERVICES LLC		83,020,000
ZHEJIANG TAIZHOU LONES PLASTIC	5,804,960	
CHANNA	115,000,000	115,000,000
OTHER RECEIVABLE		
UNCLAIMED VAT (APRIL)	-	21,255,850
PROVISIONAL TAX	450,000,000	330,000,000
SALARY ADVANE	19,528,500	-
TOTAL TRADE AND OTHER RECEIVABLE	3,391,267,251	3,207,348,707
NOTE 14: INVENTORY		
RAW MATERIAL	659,458,624	866,721,885
PREFORMS	85,622,003	44,894,360
CAPS	128,528,916	48,822,647
BOTTELS	266,709,421	229,383,975
COLOURS	14,170,900	12,087,880
SCRAP	151,672,073	96,668,415
POLY BAGS	200,737,555	98,568,667
TAPES	5,121,528	11,047,505
WADS	62,430,259	
	1,574,451,279	1,408,195,334
NOTE 16 : OTHER NON CURRENT LIABILITIES		
LOAN FROM BANKS	1,161,036,917	1,797,984,695
LOAN FROM OTHERS	-	-
TOTAL OTHER NON CURRENT LIABILITIES	1,161,036,917	1,797,984,695
NOTE 17: ACCRUED		

SALARY	29,023,000	18,005,000
NSSF	10,847,951	5,545,102
PAYEE	3,258,702	2,469,444
SDL	1,901,466	1,484,027
WCF	269921.92	162,614
VAT	154604277.3	130,879,073
VAT PAYABLE ON ADJUSTMENT	3501816.58	1,260,550
WITH HOLDING TAX	287875	270,250
TUICO	168306	207,772
CPF		(7,623,375)
RDL		(19,600,541)
VAT @18%		(6,474,431)
SERVICE LEVY	13,966,462	
TOTAL ACCRUED	217,829,778	126,585,486
NOTE 18: TRADE AND OTHER PAYABLES		
TRADE PAYABLE		
SAARCHEM		490,128
POLYFOAM		373,480,541
BLOWCHEN	9,730,640.85	62,570,656
PRECISION	38,880,942	38,880,942
COLOUR AND COMPOUND	1,504,500.00	
IPL	55,525,513.60	66,644,248
KALI GLOBAL	750,045,800.00	-
K.N SOLANKI	19,470,000.00	-
GADGETRONIX IT LIMITED	1,650,000.00	
DELEX CARGO	4,104,317.99	2,078,248
SAI GLOBAL	360,924,410.00	-
HONEST LOGISTICS LIMITED		4,247,620
PETROFUEL (T) LTD		6,909,540
SHERPA TRAVELS LTD	3,493,500.00	11,014,070
SRPL TRADING COMPANY LLC	84,315,000.00	

VIJAY POWER	1,203,762.70	
TRA		5,359,809
WATERCOM LIMITED	13,310,600.00	6,494,700
TOTAL TRADE AND OTHER PAYABLES	1,344,158,987	578,170,502

NOTE 15 : DEFFERED TAX LIABILITY

PARTICULARS	31-Dec-23	31-Dec-22
DEPRECIATION AS PER COMPANIES ACT	578,118,594	337,991,388
DEPRECIATION AS PER COMPANIES ACT 2020		
LESS :	-	
DEPRECIATION AS PER INCOME TAX ACT	(606,597,597)	(328,691,882)
INITIAL ALLOWANCE AS PER INCOME TAX ACT	(935,411,548)	(578,210,262)
AMOUNT FOR DEFFERED TAX COMPUTATION	(963,890,551)	(568,910,756)
DEFFERED TAX LIABILITY	(289,167,165)	(170,673,227)

NOTE 10 : PROPERTY, PLANT AND EQUIPMENT

DESCRIPTION	Plant and Equipment	Computer and Accessories	Motor Vehicles	Intangible Asset	Furniture & Fixtures	TOTAL TZS
At January 2023	3,480,254,417	12,551,271	39,650,000	2,711,600	3,135,593	3,538,302,881
Additions	2,747,170,546	3,560,000	92,206,780			2,842,937,326
Disposal		-	(6,500,000)	-	-	(6,500,000)
At 31st December 2023	6,227,424,963	16,111,271	125,356,780	2,711,600	3,135,593	6,374,740,207
DEPRECIATION						
At January 2023	749,242,140	7,852,179	13,741,581	679,914	608,058	772,123,872
Charge for the year	565,959,616	2,318,105	9,270,967	253,964	315,942	578,118,594
Disposal	-	-	(2,840,843)	-	-	(2,840,843)
At 31st December 2023	1,315,201,756	10,170,284	20,171,705	933,878	924,000	1,347,401,623
Net Book Value At 31 December 2023	4,912,223,207	5,940,987	105,185,075	1,777,722	2,211,593	5,027,338,584

NOTE 19 : TAX PAYABLE

POWER PACK TANZANIA LIMITED	
TAX COMPUTATION 2023	
DETAILS	TZS
PROFIT/LOSS BEFORE TAX	2,704,511,121
Add: NON ALLOWABLE EXPENSES	
DEPRECIATION COMPANIES ACT	578,118,594
FINES & PENALTIES	2,728,863
OTHER INCOME	159,157
	581,006,614
LESS: ALLOWABLE EXPENSES	
INITIAL ALLOWANCE	(935,411,548)
DEPRECEIATION ALLOWANCE IT ACT	(606,597,597)
	(1,542,009,145)
ADJUSTED PROFIT/LOSS	1,743,508,590
INCOME TAX @ 30%	523,052,577
LESS: PROVISION TAX PAID	(450,000,000)
TAX PAYABLE/CARRY FORWARD	73,052,577

