

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2023**

KILIMANJARO CABLES (T) LIMITED

P. O. BOX 2562

DAR ES SALAAM

PAN & ASSOCIATES,
2nd Floor, NHC Biashara Complex,
Mwinyijuma Road, Mwananyamala,
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*** Auditors* Tax Consultants* Secretarial Services***

November 2023

KILIMANJARO CABLES (T) LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

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**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2023****CORPORATE INFORMATION**

	Name	Nationality
Directors:	1. Aliasgar Hatimali Ezzi	Tanzanian
	2. Yusuf Hatimali Ezzi	Tanzanian
	3. Mansoormoiz Hussein Kadirbhai	Tanzanian

Registered Office: Plot No. 161/1/1
Kurasini, Ware House B
P. O. Box 2562,
Dar Es Salaam,
Tanzania.
Tel: 2863835 / 2863830

TIN: 101-049-566

VRN: 10-014521-G

Principal Banker: NBC Ltd
Kichwele Branch
P. O. Box 9044,
Dar Es Salaam,
Tanzania.

Auditors: **PAN & ASSOCIATES**
Certified Public Accountants in Public Practice
2nd Floor, NHC Biashara Complex
Mwinyijuma Road, Mwananyamala
P. O. Box 79822, Dar es Salaam
Tel: 0786 84 59 20
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STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

The directors are required in terms of the Companies Act of 2002 to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial period and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards and the requirements of the Companies Act of 2002. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of 2002, and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment.

To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavors to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

DIRECTOR: _____ DATE: 28/11/2023

DIRECTORS' REPORT

1. INTRODUCTION

The Directors have pleasure in presenting their report together with the audited financial statements for the year ended 30th June 2023, which disclose the state of affairs of the company.

2. PRINCIPAL ACTIVITY

The Principal activity of the company remains that of manufacturing and selling of wires and cables. The Company is registered with the Tanzania Investment Center under the manufacturing category.

3. STATEMENT OF THE DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Companies Act, 2002, requires the Directors to prepare financial statements for each financial year, 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 results and cash flows for that year.

The Board of directors is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the International Financial Reporting Standards (IFRS) and the Companies Act, 2002. They are also responsible for safeguarding the assets of the company, ensuring the company's compliance with all regulatory and legal requirements and for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

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 30th June 2023. 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 statement.

4. DIRECTORS

The Directors of the Company who held office during the year ended include:

Name	Nationality
1. Yusuf Hatimali Ezzi	Tanzanian
2. Aliasgar Hatimali Ezzi	Tanzanian
3. Mansoormoiz Hussein Kadirbhai	Tanzanian

DIRECTORS' REPORT

5. RESULTS AND SOLVENCY

The results for the period, the appropriation thereof and the state of affairs of the Company are set out on page 8 - 11.

6. DIVIDENDS

The Directors do not recommend the payment of dividends for the year.

7. AUDITORS

The Directors have appointed PAN & ASSOCIATES, a firm of Certified Public Accountants in Public Practice as auditors of the Company for this financial year.

BY ORDER OF THE BOARD



DIRECTOR

28/11/2023

DATE


DECLARATION OF THE HEAD OF ACCOUNTING

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

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

I, Rajab Gwota, being the Head of Finance /Accounting of Kilimanjaro Cables (T) Limited hereby acknowledge my responsibility of ensuring that the attached Financial Statements set out on pages 8 to 20 for the year 30th June 2023 have been prepared in compliance with the applicable accounting standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of Kilimanjaro Cables (T) Limited as on that date and they have been prepared based on properly maintained financial records.

Signed by: 

Date: 28/11/2023

Position: Head of Finance / Accounting

NBAA Membership No.: ACPA-1759

INDEPENDENT AUDITORS' REPORT

Page 6

To the Directors of KILIMANJARO CABLES (T) LIMITED Report on the Audit of Financial Statements

1. OPINION

We have audited the financial statements of Kilimanjaro Cables (T) Limited which comprise of the statement of financial position as at 30th June 2023 and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and the Notes to the Financial Statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position as at 30th June 2023 and of its financial performance and cash flows for the year ended 30th June 2023, and that they comply with Tanzania's Companies Act 2002 and the International Financial Reporting Standards (IFRSs).

2. BASIS OF OPINION

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in paragraph 5 of this report.

We are independent of the Entity in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountant's (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. EMPHASIS OF MATTER

In common with many businesses of similar size and organization the company's system of internal control is dependent upon the close involvement of the Directors (who are major shareholders). Where independent confirmation was not available, we have accepted assurance from the directors that all the company's transactions have been correctly reflected in the records.

4. DIRECTORS' RESPONSIBILITIES

As described in the statement of director's responsibilities, the Directors are responsible for the preparation of the financial statements.

5. AUDITOR'S RESPONSIBILITIES

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

Reasonable assurance is a high level of assurance, but it 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.

For: PAN & ASSOCIATES

Certified Public Accountants in Public Practice

Peter A. Njau
Managing Director
(ACPA 1137)



PAN & ASSOCIATES
CERTIFIED ACCOUNTANTS IN PUBLIC PRACTICE
TAX & MGT CONSULTANTS
P.O. Box 79822
DAR-ES-SALAAM


Date : 30/11/2023
Place : Dar es Salaam

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2023**

	NOTES	2023 Tzs	2022 Tzs
Revenue	2	114,917,082,581	103,032,346,627
Cost of sales	17	<u>(102,953,648,187)</u>	<u>(93,088,667,403)</u>
Gross profit		11,963,434,394	9,943,679,224
Administrative expenses	15	(7,355,894,771)	(3,773,720,479)
Other operating expenses	16	<u>(2,081,921,142)</u>	<u>(1,305,170,724)</u>
Profit / (Loss) before tax	4	2,525,618,481	4,864,788,022
Tax	5	<u>(2,212,850,962)</u>	<u>(2,243,919,570)</u>
Profit / (Loss) after tax		<u>312,767,519</u>	<u>2,620,868,452</u>

The Notes on Pages 12 to 20 form part of these financial statements.
The Auditors' Report is on Pages 6 - 7.

The financial statements on pages 8 to 20 were approved by the Directors and were signed on the company's behalf by:



Director: Aliasgar Hatimali Ezzi



Director: Yusuf Hatimali Ezzi

Date: 28/11/2023

Date: 28/11/2023

STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2023

	NOTES	2023 Tzs	2022 Tzs
ASSETS			
NON-CURRENT ASSETS			
Plant and equipment	3	13,199,677,554	9,971,692,810
CURRENT ASSETS			
Inventories	6	14,090,003,574	15,443,941,337
Receivables and prepayments	7	27,138,954,950	21,040,506,727
Cash and cash equivalents	12	3,776,603,072	3,459,307,663
		45,005,561,596	39,943,755,727
TOTAL ASSETS		58,205,239,150	49,915,448,537
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Share capital	8	10,000,000,000	10,000,000,000
Advance against share capital	8	10,000,000,000	
Retained earnings	9	1,721,155,665	2,761,587,240
		21,721,155,665	12,761,587,240
CURRENT LIABILITIES			
Payable and accruals	10	33,971,376,176	35,538,039,175
Deferred tax liability	11	2,520,997,970	1,609,335,775
Taxation		(8,290,658)	6,486,347
		36,484,083,487	37,153,861,297
TOTAL EQUITY & LIABILITIES		58,205,239,150	49,915,448,536

The Notes on Pages 12 to 20 form part of these financial statements.

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STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30TH JUNE 2023

	2023 Tzs	2022 Tzs
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	2,525,618,481	4,864,788,022
Adjustment for:		
Depreciation	1,387,631,413	1,059,040,987
Profit before taxation before working capital changes	<u>3,913,249,894</u>	<u>5,923,829,009</u>
Working capital changes:		
Inventories	1,353,937,763	1,188,613,663
Receivables and prepayments	(6,098,448,223)	3,570,051,145
Payables and accruals	<u>(1,566,662,999)</u>	<u>(4,095,054,319)</u>
	(2,397,923,564)	6,587,439,502
Less: Taxation paid	<u>(2,669,164,867)</u>	<u>(2,518,953,100)</u>
NET CASH FLOW FROM OPERATING ACTIVITIES	<u>(5,067,088,431)</u>	<u>4,068,486,399</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets	<u>(4,615,616,157)</u>	<u>(4,026,336,280)</u>
NET CASH FLOW AFTER INVESTING ACTIVITIES	<u>(4,615,616,157)</u>	<u>(4,026,336,280)</u>
CASH FLOW FROM FINANCING ACTIVITY		
Increase / (Decrease) in advance against Share capital	10,000,000,000	
Increase / (Decrease) in Shareholder Capital		-
NET CASH FLOW AFTER FINANCING ACTIVITIES	<u>10,000,000,000</u>	<u>-</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>317,295,411</u>	<u>42,150,119</u>
ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS		
Balance as at 1st July	3,459,307,663	3,417,157,548
Balance as at 30th June	<u>3,776,603,072</u>	<u>3,459,307,663</u>
	<u>317,295,411</u>	<u>42,150,119</u>

The Notes on Pages 12 to 20 form part of these financial statements.

The Auditors' Report is on Pages 6 - 7.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2023

	SHARE CAPITAL Tzs	ACCUMULATED PROFIT / (LOSS) Tzs	TOTAL Tzs
Year ended 30th June 2023			
As at 1st July 2022	10,000,000,000	2,761,587,240	12,761,587,240
Advance against Share Capital	10,000,000,000	-	10,000,000,000
Prior year tax audit liabilities	-	(1,353,199,094)	(1,353,199,094)
Profit / (Loss) for the year	-	312,767,519	312,767,519
As at 30th June 2023	<u>20,000,000,000</u>	<u>1,721,155,665</u>	<u>21,721,155,665</u>
Year ended 30th June 2022			
As at 1st July 2021	10,000,000,000	1,323,513,326	11,323,513,326
Prior year tax audit liabilities	-	(1,182,794,539)	(1,182,794,539)
Profit / (Loss) for the year	-	2,620,868,453	2,620,868,453
As at 30th June 2022	<u>10,000,000,000</u>	<u>2,761,587,240</u>	<u>12,761,587,240</u>

The Notes on Pages 12 to 20 form part of these financial statements.

The Auditors' Report is on Pages 6 - 7.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2023**

1. COMPLIANCE WITH IFRS

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

2. PRINCIPAL ACCOUNTING POLICIES

a) Accounting Convention

The financial statements are prepared in accordance with the historical cost convention.

b) Going Concern

The directors of the Company have expressed their willingness to continue with the cable manufacturing business for the foreseeable future.

c) Revenue Recognition

Revenue comprises the invoiced value of goods sold during the year net of Value Added Tax (VAT). Income is recognized when goods are supplied and are accepted by a customer.

d) Inventory

Inventories are stated at the lower of cost or net realizable value. Net realizable value is the price at which inventories can be sold in the normal course of business after allowing for the cost of realization. Provision is made where necessary for obsolescence, slow moving and defective inventories.

e) Property, Plant and Equipment and Depreciation

These comprises of Machinery, Furniture, Equipment and Motor vehicles. These are stated at their written down values (WDV). Depreciation is calculated on a Written down Values(WDV) balance method at annual rates estimated to write off the cost or valuation over the estimated useful lives of the assets concerned.

	%
Machinery, Equipment and Motor Cycles	12.5
Motor Vehicles	25.0
Computers	33.3

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2023**

f) Taxation

Taxation is provided on the basis of the results for the year as shown in the Financial Statements adjusted in accordance with the tax legislation.

Deferred tax is provided, using the liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Tax rates enacted or substantially enacted are used to determine deferred tax.

Deferred tax assets are recognized to the extent that it is probable that future tax profits will be available against which temporary differences can be utilized.

g) Foreign currency transactions

Transactions during the year in foreign currency are converted in to Tanzanian Shillings (Tzs) at the rate of exchange ruling at the transaction dates.

Assets and liabilities at the balance sheet date, which are in foreign currency, are translated into Tzs at the rate of the statement of financial position date. Resulting differences from such conversions are dealt with in the statement of comprehensive income in the year they arise.

h) Related Party Transaction.

1. Sales and Purchases:

During the Year ended 30th June 2023, Kilimanjaro cables (T) limited conducted business with Nyati Corporation Ltd selling products amounting to Tzs 17,844,082,543.26 and Purchasing products amounting Tzs 212,063,000.

2. Intercompany Loan:

Kilimanjaro Cables (T) Ltd also provided a soft interest free loan to Nyati Corporation Ltd. The said Load was repaid by Nyati Corporation Ltd during the year of Tzs 6,089,936,500. The purpose of the loan is to facilitate operational expenses.

3. Rental Agreement:

Kilimanjaro cables (T) Ltd has leased godowns from Nyati Corporation Ltd for a quantum of Tzs 6,000,000 per month and Simba Developers Limited Tzs 7,080,000 per month.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30TH JUNE 2023

3. FIXED ASSETS

	MACHINERY, EQUIPMENT Tzs	LAND AND BUILDINGS Tzs	COMPUTERS Tzs	MOTOR CYCLES Tzs	MOTOR VEHICLES Tzs	TOTAL Tzs
AT COST:						
Balance as at 1st July 2022	11,701,990,797	1,538,564,146	116,977,554	19,986,359	2,163,452,006	15,540,970,862
Additions	2,432,965,549	949,297,675	4,230,000	7,042,593	1,222,080,340	4,615,616,157
Balance as at 30th June 2023	14,134,956,346	2,487,861,821	121,207,554	27,028,952	3,385,532,346	20,156,587,019
DEPRECIATION:						
Balance as at 1st July 2022	4,763,799,069	-	90,450,222	18,419,223	696,609,538	5,569,278,052
Charge for the year	932,914,054	-	11,017,830	1,125,387	442,574,142	1,387,631,413
Balance as at 30th June 2023	5,696,713,123	-	101,468,052	19,544,610	1,139,183,680	6,956,909,465
WRITTEN DOWN VALUE (W.D.V)						
W.D.V. as at 30th June 2023	8,438,243,223	2,487,861,821	19,739,501.64	7,484,342	2,246,348,667	13,199,677,554
W.D.V. as at 30th June 2022	6,938,191,728	1,538,564,146	26,527,331.59	1,567,136	1,466,842,469	9,971,692,810

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30TH JUNE 2023

	2023 Tzs	2022 Tzs
4. PROFIT BEFORE TAXATION		
This is arrived at after charging:		
Depreciation	1,387,631,413	1,059,040,987
Directors remuneration	1,090,000,000	600,000,000
Accountancy and audit fees	70,331,322	21,229,268
	<u>2,212,850,962</u>	<u>2,243,919,570</u>
5. TAXATION		
At 30% on the taxable profit for the year	1,301,188,768	1,332,804,326
Deferred tax assets (Note 11)	911,662,194	911,115,244
	<u>2,212,850,962</u>	<u>2,243,919,570</u>
Tax computation up to year 2022 have been agreed with the TRA department.		
6. INVENTORIES		
Raw materials	8,903,590,575	11,268,926,000
Finished goods	5,186,412,998	4,175,015,337
	<u>14,090,003,574</u>	<u>15,443,941,337</u>
7. RECEIVABLES AND PREPAYMENTS		
Trade Debtors	27,138,954,950	18,055,090,809
Value added tax (VAT) Asset	-	2,978,279,774
Prepayments & Other Debtors	-	7,136,144
	<u>27,138,954,950</u>	<u>21,040,506,727</u>
8. SHARE CAPITAL		
Authorized capital:		
20,000,000 shares at Tzs. 500/= each	10,000,000,000	10,000,000,000
Issued and fully paid up capital:		
20,000,000 shares at Tzs. 500/= each	10,000,000,000	10,000,000,000
Advance Against Share Capital	10,000,000,000	-
	<u>20,000,000,000</u>	<u>10,000,000,000</u>
9. RETAINED EARNINGS		
Balance as at 1st July	2,761,587,240	1,323,513,326
Prior year tax audit liabilities	(1,353,199,094)	(1,182,794,539)
Profit \ (Loss) for the period	312,767,519	2,620,868,453
	<u>1,721,155,665</u>	<u>2,761,587,240</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30TH JUNE 2023

	2023 Tzs	2022 Tzs
10. PAYABLES AND ACCRUALS		
Value added tax (VAT) Payable	1,005,118,796	-
Trade creditors	32,751,715,679	35,421,589,453
Accruals	214,541,701	116,449,722
	<u>33,971,376,176</u>	<u>35,538,039,175</u>

11. DEFERRED TAX

Deferred tax is calculated in full on all temporary differences under the liability method using a principal tax rate of 30%. The movement on the deferred income tax account is as follows:

Balance as at 1st July	(1,609,335,775)	(698,220,531)
Income statement (credit) (Note 5)	(911,662,194)	(911,115,244)
Balance as at 30th June	<u>(2,520,997,970)</u>	<u>(1,609,335,775)</u>

Deferred tax assets and liabilities and deferred tax charge attributable due to difference in capital allowance rates.

12. CASH AND CASH EQUIVALENTS

This comprises of :

Cash in hand	82,209,046	37,834,272
Cash at bank	3,694,394,026	3,421,473,391
	<u>3,776,603,072</u>	<u>3,459,307,663</u>

13. CURRENCY

The financial statements are presented in Tanzania shilling currency, rounded to the nearest shilling.

14. LEGAL STATUS

The company is a limited liability company incorporated in Tanzania under the Companies Act 2002.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30TH JUNE 2023

	2023	2022
	Tzs	Tzs
15. ADMINISTRATIVE EXPENSES		
EMPLOYMENT		
NSSF contribution	92,893,088	354,349,299
Skill and development levy	37,157,235	141,739,719
Salary and wages- Admin	743,064,988	383,081,827
Staff medical	18,483,727	33,855,932
Work Permit	34,225,656	32,287,450
Workers Compensation fund	4,644,654	21,260,957
	<u>930,469,349</u>	<u>966,575,185</u>
ADMINISTRATION		
Accountancy and audit fees	70,331,322	21,229,268
Advertisement	14,690,963	16,675,299
Bank charges	629,789,519	485,868,357
Canteen Expenses	207,825,636	77,988,326
Cleaning expenses	15,097,489	15,172,085
Contributions and Donations	226,725,550	62,285,200
Director fees	1,090,000,000	600,000,000
Entertainment	-	354,136
Exchange loss	2,839,402,889	738,008,773
Fire and Rescue	15,014,322	3,652,000
Motor vehicle running expenses	527,598,231	488,869,791
Office General Expenses	73,448,737	12,179,554
Penalty & fines	247,500	292,500
Printing and stationery	7,318,786	32,999,184
Secretarial Fees	16,869,864	708,712
Security Charges	5,427,220	720,000
Stamp Duty	3,698,000	1,451,660
Telephone and postage	4,474,833	50,366,941
Travelling Expenses	622,610,466	198,323,510
VAT Disallowed	54,854,097	
	<u>6,425,425,422</u>	<u>2,807,145,296</u>
TOTAL ADMINISTRATIVE EXPENSES	<u>7,355,894,771</u>	<u>3,773,720,479</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30TH JUNE 2023

	2023 Tzs	2022 Tzs
16. OTHER OPERATING EXPENSES		
ESTABLISHMENT		
Depreciation on others	11,017,830	15,916,398
Other Motor Vehicle expenses (Parking Fees)	3,242,800	406,962
Insurance premium	103,790,766	39,598,896
Electricity and water	327,881,803	52,362,150
Licenses and subscriptions	35,965,672	10,783,500
City service levy	344,750,828	309,097,040
Repairs and maintenance	819,243,298	576,555,503
Rent	436,028,144	300,450,274
	<hr/>	<hr/>
TOTAL OTHER OPERATING EXPENSES	2,081,921,142	1,305,170,724
	<hr/>	<hr/>
17. COST OF SALES		
MANUFACTURING ACCOUNT		
Opening stock of raw materials	11,268,926,000	12,076,425,000
Purchases of raw materials	94,089,790,395	86,523,870,406
Less: Closing stock of raw materials	(8,903,590,575)	(11,268,926,000)
	<hr/>	<hr/>
COST OF RAW MATERIALS USED	96,455,125,820	87,331,369,406
	<hr/>	<hr/>
ADD: DIRECT COST		
Depreciation on machinery and tools	1,376,613,583	1,043,124,589
Electricity	938,343,093	901,613,093
Generator running	64,639,965	83,259,008
Machine running expenses	277,378,186	212,194,789
Salaries and wages	4,436,302,324	2,560,411,163
Transport, Loading & Off-loading Charges	416,642,877	575,580,690
	<hr/>	<hr/>
COST OF GOODS MANUFACTURED	103,965,045,848	92,707,552,740
	<hr/>	<hr/>
Add : Opening stock of manufactured goods	4,175,015,337	4,556,130,000
Less: Closing stock of manufactured goods	(5,186,412,998)	(4,175,015,337)
	<hr/>	<hr/>
COST OF SALES	102,953,648,187	93,088,667,403
	<hr/>	<hr/>

**INCOME TAX COMPUTATION
FOR THE YEAR ENDED 30TH JUNE 2023
TIN No: 101-049-566**

	2023 Tzs	2022 Tzs
Profit as per the accounts	2,525,618,481	4,864,788,023
Add back:		
Contributions and Donations	176,213,180	62,285,200
Depreciation	1,387,631,413	1,059,040,987
Unrealized exchange loss	2,517,526,666	656,719,836
Penalty	247,500	292,500
50% Entertainment	-	177,068
Personal Travel (Family)	62,261,047	
	<u>6,669,498,287</u>	<u>6,643,303,614</u>
Less: Depreciation allowance	<u>(2,332,202,394)</u>	<u>(2,200,622,528)</u>
Profit / (Loss) for the year	<u>4,337,295,893</u>	<u>4,442,681,086</u>
Corporation tax 30%	1,301,188,768	1,332,804,326
Less: Tax paid		
Provisional tax	720,000,000	530,000,000
Withholding tax	589,479,426	796,317,979
	<u>(8,290,658)</u>	<u>6,486,347</u>

CALCULATION OF DEPRECIATION ALLOWANCE (FOR CLASS 1, 2 AND 3 OF DEPRECIABLE ASSET)

	Class 1 37.5%	Class 2 25%	Class 3 12.5%	Total
W.D.V. 1st July 2022	24,897,541	1,305,480,033	4,459,259,096	5,789,636,670
Addition	4,230,000	1,229,122,933	2,432,965,549	3,666,318,482
	<u>29,127,541</u>	<u>2,534,602,966</u>	<u>6,892,224,644</u>	<u>9,455,955,152</u>
Depreciation Allowance	(10,922,828)	(633,650,742)	(557,407,387)	(1,201,980,956)
Initial Allowance prior year	-	-	(521,980,051)	(521,980,051)
Initial Allowance Current year	-	-	(608,241,387)	(608,241,387)
	<u>18,204,713</u>	<u>1,900,952,225</u>	<u>5,204,595,820</u>	<u>7,123,752,758</u>

**DEFERRED TAX COMPUTATION
FOR THE YEAR ENDED 30TH JUNE 2023**

	2023	2022
	Tzs	Tzs
Net book value as per accounts	13,199,677,554	9,971,692,810
Tax written down value	<u>7,123,752,758</u>	<u>5,789,636,670</u>
Accelerated Capital Allowances	6,075,924,796	4,182,056,141
Tax Loss	<u>-</u>	<u>-</u>
Total	<u>6,075,924,796</u>	<u>4,182,056,141</u>
Deferred tax @ 30%		
Accelerated Capital Allowances	1,822,777,439	1,254,616,842
Tax Loss	<u>-</u>	<u>-</u>
Total deferred tax	<u>1,822,777,439</u>	<u>1,254,616,842</u>
Opening deferred tax	911,115,245	343,501,598
Movement on deferred tax account	<u>911,662,194</u>	<u>911,115,245</u>
Deferred tax asset in respect of tax loss c/fwd		
Tax loss as at 30th June	-	-
Credit to deferred tax account @ 30%	-	-
Net credit to Deferred tax assets a/c	<u>911,662,194</u>	<u>911,115,245</u>

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2024**

KILIMANJARO CABLES (T) LIMITED

P. O. BOX 2562

DAR ES SALAAM

PAN & ASSOCIATES,
2nd Floor, NHC Biashara Complex,
Mwinyijuma Road, Mwananyamala,
P. O. BOX 79822,
Dar Es Salaam.
Tel: 0786 845 920
+255 22 272 6421
E. mail: pan_associates@yahoo.co.uk

*** Auditors* Tax Consultants* Secretarial Services***

December 2024

KILIMANJARO CABLES (T) LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2024

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**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2024**

CORPORATE INFORMATION

	Name	Nationality
Directors:	1. Aliasgar Hatimali Ezzi	Tanzanian
	2. Yusuf Hatimali Ezzi	Tanzanian
	3. Mansoor Moiz Hussein Kadirbhai	Tanzanian

Registered Office: Plot No. 161/1/1,
Kurasini,
P. O. Box 2562,
Dar Es Salaam,
Tanzania.
Tel: 2863835 / 2863830

TIN: 101-049-566

VRN: 10-014521-G

Principal Banker: NBC Ltd
Kichwele Branch
P. O. Box 9044,
Dar Es Salaam,
Tanzania.

Auditors: **PAN & ASSOCIATES**
Certified Public Accountants in Public Practice
2nd Floor, NHC Biashara Complex
Mwinyijuma Road, Mwananyamala
P. O. Box 79822, Dar es Salaam
Tel: 0786 84 59 20
Email: pan_associates@yahoo.co.uk

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2024

The directors are required in terms of the Companies Act of 2002 to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial period and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards and the requirements of the Companies Act of 2002. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of 2002, and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment.

To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavors to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

DIRECTOR: _____**DATE:** 16/12/2024

DIRECTORS' REPORT

1. INTRODUCTION

The Directors have pleasure in presenting their report together with the audited financial statements for the year ended 30th June 2024, which disclose the state of affairs of the company.

2. PRINCIPAL ACTIVITY

The Principal activity of the company remains that of manufacturing and selling of wires and cables. The Company is registered with the Tanzania Investment Center under the manufacturing category.

3. STATEMENT OF THE DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Companies Act, 2002, requires the Directors to prepare financial statements for each financial year, 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 results and cash flows for that year.

The Board of directors is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the International Financial Reporting Standards (IFRS) and the Companies Act, 2002. They are also responsible for safeguarding the assets of the company, ensuring the company's compliance with all regulatory and legal requirements and for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

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 30th June 2024. 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 statement.

4. DIRECTORS

The Directors of the Company who held office during the year ended include:

Name	Nationality
1. Yusuf Hatimali Ezzi	Tanzanian
2. Aliasger Hatimali Ezzi	Tanzanian
3. Mansoormoiz Hussein Kadirbhai	Tanzanian

DIRECTORS' REPORT

5. RESULTS AND SOLVENCY

The results for the period, the appropriation thereof and the state of affairs of the Company are set out on page 8 - 11.

6. DIVIDENDS

The Directors do not recommend the payment of dividends for the year.

7. AUDITORS

The Directors have appointed PAN & ASSOCIATES, a firm of Certified Public Accountants in Public Practice as auditors of the Company for this financial year.

BY ORDER OF THE BOARD



DIRECTOR

16/12/2024

DATE

DECLARATION OF THE HEAD OF ACCOUNTING

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

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

I, Rajab Gwota, being the Head of Finance /Accounting of Kilimanjaro Cables (T) Limited hereby acknowledge my responsibility of ensuring that the attached Financial Statements set out on pages 8 to 20 for the year 30th June 2024 have been prepared in compliance with the applicable accounting standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of Kilimanjaro Cables (T) Limited as on that date and they have been prepared based on properly maintained financial records.

Signed by: 

Date: 16/12/2024

Position: Head of Finance / Accounting

NBAA Membership No.: ACPA-1759



**To the Directors of KILIMANJARO CABLES (T) LIMITED
Report on the Audit of Financial Statements**

1. OPINION

We have audited the financial statements of Kilimanjaro Cables (T) Limited which comprise of the statement of financial position as at 30th June 2024 and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and the Notes to the Financial Statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position as at 30th June 2024 and of its financial performance and cash flows for the year ended 30th June 2024, and that they comply with Tanzania's Companies Act 2002 and the International Financial Reporting Standards (IFRSs).

2. BASIS OF OPINION

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in paragraph 5 of this report.

We are independent of the Entity in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountant's (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. EMPHASIS OF MATTER

In common with many businesses of similar size and organization the company's system of internal control is dependent upon the close involvement of the Directors (who are major shareholders). Where independent confirmation was not available, we have accepted assurance from the directors that all the company's transactions have been correctly reflected in the records.

4. DIRECTORS' RESPONSIBILITIES

As described in the statement of director's responsibilities, the Directors are responsible for the preparation of the financial statements.

5. AUDITOR'S RESPONSIBILITIES

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

Reasonable assurance is a high level of assurance, but it 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.

For: PAN & ASSOCIATES

Certified Public Accountants in Public Practice



Peter A. Njau
Managing Director
(ACPA 1137)

Date : 19/12/2024

Place : Dar es Salaam


PAN & ASSOCIATES
CERTIFIED ACCOUNTANTS IN PUBLIC PRACTICE
TAX & MGT CONSULTANTS
P.O. Box 79822
DAR-ES-SALAAM

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2024

	NOTES	2024 Tzs	2023 Tzs
Revenue		114,404,447,387	114,917,082,581
Cost of sales	17	<u>(102,222,915,496)</u>	<u>(102,953,648,187)</u>
Gross profit		12,181,531,891	11,963,434,394
Gain / Loss on Sale of Fixed Assets		(6,647,302)	-
Administrative expenses	15	(11,350,826,792)	(7,355,894,771)
Other operating expenses	16	<u>(2,156,652,643)</u>	<u>(2,081,921,142)</u>
Profit / (Loss) before tax	4	(1,332,594,846)	2,525,618,481
Tax	5	<u>(1,930,694,059)</u>	<u>(2,212,850,962)</u>
Profit / (Loss) after tax		<u>(3,263,288,905)</u>	<u>312,767,519</u>

The Notes on Pages 12 to 20 form part of these financial statements.
The Auditors' Report is on Pages 6 - 7.

The financial statements on pages 8 to 20 were approved by the Directors and were signed on the company's behalf by:



Director: Aliasgar Hatimali Ezzi



Director: Yusuf Hatimali Ezzi

Date: 16/12/2024

Date: 16/12/2024

STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2024

	NOTES	2024 Tzs	2023 Tzs
ASSETS			
NON-CURRENT ASSETS			
Plant and equipment	3	<u>17,842,349,957</u>	<u>13,199,677,554</u>
CURRENT ASSETS			
Inventories	6	10,811,364,837	14,090,003,574
Receivables and prepayments	7	34,362,622,604	27,138,954,950
Cash and cash equivalents	12	<u>8,765,678,520</u>	<u>3,776,603,072</u>
		<u>53,939,665,960</u>	<u>45,005,561,596</u>
TOTAL ASSETS		<u>71,782,015,917</u>	<u>58,205,239,150</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Share capital	8	20,000,000,000	10,000,000,000
Advance against share capital	8	-	10,000,000,000
Retained earnings	9	<u>(2,745,606,595)</u>	<u>1,721,155,665</u>
		<u>17,254,393,405</u>	<u>21,721,155,665</u>
CURRENT LIABILITIES			
Payable and accruals	10	51,837,233,610	33,971,376,176
Deferred tax liability	11	4,411,839,419	2,520,997,970
Taxation		<u>(1,721,450,514)</u>	<u>(8,290,658)</u>
		<u>54,527,622,515</u>	<u>36,484,083,487</u>
TOTAL EQUITY & LIABILITIES		<u>71,782,015,918</u>	<u>58,205,239,150</u>

The Notes on Pages 12 to 20 form part of these financial statements.
The Auditors' Report is on Pages 6 - 7.

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30TH JUNE 2024

	2024 Tzs	2023 Tzs
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	(1,332,594,846)	2,525,618,481
Adjustment for:		
Accumulated depreciation on disposed asset	(18,899,682)	
Depreciation	2,091,275,089	1,387,631,413
Profit before taxation before working capital changes	<u>739,780,561</u>	<u>3,913,249,894</u>
Working capital changes:		
Inventories	3,278,638,737	1,353,937,763
Receivables and prepayments	(7,223,667,654)	(6,098,448,223)
Payables and accruals	17,865,857,434	(1,566,662,999)
	<u>14,660,609,078</u>	<u>(2,397,923,564)</u>
Less: Taxation paid	<u>(2,956,485,822)</u>	<u>(2,669,164,867)</u>
NET CASH FLOW FROM OPERATING ACTIVITIES	<u>11,704,123,256</u>	<u>(5,067,088,431)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Disposal of asset	29,546,984	
Purchase of Fixed assets	(6,744,594,794)	(4,615,616,157)
NET CASH FLOW AFTER INVESTING ACTIVITIES	<u>(6,715,047,810)</u>	<u>(4,615,616,157)</u>
CASH FLOW FROM FINANCING ACTIVITY		
Increase / (Decrease) in advance against Share capital	-	10,000,000,000
Increase / (Decrease) in Shareholder Capital	-	-
NET CASH FLOW AFTER FINANCING ACTIVITIES	<u>-</u>	<u>10,000,000,000</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>4,989,075,447</u>	<u>317,295,411</u>
ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS		
Balance as at 1st July	3,776,603,072	3,459,307,663
Balance as at 30th June	<u>8,765,678,520</u>	<u>3,776,603,072</u>
	<u>4,989,075,446</u>	<u>317,295,411</u>

The Notes on Pages 12 to 20 form part of these financial statements.
The Auditors' Report is on Pages 6 - 7.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2024

	SHARE CAPITAL Tzs	ACCUMULATED PROFIT / (LOSS) Tzs	TOTAL Tzs
Year ended 30th June 2024			
As at 1st July 2023	20,000,000,000	1,721,155,665	21,721,155,665
Prior year tax audit liabilities	-	(1,203,473,354)	(1,203,473,354)
Profit / (Loss) for the year	-	(3,263,288,905)	- 3,263,288,905
As at 30th June 2024	<u>20,000,000,000</u>	<u>(2,745,606,595)</u>	<u>17,254,393,405</u>
Year ended 30th June 2023			
As at 1st July 2022	10,000,000,000	2,761,587,240	12,761,587,240
Advance against Share Capital	10,000,000,000	-	10,000,000,000
Prior year tax audit liabilities	-	(1,353,199,094)	(1,353,199,094)
Profit / (Loss) for the year	-	312,767,519	312,767,519
As at 30th June 2023	<u>20,000,000,000</u>	<u>1,721,155,665</u>	<u>21,721,155,665</u>

The Notes on Pages 12 to 20 form part of these financial statements.

The Auditors' Report is on Pages 6 - 7.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2024**

1. COMPLIANCE WITH IFRS

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

2. PRINCIPAL ACCOUNTING POLICIES

a) Accounting Convention

The financial statements are prepared in accordance with the historical cost convention.

b) Going Concern

The directors of the Company have expressed their willingness to continue with the transport services business for the foreseeable future.

c) Revenue Recognition

Revenue comprises the invoiced value of goods sold during the year net of Value Added Tax (VAT). Income is recognized when goods are supplied and are accepted by a customer.

d) Inventory

Inventories are stated at the lower of cost or net realizable value. Net realizable value is the price at which inventories can be sold in the normal course of business after allowing for the cost of realization. Provision is made where necessary for obsolescence, slow moving and defective inventories.

e) Property, Plant and Equipment and Depreciation

These comprises of Machinery, Furniture, Equipment and Motor vehicles. These are stated at their written down values (WDV). Depreciation is calculated on a Straight-line balance method at annual rates estimated to write off the cost or valuation over the estimated useful lives of the assets concerned.

	%
Machinery, Equipment and Motor Cycles	12.5
Motor Vehicles	25.0
Computers	33.3

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2024****f) Taxation**

Taxation is provided on the basis of the results for the year as shown in the Financial Statements adjusted in accordance with the tax legislation.

Deferred tax is provided, using the liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Tax rates enacted or substantially enacted are used to determine deferred tax.

Deferred tax assets are recognized to the extent that it is probable that future tax profits will be available against which temporary differences can be utilized.

g) Foreign currency transactions

Transactions during the year in foreign currency are converted in to Tanzanian Shillings (Tzs) at the rate of exchange ruling at the transaction dates.

Assets and liabilities at the balance sheet date, which are in foreign currency, are translated into Tzs at the rate of the statement of financial position date. Resulting differences from such conversions are dealt with in the statement of comprehensive income in the year they arise.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30TH JUNE 2024

3. FIXED ASSETS

	MACHINERY, EQUIPMENT Tzs	LAND AND BUILDINGS Tzs	COMPUTERS Tzs	MOTOR CYCLES Tzs	MOTOR VEHICLES Tzs	TOTAL Tzs
AT COST:						
Balance as at 1st July 2023	14,134,956,346	2,487,861,821	121,207,554	27,028,952	3,385,532,346	20,156,587,019
Additions	1,822,728,137	2,282,742,704	5,991,780	7,567,797	2,625,564,378	6,744,594,794
Disposal					(29,546,984)	(29,546,984)
Balance as at 30th June 2024	<u>15,957,684,483</u>	<u>4,770,604,525</u>	<u>127,199,334</u>	<u>34,596,749</u>	<u>5,981,549,739</u>	<u>26,871,634,829</u>
DEPRECIATION:						
Balance as at 1st July 2023	5,696,713,123	-	101,468,052	19,544,610	1,139,183,680	6,956,909,465
Charge for the year	1,169,981,867	-	8,322,239	2,592,660	910,378,323	2,091,275,089
Disposal					(18,899,682)	(18,899,682)
Balance as at 30th June 2024	<u>6,866,694,990</u>	<u>-</u>	<u>109,790,291</u>	<u>22,137,270</u>	<u>2,030,662,321</u>	<u>9,029,284,872</u>
WRITTEN DOWN VALUE (W.D.V)						
W.D.V. as at 30th June 2024	<u>9,090,989,493</u>	<u>4,770,604,525</u>	<u>17,409,042.37</u>	<u>12,459,479</u>	<u>3,950,887,418</u>	<u>17,842,349,957</u>
W.D.V. as at 30th June 2023	<u>8,438,243,223</u>	<u>2,487,861,821</u>	<u>19,739,502.00</u>	<u>7,484,342</u>	<u>2,246,348,666</u>	<u>13,199,677,554</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30TH JUNE 2024

	2024 Tzs	2023 Tzs
4. PROFIT BEFORE TAXATION		
This is arrived at after charging:		
Depreciation	2,091,275,089	1,387,631,413
Directors remuneration	900,000,000	1,090,000,000
Accountancy and audit fees	30,847,458	70,331,322
	<u>2,022,122,547</u>	<u>2,548,000,735</u>
5. TAXATION		
At 30% on the taxable profit for the year	39,852,611	1,301,188,768
Deferred tax assets (Note 11)	1,890,841,449	911,662,194
	<u>1,930,694,059</u>	<u>2,212,850,962</u>
Tax computation up to year 2022 have been agreed with the TRA department.		
6. INVENTORIES		
Raw materials	6,201,132,869	8,903,590,575
Finished goods	4,610,231,968	5,186,412,998
	<u>10,811,364,837</u>	<u>14,090,003,574</u>
7. RECEIVABLES AND PREPAYMENTS		
Trade Debtors	27,934,279,705	27,138,954,950
Value added tax (VAT) Asset	371,969,389	-
Advance paid to suppliers	6,056,373,510	-
Prepayments & Other Debtors	-	-
	<u>34,362,622,604</u>	<u>27,138,954,950</u>
8. SHARE CAPITAL		
Authorized capital:		
40,000,000 shares at Tzs. 500/= each	20,000,000,000	10,000,000,000
Issued and fully paid up capital:		
40,000,000 shares at Tzs. 500/= each	20,000,000,000	10,000,000,000
Advance Against Share Capital	-	10,000,000,000
	<u>20,000,000,000</u>	<u>20,000,000,000</u>
9. RETAINED EARNINGS		
Balance as at 1st July	1,721,155,665	2,761,587,240
Prior year tax audit liabilities	(1,203,473,354)	(1,353,199,094)
Profit \ (Loss) for the period	(3,263,288,905)	312,767,519
	<u>(2,745,606,595)</u>	<u>1,721,155,665</u>
Balance as at 30th June	<u>(2,745,606,595)</u>	<u>1,721,155,665</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30TH JUNE 2024

	2024 Tzs	2023 Tzs
10. PAYABLES AND ACCRUALS		
Value added tax (VAT) Payable	-	1,005,118,796
Trade creditors	47,490,176,368	32,751,715,679
Customer deposits	2,530,940,790	-
Accruals	1,816,116,452	214,541,701
	<u>51,837,233,610</u>	<u>33,971,376,176</u>

11. DEFERRED TAX

Deferred tax is calculated in full on all temporary differences under the liability method using a principal tax rate of 30%. The movement on the deferred income tax account is as follows:

Balance as at 1st July	(2,520,997,970)	(1,609,335,775)
Income statement (credit) (Note 5)	(1,890,841,449)	(911,662,194)
Balance as at 30th June	<u>(4,411,839,419)</u>	<u>(2,520,997,970)</u>

Deferred tax assets and liabilities and deferred tax charge attributable due to difference in capital allowance rates.

12. CASH AND CASH EQUIVALENTS

This comprises of :

Cash in hand	51,268,458	82,209,046
Cash at bank	8,714,410,062	3,694,394,026
	<u>8,765,678,520</u>	<u>3,776,603,072</u>

13. CURRENCY

The financial statements are presented in Tanzania shilling currency, rounded to the nearest shilling.

14. LEGAL STATUS

The company is a limited liability company incorporated in Tanzania under the Companies Act 2002.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30TH JUNE 2024

	2024 Tzs	2023 Tzs
15. ADMINISTRATIVE EXPENSES		
EMPLOYMENT		
NSSF contribution	126,814,458	92,893,088
Skill and development levy	44,387,860	37,157,235
Salary and wages- Admin	1,088,224,582	743,064,988
Staff medical	47,219,922	18,483,727
Work Permit	289,494,353	34,225,656
Workers Compensation fund	6,341,123	4,644,654
	<u>1,602,482,299</u>	<u>930,469,349</u>
ADMINISTRATION		
Accountancy and audit fees	30,847,458	70,331,322
Advertisement	54,004,032	14,690,963
Bank charges	700,451,692	629,789,519
Canteen Expenses	350,883,053	207,825,636
Cleaning expenses	26,229,051	15,097,489
Contributions and Donations	217,384,170	226,725,550
Director fees	900,000,000	1,090,000,000
Exchange loss	5,406,674,207	2,839,402,889
Fire and Rescue	16,018,000	15,014,322
Motor vehicle running expenses	1,045,353,579	527,598,231
Office General Expenses	44,255,467	73,448,737
Penalty & fines	290,000	247,500
Printing and stationery	10,662,586	7,318,786
Secretarial Fees	4,975,830	16,869,864
Security Charges	59,039,661	5,427,220
Stamp Duty	1,891,144	3,698,000
Telephone, postage & internet charges	22,157,234	4,474,833
Travelling Expenses	857,227,330	622,610,466
VAT Disallowed	-	54,854,097
	<u>9,748,344,493</u>	<u>6,425,425,422</u>
TOTAL ADMINISTRATIVE EXPENSES	<u>11,350,826,792</u>	<u>7,355,894,771</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30TH JUNE 2024

	2024 Tzs	2023 Tzs
16. OTHER OPERATING EXPENSES		
ESTABLISHMENT		
Depreciation on others	8,322,239	11,017,830
Other Motor Vehicle expenses	6,472,400	3,242,800
Insurance premium	214,671,382	103,790,766
Electricity and water	291,220,559	327,881,803
Licenses and subscriptions	56,909,131	35,965,672
City service levy	343,214,446	344,750,828
Repairs and maintenance	869,147,505	819,243,298
Rent	366,694,980	436,028,144
	<u>2,156,652,643</u>	<u>2,081,921,142</u>
TOTAL OTHER OPERATING EXPENSES		
17. COST OF SALES		
MANUFACTURING ACCOUNT		
Opening stock of raw materials	8,903,590,575	11,268,926,000
Purchases of raw materials	89,338,481,966	94,089,790,395
Less: Closing stock of raw materials	<u>(6,201,132,869)</u>	<u>(8,903,590,575)</u>
COST OF RAW MATERIALS USED	<u>92,040,939,672</u>	<u>96,455,125,820</u>
ADD: DIRECT COST		
Depreciation on machinery and tools	2,082,952,850	1,376,613,583
Electricity	1,313,866,565	938,343,093
Generator running	164,327,059	64,639,965
Machine running expenses	399,504,653	277,378,186
Salaries and wages	5,063,112,093	4,436,302,324
Transport, Loading & Off-loading Charges	<u>582,031,572</u>	<u>416,642,877</u>
COST OF GOODS MANUFACTURED	<u>101,646,734,466</u>	<u>103,965,045,848</u>
Add : Opening stock of manufactured goods	5,186,412,998	4,175,015,337
Less: Closing stock of manufactured goods	<u>(4,610,231,968)</u>	<u>(5,186,412,998)</u>
COST OF SALES	<u>102,222,915,496</u>	<u>102,953,648,187</u>

KILIMANJARO CABLES (T) LIMITED

INCOME TAX COMPUTATION
FOR THE YEAR ENDED 30TH JUNE 2024
TIN No: 101-049-566

	2024 Tzs	2023 Tzs
Profit/ (Loss) as per the accounts	(1,332,594,846)	2,525,618,481
Add back:		
Contributions and Donations	244,036,067	176,213,180
Depreciation	2,091,275,089	1,387,631,413
Unrealized exchange loss	2,129,046,692	2,517,526,666
Penalty	290,000	247,500
Personal Travel (Family)	85,722,733	62,261,047
	<u>3,217,775,736</u>	<u>6,669,498,287</u>
Less: Depreciation allowance	<u>(3,084,933,700)</u>	<u>(2,332,202,394)</u>
Profit / (Loss) for the year	<u>132,842,035</u>	<u>4,337,295,893</u>
Corporation tax 30%	39,852,611	1,301,188,768
Less: Tax paid		
Balance b/f	8,290,658	0
Provisional tax	900,000,000	720,000,000
Withholding tax	853,012,467	589,479,426
	<u>(1,721,450,514)</u>	<u>(8,290,658)</u>

CALCULATION OF DEPRECIATION ALLOWANCE (FOR CLASS 1, 2 AND 3 OF DEPRECIABLE ASSET)

	Class 1 37.5%	Class 2 25%	Class 3 12.5%	Total
W.D.V. 1st July 2023	18,204,713	1,900,952,225	5,204,595,820	7,123,752,758
Addition	<u>5,991,780</u>	<u>2,633,132,174</u>	<u>1,822,728,137</u>	<u>4,461,852,090</u>
	24,196,493	4,534,084,399	7,027,323,957	11,585,604,848
Depreciation Allowance	(9,073,685)	(1,133,521,100)	(878,415,495)	(2,021,010,279)
Initial Allowance prior year	-	-	(608,241,387)	(608,241,387)
Initial Allowance Current year	<u>-</u>	<u>-</u>	<u>(455,682,034)</u>	<u>(455,682,034)</u>
W.D.V. 30th June 2024	<u>15,122,808</u>	<u>3,400,563,299</u>	<u>5,084,985,041</u>	<u>8,500,671,148</u>

**DEFERRED TAX COMPUTATION
FOR THE YEAR ENDED 30TH JUNE 2024**

	2024	2023
	Tzs	Tzs
Net book value as per accounts	17,842,349,957	13,199,677,554
Tax written down value	<u>8,500,671,148</u>	<u>7,123,752,758</u>
Accelerated Capital Allowances	9,341,678,808	6,075,924,796
Tax Loss	<u>-</u>	<u>-</u>
Total	<u>9,341,678,808</u>	<u>6,075,924,796</u>
Deferred tax @ 30%		
Accelerated Capital Allowances	2,802,503,643	1,822,777,439
Tax Loss	<u>-</u>	<u>-</u>
Total deferred tax	<u>2,802,503,643</u>	<u>1,822,777,439</u>
Opening deferred tax	911,662,194	911,115,245
Movement on deferred tax account	<u>1,890,841,449</u>	<u>911,662,194</u>
Deferred tax asset in respect of tax loss c/fwd		
Tax loss as at 30th June	-	-
Credit to deferred tax account @ 30%	-	-
Net credit to Deferred tax assets a/c	<u>1,890,841,449</u>	<u>911,662,194</u>

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2025**

KILIMANJARO CABLES (T) LIMITED

P. O. BOX 2562

DAR ES SALAAM

**PAN & ASSOCIATES,
Mikocheni B, Plot No. 1086
Complex Street,
P. O. BOX 79822,
Dar Es Salaam.
Tel: 0786 845 920**

E. mail: pan_associates@yahoo.co.uk

*** Auditors* Tax Consultants* Secretarial Services***

December 2025

KILIMANJARO CABLES (T) LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

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Statement of Financial Position	9
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**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2025****CORPORATE INFORMATION**

	Name	Nationality
Directors:	1. Aliasgar Hatimali Ezzi	Tanzanian
	2. Yusuf Hatimali Ezzi	Tanzanian
	3. Mansoor Moiz Hussein Kadirbhai	Tanzanian

Registered Office: Plot No. 161/1/1,
Kurasini,
P. O. Box 2562,
Dar Es Salaam,
Tanzania.
Tel: 2863835 / 2863830

TIN: 101-049-566

VRN: 10-014521-G

Principal Banker: NBC Ltd
Kichwele Branch
P. O. Box 9044,
Dar Es Salaam,
Tanzania.

Auditors: **PAN & ASSOCIATES**
Certified Public Accountants in Public Practice
2nd Floor, NHC Biashara Complex
Mwinyijuma Road, Mwananyamala
P. O. Box 79822, Dar es Salaam
Tel: 0786 84 59 20
Email: pan_associates@yahoo.co.uk

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

The directors are required in terms of the Companies Act of 2002 to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial period and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards and the requirements of the Companies Act of 2002. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of 2002, and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment.

To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavors to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

DIRECTOR:  _____

DATE: 18th Decemebr 2025

DIRECTORS' REPORT

1. INTRODUCTION

The Directors have pleasure in presenting their report together with the audited financial statements for the year ended 30th June 2025, which disclose the state of affairs of the company.

2. PRINCIPAL ACTIVITY

The Principal activity of the company remains that of manufacturing and selling of wires and cables. The Company is registered with the Tanzania Investment Center under the manufacturing category.

3. STATEMENT OF THE DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Companies Act, 2002, requires the Directors to prepare financial statements for each financial year, 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 results and cash flows for that year.

The Board of directors is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the International Financial Reporting Standards (IFRS) and the Companies Act, 2002. They are also responsible for safeguarding the assets of the company, ensuring the company's compliance with all regulatory and legal requirements and for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

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 30th June 2025. 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 statement.

4. DIRECTORS

The Directors of the Company who held office during the year ended include:

Name	Nationality
1. Yusuf Hatimali Ezzi	Tanzanian
2. Aliasger Hatimali Ezzi	Tanzanian
3. Mansoormoiz Hussein Kadirbhai	Tanzanian

DIRECTORS' REPORT

5. RESULTS AND SOLVENCY

The results for the period, the appropriation thereof and the state of affairs of the Company are set out on page 8 - 11.

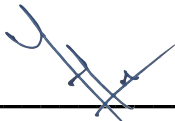
6. DIVIDENDS

The Directors do not recommend the payment of dividends for the year.

7. AUDITORS

The Directors have appointed PAN & ASSOCIATES, a firm of Certified Public Accountants in Public Practice as auditors of the Company for this financial year.

BY ORDER OF THE BOARD



DIRECTOR

18th December 2025

DATE

DECLARATION OF THE HEAD OF ACCOUNTING

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

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

We, Finx Capital House, being the Head of Finance /Accounting of Kilimanjaro Cables (T) Limited hereby acknowledge my responsibility of ensuring that the attached Financial Statements set out on pages 8 to 21 for the year 30th June 2025 have been prepared in compliance with the applicable accounting standards and statutory requirements.

We thus confirm that the financial statements give a true and fair view position of Kilimanjaro Cables (T) Limited as on that date and they have been prepared based on properly maintained financial records.

Signed by: _____

Date: 18th December 2025

Position: Head of Finance / Accounting

NBAA Membership No.: ACPA-PP 702



INDEPENDENT AUDITORS' REPORT

Page 6

**To the Directors of KILIMANJARO CABLES (T) LIMITED
Report on the Audit of Financial Statements**

1. OPINION

We have audited the financial statements of Kilimanjaro Cables (T) Limited which comprise of the statement of financial position as at 30th June 2025 and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and the Notes to the Financial Statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position as at 30th June 2025 and of its financial performance and cash flows for the year ended 30th June 2025, and that they comply with Tanzania's Companies Act 2002 and the International Financial Reporting Standards (IFRSs).

2. BASIS OF OPINION

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in paragraph 5 of this report.

We are independent of the Entity in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountant's (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. EMPHASIS OF MATTER

In common with many businesses of similar size and organization the company's system of internal control is dependent upon the close involvement of the Directors (who are major shareholders). Where independent confirmation was not available, we have accepted assurance from the directors that all the company's transactions have been correctly reflected in the records.

4. DIRECTORS' RESPONSIBILITIES

As described in the statement of director's responsibilities, the Directors are responsible for the preparation of the financial statements.

5. AUDITOR'S RESPONSIBILITIES

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

Reasonable assurance is a high level of assurance, but it 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.

For: PAN & ASSOCIATES

Certified Public Accountants in Public Practice

Peter A. Njau
Managing Director
(ACPA 1137)

Date : 18th December 2025

Place : Dar es Salaam



STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2025

	NOTES	2025 Tzs	2024 Tzs
Revenue		137,924,368,264	114,407,893,375
Cost of sales	17	<u>(126,360,828,664)</u>	<u>(102,222,915,496)</u>
Gross profit		11,563,539,600	12,181,531,891
Gain / Loss on Sale of Fixed Assets	18	(1,936,441)	(6,647,302)
Administrative expenses	15	(9,076,098,352)	(11,350,826,792)
Other operating expenses	16	<u>(2,377,327,171)</u>	<u>(2,156,652,643)</u>
Profit / (Loss) before tax	4	108,177,636	(1,322,594,846)
Tax	5	<u>(3,872,876,890)</u>	<u>(1,930,694,059)</u>
Profit / (Loss) after tax		<u>(3,764,699,254)</u>	<u>(3,263,288,905)</u>

The Notes on Pages 12 to 21 form part of these financial statements.

The Auditors' Report is on Pages 6 - 7.

The financial statements on pages 8 to 21 were approved by the Directors and were signed on the company's behalf by:



Director: Aliasgar Hatimali Ezzi



Director: Yusuf Hatimali Ezzi

Date: 18th December 2025

Date: 18th December 2025

STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2025

	NOTES	2025 Tzs	2024 Tzs
ASSETS			
NON-CURRENT ASSETS			
Plant and equipment	3	<u>25,105,077,874</u>	<u>17,842,349,957</u>
CURRENT ASSETS			
Inventories	6	22,237,907,617	10,811,364,837
Receivables and prepayments	7	32,595,236,449	34,362,622,604
Cash and cash equivalents	12	<u>4,123,766,350</u>	<u>8,765,678,520</u>
		<u>58,956,910,416</u>	<u>53,939,665,960</u>
TOTAL ASSETS		<u>84,061,988,290</u>	<u>71,782,015,917</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Share capital	8	20,000,000,000	20,000,000,000
Advance against share capital	8	30,000,000,000	-
Retained earnings	9	<u>(8,108,209,857)</u>	<u>(2,745,606,595)</u>
		<u>41,891,790,143</u>	<u>17,254,393,405</u>
CURRENT LIABILITIES			
Payable and accruals	10	37,746,588,213	51,837,233,610
Deferred tax liability	11	8,052,537,884	4,411,839,419
Taxation		<u>(3,628,927,949)</u>	<u>(1,721,450,514)</u>
		<u>42,170,198,147</u>	<u>54,527,622,512</u>
TOTAL EQUITY & LIABILITIES		<u>84,061,988,290</u>	<u>71,782,015,917</u>

The Notes on Pages 12 to 21 form part of these financial statements.
The Auditors' Report is on Pages 6 - 7.

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30TH JUNE 2025

	2025 Tzs	2024 Tzs
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	108,177,636	(1,332,594,846)
Adjustment for:		
Loss on Sale of Asset	1,936,441	
Accumulated depreciation on disposed asset	-	(18,899,682)
Depreciation	2,282,061,408	2,091,275,089
Profit before taxation before working capital changes	<u>2,392,175,485</u>	<u>739,780,561</u>
Working capital changes:		
Inventories	(11,426,542,780)	3,278,638,737
Receivables and prepayments	1,767,386,155	(7,223,667,654)
Payables and accruals	(14,090,645,397)	17,865,857,434
	<u>(21,357,626,537)</u>	<u>14,660,609,078</u>
Less: Taxation paid	<u>(3,737,559,871)</u>	<u>(2,956,485,822)</u>
NET CASH FLOW FROM OPERATING ACTIVITIES	<u>(25,095,186,408)</u>	<u>11,704,123,256</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Disposal of asset	500,000	29,546,984
Purchase of Fixed assets	<u>(9,547,225,762)</u>	<u>(6,744,594,794)</u>
NET CASH FLOW AFTER INVESTING ACTIVITIES	<u>(9,546,725,762)</u>	<u>(6,715,047,810)</u>
CASH FLOW FROM FINANCING ACTIVITY		
Increase / (Decrease) in advance against Share capital	30,000,000,000	-
Increase / (Decrease) in Shareholder Capital	<u>-</u>	<u>-</u>
NET CASH FLOW AFTER FINANCING ACTIVITIES	<u>30,000,000,000</u>	<u>-</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(4,641,912,170)</u>	<u>4,989,075,446</u>
ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS		
Balance as at 1st July	8,765,678,520	3,776,603,072
Balance as at 30th June	<u>4,123,766,350</u>	<u>8,765,678,520</u>
	<u>(4,641,912,170)</u>	<u>4,989,075,448</u>

The Notes on Pages 12 to 21 form part of these financial statements.

The Auditors' Report is on Pages 6 - 7.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2025**

	SHARE CAPITAL Tzs	ACCUMULATED PROFIT / (LOSS) Tzs	TOTAL Tzs
Year ended 30th June 2025			
As at 1st July 2024	20,000,000,000	(2,745,606,594)	17,254,393,406
Advance against Share Capital	30,000,000,000	-	-
Prior year tax audit liabilities	-	(1,597,904,009)	(1,597,904,009)
Profit / (Loss) for the year	-	(3,764,699,254)	- 3,764,699,254
As at 30th June 2025	<u>50,000,000,000</u>	<u>(8,108,209,857)</u>	<u>41,891,790,143</u>
Year ended 30th June 2024			
As at 1st July 2023	20,000,000,000	1,721,155,665.00	21,721,155,665
Advance against Share Capital		-	-
Prior year tax audit liabilities	-	(1,203,473,354)	(1,203,473,354)
Profit / (Loss) for the year	-	(3,263,288,905)	- 3,263,288,905
As at 30th June 2024	<u>20,000,000,000</u>	<u>(2,745,606,594)</u>	<u>17,254,393,406</u>

The Notes on Pages 12 to 21 form part of these financial statements.

The Auditors' Report is on Pages 6 - 7.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2025**

1. COMPLIANCE WITH IFRS

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

2. PRINCIPAL ACCOUNTING POLICIES

a) Accounting Convention

The financial statements are prepared in accordance with the historical cost convention.

b) Going Concern

The directors of the Company have expressed their willingness to continue with the transport services business for the foreseeable future.

c) Revenue Recognition

Revenue comprises the invoiced value of goods sold during the year net of Value Added Tax (VAT). Income is recognized when goods are supplied and are accepted by a customer.

d) Inventory

Inventories are stated at the lower of cost or net realizable value. Net realizable value is the price at which inventories can be sold in the normal course of business after allowing for the cost of realization. Provision is made where necessary for obsolescence, slow moving and defective inventories.

e) Property, Plant and Equipment and Depreciation

These comprises of Machinery, Furniture, Equipment and Motor vehicles. These are stated at their written down values (WDV). Depreciation is calculated on a Straight-line balance method at annual rates estimated to write off the cost or valuation over the estimated useful lives of the assets concerned.

	%
Machinery, Equipment and Motor Cycles	12.5
Motor Vehicles	25.0
Computers	33.3

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2025**

f) Taxation

Taxation is provided on the basis of the results for the year as shown in the Financial Statements adjusted in accordance with the tax legislation.

Deferred tax is provided, using the liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Tax rates enacted or substantially enacted are used to determine deferred tax.

Deferred tax assets are recognized to the extent that it is probable that future tax profits will be available against which temporary differences can be utilized.

g) Foreign currency transactions

Transactions during the year in foreign currency are converted in to Tanzanian Shillings (Tzs) at the rate of exchange ruling at the transaction dates.

Assets and liabilities at the balance sheet date, which are in foreign currency, are translated into Tzs at the rate of the statement of financial position date. Resulting differences from such conversions are dealt with in the statement of comprehensive income in the year they arise.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30TH JUNE 2025

3. FIXED ASSETS

	MACHINERY, EQUIPMENT Tzs	LAND AND BUILDINGS Tzs	COMPUTERS Tzs	MOTOR CYCLES Tzs	MOTOR VEHICLES Tzs	TOTAL Tzs
AT COST:						
Balance as at 1st July 2024	15,957,684,483	4,770,604,525	127,199,334	34,596,749	5,981,549,739	26,871,634,829.60
Additions	3,024,030,477	4,925,868,569	22,843,949	24,406,780	1,550,075,988	9,547,225,762.18
Disposal				- 2,542,373	-	- 2,542,372.88
Balance as at 30th June 2025	<u>18,981,714,959</u>	<u>9,696,473,094</u>	<u>150,043,283</u>	<u>56,461,156</u>	<u>7,531,625,727</u>	<u>36,416,318,218.90</u>
DEPRECIATION:						
Balance as at 1st July 2024	6,866,694,990	-	109,790,291	22,137,270	2,030,662,321	9,029,284,871.93
Charge for the year	1,166,902,784	-	11,111,098	5,341,211	1,098,706,312	2,282,061,405.32
Disposal				- 105,932	-	- 105,932.20
Balance as at 30th June 2025	<u>8,033,597,774</u>	<u>-</u>	<u>120,901,389</u>	<u>27,372,549</u>	<u>3,129,368,633</u>	<u>11,311,240,345.05</u>
WRITTEN DOWN VALUE (W.D.V)						
W.D.V. as at 30th June 2025	<u>10,948,117,185</u>	<u>9,696,473,094</u>	<u>29,141,893.97</u>	<u>29,088,607</u>	<u>4,402,257,094</u>	<u>25,105,077,873.85</u>
W.D.V. as at 30th June 2024	<u>9,090,989,493</u>	<u>4,770,604,525</u>	<u>17,409,043.00</u>	<u>12,459,479</u>	<u>3,950,887,418</u>	<u>17,842,349,957.67</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30TH JUNE 2025

	2025 Tzs	2024 Tzs
4. PROFIT BEFORE TAXATION		
This is arrived at after charging:		
Depreciation	2,282,061,405	2,091,275,089
Directors remuneration	900,000,000	900,000,000
Accountancy and audit fees	22,436,481	30,847,458
	<u>3,872,876,890</u>	<u>1,930,694,060</u>
5. TAXATION		
At 30% on the taxable profit for the year	232,178,427	39,852,611
Deferred tax assets (Note 11)	3,640,698,464	1,890,841,449
	<u>3,872,876,890</u>	<u>1,930,694,060</u>
Tax computation up to year 2024 have been agreed with the TRA department.		
6. INVENTORIES		
Raw materials	12,591,771,903	6,201,132,869
Finished goods	9,646,135,713	4,610,231,968
	<u>22,237,907,617</u>	<u>10,811,364,838</u>
7. RECEIVABLES AND PREPAYMENTS		
Trade Debtors	26,877,662,374	27,934,279,705
Value added tax (VAT) Asset	5,134,319,971	371,969,389
Advance paid to suppliers	383,180,453	6,056,373,510
Prepayments & Other Debtors	200,073,651	-
	<u>32,595,236,449</u>	<u>34,362,622,604</u>
8. SHARE CAPITAL		
Authorized capital:		
100,000,000 shares at Tzs. 500/= each	50,000,000,000	20,000,000,000
Issued and fully paid up capital:		
40,000,000 shares at Tzs. 500/= each	20,000,000,000	20,000,000,000
Advance Against Share Capital	30,000,000,000	-
	<u>50,000,000,000</u>	<u>20,000,000,000</u>
9. RETAINED EARNINGS		
Balance as at 1st July	(2,745,606,594)	1,721,155,665
Prior year tax audit liabilities	(1,597,904,009)	(1,203,473,354)
Profit \ (Loss) for the period	(3,764,699,254)	(3,263,288,905)
	<u>(8,108,209,857)</u>	<u>(2,745,606,594)</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30TH JUNE 2025**

	2025 Tzs	2024 Tzs
10. PAYABLES AND ACCRUALS		
Value added tax (VAT) Payable	-	-
Other Tax Payables	-	-
Trade creditors	34,715,656,269	47,490,176,368
Customer deposits	7,411,580	2,530,940,790.00
Accruals	3,023,520,364	1,816,116,452
	<u>37,746,588,213</u>	<u>51,837,233,610</u>

11. DEFERRED TAX

Deferred tax is calculated in full on all temporary differences under the liability method using a principal tax rate of 30%. The movement on the deferred income tax account is as follows:

Balance as at 1st July	(4,411,839,420)	(2,520,997,970)
Income statement (credit) (Note 5)	(3,640,698,464)	(1,890,841,449)
Balance as at 30th June	<u>(8,052,537,884)</u>	<u>(4,411,839,420)</u>

Deferred tax assets and liabilities and deferred tax charge attributable due to difference in capital allowance rates.

12. CASH AND CASH EQUIVALENTS

This comprises of :

Cash in hand	93,722,582	51,268,458
Cash at bank	4,030,043,768	8,714,410,062
	<u>4,123,766,350</u>	<u>8,765,678,520</u>

13. CURRENCY

The financial statements are presented in Tanzania shilling currency, rounded to the nearest shilling.

14. LEGAL STATUS

The company is a limited liability company incorporated in Tanzania under the Companies Act 2002.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30TH JUNE 2025

	2025 Tzs	2024 Tzs
15. ADMINISTRATIVE EXPENSES		
EMPLOYMENT		
NSSF contribution	144,182,908	126,814,458
Skill and development levy	50,464,018	44,387,860
Salary and wages- Admin	1,261,229,077	1,088,224,582
Staff medical	65,777,100	47,219,922
Work Permit	477,801,234	289,494,353
Workers Compensation fund	7,209,145	6,341,123
	<u>2,006,663,482</u>	<u>1,602,482,299</u>
ADMINISTRATION		
Accountancy and audit fees	22,436,481	30,847,458
Advertisement	61,581,318	54,004,032
Bank charges & LC Charges	948,793,457	700,451,692
Canteen Expenses	165,131,444	350,883,053
Cleaning expenses	16,493,339	26,229,051
Contributions and Donations	177,930,400	217,384,170
Director fees	900,000,000	900,000,000
Exchange loss	2,461,691,442	5,406,674,207
Fire and Rescue	18,898,500	16,018,000
Motor vehicle running expenses	1,308,006,979	1,045,353,579
Office General Expenses	57,199,003	44,255,467
Penalty & fines	225,000	290,000
Printing and stationery	12,516,286	10,662,586
Participation Charges	15,675,000	
Secretarial/Legal Fees	38,464,856	4,975,830
Security Charges	-	59,039,661
Stamp Duty	2,040,000	1,891,144
Telephone, postage & internet charges	19,681,944	22,157,234
Travelling Expenses	842,669,418	857,227,330
	<u>7,069,434,869</u>	<u>9,748,344,493</u>
TOTAL ADMINISTRATIVE EXPENSES	<u>9,076,098,352</u>	<u>11,350,826,792</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30TH JUNE 2025

	2025 Tzs	2024 Tzs
16. OTHER OPERATING EXPENSES		
ESTABLISHMENT		
Depreciation on others	11,111,098	8,322,239
Other Motor Vehicle expenses	492,353	6,472,400
Insurance premium	382,062,397	214,671,382
Electricity and water	412,589,336	291,220,559
Licenses and subscriptions	21,415,279	56,909,131
National Environment Fees	60,700,000	
City service levy	413,773,105	343,214,446
Repairs and maintenance	795,361,123	869,147,505
Rent	279,822,480	366,694,980
	<hr/>	<hr/>
TOTAL OTHER OPERATING EXPENSES	2,377,327,171	2,156,652,643
	<hr/>	<hr/>
17. COST OF SALES		
MANUFACTURING ACCOUNT		
Opening stock of raw materials	6,201,132,869	8,903,590,575
Purchases of raw materials	127,263,993,094	89,338,481,966
Less: Closing stock of raw materials	(12,591,771,903)	(6,201,132,869)
	<hr/>	<hr/>
COST OF RAW MATERIALS USED	120,873,354,059	92,040,939,672
	<hr/>	<hr/>
ADD: DIRECT COST		
Depreciation on machinery and tools	2,270,950,307	2,082,952,850
Electricity	1,965,060,705	1,313,866,565
Generator running	19,094,343	164,327,059
Machine running expenses	291,815,231	399,504,653
Salaries and wages	5,855,340,591	5,063,112,093
Loading & Offloading Charges	14,650,000	
Transport, Loading & Off-loading Charges	106,467,173	582,031,572
	<hr/>	<hr/>
COST OF GOODS MANUFACTURED	131,396,732,409	101,646,734,466
	<hr/>	<hr/>
Add : Opening stock of manufactured goods	4,610,231,968	5,186,412,998
Less: Closing stock of manufactured goods	(9,646,135,713)	(4,610,231,968)
	<hr/>	<hr/>
COST OF SALES	126,360,828,664	102,222,915,496
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30TH JUNE 2025

	2025 Tzs	2024 Tzs
18. LOSS ON DISPOSAL OF ASSET		
Cost of Asset	2,542,373	
Accumulated Depr	(105,932)	
Net Book Value	2,436,441	
Proceeds	500,000	
Loss on Disposal	<u>(1,936,441)</u>	
19. Exchange Gain /Loss		
Net Realized Exchange Loss	1,877,263,801	
Net UnRealized Exchange Loss	584,427,641	
Total Foreign Exchange Loss	<u>2,461,691,442</u>	

**INCOME TAX COMPUTATION
FOR THE YEAR ENDED 30TH JUNE 2025
TIN No: 101-049-566**

	2025 Tzs	2024 Tzs
Profit/ (Loss) as per the accounts	108,177,636	(1,332,594,846)
Add back:		
Contributions and Donations	175,766,847	244,036,067
Depreciation	2,282,061,405	2,091,275,089
Unrealized exchange loss	584,427,641	2,129,046,692
Penalty	225,000	290,000
Personal Travel (Family)	168,533,884	85,722,733
	<u>3,319,192,414</u>	<u>3,217,775,735</u>
Less: Depreciation allowance	<u>(3,502,833,359)</u>	<u>(3,084,933,700)</u>
Profit / (Loss) for the year	<u>(183,640,946)</u>	<u>132,842,035</u>
Corporation tax 30%	-	39,852,611
Less: Tax paid		
Balance b/f	1,721,450,514	8,290,658
Provisional tax	1,188,000,000	900,000,000
Withholding tax	808,247,088	853,012,467
	<u>(3,717,697,602)</u>	<u>(1,721,450,514)</u>

CALCULATION OF DEPRECIATION ALLOWANCE (FOR CLASS 1, 2 AND 3 OF DEPRECIABLE ASSET)

	Class 1 37.5%	Class 2 25%	Class 3 12.5%	Total
W.D.V. 1st July 2024	310,170,586	3,981,172,622	3,110,440,474	7,401,783,683
Addition Normal	500,005,108	857,118,284	368,701,806	1,725,825,198
Addition of Initial Allowance (Machinery)	-	2,655,328,670	-	2,655,328,670
Disposal	- 2,542,373	-	-	(2,542,373)
	<u>807,633,321</u>	<u>7,493,619,577</u>	<u>3,479,142,280</u>	<u>11,780,395,178</u>
Depreciation Allowance	(302,862,495)	(1,873,404,894)	(434,892,785)	(2,611,160,175)
Initial Allowance prior year	-	(227,841,017)	-	(227,841,017)
Initial allowance for the first year	-	(331,916,084)	-	(331,916,084)
Initial allowance for the second year	-	(331,916,084)	-	(331,916,084)
W.D.V. 30th June 2025	<u>504,770,826</u>	<u>4,728,541,498</u>	<u>3,044,249,495</u>	<u>8,277,561,819</u>

**DEFERRED TAX COMPUTATION
FOR THE YEAR ENDED 30TH JUNE 2025**

	2025 Tzs	2024 Tzs
Net book value as per accounts	25,105,077,874	17,842,349,957
Tax written down value	<u>6,666,611,498</u>	<u>8,500,671,148</u>
Accelerated Capital Allowances	18,438,466,375	9,341,678,809
Tax Loss	<u>-</u>	<u>-</u>
Total	<u>18,438,466,375</u>	<u>9,027,576,455</u>
Deferred tax @ 30%		
Accelerated Capital Allowances	5,531,539,913	2,802,503,643
Tax Loss	<u>-</u>	<u>-</u>
Total deferred tax	<u>5,531,539,913</u>	<u>2,802,503,643</u>
Opening deferred tax	1,890,841,449	911,662,194
Movement on deferred tax account	<u>3,640,698,464</u>	<u>1,890,841,449</u>
Deferred tax asset in respect of tax loss c/fwd		
Tax loss as at 30th June	-	-
Credit to deferred tax account @ 30%	-	-
Net credit to Deferred tax assets a/c	<u>3,640,698,464</u>	<u>1,890,841,449</u>