

FALCON ANIMAL FEEDS LIMITED

P.O.BOX 55010
DAR ES SALAAM

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024**



**HANSEM ASSURANCE
CERTIFIED PUBLIC ACCOUNTANTS**

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FALCON ANIMAL FEEDS LIMITED

P.O.BOX 55010
DAR-ES-SALAAM



REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2024

HANSEM ASSURANCE
Certified Public Accountants

FALCON ANIMAL FEEDS LIMITED
P.O.BOX 55010 DAR ES SALAAM

REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31stDECEMBER 2024

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REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

Tax Payer Identification Number 110-264-062

Directors / Shareholders
Mr Hassan Ally Ahmed
Mr Ally Hassan Baalwi
Ms Leila Hassan Baalwi

Registered Office
P.O.Box 106227
Nyaishozi -Tegeta
Wazo Industrial Area - Block 85
Kinondoni Municipal Council
Dar Es Salaam

Tax Consultant
MKM Business ,Financial ,Management
Authorised : Tax Consultant
P O Box 19713
Dar es salaam

Auditors
Hanssem Assuarence
Certified Public Accountants
Authorised Auditors & Tax Consultants
P.O.Box 4766
Dar-es-Salaam

Principal Bankers
Exim Bank (T) Limited
Namanga Branch
Dar es Salaam

NBC Bank - Sea Cliff Branch

CRDB Bank
Dar Es Salaam

NMB Bank
Dar Es Salaam

FALCON ANIMAL FEEDS LIMITED
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ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER, 2024

DIRECTORS REPORT

1. The Directors have a pleasure in presenting their report together with the audited financial statements for the year ended 31st, December 2024, which disclose the state of affairs of the Company.

2. **INCORPORATION**

The Company is incorporated in Tanzania under the companies Act as a private Company limited by shares.

3. **PRINCIPAL ACTIVITIES**

The principal activities of company include of selling & Distribution of Animal feeds to the client's destination. During the year under review there have been no significant changes in the Company activities.

The annual turnover achieved during the year was TZS 86,180,704,304/= as compared to TZS 56,553,635,895 **realized** in the previous financial year.

4. **DIVIDENDS**

The Directors of the Company do not recommend any dividends for the year.

5. **CORPORATE GOVERNANCE**

The Directors believe that high standard of corporate governance directly influence the confidence of the organization's stakeholders and investor. The Directors recognize the importance of integrity, transparency and responsibility.

6. **DIRECTORS**

The Directors of the Company at the date of this report all of whom have served the board from 2024 were:

Name	Nationality	Shares	Position Held
Hassan Ally Ahmed	Tanzanian	600	Chairman
Ally Hassan Baalwy	Tanzanian	300	Director
Leila Hassan Baalwy	Tanzanian	100	Director
		1000	

MANAGEMENT

The Management of the Company is vested in the Board of Directors, while the Managing Director is the overall in-charge of the Company and monitors the day-to-day implementation of its assigned activities with its departments as streamlined here under:

- i. Finance & Administration Department
- ii. Operation Department

8. STAFF WELFARE

(a) Medical

The directors provide for incidental medical treatment expenses arising in the course of their duties.

(b) Financial assistance to employees

The directors give financial assistance to employees in form of loans and advances depending on the financial ability of the company.

© Employee Benefits

The Company contributes additional 10% of gross emoluments to a pension scheme administered by the National Social Security Fund (NSSF) on top of the same magnitude of contribution deducted from the employee's earnings.

9. 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 system 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;
- Responsible behavior towards all stakeholders

10. 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 **FALCON ANIMAL FEEDS LIMITED** has adequate resources to continue in operational existence for the foreseeable future as a going concern.

11. ADMINISTRATIVE EFFICIENCY.

Payments of all statutory dues such as Pay as you Earn (PAYE), Skills & Development Levy (SDL) were remitted promptly to the relevant Authorities.

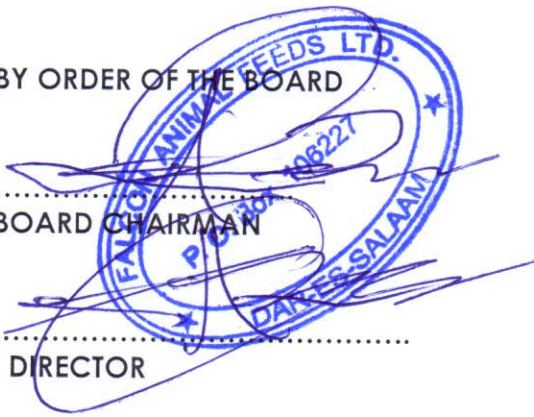
12. AUDITORS

M/S Hansem Assurance were appointed Auditors of the Company and are willing to continue in office once re-appointed.

BY ORDER OF THE BOARD

.....
BOARD CHAIRMAN

.....
DIRECTOR



15/3/25
.....
DATE

15/3/25
.....
DATE

**FALCON ANIMAL FEEDS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2024**

STATEMENT OF DIRECTORS RESPONSIBILITY

The Companies Act, Cap 212 Act No.12 of 2002 requires the Directors to prepare financial statements for each financial year that 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 profit or loss and cash flow statement for the financial year then ended. It also requires the Directors to ensure that the Company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the company. They are also responsible for safeguarding the assets of the company.

The Directors of the Company who have considered all statements of fact and opinion, and individually and collectively accept full responsibility for the accuracy of the information given in the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with generally accepted accounting principles and the requirements of the Companies Act, Cap 212 Act No.12 of 2002. The Directors further declare that, to the best of their knowledge and belief, there are no any other facts, the omission of which would make any statements in these financial statements misleading.

The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control systems relevant to the preparation and fair presentation and disclosure in the financial statements all material facts that are free from misstatement and/or misrepresentation.

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.

As Auditors we are not required our audit cannot be relied upon to disclose all such matters. The responsibility for detecting and/or preventing fraud or irregularities rests with the Board of Directors, which is also responsible for maintenance of an adequate system of internal controls to support the report presented on page 6 to 7.

Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

BOARD CHAIRMAN

DIRECTOR

Date.....



**FALCON ANIMAL CARE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024**

DECLARATION OF THE HEAD OF FINANCE OF ANIMAL CARE COMPANY LIMITED

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 by 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/Management to discharge the responsibility of preparing financial statements of an entity showing a true and fair view of the entity's position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements vests with the Board of Directors/Governing Body as under the Directors Responsibility statement on an earlier page.

I Gwanda Victor being the Head of Finance of FALCON ANIMAL FEEDS LIMITED hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2024 have been prepared in compliance with applicable accounting standards and statutory requirements. I thus confirm that the financial statements give a true and fair view position of **FALCON ANIMAL FEEDS LIMITED** as of that date and that they have been prepared based on properly Maintained financial records.

Signed by: [Signature]

Position: Accountant

NBAA Membership No: ACPA 2521



HANSEM ASSURANCE CERTIFIED PUBLIC ACCOUNTANTS

Location: Ubungo Plaza, 5th Floor-Room 11, P.O. Box 4766 Dar es Salaam – Tanzania
Mobile: +255 757 979611, +255 653 929692. Email: Email:info@hansem.co.tz

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FALCON ANIMAL FEEDS LIMITED Report on the financial statements

Opinion

We have audited the financial statements of the **FALCON ANIMAL FEEDS LIMITED** "Business", set out on pages 9 to 23, which comprise of the statement of financial position at 31 December 2024, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are independent of **FALCON ANIMAL FEEDS LIMITED** in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Tanzania, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the Company Information, Directors' Report, Statement of the Directors' Responsibilities and the Declaration of the Head of Finance. The other information does not include the financial statements and our auditor's report thereon. The directors are responsible for the other information.

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 or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

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

In preparing the financial statements, the directors are responsible for assessing the Business'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 Business Owner either intend to liquidate the Business or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Business's financial reporting process.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FALCON ANIMAL FEEDS LIMITED
(CONTINUED)**

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 Companies Act, 2002 of Tanzania, we report to you based on our audit, that:

- we have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of our audit.
- in our opinion, proper books of account have been kept by the Business, so far as appears from our examination of those books of account.
- The directors' Report is consistent with the financial statements.
- the Company's statement of financial position (balance sheet) and statement of profit or loss and other comprehensive income (profit and loss account) is in agreement with the books of account.



Signed by CPA Hans Hamis ACPA -PP 2637
Managing Partner

20/03/2025

FALCON ANIMAL FEEDS LIMITED
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REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2024 TZS	2023 TZS
TURNOVER		
Sales	86,180,704,304	56,553,635,895
COST OF SALES		
Cost of Sales	80,288,182,447	51,929,871,404
GROSS PROFIT/(GROSS LOSS)	5,892,521,857	4,623,764,491
OPERATING EXPENDITURE		
Employment	990,290,044	816,825,179
Administration	3,280,417,781	2,637,709,810
Selling & Distribution	891,452,613	482,972,408
Depreciation Charges	195,661,718	178,115,413
Financial Charges	30,891,715	25,213,448
	<u>5,388,713,871</u>	<u>4,140,836,257</u>
PROFIT BEFORE TAXATION	<u>503,807,986</u>	<u>482,928,233</u>
Taxation current year	(151,142,396)	(144,878,470)
Taxation for previous year	(118,565,124)	(118,474,428)
Profit/(Loss) After Taxation	234,100,466	219,575,335
Retained Profit/Loss B/F	371,876,124	152,300,789
Profit/(loss) Retained for the year	605,976,590	371,876,124

The financial statements on pages 6 to 14 were approved by Board of Directors
Notes on page 10 to 14 Form an integral part of financial statements
Report of Independent Auditors on page 4

Director

Date.....

15/3/25

Director

Date.....

15/3/25

FALCON ANIMAL FEEDS LIMITED
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REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

STATEMENT OF FINANCIAL POSITION

		2024 TZS	2023 TZS
FIXED ASSETS	NOTES		
Properties, Plants & Machineries	10	9,193,759,194	7,459,526,370
CURRENT ASSETS:			
Debtors Prepayments	11	14,850,000	35,421,705
Bank & Cash	13	602,549,024	249,922,736
Stocks	.1-5	1,078,270,600	863,510,510
Taxation			
TOTAL CURRENT ASSETS:		<u>1,695,669,624</u>	<u>1,148,854,951</u>
TOTAL ASSETS		<u>10,889,428,821</u>	<u>8,608,381,323</u>
CAPITAL EMPLOYED:			
Capital Account	9	5,100,000,000	5,100,000,000
Reserves	9	605,976,590	371,876,124
TOTAL		<u>5,705,976,590</u>	<u>5,471,876,124</u>
CURRENT LIABILITIES:			
Trade Creditors	12	5,057,833,690	3,026,938,271
Accrued Liabilities	12	40,564,660	43,165,108
Taxation		85,053,880	66,401,819
TOTAL CURRENT LIABILITIES:		<u>5,183,452,231</u>	<u>3,136,505,198</u>
TOTAL EQUITY AND LIABILITIES		<u>10,889,428,821</u>	<u>8,608,381,322</u>

The financial statements on pages 6 to 14 were approved by Board of Directors
Notes on page 10 to 14 form an integral part of financial statements
Report of Independent Auditors on page 4

Director

Date..... 15/3/25

Director

Date..... 15/3/25

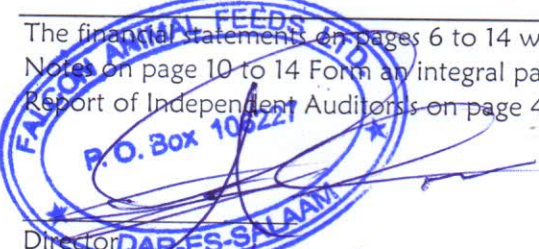
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FOR THE YEAR ENDED 31ST DECEMBER 2024

STATEMENT OF CASH FLOW	2024 TZS	2023 TZS
Profit / (loss) before taxation	503,807,986	482,928,233
Adjustment for:		
Depreciation	965,578,105	731,119,868
Operating profit / (loss) before	1,469,386,091	1,214,048,101
Working capital changes		
Stocks	(214,760,090)	251,516,610
Debtors & Prepayments	20,571,705	302,398,390
Creditors	2,030,895,419	(298,143,794)
Accrued & Other Liabilities	(2,600,448)	3,129,408
Net working capital changes	1,834,106,586	258,900,614
Cash generated from operations	3,303,492,677	1,472,948,715
Taxation	(251,055,458)	(233,543,143)
Net Cash flow from operating activities	3,052,437,219	1,239,405,572
Cash flow from Investing Activities		
Purchase of Fixed Assets	(2,699,810,930)	(1,220,419,171)
	(2,699,810,930)	(1,220,419,171)
Cash flow from Financing Activities		
Increase in Capital	-	-
Bank loan	-	-
Cash and Cash Equivalents		
Net Increase / (Decrease)	352,626,289	18,986,401
At the beginning of the year	249,922,733	230,936,332
At the end of the year	602,549,022	249,922,733

The financial statements on pages 6 to 14 were approved by Board of Directors
Notes on page 10 to 14 Form an integral part of financial statements
Report of Independent Auditors on page 4


Director

Date..... 15/03/25


Director

Date..... 15/03/25

FALCON ANIMAL FEEDS LIMITED
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REPORT AND FINANCIAL STATEMENTS

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

Particulars	Share Capital	Retained Earnings	Total
Balanace at Start 2024	<u>5,100,000,000</u>	<u>371,876,124</u>	<u>5,471,876,124</u>
Profit for the year 2024		<u>234,100,466</u>	<u>234,100,466</u>
Balanace at End 2024	<u>5,100,000,000</u>	<u>605,976,590</u>	<u>5,705,976,590</u>
Balanace at Start 2023	<u>5,100,000,000</u>	<u>152,300,789</u>	<u>5,252,300,789</u>
Profit for the year 2023		<u>371,876,124</u>	<u>219,575,335</u>
Balanace at End 2023	<u>5,100,000,000</u>	<u>371,876,124</u>	<u>5,471,876,124</u>

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REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

NOTES

1. PRINCIPAL ACCOUNTING POLICIES.

The principal accounting policies adopted in the 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 are prepared in compliance with international Financial Reporting Standards (IFRS). The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The financial statements are presented in Tanzania Shillings (T.Shs) rounded to the nearest thousand.

(b) **Significant accounting judgements, estimates and assumptions**

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised and in any future periods affected.

(c) **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. The Company is exempted from VAT

Sales of services are recognised 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.

(d) **Functional currency and translation of foreign currencies**

Transactions are recorded on initial recognition in Tanzania Shillings being the currency of the primary economic environment in which the company operates (the functional currency). Transactions in foreign currencies are converted into Tanzania Shillings using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

(e) **Property, plant and equipment**

Depreciation is calculated using the reducing balance method to write down their cost or revalued amounts to their residual values over their estimated useful lives, as follows;

Land & buildings	5%
Computer IT	37.5%
Machinery	25%
Furniture and fittings	12.5%
Generator	25%

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

Increase in the carrying amount arising on revaluation are credited to a revaluation surplus reserve in equity. Decreases that offset previous increases of the same asset are charged against the revaluation surplus; all other decreases are charged to the profit and loss account. Each year the different between depreciation based on the revalued carrying amount of the asset (the depreciation charged to the profit and loss account) and depreciation based on the assets original cost is transferred from the revaluation surplus to retained earnings.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount is the higher of an assets fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining operating profit.

On disposal of revalued assets, amounts in the revaluation surplus relating to that asset are transferred to retained earnings.

(f) Accounting for leases

Lease in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are to the profit and loss account on a straight-line basis over the period of the lease.

(g) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined by the first-in, first-out (FIFO) method. Net realizable value is the estimate of the selling price in the ordinary course of business, less the estimated cost of realization. Provision is made where necessary for obsolescent, slow moving and defective stocks.

(f) Receivables

Receivables are recognised 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 recognised in the profit and loss account.

(i) Payables

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

(j) Borrowings

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

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

(k) Share Capital

Ordinary shares are classified as equity.

(l) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with bank, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(m) Provisions

Provisions are made when the company has a present obligation (legal or constructive), as a result of past event where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

(n) Employee Benefits

(i) Retirement benefit obligations

The Company's contributions in respect of retirement benefit costs are charged to the income statement in the year to which they relate. The company contributes to the National Social Security Fund, and Parastal Pension Fund which is a defined contribution pension scheme. The Company's obligations under the scheme are limited to specific contributions legislated from time to time.

(ii) Other entitlements

The estimated monetary liability for employees accrued annual leave entitlement at the balance sheet date is recognised as an expense accrual.

(o) Income tax

Income tax expense is the aggregate of the charge to the profit and loss account in respect of current income tax and deferred income tax.

Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with the Tanzania Income Tax Act.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying value

reporting purposes. However, if the deferred income tax arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss, it is not accounted for. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred income tax liability is settled.

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

(p) Dividends

Dividends on ordinary shares are charged to equity in the period in which they are declared or paid.

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks, including credit risk and effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates.

(a) Price Fluctuation Risk

The Company does not anticipate that prices of its services will decline in the foreseeable future. Therefore; it has not entered into derivative contracts to manage risk of a decline in prices. The Company reviews its outlook for prices regularly in considering the need for active financial risk management.

(b) Foreign Exchange Risk

The Company operates Internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily in respect to the Euro and Dollar. Exposure to foreign currency risk is not hedged.

(C) Credit Risk

The Company has no significant credit risk.

FALCON ANIMAL FEEDS LIMITED
P.O.BOX 55010, DAR ES SALAAM



SCHEDULE OF OPERATING EXPENDITURE
FOR THE YEAR ENDED 31ST DECEMBER 2024

	2024 TZS	2023 TZS
5 COST OF SALES		
Opening Stock of Finished Goods	122,580,010	153,520,000
Add: Cost of Goods Manufactured	80,288,182,447	51,929,871,404
Less: Closing Stock of Finished Goods	113,865,200	122,580,010
Cost of Sales	<u>80,296,897,257</u>	<u>51,960,811,394</u>
6 EMPLOYMENT		
Salaries & Wages	502,420,545	464,091,334
Staff Welfare	18,520,000	8,379,000
Over time	158,520,000	122,586,500
Workman Compensation	5,024,205	4,640,913
Directors Remunerations	68,000,000	54,000,000
Skilled & Development	17,584,719	15,983,098
Staff Canteen Expenses	78,652,000	68,170,000
Staff Training	91,326,520	32,565,200
National Security Fund -contribution	50,242,055	46,409,133
	<u>990,290,044</u>	<u>816,825,179</u>
7 SALES		
Wazo Head Office	79,211,952,384	51,980,590,665
Galagaza	5,295,357,135	3,474,927,500
Kibaha	322,341,438	211,527,400
Moshi	199,164,290	130,695,900
Msasani	473,990,114	311,042,530
Mtwara	212,056,429	139,156,000
Mwanza	147,447,000	96,757,900
Tangi Bovu	318,395,514	208,938,000
Arusha		
Mbeya		
Total Income	<u>86,180,704,304</u>	<u>56,553,635,895</u>

FALCON ANIMAL FEEDS LIMITED
P.O.BOX 55010, DAR ES SALAAM

SCHEDULE OF OPERATING EXPENDITURE
FOR THE YEAR ENDED 31ST DECEMBER 2024

Local Purchases	Tonnes	2024 TZS	2023 TZS
Alizeti		5,047,001,290	3,052,284,710
Broken Rice		1,153,930,871	697,865,000
Chumvi		168,669,865	102,006,800
Mahindi		33,090,159,811	20,011,999,807
Maize Bran		958,849,893	579,885,500
Rice Bran		261,233,189	157,986,500
Borne Meat		190,132,750	114,986,950
Rice Polish		1,436,329,891	868,652,000
Soya Bean Cake		14,107,493,222	8,531,815,901
Sterlised Borne		703,326,294	425,352,000
Udongo		303,728,548	183,686,500
Urea		25,384,776	15,352,000
Breeder OVN Premix		340,401,381	205,865,200
Carophyl Blend		32,848,499	19,865,850
Carophyl Red		223,555,349	135,200,000
Charophyl - Yellow		259,379,598	156,865,500
Choline Chloride		92,924,862	56,198,348
Cocodiestats		241,190,427	145,865,200
Cooking Oil		481,586,505	291,250,000
Lysine		372,623,114	225,352,000
Premix Brokerlen OVN		335,476,053	202,886,500
Microwet		94,027,512	56,865,200
MOLASSES		6,038,640	3,652,000
Mycotoxin Binder		720,407,113	435,682,000
Pellet Binder		61,156,939	36,986,000
Phytase		34,040,105	20,586,500
Premix Broiler		720,414,554	435,686,500
Premix Layers		351,479,937	212,565,200
Sodium Bi-Carbonate		113,517,173	68,652,000
Threonine		1,270,985,775	768,656,520
MCP (Mono Calcium Phosphate)		207,106,173	125,252,000
Total		<u>63,405,400,110</u>	<u>38,345,806,186</u>

FALCON ANIMAL FEEDS LIMITED
P.O.BOX 55010, DAR ES SALAAM

SCHEDULE OF OPERATING EXPENDITURE
FOR THE YEAR ENDED 31ST DECEMBER 2024

	2024 TZS	2023 TZS
8 ADMINISTRATION		
Rental Charges	180,000,000	125,991,000
Motor Vehicles , Repairs & Fuel Expenses	764,314,676	564,314,676
Business licence fees & Permits	10,737,500	17,734,700
Insurance, TLB, Osha , NEMC & Other relat	24,178,500	23,171,000
Clearing & Forwarding	63,075,493	21,724,552
Electricity & Water Charges	60,752,000	57,190,220
Repairs & Maintance Office Equipments & F	5,405,200	4,134,700
Travelling & Accomodation Expenses	25,150,200	20,130,875
Medical Expenses	97,564,000	93,790,000
Conveyence Charges	35,620,000	25,043,260
Generator Running Expenses	52,635,000	35,325,000
Security Charges	165,800,000	146,794,400
Telephone, Postage ,Fax & Courier Charge	49,033,000	43,008,405
Repairs & Maintance Buildings	16,524,000	27,188,673
Repairs & Maintanance Computers	1,750,000	7,500,000
Printing and stationery	67,967,100	47,230,350
Legal and Consultation Charges	42,586,500	3,257,000
Stamp Duty & W/Tax	18,000,000	12,599,100
Fines, Penalties and Inspection	19,274,000	33,927,400
Office & Godown Expenses	114,120,000	141,341,000
Galagaza Expenses	1,028,350,000	802,835,000
Donation	12,500,000	14,676,000
Dawasco (Wazo) water	41,253,000	32,586,500
Fire Retantion Fees	5,623,000	2,334,000
Imigration Expenses	13,625,000	11,286,500
Other Expenses	68,253,600	47,026,350
Over time	-	-
Agency Fees	105,765,000	165,865,000
Tools and Equipments	21,070,900	20,080,200
Tax Expenses	107,251,613	54,072,449
Feed Experiment Charges		53,000
Land Rent	38,652,000	22,358,500
Weight & Measures fees	13,586,500	3,140,000
Audit & Accounting Fees	10,000,000	10,000,000
	<u>3,280,417,781</u>	<u>2,637,709,810</u>
9 SELLING & DISTRIBUTION		
City Service levy	258,542,113	169,660,908
Distribution Charges	556,467,500	256,868,500
Advertisement Expenses	43,856,500	33,856,500
Weight & Measures Fees	32,586,500	22,586,500
	<u>891,452,613</u>	<u>482,972,408</u>
10 FINANCIAL		
Bank Charges & Interest	30,891,715	25,213,448
	<u>30,891,715</u>	<u>25,213,448</u>

FALCON ANIMAL FEEDS LIMITED
P.O.BOX 55010, DAR ES SALAAM

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

NOTES(Continued)

	2024 TZS	2023 TZS
11 DEBTORS & PREPAYMENTS		
Trade Debtors	14,850,000	35,421,705
	<u>14,850,000</u>	<u>35,421,705</u>
12 CREDITORS & ACCRUALS		
Trade Creditors	5,057,833,690	3,026,938,271
City Service levy	23,652,000	22,565,200
Skilled & Development levy Payables	1,242,203	1,242,202
Paye Payable	1,281,100	1,276,156
Audit Fees	10,000,000	10,000,000
WCF Payables	202,520	194,550
Nssf Payables	4,186,838	7,887,000
	<u>40,564,660</u>	<u>43,165,108</u>
13 NOTES TO THE CASH FLOW STATEMENTS		
Cash and Cash Equivalents:		
Cash and Cash Equivalents included in the cash flow statement comprise the following Balance Sheet amounts:		
	2024 TZS	2023 TZS
Cash at Bank	565,683,824	225,337,536
Cash in hand	36,865,200	24,585,200
	<u>602,549,024</u>	<u>249,922,736</u>

14 INCORPORATION

This is a Company business and is under the name of FALCON ANIMAL FEEDS LIMITED

15 CURRENCY

The financial statements are presented in Tanzanian shillings

16 ACCOUNTING PERIOD

These financial statements are for the period from January 2024 up to December 2024

FALCON ANIMAL FEEDS LIMITED
P.O.BOX 55010, DAR ES SALAAM

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

NOTES (Continued)

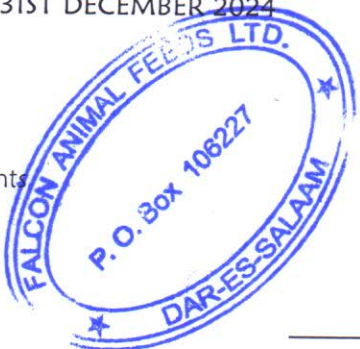
FIXED ASSETS:

	Land	Buildings	Motor Vehicles	Plants & Machines & Weighing Scale	CCTV C System	Office Furnitures	Computer & Accessories	Stand By Generator	Total
COST									
At 1st January	2,613,046,950	3,941,943,947	1,542,796,896	5,268,004,855	47,872,700	88,488,241	44,995,580	240,605,562	13,787,754,731
Additions		855,565,289	552,292,000	1,126,683,242				161,062,389	2,699,810,930
Revaluation									
Disposals									
As at 31 December	2,613,046,950	4,797,509,236	2,095,088,896	6,394,688,097	47,872,700	92,696,250	44,995,580	401,667,951	16,487,565,661
DEPRECIATION									
Rates	0%	5%	25%	25%	25.0%	12.5%	37.5%	12.5%	
At 1st January		1,024,116,691	1,075,318,741	4,069,701,058	30,899,195	37,618,193	39,883,920	50,690,563	6,328,228,361
Charge for the year	-	188,669,627	138,744,539	581,246,760	4,243,376	6,884,757	1,916,873	43,872,174	965,578,105
As at 31 December	-	1,212,786,318	1,214,063,280	4,650,947,818	35,142,571	44,502,950	41,800,793	94,562,737	7,293,806,466
NET BOOK VALUE									
As at 31 December 2024	2,613,046,950	3,584,722,918	881,025,616	1,743,740,279	12,730,129	48,193,300	3,194,788	307,105,215	9,193,759,194
As at 31 December 2023	2,613,046,950	2,917,827,256	467,478,155	1,198,303,797	16,973,505	50,870,048	5,111,660	189,914,999	7,459,526,370



FALCON ANIMAL FEEDS LIMITED
P.O.BOX 55010, DAR ES SALAAM

TAX COMPUTATION-TIN 110-264-062
FOR THE YEAR ENDED 31ST DECEMBER 2024



	2024 TZS	2023 TZS
Profit as per Accounts	503,807,986	482,928,233
Add Back: Depreciation	195,661,718	178,115,413
	<u>699,469,704</u>	<u>661,043,646</u>
Less: Wear and Tear Allowance	(195,661,718)	(178,115,413)
Adjusted Profit / (Loss)	503,807,986	482,928,233
Taxation @ 30%	<u>151,142,396</u>	<u>144,878,470</u>
Profit after tax	352,665,590	338,049,763
TAX ACCOUNT		
Balance B/F 1st January	66,401,819	36,592,064
Corporate tax for the year	151,142,396	144,878,470
Additional Coy tax for Reassessed 2024/2023	118,565,124	118,474,428
Interest Sect 99 and 98		
Total Tax	<u>336,109,339</u>	<u>299,944,962</u>
<u>Less: Tax Payments during the year</u>		
Provision Tax for the year of income	(100,000,000)	(100,000,000)
Corporate Tax as per Account/2024/2023	(32,490,334)	(24,068,718)
Corporate tax for Reassessed 2022/2021	(118,565,124)	(109,474,425)
Total Tax Paid During the year	<u>(251,055,458)</u>	<u>(233,543,143)</u>
Net Tax	<u>85,053,880</u>	<u>66,401,819</u>