Tax Solutions International
CERTIFIED PUBLIC ACCOUNTANTS IN PUBLIC PRACTICE
AUDIT | ASSURANCE | TAX | CONSULTING

Certified Public Accountants in Public Practice

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K-TREND INVESTMENT LIMITED

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Mwaikibaki Road,
P.O. Box 62505Dar es Salaam
Tel: +255739211171
E-Mail:info@ktrendinvestment.co.tz

REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

REPORTS AND ACCOUNTS FOR THE PERIOD OF TWELVE MONTHS ENDED 31ST DECEMBER, 2020

The Reports and statements set out below comprise the Reports and accounts presented to the members of K-Trend Investment Company Limited:

DIRECTORS' REPORT FOR THE PERIOD OF TWELVE MONTHS ENDED ON 31ST DECEMBER, 2020

The Directors present their Report and audited financial statements for the period of twelve months effective from 1st January to 31st December, 2020

1. Introduction

In accordance with Section 151 of the companies Act No 12 of 2002 the Board of Directors of K-Trend Investment Company Limited and its management is required to prepare financial statements showing the true and fair view of the organization and the statement of comprehensive income and retained earnings for the year, statement of changes in equity and the statement of cash flow.

2. Statute and Principal Activities

K-Trend Investment Company Limited is a company Limited by shares registered in Tanzania with the objective to engage in selling and distribution of medical equipment.

3. Statement of responsibility

The Tanzanian Companies Act, No.12, of 2002 requires the directors to prepare financial statement for each financial period, which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the operating results of the company for that period. It also requires the directors to ensure the company keeps proper accounting records, which disclose with reasonable accuracy the financial position of the company. They are also responsible for safeguarding the assets of the company.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and in the manner required by the Tanzanian companies Act. The directors further accept the responsibility for maintenance of accounting records.

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. Financial results

The results of the company and the state of its affairs are set out in the attached financial statements and do not, in our opinion require further comments.

5. Property Plant and Equipment

There have been changes in property, plant and equipment as shown in Note 10 of the Financial Statements.

6. Events subsequent to the year end

There have been no facts or circumstances of a material nature that have occurred between the accounting date and the date of this report.

7. Corporate governance

K-Trend Investment Company Limited through its Board of Directors and Management uphold and Practices the principles of sound corporate governance. To this end the K-Trend Investment Company Limited's Memorandum and Articles of Association together with the Tanzania Company's Act No.12 of 2002 and other policies established by the board have provided a framework for ensuring application of sound corporate governance principles and best practices by the K-Trend Investment Company Limited Board and its management in managing the day to day affairs of K-Trend Investment Company Limited.

The Directors of the company served during the accounting period and up to the date of this report were as follows:

Name	Age	Position	Qualification/ Discipline	Nationality	Remarks
RAMADHANI MRISHO		Chairman	Business	Tanzanian	Active
ARAFA KACHENJE		Member	Business	Tanzanian	Active
LUBALAX		Member	Business	KENYAN	Non Active

8. Capital structure

The capital structure of the company of the year under review comprise of the ordinary share capital which is shown below

Category		Amount
Authorised Share capital, Ordinary share	300 of Tshs 5,000 each	300000000
Issued and paid up ordinary share capital	300 of Tshs 5,000 each	300000000

9. Shareholders of the company

The total number of shareholders during the year is 3. The directors holding shares are listed below:

S/N	Name	Nationality	Number of Ordinary Shares
1	RAMADHANI AMIRI MRISHO	Tanzanian	9000
2	ARAFA KACHENJE	Tanzanian	9000
3	LUBALX	KENYAN	12000

10. Management

The management of the company is under the managing Director and is divided into three departments namely

- Finance and Administration department
- Technical Department
- Marketing department

11. Human Resources and Staff welfare

K-Trend Investment Company Limited believes that its employees should find working for the organization a stimulating and personally enriching experience and consequently accept co-responsibility for the development of each employee to his/her full potential. Career progress is based on the contribution made by the individual towards the fulfillment of the responsibilities of K-Trend Investment Company Limited and initiatives. Innovative thinking and professional expertise are therefore systematically developed and rewarded.

K-Trend Investment Company Limited convinced that equal opportunities for all irrespective of ethnicity, race, gender, disability or religion should be pursued.

K-Trend Investment Company Limited provides various benefits to staff such as long time service awards loan and advances to cover various staff needs, Training to develop staff career and medical cover to staff.

12. Independent Auditors

Tax Solutions International, a firm of Certified Public Accountants were the statutory auditors of K-Trend Investment Company Limited for the audit of accounts for the period of twelve months ended 31st December, 2020 having been appointed by the Board of directors. Tax Solutions International

(TSI Auditors), have expressed their willingness to continue in office and are eligible for reappointment. A resolution proposing the reappointment of TSI Auditors as auditors of the company will be put to the annual General Meeting.

13. **Approval of report and accounts.**

The report and accounts which appear on pages 10 to 41 were approved by the Board of Directors and signed on their behalf by:

K-TREND INVESTMENT LIMITED
P O Box 61505
DAR-ES-SALAAM

....
RAMADHANI AMIRI MRISHO
Chairman
Date....11/05/2021....

DECLARATION OF THE HEAD OF FINANCE/ACCOUNTING OF K-TREND INVESTMENT 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 with a declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

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

I CPA GEOFREY KINGAZI Certified Public Accountant being engaged by K-Trend Investment Company Limited hereby acknowledge my responsibility of ensuring that financial statements for the period of twelve months ended 31st December, 2020 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 K-Trend Investment Company Limited as on that date and that they have been prepared based on properly maintained financial records.

Signed by: ....
Position:. Financial Consultant.
NBAA Membership No.: ACPA 2184
Date...11-05-2021......................

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Our Ref: **TSI.201.2/A/Ktrend/2020/00102** Date: **12th May, 2021**
Your Ref:

To, The Members of K-Trend Investment Company Limited
P.O. Box 61505
Dar Es Salaam

RE: INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF K-TREND INVESTMENT COMPANY LIMITED

Opinion

We have audited the financial statements of K-Trend Investment Company Limited ("the Company financial statements") set out on pages 10 to 40, which comprise the statement of financial position as at 31st December, 2020, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the 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, K-Trend Investment Company Limited financial statements give a true and fair view of the financial position of the Company as at 31st December, 2020, and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRSs) and have been properly prepared in compliance with the Tanzania Companies Act No. 12 of 2002 (Revised).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the 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 and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the K-Trend Investment Company Limited financial statements as at and for the period of twelve ended 31st December, 2020. These matters were addressed in the context of our audit of the financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key Audit Matter	**How our audit addressed the Key Audit Matter**
Revenue recognition – K-Trend Investment Company Limited's revenue amounted to TSHS for the year ended 31st December, 2020. Revenue is recorded when sales are made to customers, where necessary, estimates of fair values for the services provided that involve a significant degree of management judgment.	- Testing controls over K-Trend Investment Company Limited's information technology revenue systems and internal control. - Conducting substantive analytical procedures on revenue; and - Scrutinizing individual contracts related to revenue to assess the timing and fair values of revenues recorded

Other Information in the Annual Report

The Directors are responsible for the Other Information. The Other Information comprises all the information in the K-Trend Investment Company Limited 2020 annual report other than the Company financial statements and our auditor's report thereon ("the Other Information").

Our opinion on the Company 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 Company financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the Company 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 the

Other Information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Company Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and Tanzania Companies Act No. 12 of 2002 (Revised) and for such internal control as Directors determines 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, Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Company Financial Statements

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

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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.

Drawn up in Arusha, May, 2021

Tax Solutions International

TAX SOLUTIONS INTERNATIONAL
CERTIFIED PUBLIC ACCOUNTANTS IN PUBLIC PRACTICE
12 MAY 2021
Sign

P.O. BOX 16074, ARUSHA

Tax Solutions International (Solutions beyond your numbers)
Certified Public Accountants in Public Practice

CPA MASANJA K. KIDAYI
CERTIFIED PUBLIC ACCOUNTANT
IN PUBLIC PRACTICE
(CPA-PP)
Sign
Date 12/05/2021

CPA Masanja K. Kidayi ACPA 1501
Managing Partner
Tax Solutions International (**Solutions beyond your numbers**)
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Mob: +255 782 024 767
Tel: +255 282501303

STATEMENT OF PROFIT OR LOSS FOR THE PERIOD OF TWELVE MONTHS ENDED 31 DECEMBER 2020

	NOTE	2020 TSHS	2019 TSHS
Revenue	2	1,474,390,423	1,600,132,789
Less: Cost of Sales	3	593,556,795	768,859,484
Gross Profit		880,833,627	831,273,305
Other Income			
Total Gross profit		880,833627	831,273,305
Less: Operating Expenses			
Personnel Cost	4	172,665,660	169,136,421
Administration Expenses	5	627,298,338	596,210,325
Finance	6	17,084,192	4,847,720
Depreciation	16	21,557,024	29,474,182
Total Operating Expenses		838,605,215	799,668,648
Net Profit/(Loss)before Tax		**42,228,413**	**31,604,657**
Taxation			
current Tax Expenses		10,159,382.40	9,481,397
Deferred Tax (Asset)/ liability			
Net Profit/(Loss) after Tax		32,069,030.41	22,123,259.66

The Financial Statements were approved by the Governing Board and authorised for issue on 11th May, 2021 and were signed on its behalf by:

Ramadhani Amiri Mrisho
Chairman
Date: 11/05/2021

Arafa Kachenje
Director
Date: 11/05/2021

K-TREND INVESTMENT LIMITED
P.O. Box 61505
DAR ES SALAAM

The accompanying notes are an integral part of the financial statements
Auditors Report on Page 8

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2020

	NOTE	2020 TSHS	2019 TSHS
NON CURENT ASSETS			
plant, Property and Equipment's	16	162,325,722	107,107,900
		162,325,722	107,107,900
CURRENT ASSETS			
Stock		386,850,225	287,049,174
Account Receivable	12	590,099,922	530,229,019
Cash and cash equivalent	14	70,378,737	18,376,502
		1,047,328,884	835,654,695
TOTAL ASSETS		**1,209,654,606**	**942,762,595**
EQUITY AND LIABILITIES			
Equity			
Share Capital	7	300,000,000	300,000,000
Distributable Reserves		75,371,572	43,302,542
Total Equity		375,371,572	343,302,542
Non-Current Liabilities			
Loan	15	10353,572	-
		-	-
Current Liabilities			
Tax payables	11	93,488,843	
Accounts payable	11	709,732,895	599,460,053
Total current Labilities		839,598,633	599,460,053
TOTAL EQUITY AND LIABILITIES		**1,209,654,606**	**942,762,595**

The Financial Statements were approved by the Governing Board and authorized for issue on
11th May, 2021 and were signed on its behalf by:

....

Ramadhani Amiri Mrisho
Chairman
Date: 11/05/2021

Arafa Kachenje
Director
Date: 11/05/2021

K-TREND INVESTMENT LIMITED P.O. Box 61505 DAR ES SALAAM

The accompanying notes are an integral part of the financial statements
Auditors Report on Page 8

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD OF TWELVE MONTHS ENDED 31ST DECEMBER, 2020

	Ordinary Share Capital TSHS	Retained Earnings TSHS	Total TSHS
Balance as at 1st January, 2020	300,000,000	43,302,542	343,302,542
Adjustments			
Prior year Taxes			
Balance as at 1st January, 2020	300,000,000	43,302,542	343,302,542
Revaluations			
Retained Earnings for the period		32,069,030.41	32,069,030.41
Balance as at 31DECEMBER, 2020	300,000,000	75,371,572	375,371,572

The Financial Statements were approved by the Governing Board and authorised for issue on
11th May, 2021 and were signed on its behalf by:

....	....
Ramadhani Amiri Mrisho	Arafa Kachenje
Chairman	Director
Date:......11/05/2021........	Date:..11/05/2021........

K-TREND INVESTMENT LIMITED
P.O. Box 61505
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Auditors Report on Page 8

CASH FLOW STATEMENT FOR THE PERIOD OF TWELVE MONTHS ENDED 31 DECEMBER 2020

	2020	2019
	TSHS	TSHS
I: Cash flows from operating activities		
Cash received from customers	1,413,205,633	1292194941
Cash paid to suppliers and employees	1,287,061,598	1272565859
Tax paid	27,757,919	7200000
Net cash flow from operating activities	98,386,116	12429082
II: Cash flows from investing activities		
Purchases of fixed assets	(56,737,646)	(48,034,459)
Investment (part of stock goods used for income		
Net Cash flow from investing activities	**(56,737,646)**	**(48,034,459)**
III: Cash flows from financing activities		
Share allotment/adjustment		50,766,879
Term loan	10,353,765	-
loan repayment		
Net cash flow from financing activities	**10,353,765**	**50,766,879**
Increase/decrease in cash & cash equivalents (A+B+C)	52,002,235	15,161,502
Cash and cash equivalent at beginning of the year	18,376,502	3,215,000
Cash and cash equivalents at the end of the year	**70,378,737**	**18,376,502**

The Financial Statements were approved by the Governing Board and authorised for issue on 11th May, 2021 and were signed on its behalf by:

....
Ramadhani Amiri Mrisho
Chairman
Date:.........11/05/2021

K-TREND INVESTMENT LIMITED
P.O. Box 61505
DAR ES SALAAM

....
Arafa Kachenje
Director
Date:...11/05/2021

The accompanying notes are an integral part of the financial statements
Auditors Report on Page 8

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD OF TWELVE MONTHS ENDED 31ST DECEMBER, 2020

NOTE 1.0 GENERAL

Establishment and Legal Framework

K-Trend Investment Company Limited is a company Limited by shares and for-profit organization registered in Tanzania with the objectives for carrying out Hardware business.

Its registered office and the address of its principal place of business is:

K-Trend Investment Company Limited
P. O. Box -61505
DAR ES SALAAM

NOTE 2.0 BASIS OF PREPARATION

2.1 Basis of Financial Statements Preparation

The principal accounting policies adopted in the preparation of the financial statements are set out in note 3. The policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements are presented in Tanzanian Shillings, which is also the company's functional currency.

These financial statements have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRSs).

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires company management to exercise judgment in applying the Company's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 3.

Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items (refer to individual accounting policies for details):

- Financial instruments – fair value through profit or loss
- Financial instruments – fair value through other comprehensive income
- Contingent consideration

- Investment property
- Revalued property, plant and equipment
- Net defined benefit liability
- Cash settled share-based payment liabilities.

2.2 Statement of compliance

The financial statements of K-Trend Investment Company Limited have been prepared in accordance with International Financial Reporting standards and interpretations applicable to K-Trend Investment Company Limited.

2.3 Continued Application of Some TFASs Issued by NBAA

The following Tanzania Financial Accounting Standards, having no equivalent IFRSs and continued to be used during the year:

TFRS: No 1 Directors' Report

2.4 Functional Currency and Presentation Currency

The functional currency of K-Trend Investment Company Limited which is also its presentation currency is Tanzania Shillings (TSHS).

NOTE 3.0 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New standards, interpretations and amendments effective

The following new standards, amendments and interpretations are effective for the first time for periods beginning on or after 1 January 2018 but have not had a material effect on the company and so have not been discussed in detail in the notes to the financial statements:

IFRS 2 Share Based Payments (Amendment

Classification and Measurement of Share-Based Payment Transactions)

IFRS 4 Insurance Contracts (Amendment Applying IFRS 9 Financial Instruments)
Annual Improvements to IFRSs 2014 – 2016 Cycle (IFRS 1 First-time Adoption of IFRS, IFRS 12 Disclosures of interest in Other Entities and IAS 28 Investments in Associates and Joint Ventures)

IAS 40 Investment Property (Amendment - Transfers of Investment Property)
IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration

The amendment to IFRS 4 and IFRS 1 (as part of the 2014-2016 Annual Improvements project) are not relevant to the Company.

A narrow-scope amendment was made to IFRS 2 that clarified the accounting for:

(a) The effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments;

(b) share-based payment transactions with a net settlement feature for withholding tax obligations; and

(c) A modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

Changes in accounting policies

a) New standards, interpretations and amendments effective from 1 January 2018

New standards impacting the Company that will be adopted in the annual financial statements for the year ended 31 December 2018, and which have given rise to changes in the Company's accounting policies are:

- IFRS 9 *Financial Instruments* (IFRS 9); and
- IFRS 15 *Revenue from Contracts with Customers* (IFRS 15)

The Company adopted IFRS 9 and IFRS 15 with a transition date of 1 January 2018. As a result of the adoption of IFRS 15 and the changes in the revenue accounting policy, prior year financial statements were restated. The Company has chosen not to restate comparatives on adoption of IFRS 9 and, therefore, are not reflected in the restated prior year financial statements. Rather, these changes have been processed at the date of initial application (i.e. 1 January 2018) and recognised in the opening equity balances. Other new and amended standards and Interpretations issued by the IASB that will apply for the first time in the next annual financial statements are not expected to impact the Company as they are either not relevant to the Company's activities or require accounting which is consistent with the Company's current accounting policies.

b) New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early. The most significant of these is:

IFRS 16 *Leases* (mandatorily effective for periods beginning on or after 1 January 2020)

IFRIC 23 Uncertainty over Income Tax Positions (effective 1 January 2020).

The Company has progressed its projects dealing with the implementation of this key new accounting standard and is able to provide the following information regarding their likely impact:

IFRS 16 *Leases*

Adoption of IFRS 16 will result in the Company recognizing right -of-use assets and lease liabilities for all contracts that are, or contain, a lease. For leases currently classified as operating leases, under current accounting requirements the company does not recognize related assets or liabilities, and instead spreads the lease payments on a straight-line basis over the lease term, disclosing in its annual financial statements the total commitment.

IFRIC 23 Uncertainty over Income Tax Positions

IFRIC 23 clarifies how to recognize and measure current and deferred income tax assets and liabilities when there is uncertainty over income tax treatments.

Other

The company does not expect any other standards issued by the IASB, but not yet effective, to have a material impact on the Company.

Critical accounting estimates and judgments

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Judgements

Associates
Assessment of significant influence
Estimates and assumptions
Revenue recognition – Provision of rights to return goods if customers are dissatisfied and volume rebates
Income taxes – provisions for income taxes
Impairment of goodwill – Estimate of future cash flows and determination of the discount rate.
Trade and other payables (including tax)
Legal proceedings – estimates of claims and legal processes

Fair value measurement

A number of assets and liabilities included in the Company's financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Company's financial and non-financial assets and liabilities utilizes market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorized into different levels based on how observable the inputs used in the valuation technique utilized are (the 'fair value hierarchy'):

- *Level 1*: Quoted prices in active markets for identical items (unadjusted)
- *Level 2*: Observable direct or indirect inputs other than Level 1 inputs
- *Level 3*: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognized in the period they occur

The Company measures a number of items at fair value.

- Revalued land and buildings - Property, Plant and Equipment
- Investment property
- Financial instruments
- Assets and liabilities classified as held for sale
- Contingent considerations
- Net defined benefit liability
- Cash settled share-based payment liabilities

Financial instruments – risk management

The Company is exposed through its operations to the following financial risks:

- Credit risk
- Interest rate risk
- Foreign exchange risk
- Other market price risk, and
- Liquidity risk.

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

amount without requiring approval from the Risk Management Committee.

The Risk Management Committee determines concentrations of credit risk by quarterly monitoring the creditworthiness rating of existing customers and through a monthly review of the trade receivables' ageing analysis. In monitoring the customers' credit risk, customers are grouped according to their credit characteristics. Customers that are graded as "high risk" are placed on a restricted customer list, and future credit sales are made only with approval of the Risk Management Committee, otherwise payment in advance is required.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions.

Market risk

Market risk arises from the Company's use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

Interest rate risk

The Company is exposed to cash flow interest rate risk from long-term borrowings at variable rate.

The Company analyses the interest rate exposure on a quarterly basis. A sensitivity analysis is performed by applying a simulation technique to the liabilities that represent major interest-bearing positions. Various scenarios are run taking into consideration refinancing, renewal of the existing positions, alternative financing and hedging.

Foreign exchange risk

Foreign exchange risk arises when individual Company entities enter into transactions denominated in a currency other than their functional currency. The Company's policy is, where possible, to allow Company entities to settle liabilities denominated in their functional currency with the cash generated from their own operations in that currency. Where Company entities have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them), cash already denominated in that currency will, where possible, be transferred from elsewhere within the Company.

In order to monitor the continuing effectiveness of this policy, the Board receives a monthly forecast, analyzed by the major currencies held by the Company, of liabilities due for settlement and expected cash reserves.

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 45 days. The Company also seeks to reduce liquidity risk by fixing interest rates (and hence cash flows) on a portion of its long-term borrowings, this is further discussed in the 'interest rate risk' section above.

Capital Disclosures

The Company monitors "adjusted capital" which comprises all components of equity (i.e. share capital, share premium, non-controlling interest, retained earnings, and revaluation reserve) other than amounts in the cash flow hedging reserve.

The Company's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

- To provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company sets the amount of capital it requires in proportion to risk. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the debt to adjusted capital ratio. This ratio is calculated as net debt adjusted capital as defined above. Net debt is calculated as total debt (as shown in the consolidated statement of financial position) less cash and cash equivalents.

Accounting policies

Performance obligations and timing of revenue recognition

The majority of the Company's revenue is derived from selling goods with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the Company no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question.

Some goods sold by the Company include warranties which require the Company to either replace or mend a defective product during the warranty period if the goods fail to comply with agreed-upon specifications. In accordance with IFRS 15, such warranties are not accounted for as separate performance obligations and hence no revenue is allocated to them. Instead, a provision is made for the costs of satisfying the warranties in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. On some product lines, a customer is able to take out extended warranties. These are accounted for as separate performance obligations, with the revenue earned recognised on a straight-line basis over the term of the warranty.

Determining the transaction price

Most of the Company's revenue is derived from fixed price product contracts and therefore the amount of revenue to be earned from each product and contract is determined by reference to those fixed prices. Exceptions are as follows:

- Some contracts provide customers with a limited right of return. These relate predominantly, but not exclusively, to sales direct to consumers. Historical experience enables the Company to estimate reliably the value of goods that will be returned and restrict the amount of revenue that is recognized such that it is highly probable that there will not be a reversal of previously recognized revenue when goods are returned.
- Variable consideration relating to volume rebates has been constrained in estimating contract revenue in order that it is highly probable that there will not be a future reversal in the amount of revenue recognized when the amount of volume rebates has been determined.

Allocating amounts to performance obligations

For most contracts, there is a fixed unit price for each product sold, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each unit ordered in such contracts (it is the total contract price divided by the number of units ordered). Where a customer orders more than one product line, the Company is able to determine the split of the total contract price between each product line by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

Goodwill

Goodwill represents the excess of the cost of a business combination over the Company's interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired.

Cost comprises the fair value of assets given, liabilities assumed and equity instruments issued, plus the amount of any non-controlling interests in the acquiree plus, if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree. Contingent consideration is included in cost at its acquisition date fair value and, in the case of contingent consideration classified as a financial liability, remeasured subsequently through profit or loss.

Goodwill is capitalized as an intangible asset with any impairment in carrying value being charged to the statement of comprehensive income. Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is credited in full to the consolidated statement of comprehensive income on the acquisition date.

Impairment of non-financial assets (excluding inventories, investment properties and deferred tax assets)

Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognised in other comprehensive income. An impairment loss recognised for goodwill is not reversed.

Foreign currency

Transactions entered into by Company entities in a currency other than the currency of the primary economic environment in which they operate (their "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in profit or loss, except for foreign currency borrowings qualifying as a hedge of a net investment in a foreign operation, in which case exchange differences are recognised in other comprehensive income and accumulated in the foreign exchange reserve along with the exchange differences arising on the retranslation of the foreign operation.

Exchange gains and losses arising on the retranslation of monetary available for sale financial assets are treated as a separate component of the change in fair value and recognised in profit or loss. Exchange gains and losses on non-monetary available for sale financial assets form part of the overall gain or loss recognised in respect of that financial instrument.

Exchange differences recognised profit or loss in Company entities' separate financial statements on the translation of long-term monetary items forming part of the Company's net investment in the overseas operation concerned are reclassified to other comprehensive income and accumulated in the foreign exchange reserve on consolidation.

Financial assets

The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. Other than financial assets in a qualifying hedging relationship, the Company's accounting policy for each category is as follows:

Fair value through profit or loss

This category comprises in- the-money derivatives and out-of-money derivatives where the time value offsets the negative intrinsic value. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of comprehensive income in the finance income or expense line. Other than derivative financial instruments which are not designated as hedging instruments, the Company does not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

Amortized cost

These assets arise principally from the provision of goods and services to customers (eg trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortized cost using the effective interest rate method, less provision for impairment.

Impairment provisions for current and non-current trade receivables are recognized based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognized within cost of sales in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties and loans to related parties are recognized based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognized. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognized. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognized.

From time to time, the Company elects to renegotiate the terms of trade receivables due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognized in the statement of comprehensive income (operating profit).

The Company's financial assets measured at amortized cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

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

Purchases and sales of financial assets measured at fair value through other comprehensive income are recognized on settlement date with any change in fair value between trade date and settlement date being recognized in the fair value through other comprehensive income reserve.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired.

Fair value through profit or loss

This category comprises out- of-the-money derivatives where the time value does not offset the negative intrinsic value (see "Financial assets" for in-the-money derivatives and out-of-money derivatives where the time value offsets the negative intrinsic value). They are carried in the statement of financial position at fair value with changes in fair value recognized in the consolidated statement of comprehensive income. The Company does not hold or issue derivative instruments for speculative purposes, but for hedging purposes. Other than these derivative financial instruments, the Company does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

Other financial liabilities

Other financial liabilities include the following items:

Bank borrowings are initially recognized at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortized cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

- Liability components of convertible loan notes are measured as described further below.

- Trade payables and other short-term monetary liabilities, which are initially recognized at fair value and subsequently carried at amortised cost using the effective interest method.

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The Company's ordinary shares are classified as equity instruments.

Convertible debt

The proceeds received on issue of the Company's convertible debt are allocated into their liability and equity components. The amount initially attributed to the debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that does not include an option to convert. Subsequently, the debt component is accounted for as a financial liability measured at amortized cost until extinguished on conversion or maturity of the bond. The remainder of the proceeds is allocated to the conversion option and is recognized in the "Convertible debt option reserve" within shareholders' equity, net of income tax effects.

Borrowing costs

Borrowing costs are capitalized, net of interest received on cash drawn down yet to be expended when they are directly attributable to the acquisition, contribution or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

Defined contribution schemes

Contributions to defined contribution pension schemes are charged to the statement of comprehensive income in the year to which they relate.

Other long-term service benefits

Other employee benefits that are expected to be settled wholly within 12 months after the end of the reporting period are presented as current liabilities.

Other employee benefits that are not expected to be settled wholly within 12 months after the end of the reporting period are presented as non-current liabilities and calculated using the projected unit credit method and then discounted using yields available on high quality corporate bonds that have maturity dates approximating to the expected remaining period to settlement and are denominated in the same currency as the post-employment benefit obligations.

Leased assets

Where substantially all of the risks and rewards incidental to ownership of a leased asset have been transferred to the Company (a "finance lease"), the asset is treated as if it had been purchased outright. The amount initially recognized as an asset is the lower of the fair value of the leased property and the present value of the minimum lease payments payable over the term of the lease. The corresponding lease commitment is shown as a liability. Lease payments are analyzed between capital and interest. The interest element is charged to the statement of comprehensive income over the period of the lease and is calculated so that it represents a constant proportion of the lease liability. The capital element reduces the balance owed to the lessor.

Where substantially all of the risks and rewards incidental to ownership are not transferred to the Company (an "operating lease"), the total rentals payable under the lease are charged to the statement of comprehensive income on a straight-line basis over the lease term. The aggregate benefit of lease incentives is recognized as a reduction of the rental expense over the lease term on a straight-line basis.

Investment property

The Company's investment property is revalued annually to open market value, with changes in the carrying value recognized in the statement of comprehensive income.

Rent receivable is recognized on a straight-line basis over the period of the lease. Where an incentive (such as a rent free period) is given to a tenant, the carrying value of the investment property excludes any amount reported as a separate asset as a result of recognizing rental income on this basis.

Externally acquired intangible assets

Externally acquired intangible assets are initially recognized at cost and subsequently amortized on a straight-line basis over their useful economic lives.

Intangible assets are recognized on business combinations if they are separable from the acquired entity or give rise to other contractual/legal rights. The amounts ascribed to such intangibles are arrived at by using appropriate valuation techniques.

In-process research and development programmes acquired in such combinations are recognized as an asset even if subsequent expenditure is written off because the criteria specified in the policy for development costs below are not met.

Internally generated intangible assets (development costs)

Expenditure on internally developed products is capitalized if it can be demonstrated that:

- it is technically feasible to develop the product for it to be sold
- adequate resources are available to complete the development
- there is an intention to complete and sell the product
- the Company is able to sell the product
- sale of the product will generate future economic benefits, and
- Expenditure on the project can be measured reliably.

Capitalised development costs are amortised over the periods the Company expects to benefit from selling the products developed. The amortisation expense is included within the cost of sales line in the statement of comprehensive income.

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognised in the consolidated statement of comprehensive income as incurred.

Dividends

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the directors. In the case of final dividends, this is when approved by the shareholders at the AGM.

Deferred taxation

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the statement of financial position differs from its tax base, except for differences arising on:

- The initial recognition of goodwill

- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit, and

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

In respect of deferred tax assets arising from investment property measured at fair value, the presumption that recovery will be through sale rather than use has not been rebutted.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/ (assets) are settled/ (recovered).

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- The same taxable Company, or
- Different Company entities which intend either to settle current tax assets and liabilities on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognized within provisions.

Freehold land and buildings are subsequently carried at fair value, based on periodic valuations by a professionally qualified valuer. These revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Changes in fair value are recognized in other comprehensive income and accumulated in the revaluation reserve except to the extent that any decrease in value in excess of the credit balance on the revaluation reserve, or reversal of such a transaction, is recognized in profit or loss.

Freehold land is not depreciated. Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following rates:

Freehold buildings	-	0% per annum straight line
Plant and machinery	-	12.5% per annum straight line
Fixtures and fittings	-	12.5% per annum straight line
Computer equipment	-	20% per annum straight line
Motor vehicles	-	15% per annum straight line

At the date of revaluation, the accumulated depreciation on the revalued freehold property is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The excess depreciation on revalued freehold buildings, over the amount that would have been charged on a historical cost basis, is transferred from the revaluation reserve to retained earnings when freehold land and buildings are expensed through the consolidated statement of comprehensive income (e.g. through depreciation, impairment). On disposal of the asset the balance of the revaluation reserve is transferred to retained earnings.

Inventories

Inventories are initially recognized at cost, and subsequently at the lower of cost and net realizable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Non-current assets held for sale and disposal

Non-current assets and disposal are classified as held for sale when:

- They are available for immediate sale
- Management is committed to a plan to sell
- It is unlikely that significant changes to the plan will be made or that the plan will be withdrawn
- An active programme to locate a buyer has been initiated
- The asset or disposal Company is being marketed at a reasonable price in relation to its fair value, and
- A sale is expected to complete within 12 months from the date of classification.

Non-current assets and disposal classified as held for sale are measured at the lower of:

- Their carrying amount immediately prior to being classified as held for sale in accordance with the Company's accounting policy; and
- Fair value less costs of disposal.

Following their classification as held for sale, non-current assets are not depreciated.

The results of operations disposed during the year are included in the statement of comprehensive income up to the date of disposal.

A discontinued operation is a component of the Company's business that represents a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale, that has been disposed of, has been abandoned or that meets the criteria to be classified as held for sale.

Discontinued operations are presented in the statement of comprehensive income as a single line which comprises the post -tax profit or loss of the discontinued operation along with the post-tax gain or loss recognized on the re-measurement to fair value less costs to sell or on disposal of the assets or disposal constituting discontinued operations.

Government grants

Government grants received on capital expenditure are generally deducted in arriving at the carrying amount of the asset purchased. Grants for revenue expenditure are netted against the cost incurred by the Company. Where retention of a government grant is dependent on the Company satisfying certain criteria, it is initially recognized as deferred income. When the criteria for retention have been satisfied, the deferred income balance is released to the consolidated statement of comprehensive income or netted against the asset purchased.

Provisions

The Company has recognized provisions for liabilities of uncertain timing or amount including those for onerous leases, warranty claims, leasehold dilapidations and legal disputes. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date, discounted at a pre-tax rate reflecting current market assessments of the time value of money and risks specific to the liability. In the case of leasehold dilapidations, the provision takes into account the potential that the properties in question may be sublet for some or all of the remaining lease term.

NOTE 2.Revenue

Sales	1,473,154,404.57	1,600,132,789
	1,473,154,405	1,600,132,789
Other Income		
Gain or Loss on exchange	1,236,018	-
	1,236,018	-
	1,474,390,423	**1,600,132,789**

NOTE3. Cost of Sales:

Opening Stock	287,049,174	342,196,971
Purchases	663,857,846	713,711,687
Carried inwards & Installations	27,500,000	
Closing Stock	(386,850,225)	(287,049,174)
	593,556,795	**768,859,484**

NOTE3 PERSONEL COSTS

Staff Salaries and Benefit	141,300,000	130,080,621
Directors Board meetings	21,780,000	34,590,000
Social Security contributions	3,235,950	
Skills and development Levy	4,254,150	4,465,800.00
WCF	2,095,560	-
	172,665,660	**169,136,421**

NOTE4.ADMNISTRATION EXPENSES

Insurance	1,347,000	1,280,000.00
Professional	13,113,860	11,107,203.00
Periderms and travelling	66,899,000	40,978,791.00
Community support (CRS)	5,344,000	5,937,000.00
Clearing and forwarding	72,993,326	93,127,108.02
Refreshment	6,897,400	3,281,040.00
Service Levy fee	4,371,724	6,018,916.00
Cleaning and Sanitation	3,330,000	2,131,000.00
Repair and Maintenance	4,896,500	11,029,000.00
office Equipment services	3,200,000	4,563,000.00
Miscellaneous (Business valuation)	6,000,000	8,481,000.00
storage expenses	4,100,000	5,500,000.00
Tender Documents	6,260,000	1,865,000.00
Expired goods/Stock adjustment	32,439,546	72,539,411.09
Staff Training	10,401,000	13,510,000.00
Motor Vehicle fuel	18,039,175	8,637,000.00
import duties	9,568,291	10,233,256.70
Motor Vehicle repair	20,452,500	9,102,300.00
Cleaning material	4,215,000	3,550,500.00
Gas and Electricity	6,534,000	4,616,500.00
Water Bill	5,170,000	
Security	5,170,000	4,200,000.00
Transport	42,731,232	75,952,517.50
Business license fee	413,000	6,137,328.00
Auditing and financial services	19,420,000	8,200,000.00
Legal services	5,185,000	6,800,000.00
Technical support and labor Charges	40,000,000	9,549,289.00
Marketing	43,235,339	42,732,250.00
communication	10,615,525	9,196,843.25
Stationery	7,455,900	6,837,675.00
Office Expanses	7,357,000	59,366,040.00

TFDA/ Laboratory	10,335,916	15,296,047.00
Tax Consultation	5,177,800	-
Software installation	4,100,000	-
Project Expenses	59,185,712	10,454,309
Packing Expenses	75,700	-
Postage	7,469,539	-
Commission	900,000	-
House rent	18,000,000	24,000,000
	627,298,338	**596,210,325**

NOTE 5. Currency

The financial statements are presented in Tanzania Shillings

NOTE6. Contingent Liabilities

The Company certifies that there were no contingent liabilities at the year ended 31 December 2020

NOTE6. Contingent Liabilities

The Company certifies that there were no contingent liabilities at the year ended 31st December , 2020.

NOTE7. Capital	2020	2019
Share Capital	300,000,000	300,000,000

NOTE 11 :Accounts Payables	2,020	2019
Trade payables	709,732,895.00	599460052.9
Tax payables	93,488,843.00	
	803,221,738.00	599,460,052.9

NOTE 12 Accounts Receivables	2020	2019
Trade receivables	556,322,099.65	530229019.4
Tax paid in advance		

	33,855,691.21	
	590,177,790.86	530229019.4

Note 13.RETAINED EARNINGS	2020	2019
Balance as at 1st January, 2020	43,302,542.00	
Profit for the period	32,146,899.46	
Balance as at 31st December, 2020	75,449,441.46	43,302,542.00

Note 14 Cash & Bank	70,378,736.86	18,376,501.92

	2020	2019
Note 15.LOAN	10,353,765.03	-

NOTE 16 **PROPERTY, PLANT & EQUIPMENTS**

DETAILS	COMPUTER & EQUIPMENTS	MOTOR VEHICLE	FURNITURE, FITTINGS & EQUIPMENT	LAND	TOTAL
Depreciation rates	20.00%	15.00%	20.00%	0.00%	
	TSHS	TSHS	TSHS	TSHS	TSHS
COST:					
At 1 January 2020	18,411,200	125,577,000	64,811,419	52,300,000	261,099,619
Procured/Additions Additional	2,669,700	50,000,000	4,067,946		56,737,646
	21,080,900	175,577,000	68,879,365	52,300,000	317,837,265
DEPRECIATION:					
At 1 January 2020	14,784,207	80,386,500	38,783,812		133,954,519
Disposals	-		-		
Charge for this year	1,259,339	14,278,575	6,019,111	-	21,557,024
	16,043,546	94,665,075	44,802,922	-	155,511,543
NET BOOK VALUE					
At 31 December 2020	5,037,354	80,911,925	24,076,442	52,300,000	162,325,722
At 31 December 2019	3,626,993	45,190,500	26,027,607	52,300,000	127,145,100

NOTE	17 TAX Account	2020	**2019**
	Balance brought forward	-	-
	Add: Tax current	10,192,755	
		10,192,755	
	Less: tax Provisional paid	7,500,000	
	Taxation (due)/overpaid	2,692,755	
	Less Wit holding Tax	36,548,446.06	
	Tax paid in advance	(33,855,691.21)	
	Profit/(Loss) as per accounts	42,339,654	31,604,657
	Add:Non allowable expenses:		
	Depreciation	21,557,024	29,474,182
		-	-
		63,896,679	61,078,839
	Deduct wear and Tear Allowance	29,920,829	29,474,182
	Adjusted Profit	**33,975,850**	**31,604,657**
	Tax Payable 30%	10,192,755	9,481,397

NOTE 18 **CAPITAL COMMITMENTS**

Capital commitment is future capital expenditures that a company has committed to spend on long-term assets over a period of time. K-Trend Investment Company Limited has no capital commitments as at 31st December, 2020.

NOTE 19 **CONTINGENT LIABILITIES**

A contingent liability is a potential liability that may occur, depending on the outcome of an uncertain future event. A contingent liability is recorded in the accounting records if the contingency is probable and the amount of the liability can be reasonably estimated. If both of these conditions are not met, the liability may be disclosed in a footnote to the financial statements or not reported at all. K-Trend Investment Company Limited had no contingent liabilities as at 31st December, 2020

NOTE 20 **COMPARATIVE FIGURES**

Previous year's figures have been regrouped wherever considered necessary in order to make them comparable with those of the current year.