WAKISHA MAENDELEO LIMITED

P.O.BOX 923, TEL. +255 784 519 486 SERENGETI RD, MUSOMA-TANZANIA

FINANCIAL REPORT AND AUDITED BUSINESS ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2019

AUDITORS:

Phares K. Songo& Co.
P.O. Box 779,
Seif Hotel, Room 119,
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DIRECTORS' REPORT

Directors of Wakisha Maendeleo Limited submit their report together with business accounts for the year ended 31stDECEMBER 2019 which disclose the state of affairs of the company. Wakisha Maendeleo is private limited company incorporated on 3rd August 2017 by Business Registrar and Licensing Agency vide Certificate of Incorporation Number 136996 as prospective investor focusing microfinancing, entrepreneurship development, media, education, health, tourism and business infrastructure industries.

COMPANY SHAREHOLDING

The company has 46 share subscribers and authorized capital amounting to Tshs 1,000,000,000 (Tanzania shillings One billion) divided into 4,000,000 shares of Tshs 250 each. The shareholders of the company are:

No.	Shareholder	Number of shares subscribed	Number of shares paid	Amount Paid (Tshs)
1	Imara SACCOS Ltd	1,000,000 (25%) shares	0 shares	0
2	East African Fossils Co. Limited	800,000 (20%) shares	50,000 shares	12,500,000
3	Tanzania Chamber of Commerce (TCCIA Mara)	400,000 (10%) shares	4920 shares	1,230,000
4	Forecast Entrepreneurship Ltd	400,000 (10%) shares	4,000 shares	1,000,000
5	Boniphace T. Ndengo	200,000 (5%) shares	81,720 shares	20,430,000
6	Others	1,200,000 (30%) shares	26,202 shares	6,550,500
	TOTAL	**4,000,000 (100%) shares**	**166,842 shares**	**41,710,500**

Until 31st DECEMBER 2019 total paid up share capital of the company amounted to Tshs 35,210,500 equivalent to 3.5% of the required capital.

LEGAL OPERATIONS

The company was registered by Business Registrar and Licensing Agency on 3rd August 2017 vide certificate of incorporation No. 136996 and Tanzania Revenue Authority on 24 August 2017 vide Taxpayer Identification Number 134-438-444. The company has its registered office located at Serengeti Road, Kitaji Area,Musoma Municipality.

COMPANY VISION AND MISSION

Founders and investors of Wakisha Maendeleo have thinking that the world needs entrepreneurs both business and social entrepreneurs to fight serious challenges facing the world at national, regional and global level and entrepreneurial creativity and innovation is key to fight those challenges. We believe that every nation should invest seriously to create avenue where entrepreneurs can think and put their thought into action to have food, health, education, employment and all other challenges solved and neutralized. We are making efforts to convince the government, policy makers and decision makers that investing to support entrepreneurs might be one of the best strategy to fight a large part of the economic and social problems we are currently facing.

As part of the solution to national, regional and global challenges, the vision of Wakisha Maendeleo Limited is the desire to have Tanzania as the nucleus of entrepreneurship and innovation in Africa and the hope for entrepreneurs' to accomplish their dreams.

The Mission of Wakisha Maendeleo is investing to support entrepreneurs accomplish their dreams. From this understanding Wakisha has plans to invest in education, technology, networks, health, infrastructures and anything necessary to support entrepreneurs accomplish their dreams.

PROJECTS & PRINCIPLE ACTIVITIES

Currently Wakisha Maendeleo have activities in micro, small and medium level entrepreneurship support services which include research, entrepreneurship training, business facilitation, startup support and branding. To enable the company services reach a wider area of its target customers, the management of company has devoted some of the financial resources to develop online resources. The company is running some web based accessible resources and business tools to make use of Information and communication technology developments. In the year 2019 the directors have continued to invest in education sector to support youth entrepreneurs in Mara Region.

RESULTS OF OPERATIONS AND FINANCIAL POSITION

The company is still struggling to raise fund to finance its planned investments.

DIRECTORS

Executive directors of the company who were in the office since inception of the company are:-

1. VedastusMathayoManyinyi -Director and Board Chairman
2. Francis Gasper Ngowi -Director and Vice Chairman

3. Boniface Thomas Ndengo -Director and Chief Executive Officer
4. Nkwaya Magreth Masunga -Director and Company Secretary
5. Veronica Anthony Haule -Director
6. Christina Ndengo Nyahurya -Director
7. Rose Joseph -Director
8. Abdallah Omary Saiya -Director

AUDITORS

Phares K. Songo & Co. has audited the accounts of the business for the period ended 31stDECEMBER 2019.

DIRECTOR **DATE** 28th June 2020

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AUDITORS' REPORT

We have examined the financial statements of Wakisha Maendeleo Limited for the period ended 31st DECEMBER 2019 which has been prepared on the basis of accounting policies set out in note one. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of audit.

Respective Responsibility of proprietor and auditors

The directors are responsible for maintenance of proper accounting records and preparation of financial statements, which give a true and fair view of the business affairs and of its operating results. Our responsibility is to express an independent opinion on the financial statements based on our audit and to report our opinion to you.

Basis of opinion

We conducted our audit accordance with Generally Accepted Accounting Practices applicable in Tanzania. Those practices require that we plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatement. An audit includes an examination, on test basis, of evidence supporting the amounts and disclosure in the financial statement. It also includes an assessment of accounting policies used and evaluation of the overall presentation of financial statements. We believe that our audit provide a reasonable basis for our opinion.

Opinion

In our opinion the attached financial statements give a true and fair view of the state of affairs of the business of Wakisha Maendeleo Limited as at 31stDECEMBER 2017 and of its income and expenditure and cash flows for the year then ended on that date.

Phares K. Songo& Co.
Authorized Public Accountants and Auditors
SHINYANGA

June 2020

WAKISHA MAENDELEO LIMITED

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FOR THE PERIOD ENDED AS AT 31ST DECEMBER 2019

ASSETS	NOTE	31.12.2019 Tshs.	31.12.2018 Tshs.
NON- CURRENT ASSETS			
Property, Plant and Equipments	3	12,940,000	6,440,000
CURRENT ASSETS			
Inventories(Stock Jipange books)	4	8,327,187	8,327,187
Advances & Prepayments		-	-
Cash and Cash Equivalents	5	-	-
Total Current assets		8,327,187	8,327,187
TOTAL ASSETS		21,267,187	14,767,187
EQUITY AND LIABILITIES			
Authorized Share Capital		1,000,000,000	1,000,000,000
Initial Capital	6	41,710,500	26,507,000
Retained Profits		(15,975,816)	(14,773,976)
Profit/(Losses) for the period		(14,218,283)	(1,201,840)
Directors' Current Account/Drawings		-	-
Total Capital & Reserve		11,516,401	10,531,184
CURRENT LIABILITIES			
Trade Creditors and Accrual	7	9,750,786	4,236,003
TOTAL		21,267,187	14,767,187

Note 1 to 9 form part of these accounts

PROPRIETOR Wakuya. **DATE** 28th June 2020

WAKISHA MAENDELEO LIMITED

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STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED AS AT 31ST DECEMBER, 2019

	NOTE	2019 Tshs.	2018 Tshs.
Revenue		7,310,717	-
Cost of Sales		-	-
Gross Profit		**7,310,717**	-
Other Operating income			
Total Operating Income		7,310,717	-
Operating Expenses	8	21,529,000	1,770,000
Profit from operations		**(14,218,283)**	**(1,770,000)**
Finance Costs		-	(568,160)
Profit before tax		(14,218,283)	(1,201,840)
Tax expense paid		-	-
Net Profit from ordianary activities		(14,218,283)	(1,201,840)
Extra ordinary items			
Net profit for the period		(14,218,283)	(1,201,840)
Profit (Loss) for the period		**(14,218,283)**	**(1,201,840)**

Note 1 to 9 form part of these accounts

PROPRIETOR _____ **DATE** 28th June 2020

WAKISHA MAENDELEO LIMITED

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STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31ST DECEMBER, 2019

	2019 Tshs.	2018 Tshs.
Net Profit/(Loss) Before Taxation and extra ordinary item	(14,218,283)	(1,201,840)
Add: Adjustment for Non Cash Items		
Depreciation	-	-
Operating Profit Before Working Capital Changes	**(14,218,283)**	**(1,201,840)**
Changes in Working Capital		
(Increase)/ Decrease in Inventories	-	-
(Increase)/ Decrease in Accounts Receivables	-	1,200,000
Increase/(Decrease) in Trade Creditors and Accruals	5,514,783	(5,195,007)
Cash Generated/(Used) from Operating Activities	**(8,703,500)**	**(5,196,847)**
Income Taxes	-	-
Cash flow before extra ordinary item	-	-
Extra ordinary items	-	-
Net cash from operating activities	**(8,703,500)**	**(5,196,847)**
Investment activities		
Purchase of property, plant and Equipment	(6,500,000)	-
Net Cash used in investing activities	**(6,500,000)**	-
Financing and Other Activities		
Paid up share capital	15,203,500	-
Short term Financing	-	-
Drawings	-	-
Net Cash used in financing activities	15,203,500	-
Net increase in Cash And Cash Equivalents	-	(5,196,847)
Cash and Cash equivalents at the beginning of the period	-	5,196,847.00
Cash And Cash Equivalents at the End of the Period (note)	-	-
	-	-

Note 1 to 9 form part of these accounts

PROPRIETOR _____ **DATE** 28th June 2020

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER, 2019

NOTE1: PRINCIPAL ACCOUNTING POLICIES

1.1Accounting Policy.

Accounts and Financial Statements of Wakisha Maendeleo Limited for the period ended 31stDECEMBER 2019 have been prepared in compliance with Generally Accepted Accounting Practices.

1.2Basis of Accounting

These Financial Statements have been prepared on the basis of historical cost. No adjustments have been made for inflationary factors affecting the accounts.

1.3 Income Recognition

Sales income and other income are recognized in the period in which it is earned.

1.4Fixed Assets and Depreciation

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on straight-line basis to write off the cost of assets over their useful economic life. Annual rates generally in use are as follows: -

Office Furniture and Equipment	12.5%
Computer and Data Equipment	33.33%
Computer Software	20%

Assets added during the year are depreciated from the period the assets were added up to the end of financial year. No depreciation is charged in the year of disposal.

1.5Provision for Bad and doubtful Debts

The provision for Bad and Doubtful Debts is made in the Accounts for all debts specifically known to be doubtful of recovery. Bad debts are written off after all efforts to collect them have failed. During the year under review neither provision for bad debts nor Writing off bad debts was effected in the accounts.

1.6 Stock Valuation

Stocks if any are consistently valued at cost or net realizable value, whichever is lower. Costs are determined on a weighted average basis. Damaged and/or obsolete stocks if any are provided for in the accounts at 100% of cost.

2.0 NOTE 2:

2.1 Fixed Assets Acquisition and Disposal.

Assets amounting Tshs 6,500,000 which are classroom tables were acquired during the period but no disposal of assets has been made.

2.2 Capital Commitments

A large part of company finance been committed in entrepreneurship books reported in the stock of training materials.

2.3 Contingent Liability

There was no any contingent liability reported as at the 31st DECEMBER 2019

2.4 Comparative Figure

Figures for the previous periods were rearranged for comparison purpose.

NOTE 3: PROPERTY, PLANT AND EQUIPMENTS

DESCRIPTION	COST			DEPRECIATION				NET BOOK VALUE	
	1/1/2018	ADDITIONS	12/31/2018	1/1/2018	RATE	2018 CHARGE	12/31/2018	AS AT 31-12-18	AS AT 31-12-17
Land & Buildings	-		-	-	0%	-	-	-	-
Fixture & Fittings	-		-	-	12.50%	-	-	-	-
Furniture & Office Equips	6,440,000	433,000	6,873,000	-	12.50%	-	-	6,873,000	6,440,000
Motor vehicle	-		-	-	25%	-	-	-	-
GRAND TOTAL	**6,440,000**	**433,000**	**6,873,000**	**-**		**-**	**-**	**6,873,000**	**6,440,000**

NOTE 4: INVENTORIES

	2018 Tshs.	2017 Tshs.
Stock of books & Training materials	6,380,577	8,327,187
TOTAL	**6,380,577**	**8,327,187**

NOTE 5: ADVANCES AND PREPAYMENTS

	2018 Tshs.	2017 Tshs.
Trade Debtors	11,407,467.83	-
Deposits and prepayments	-	
TOTAL	**11,407,467.83**	**-**

NOTE 6: CASH AND CASH EQUIVALENTS

	2018 Tshs.	2017 Tshs.
CASH & CHECKINGS	1,694,000	5,196,847
TOTAL	**1,694,000**	**5,196,847**

NOTE 7: PROJECTS & INVESTMENTS

	2018 Tshs.	2017 Tshs.
Enterprising and Entrepreneurship Support Project	-	-
Youth Dreams & Education Support Project	-	-
Branding & Marketing Support Project	-	-
Farming & Food Production Support Project	-	-
Business Infrastructure Development Support Project	-	-
TOTAL	**-**	**-**
	0	

NOTE 8: SHARE CAPITAL

	2018	2017

	Tshs.	Tshs.
Authorized share capital 4,000,000 shares each Tshs250/=	1,000,000,000	1,000,000,000
Paid up share capital 106028 shares each Tshs 250	35,160,500	26,507,000
TOTAL SHARE CAPITAL	**35,160,500**	**26,507,000**

NOTE 9: CREDITORS AND ACCRUALS

	2018 Tshs.	2017 Tshs.
Tax Liabities	-	-
Accrued Expenses		
Customers' Deposits		
Sundry Creditors	10,425,533	9,431,010
TOTAL	**10,425,533**	**9,431,010**

NOTE 10: REVENUE ANALYSIS

	2018 Tshs.	2017 Tshs.
Sales of goods	32,792,210.00	-
Registration and training fees	10,011,890.00	
		-
TOTAL REVENUE	**42,804,100.00**	**-**

NOTE 11: COST OF SALES ANALYSIS

	2018 Tshs.	2017 Tshs.
Opening stock	8,327,187.00	-
Purchases	28,447,242.18	-
Closing stock	(6,380,577.00)	-
TOTAL COST OF SALES	**30,393,852**	**-**

NOTE 12: OPERATING EXPENSES

EXPENSE	2018 Tshs.	2017 Tshs.
Rent charges	150,000	2,400,000
Advertisements	1,475,000	8,282,500
Wages and allowances	11,634,000	8,196,000
Business Licenses	-	1,412,000
Transport & Accommodation	945,000	3,626,300
Telephone & Internet	286,000	434,500
Stationeries	891,000	1,619,800
Repair & Maintenance	-	341,000
Uniforms	-	370,000
Bank charges	568,160	351,000
Water & Electricity	312,000	95,000
Seminar & Meeting Expenses	456,100	139,500
Depreciation	-	-
Accounting and audit charges	150,000	150,000
TOTAL	**16,867,260**	**27,417,600**