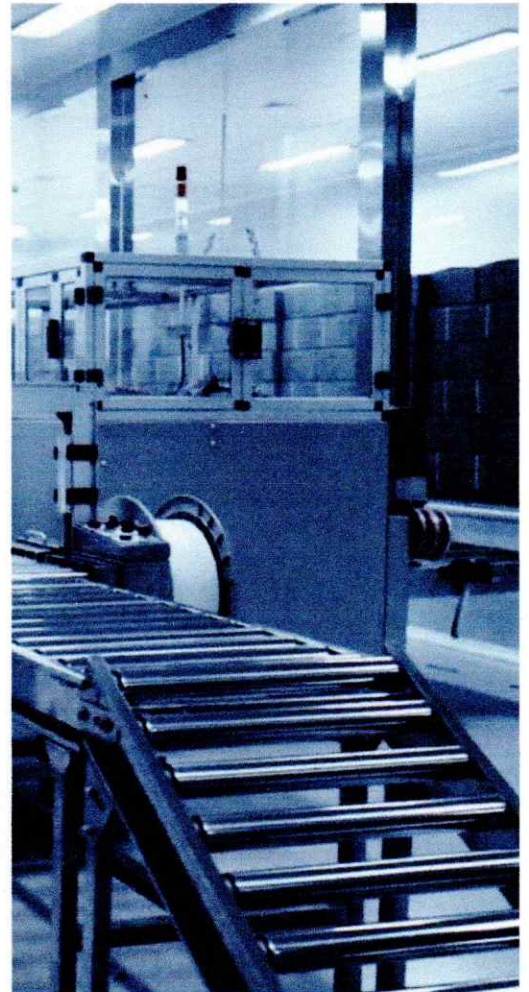


# **BL- BIOPHARMACEUTICALS LTD**

*P.o.box 14108 Dar es Salaam*

**MANAGEMENT FINANCIAL REPORT  
STATEMENTS FOR THE YEAR ENDED  
30<sup>TH</sup> APRIL 2022**



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**MKUKI CONSULTANTS**  
**Certified Accountants and Auditors**  
**(In Public Practice) PF 187**  
**P.o.box.1827, Dar es Salaam**

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## **DIRECTORS' REPORT**

The Directors present their report together with the audited financial statements for the year ended 30<sup>st</sup> April 2022, which enclose the state of affair of the company for the period then ended.

### **Incorporation and Principal Activity**

**BL BIOPHARM ENTERPRISES LIMITED** is a limited company incorporated under the Companies Ordinance (Cap.212) in the United Republic of Tanzania. The registered commercial office of the company and the principal place of business are situated in Kinondoni Distric while the factory plant is in Ubungo District, Dar es Salaam. The principal activity of the company is manufacturing of pharmaceutical products.

### **Results and Appropriation**

The company made a Profit Tax of **7,370,518.75** for year ended 30<sup>th</sup> April, 2022.

### **Directors**

The directors of the Company who served throughout the year were as set out below:-

<u><b>Name</b></u>	<u><b>Nationality</b></u>
1. INNOCENT MATHIAS LWEGANWA	Tanzanian
2. ZEPHANIA ABRAHAM SAITABAU	Tanzanian

## **Directors' Responsibilities**

As director of the company, it is our responsibility to prepare financial statements for each financial period that gives a true and fair view of the state of affair of the company as at the end of the financial period and of the profit or loss of the company for the period. We are responsible for keeping proper accounting records in line with the provisions of the companies Ordinance CAP 212, for taking reasonable steps to safeguard the assets of the company and to prevent to and detect fraud and other irregularities.

We confirm that relevant accounting policies have been used and applied consistently, further we confirm that reasonable prudent judgments and estimates have been made in the preparation of the financial statements for the year ended 30<sup>th</sup> April, 2022.

We also confirm that the applicable accounting standards have been followed and the financial statements have been prepared on the going concern basis.

## **Auditors**

In accordance with the provision of the Companies Ordinance and the company's Article of Association, a resolution to re-appoint **MKUKI CONSULTATS** as auditors will be put to the Annual General Meeting.

**BY ORDER OF THE BOARD**



**Director**



Report of the independent auditors to the Directors of **BL BIOPHARM ENTERPRISES LIMITED** on the financial statements.

We have audited the financial statements set out on the pages 6 to 9 which have been prepared on the basis of the accounting policies set out in Note 1.

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 and to provide a reasonable basis for our opinion.

**Management's Responsibility for the Financial Statements.**

The directors are responsible for preparation of the financial statements, which give a true and fair view of the affairs of the company and its operation results. Our responsibility is to express an independent opinion on the financial statements based on our audit.

**Auditor's Responsibility**

We conducted our audit in accordance with International Auditing Standards. Those standards require that we plan and perform our audit to obtain reasonable assurance that the accounts are free from material misstatements. An audit includes an examination of test basis, of evidence supporting the amounts and disclosures in the financial statements.

An audit also includes assessing the accounting principles used and significant estimates made by directors, as well as an evaluation the overall presentation of the financial statements. We believe that our audit provide a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the business's financial position at 30<sup>st</sup> April, 2022 and of its results and cash flows for the year ended in accordance with International Financial Reporting Standards and comply with the requirements of the Companies Ordinance (Cap 212).

Without qualifying our audit opinion, we draw attention to the business's system of internal controls. In common with many businesses of similar size and structure, the business's operations and the system of internal control is dependent upon the close involvement of the owners in the day to day running of the company affairs.

Where independent verification and confirmation of completeness and accuracy of the accounting records was available, we have been obtained assurances from our audit techniques and procedures that all the transactions and account balance have been properly valued and disclosed in the financial statements.

.....  
**MKUKI CONSULTANTS**

Certified Public Accountants

(In Public Practice) PF 187

P.O.Box 4766, Dar es Salaam

Date: .....

**BL BIOPHARM ENTERPRISES  
LIMITED**

**P.O.BOX 14108**

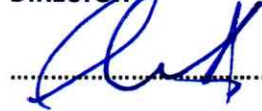
**DAR ES SALAAM**

**STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2022**

		<b>2022</b>	<b>2021</b>
	<b>Notes</b>	<b>TZS</b>	
<b>ASSETS</b>			
<b>Non -current assets</b>			
Propert,plant and equipment	9	24,342,114.58	25,597,875.00
		<b>24,342,114.58</b>	<b>25,597,875.00</b>
<b>Current assets</b>			
Trade and other receivables	6	37,546,253.00	15,500,000.00
Cash and Bank balance		10,734,455.00	3,170,974.70
Stock		800,000.00	24,555,000.00
Tax Recoverable		-	-
<b>Total assets</b>		<b>73,422,822.58</b>	<b>68,823,849.70</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		57,962,640.00	57,962,640.00
Profit for the year		7,742,539.58	2,626,193.00
Retained earnings		2,626,193.00	-
<b>Total Equity</b>		<b>68,331,372.58</b>	<b>60,588,833.00</b>
<b>Long term Loan</b>			
Bank loan		-	-
<b>Non -current Liability</b>			
Payable and Accruals	7	5,091,450.00	7,550,000.00
Tax Payable		-	685,016.70
		<b>73,422,822.58</b>	<b>68,823,849.70</b>

The Notes on pages 10 to 17 are an integral part of these Financial Statements.

DIRECTOR



DATE

10-04-2022

**BL BIOPHARM ENTERPRISES LIMITED**  
**P.O.BOX 14108**  
**DAR ES SALAAM**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2022**

		<b>2022</b>
	<b>Note</b>	<b>TZS</b>
<b>Revenue</b>	<b>2</b>	<b>60,150,000.00</b>
Direct Costs	<b>3</b>	<b>(28,500,000.00)</b>
<b>Gross Profit</b>		<b>31,650,000.00</b>
Other Income		
Operating Expenses	<b>4</b>	<b>(24,162,460.42)</b>
<b>Operating profit /(Loss)</b>		<b>7,487,539.58</b>
Finance Costs		<b>(255,000.00)</b>
<b>Profit/(Loss) before Income tax</b>		<b>7,742,539.58</b>
Income tax expenses	<b>8</b>	
<b>Net Profit/(Loss) for the year</b>		<b>7,742,539.58</b>

The Notes on pages 10 to 17 are an Integral part of these Financial Statements.

DIRECTOR



DATE

10-06-2022



**BL BIOPHARM ENTERPRISES LIMITED**

P.O.BOX 14108

DAR ES SALAAM

STATEMENTS OF CHANGE IN EQUITY FOR THE YEAR ENDED 30 APRIL 2022

	Share Capital TZS	Retained Earning TZS	Total TZS
Balance as at 1January 2021	57,962,640.00	-	57,962,640.00
Profit for the year	-	2,626,193.00	2,626,193.00
As at 31 December 2021	<b>57,962,640.00</b>	<b>2,626,193.00</b>	<b>60,588,833.00</b>
Balance as at 1January 2022	57,962,640.00	2,626,193.00	60,588,833.00
Profit for the year	-	7,742,539.58	7,742,539.58
As at 30 April 2022	<b>57,962,640.00</b>	<b>10,368,732.58</b>	<b>68,331,372.58</b>

The Notes on pages 10 to 17 are an Integral part of these Financial Statements.

DIRECTOR



DATE

10-06-2022



**BL BIOPHARM ENTERPRISES LIMITED****P.O.BOX 14108****DAR ES SALAAM****STATEMENT OF CASH FLOW AS AT 30 APRIL 2022**

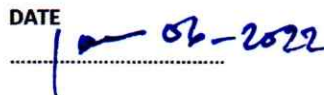
	2022	2021
	TZS	
<b>Operating activities</b>		
Profit /(Loss) before tax	7,742,539.58	2,626,193.00
<b>Adjustment for:</b>	-	-
Depreciation	1,255,760.42	6,543,875.00
Finance Costs	255,000.00	-
(Increase)/Decrease in Receivables	(15,256,458.00)	(15,500,000.00)
Increase/(Decrease) in Payables	(2,458,550.00)	7,550,000.00
Change on income tax	2,322,761.88	-
Interest paid	-	-
<b>Cash Generated from Operating Activities</b>	<b>(6,138,946.13)</b>	<b>1,220,068.00</b>
Tax paid	51,420.60	(102,841.20)
<b>Net cash Generated from Operating Activities</b>	<b>(6,110,179.78)</b>	<b>2,337,294.80</b>
<b>Investing activities</b>		
(Addition)/Disposal of non current Assets	-	-
<b>Net cash Generated from Operating Activities</b>	<b>-</b>	<b>-</b>
<b>Financing activities</b>		
Change in working Capital/Drawings	13,673,660.30	833,679.90
Increase/Decrease of Loan	-	-
<b>Net cash Generated from Operating Activities</b>	<b>13,673,660.30</b>	<b>833,679.90</b>
<b>Movement incash and cash equivalent</b>		
Cash and Cash equivalents as at 1 January	3,170,974.70	-
Net increase/(Decrease) in Cash and Cash equivalent	7,563,480.30	3,170,974.70
<b>Cash and Cash equivalents as at 30 April 2022</b>	<b>10,734,455.00</b>	<b>3,170,974.70</b>

The Notes on pages 10 to 17 are an Integral part of these Financial Statements.

DIRECTOR



DATE



## NOTES OF FINANCIAL STATEMENTS

### NOTE – 01: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these general purpose financial statements are set out below:

#### a) **Basis of Preparation**

The financial statements are prepared on a going concern basis in compliance with International Financial Reporting Standards (IFRS). The measurements basis used in the historical cost basis except where otherwise stated in the accounting policies below. The financial statements are presented in Tanzania Shillings (TZS) which is also the functional currency.

The preparation of financial statements is in conformity with International Financial Reporting Standards that requires the use of estimates and assumptions. It also requires the management to exercise its judgment in the process of applying the accounting policies adopted by the company. Although such estimates and assumptions are based on the directors' best knowledge of the information available, actual results may differ from those estimates. The judgments and estimates are reviewed at the end of each reporting period, and any revisions to such estimates are recognized in the year in which the revision is made.

#### b) **Translation of Foreign Currencies**

On initial recognition, all transactions are recorded in the functional currency (the currency of the primary economic environment in which the organization operates), which is Tanzania Shillings (TZS). Transactions in foreign currencies during the year are converted into the functional currency using the exchange rate prevailing at the average rate.

Monetary assets and liabilities at the balance sheet date denominated in foreign currencies are translated into the functional currency using the exchange rate prevailing as at that date. The resulting foreign exchange gains and losses from the settlement of such transactions and from year-end translation are recognized on a net basis in the statement of income and expenditure account in the year in which they arise.

#### c) **Revenue Recognition**

Revenue represents the fair value of consideration received or receivable for sale of services in the course of the company's activities. It is recognized when it is probable that future economic benefits will flow to the company and the amount of revenue can be measured reliably. It is stated net of Value Added Tax, rebates and trade discounts. Cash discounts are included as part of finance costs. Sale of services is recognized upon performance of the service to be provided.

**d) Property, Plant and Equipment**

All categories of property, plant and equipment are initially recognized at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure directly attributable to the acquisition of the assets. Computer software, including the operating system that is an integral part of the related hardware is capitalized as part of the computer equipment. All other items of property, plant and equipment are subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance expenses are charges to the statement of income and expenditure account in the year in which they are incurred.

Increases in the carrying amount arising on revaluation are recognized in other comprehensive income and accumulated in equity under the heading of revaluation surplus. Decreases that offset previous increases of the same asset are recognized in other comprehensive income. All other decreases are charged to the profit and loss account. Annual, the difference between depreciation charge based on the revalue carrying amount of the asset charged to the statement of income and expenditure account and depreciation based on the asset's original cost is transferred from the revaluation surplus reserve to retained earnings.

Depreciation is calculated using the reducing method to write down the cost or the revalue amount of each asset to its residual value using the following annual rates:

<b>Name of Asset</b>	<b>Depreciation %</b>
Land and Building	0.00%
Office Equipment	25.00%.
Furniture & Fittings	12.50%
Motor Vehicles	37.50%
Truck & Trailer	25.00%.
Computers	37.50%

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operation profit. On disposal of revalue assets, amounts in the revaluation surplus reserve relating to that asset are transferred to retained earnings.

**e) Provision for Liabilities and Charges**

Provisions are recognized when the organization has a present legal or constrictive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

**f) Cash and Cash Equivalents**

Cash and cash equivalents include cash in hand and demand and term deposits, with maturities of three months or less from date of acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts.

**g) Bad and Doubtful Debts**

Specific provision is made for all known doubtful debts. Bad debts are written off when all reasonable steps to recover them have been taken without success.

**h) Comparative Figures**

Previous year's figures have been grouped wherever considered necessary to make them comparable with current year's figures.

**BL BIOPHARM ENTERPRISES LIMITED**  
**P.O.BOX 14108**  
**DAR ES SALAAM**  
**NOTES OF THE FINANCIAL STATEMENTS**

NOTE	2022
	TZS
<b>NOTE 2</b>	
<b>TURNOVER</b>	
Sales	60,150,000.00
Other Income	-
<b>Total Income</b>	<b>60,150,000.00</b>
<b>NOTE 3</b>	
<b>DIRECT COST</b>	
<b>Cost of Sales - Rejected sales</b>	<b>28,500,000.00</b>
<b>Total Direct Expenses</b>	<b>28,500,000.00</b>
<b>NOTE 4</b>	
<b>OPERATING EXPENSES</b>	
<b>Administrative Expenses</b>	
Stationery	1,043,700.00
Telephone & Internet	340,000.00
Transport-town trips	810,000.00
Utilities, Electricity and water factory	499,000.00
Salaries & Wages - Staff	7,900,720.00
Meals	900,000.00
Repair and Maintenance-Minor	110,000.00
Deliveries	200,000.00
Office Rent-3months	3,899,280.00
Office Renovation, Paint, Partitions	2,000,000.00
office Cleaning	204,000.00
Travelling expenses	5,000,000.00
Depreciation	1,255,760.42
<b>Total Administrative expenses</b>	<b>24,162,460.42</b>
<b>Financing Expenses</b>	-
Bank Charges	255,000.00
Interest on Loan & Overdraft	-
<b>Total Finance expenses</b>	<b>255,000.00</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>24,417,460.42</b>
<b>NOTE 5</b>	
<b>CASH AND CASH EQUIVALENTS:</b>	
Cash in Hand & Bank	9,473,369.00

	Total	<u>9,473,369.00</u>
<b>NOTE</b>		
<b>6</b>	<b>TRADE RECEIVABLES:</b>	
	<b>Stock</b>	21,539,894.75
	Sundry Debtors	37,546,253.00
	Total	<u>59,086,147.75</u>
<b>NOTE</b>		
<b>7</b>	<b>TRADE PAYABLES:</b>	
	Trade creditor	5,091,450.00
	Other payables	
	Total	<u>5,091,450.00</u>
<b>NOTE</b>		
<b>8</b>	<b>TAXATION:</b>	
	<b>Profit/(Loss) before taxation</b>	7,742,539.58
	<b>Add:</b> Depreciation	1,255,760.42
	Penalty/Donation	-
		<b>8,998,300.00</b>
	<b>Less:</b> Wear and Tear Allowance	1,255,760.42
	<b>Adjusted Taxable profit/Loss</b>	7,742,539.58
	Tax Expenses for the year@ 30%	2,322,761.88
	Balance b/d	-
	Tax paid During the year/Provision	51,420.60
	<b>Tax payable /Carried Forward</b>	<b>2,374,182.48</b>
<b>NOTE</b>		
<b>9</b>	<b>LONG TERM LOAN</b>	-
	Outstanding Loan- Principle	-
	Outstanding Interest	-
	<b>Total</b>	<u>-</u>

**BL BIOPHARM ENTERPRISES  
LIMITED**  
**NOTES OF THE FINANCIAL STATEMENTS**

**Property, plant and equipment**

	Lab equipment's	Office Equipment's	Machinery	Furniture& fittings	Total
Cost value	TZS	TZS	TZS	TZS	TZS
At year Start	3,150,000.00	468,000.00	16,470,000.00	11,707,000.00	31,795,000.00
Addition	-	-	-	-	-
At the year end	<b>3,150,000.00</b>	<b>468,000.00</b>	<b>16,470,000.00</b>	<b>11,707,000.00</b>	<b>31,795,000.00</b>
<b>Depreciation</b>	<b>25.00%</b>	<b>37.50%</b>	<b>25.00%</b>	<b>12.50%</b>	
At year Start	787,500.00	175,500.00	3,770,750.00	1,463,375.00	6,197,125.00
Depr Charge	131,250.00	14,625.00	744,041.67	365,843.75	1,255,760.42
End of the year	<b>787,500.00</b>	<b>175,500.00</b>	<b>3,770,750.00</b>	<b>1,463,375.00</b>	<b>7,452,885.42</b>
<b>Net book value</b>					
<b>As at 30 April 2022</b>	<b>2,231,250.00</b>	<b>277,875.00</b>	<b>11,955,208.33</b>	<b>9,877,781.25</b>	<b>24,342,114.58</b>
<b>As at 31 Dec 2021</b>	<b>2,362,500.00</b>	<b>292,500.00</b>	<b>12,699,250.00</b>	<b>10,243,625.00</b>	<b>25,597,875.00</b>

Director




Date

