

**ANNUAL FINANCIAL STATEMENT
DECEMBER,2023**

**EVMAK (T) LIMITED
P. O. BOX 71885
DAR ES SALAAM**

**GREEN MARK INTERNATIONAL
CERTIFIED PUBLIC ACCOUNTANTS AND AUDITORS
P. O. BOX 12172
TEL. 0719 732 363 / 755 986 589
DAR ES SALAAM.**

FRONTLINE DEVELOPMENT SERVICES CONSULTING LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

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EVMAK (T) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2023

REPORT OF THE DIRECTORS:

The director submit her report together with the audited financial statements , which discloses the state of affairs of the business affairs for the year ended 31st December, 2023

1 Principal Activities

The principal activity of the business ICT Consultants.

2 Results

The results for the period are set out on pages 3 to 6.

During the period ended 31st December,2023 the business recorded the net profit/ (loss) after Tax

166,314,616.72

3 Directors

The directors of the business at the date of this report are

MR EVANCE MAKUNDI

MR JAMES MAKUNDI

4 Auditors

M/s Green Mark International Limited, Certified Accountants in Public Practice of P. O. Box 12172

- Dar Es Salaam are the statutory auditors of the business pending re- appointment .

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Director

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Date

EVMAK (T) LIMITED

P.O BOX 71885

DAR ES SALAAM

**Report of the independent auditor to the members of EVMAK (T) LIMITED for the Year Ended
31st December 2023.**

Our Opinion

We have audited the accompanying financial statements of EVMAK (T) LIMITED, which comprise the statement of financial position as at 31 December 2023, and the statement of comprehensive income, statements of changes in equity and cash flows statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion the accompanying financial statements give a true and fair view of the state of financial affairs of the Company at 31 December 2023 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the Tanzanian Company Act 2002.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the 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 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements

Other information

The directors are responsible for the other information. Other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon, other than that prescribed by the Tanzanian Company Act, 2002, as set out below.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Director's Responsibility for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Tanzanian Company Act 2002, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

AUDITORS RESPONSIBILITIES

My responsibility as auditor is to express an independent opinion in the financial statements based on the audit. The audit was conducted in accordance with international standards in Auditing (ISA) and such other audit procedures in considered necessary in the circumstance. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessments of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company for preparation fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonable of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

For Green mark international

Certified Public Accountant and Auditors


SIMON VUMILIA - CPA-PP.3055

Partner

Date..... 27/06/2022

Greenmark International
Certified Public Accountants (CPA)
And Auditors
P.O. Box 12177, Dar-es-Salaam

All correspondence should be addressed to managing partner

EVMAK (T) LIMITED**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023****STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2023**

| | | 2023 | 2022 |
|---|--------------|-------------------------|------------------------|
| | Notes | Tshs | Tshs |
| ASSETS | | | |
| Non-current assets | | | |
| Computer, Printers & Furniture and Fittings | pg11 | 165,831,753.76 | 40,760,397.15 |
| Current assets | | | |
| Taxation | 9 | (111,588,723.30) | (44,311,030.42) |
| Trade Debtors | 10 | 187,297,250.03 | - |
| Cash at Bank | 9 | 101,538,627.75 | 150,314,924.78 |
| | | 177,247,154.48 | 106,003,894.36 |
| TOTAL ASSETS | | 343,078,908.24 | 146,764,291.51 |
| EQUITY AND LIABILITIES | | | |
| Capital and reserves | | | |
| Initial Capital | 5 | 4,500,000.00 | 4,500,000.00 |
| | | - | - |
| Retained Earnings | 8 | 307,078,908.24 | 140,764,291.51 |
| Total Equity | | 311,578,908.24 | 145,264,291.51 |
| Current liabilities | | | |
| Trade Creditors & Accruals | 11 | 1,500,000.00 | 1,500,000.00 |
| Loan & Advances | 14 | 30,000,000.00 | - |
| Total Liabilities | | 31,500,000.00 | 1,500,000.00 |
| TOTAL EQUITY AND LIABILITIES | | 343,078,908.24 | 146,764,291.51 |

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Director

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Date

The balance sheet is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 7 to 12.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

| | | 2023 | 2022 |
|-------------------------------|-------|-----------------------|-----------------------|
| | Notes | Tshs | Tshs |
| Income Received | 8 | 577,048,677.00 | 281,379,610.32 |
| Direct Costs | 8 | <u>88,657,341.00</u> | <u>34,576,382.00</u> |
| Gross profit | | 488,391,336.00 | 246,803,228.32 |
| Expenses | | | |
| Operation expenses | 8 | <u>250,799,026.39</u> | <u>168,807,265.02</u> |
| Profit/(Loss) from operations | | 237,592,309.61 | 77,995,963.30 |
| Net finance costs | | - | - |
| Profit/(Loss) before tax | | 237,592,309.61 | 77,995,963.30 |
| Income tax expense | 9 | <u>71,277,692.88</u> | <u>23,398,788.99</u> |
| Profit/(Loss) after tax | | <u>166,314,616.72</u> | <u>54,597,174.31</u> |

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The income statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 7 to 12.

EVMAK (T) LIMITED**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023**

| CASH FLOW STATEMENT | 2023 | 2022 |
|---|------------------|----------------|
| | Tshs | Tshs |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| (Loss)/Profit before taxation | 237,592,309.61 | 77,995,963.30 |
| Adjustments for: | | |
| Depreciation | 26,928,643.39 | 10,140,771.02 |
| Operating profit/(loss) before | 264,520,953.00 | 88,136,734.32 |
| <u>Working Capital Changes</u> | | |
| Increase / (Decrease) in Creditors & Accruals | 30,000,000.00 | - |
| Increase / (Decrease) in Debtors | (187,297,250.03) | - |
| Cash (used by) operations | (157,297,250.03) | - |
| Tax paid | (4,000,000.00) | (4,000,000.00) |
| | (161,297,250.03) | (4,000,000.00) |
| Net cash (used by) operating activities | 103,223,702.97 | 84,136,734.32 |
| CASH FROM INVESTING ACTIVITIES | | |
| Purchases of fixed assets | (152,000,000.00) | - |
| <u>CASH FLOW FROM FINANCING ACTIVITIES</u> | | |
| Initial Capital | - | - |
| Drawings | - | - |
| | - | - |
| | - | - |
| Net (decrease)/increase in cash and cash equivalents | (48,776,297.03) | 84,136,734.32 |
| CASH AND CASH EQUIVALENTS AT | | |
| Beginning of the year | 150,314,924.79 | 66,178,190.47 |
| End of the year | 101,538,627.76 | 150,314,924.79 |
| Net Movement of Cash/Bank Balances | (48,776,297.03) | 84,136,734.32 |

EVMAK (T) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

STATEMENT OF CHANGES IN OWNERS EQUITY

| | Initial Capital | Retained Earnings | TOTAL |
|-----------------------|---------------------|-----------------------|-----------------------|
| | Tshs | Tshs | Tshs |
| 2023 | | | |
| At 1st Jan, 2023 | 4,500,000.00 | | 4,500,000.00 |
| Injection & RE | - | 166,314,616.72 | 166,314,616.72 |
| | | - | - |
| At 31st December,2023 | 4,500,000.00 | 166,314,616.72 | 170,814,616.72 |

EVMAK (T) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

NOTES TO THE FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

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

a) Basis of preparation

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards. The financial statements are prepared under the historical cost convention.

b) Revenue recognition

Revenue is recognised on an accruals' basis and when goods are
Income earned from ICT Consultants

c) Translation of foreign currencies

Transactions in foreign currency during the year are converted into Tanzanian Shillings at exchange rates ruling at the date of the transactions. Foreign currency monetary assets and liabilities at the balance sheet date are translated into Tanzanian Shillings at the exchange rates prevailing at that date. Resulting exchange differences are recognized in the profit and loss account for the year.

d) Trade and other debtors

Trade and other receivables are stated at nominal value less write down for any amounts expected to be irrecoverable.

e) Trade and other payables

Trade and other payables are stated at their costs.

f) Taxation

Tax on the profit or Loss for the year comprises current and deferred tax.
Current tax is provided on the results in the year as shown in the accounts adjusted in accordance with tax legislation.

g) The Business start its operation in January 2015

g) Depreciation

| | |
|----------------------|--------|
| Furniture & Fittings | 12.50% |
| Computer & Printer | 12.50% |

EVMAK (T) LIMITED**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023****Notes to the financial statements cont'd**

| | <u>2023</u> | <u>2022</u> |
|---------------------------------------|----------------------------------|----------------------------------|
| | Tshs | Tshs |
| 2 TURNOVER | | |
| SALES TURNOVERS | 577,048,677.00 | 281,379,610.32 |
| | 577,048,677.00 | 281,379,610.32 |
| 3 DIRECT EXPENSES | | |
| Subcontract | 88,657,341.00 | 34,576,382.00 |
| TOTAL DIRECT COSTS | 88,657,341.00 | 34,576,382.00 |
| GROSS PROFIT | 488,391,336.00 | 246,803,228.32 |
| <u>OPERATING EXPENSES</u> | | |
| Office Rent | 24,000,000.00 | 24,000,000.00 |
| Office Expenses | 27,248,512.00 | 28,716,431.00 |
| Salaries & Wages | 84,000,000.00 | 56,430,000.00 |
| Electricity & Water Bills | 1,200,000.00 | 1,985,000.00 |
| Printing & Stationaries | 3,276,500.00 | 6,523,825.00 |
| Business Licence | 200,000.00 | 300,000.00 |
| NSSF | 8,400,000.00 | 5,643,000.00 |
| SDL | 3,360,000.00 | 2,539,350.00 |
| Stamp Duty | 240,000.00 | 240,000.00 |
| Transport, Accomodation and Allowance | 18,645,000.00 | 28,163,517.00 |
| Bank Charges | 2,625,371.00 | 2,625,371.00 |
| Audity Fees | 1,500,000.00 | 1,500,000.00 |
| Office Repair & Maintanance | 7,000,000.00 | - |
| Marketing & Sponsorship | 2,500,000.00 | |
| Software | 39,675,000.00 | |
| Depreciation | 26,928,643.39 | 10,140,771.02 |
| TOTAL OPERATING EXPENSES | 250,799,026.39 | 168,807,265.02 |
| Profit Before Tax | 237,592,309.61 | 77,995,963.30 |

EVMAK (T) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

Notes to the financial statements cont'd

| | <u>2023</u> Tshs | <u>2022</u> Tshs |
|--|-----------------------------------|-----------------------------------|
| 5 INITIAL CAPITAL | | |
| Initial Capital | 4,500,000.00 | 4,500,000.00 |
| Total Equity | <u>4,500,000.00</u> | <u>4,500,000.00</u> |
| 6 PROFIT/(LOSS) BEFORE TAXATION | | |
| The profit/(loss) before taxation | 237,592,309.61 | 77,995,963.30 |
| 7 TAXATION | | |
| The profit/(loss) before taxation | 237,592,309.61 | 77,995,963.30 |
| Add Back; Depreciation | 26,928,643.39 | 10,140,771.02 |
| | <u>264,520,953.00</u> | <u>88,136,734.32</u> |
| Less; Wear and Tear Allowance | 26,928,643.39 | 10,140,771.02 |
| Adjusted Taxable Income | <u>237,592,309.61</u> | <u>77,995,963.30</u> |
| Less Loss Balance B/F | - | - |
| Taxable Amount | 237,592,309.61 | 77,995,963.30 |
| Taxation During the year | 71,277,692.88 | 23,398,788.99 |
| Balance Brought Forward | 44,311,030.42 | 24,912,241.43 |
| | <u>115,588,723.30</u> | <u>48,311,030.42</u> |
| Tax Paid during the year | 4,000,000.00 | 4,000,000.00 |
| Balance Carried Forward | <u>111,588,723.30</u> | <u>44,311,030.42</u> |
| No deferred tax asset has been recognised in the financial statements. | | |
| 8 CUMMULATIVE RETAINED EARNINGS | | |
| Brought Forward Balances | 140,764,291.51 | 86,167,117.20 |
| Profit After Taxation | 166,314,616.72 | 54,597,174.31 |
| Assesment for the Year | - | - |
| | <u>307,078,908.24</u> | <u>140,764,291.51</u> |

EVMAK (T) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

Notes to the financial statements cont'd

| | <u>2023</u> Tshs | <u>2022</u> Tshs |
|---|-----------------------------------|-----------------------------------|
| 9 CASH AND BANK | | |
| Cash Balances | - | - |
| Bank Balance | <u>101,538,627.75</u> | <u>150,314,924.78</u> |
| | <u>101,538,627.75</u> | <u>150,314,924.78</u> |
| 10 TRADE DEBTORS & PREPAYMENTS | | |
| Trade Debtors | 187,297,250.03 | - |
| Vat Payable | - | - |
| | <u>187,297,250.03</u> | <u>-</u> |
| 11 TRADE CREDITORS & Accruals | | |
| Short Term Loan | 30,000,000.00 | - |
| Trade Creditors & Accruals | <u>1,500,000.00</u> | <u>1,500,000.00</u> |
| | <u>31,500,000.00</u> | <u>1,500,000.00</u> |

12 These financial statements are expressed in full Tanzanian Shillings.

EVMAK (T) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

NON CURRENT ASSET SCHEDULE

| COST/VALUATION | Motor Vehicles | Furniture & Fittings | Computer | Printer | Server | Office Equipments | TOTAL |
|------------------------------|---------------------------|-------------------------------------|---------------------|-------------------|---------------------|------------------------------|-----------------------|
| | Tshs | Tshs | Tshs | Tshs | Tshs | Tshs | Tshs |
| <u>CLASSES</u> | | | | | | | |
| At 1st Jan, 2023 | 22,668,750.00 | 6,433,308.50 | 2,274,851.86 | 875,478.98 | 7,369,140.63 | 1,138,867.19 | 40,760,397.15 |
| Additions | - | 50,000,000.00 | - | - | - | 102,000,000.00 | 152,000,000.00 |
| At 31st December,2023 | 22,668,750.00 | 56,433,308.50 | 2,274,851.86 | 875,478.98 | 7,369,140.63 | 103,138,867.19 | 192,760,397.15 |
| <u>DEPRECIATION</u> | | | | | | | |
| At 1st Jan, 2023 | | | | | | | - |
| Charge for the year | 5,667,187.50 | 7,054,163.56 | 284,356.48 | 109,434.87 | 921,142.58 | 12,892,358.40 | 26,928,643.39 |
| At 31st December,2023 | 5,667,187.50 | 7,054,163.56 | 284,356.48 | 109,434.87 | 921,142.58 | 12,892,358.40 | 26,928,643.39 |
| <u>NET BOOK VALUE</u> | | | | | | | |
| At 31st December,2023 | 17,001,562.50 | 49,379,144.94 | 1,990,495.38 | 766,044.10 | 6,447,998.05 | 90,246,508.79 | 165,831,753.76 |