



SEBUYS COMPANY LIMITED

**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
ENDED 31ST DECEMBER, 2023.**

FCS

FINANCIAL CONSULTANTS & SERVICES

Certified Public Accountants

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DAR ES SALAAM.

SEBUYS COMPANY LIMITED**THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31.12.2023.****1. INTRODUCTION:**

In compliance with the Tanzania Financial Reporting Standard No. 1 (revised in January, 2021), those charged with Governance have the pleasure to present their report together with Financial Statements for the year ended **31st December, 2023** which disclose the state of affairs of the company.

2. COMPANY BACKGROUND:**2.1 ESTABLISHMENT**

The SEBUYS Limited was incorporated on 23rd August, 2016 under the Company's Ordinance with Certificate of Incorporation No. 128863 and is domiciled in Tanzania. The Company's office is located at Kibada Ward, Kwa Mjumbe Street, Kigamboni in Dar es Salaam. The Company trade as CashMe Tanzania.

2.2 OBJECTIVES AND EFFORTS TO SECURE NATIONAL BENEFITS

Apart from creating a fair return for its shareholders, Company's other objectives are to ensure that the best services are availed to its customers, creation of employment to public, contribution to the National Basket through payment of taxes and offering Social Services to the society through Community Social Responsibility Programs.

DEVELOPMENT IMPACT

The borrowers on the cashmetanzania.com platform contributed to various development impact which among other include SDG8 - Decent Work and Economic Growth, SDG 9-Industry infrastructure. The platform sustained a total of more than 300 jobs through financing of SMEs. Further, the platform supported businesses to contribute to GDP of the country. The borrowers on the platform generated more than TZS in 1 billion as revenue in 2023.

The platform promoted growth of capital market in the country by offering a new class of Investment Assets (Invoice discounting and crowd asset financing).

3. PRINCIPAL ACTIVITIES:

The principal activity of the company is to carry out an online marketplace as a commission agent which connects invoice seller and investors in those invoices.

4. COMPANY'S VISION AND MISSION

The Company's vision and mission are stated below:

4.1. Vision

To become an innovative Fintech Company that serves present financing problems using futuristic solutions.

4.2. Mission

To empower the public to play role in innovative financial solutions to promote economic growth, and financial inclusion and deepening.

5. DIRECTORS:

The Directors of the company as at the date of this report, who have served during the year are:

S/No	Name	Position	Nationality
1.	Gumodoka Msifuni Mehuna	Director	Tanzanian
2.	Phoibe Manase Mkumbwa	Director	Tanzanian
3.	Ishmael Fukoshima Oneya	Director	Tanzanian
4.	Ombeni Ntezi Uhuru	Director	Tanzanian

6. MANAGEMENT

The Company's Day to day operations are looked after by the Chief Executive Officer.

7. SHAREHOLDER'S INTERESTS IN SHARES OF THE COMPANY:

Number of authorized shares is 200,000 shares with per value of TZS 5,000. A total of 120,000 shares have been issued. The Shareholder's interests and ownership as at 31st December, 2023 were as follows:

S/No	Name	Issued shares	Paid up Capital	
			31.12.2023	31.12.2022
			TZS	TZS
1.	Gumodoka Msifuni Mehuna	36,000	35,405,214	10,892,346
2.	Phoibe Manase Mkumbwa	12,000	15,000,000	5,000,000
3.	Ishmael Fukoshima Oneya	30,000	51,903,851	17,210,590
4.	Ombeni Ntezi Uhuru	30,000	24,775,718	8,500,000
5.	Gitende Magooge Simango	12,000	10,000,000	-
	TOTAL	120,000	137,084,783	41,602,936

8. PERFORMANCE FOR THE YEAR:

The Company earned a profit of TZS 23,301,461 during the year ended 31st December, 2023 compared to loss of TZS 8,794,658 incurred in year ended 31st December, 2022.

9. DIVIDEND

Dividend was not declared in 2023 because the Company obtained unfavourable profit.

10. STRATEGIES FOR ACHIEVING THE COMPANY'S OBJECTIVES

In order to attain Company's objectives, those charged with governance have evolved the following strategies:

- To improve operational activities,
- To improve quality of service to customers,
- To venture into new areas of market.

11. HUMAN RESOURCE AND EMPLOYEES' WELFARE**11.1 Relationship between Management and Employees**

The Company had 5 staff as at 31st December, 2023. Open communication was maintained with the employee through regular meetings with management in order to promote good governance.

The Company is an equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribes, religion and disability which does not impair ability to discharge duties.

11.2 Training Facilities:

A Training program will be drawn up to cater for all grades of staff. Training will mainly be conducted on the job and off the job.

11.3 Financial Assistance to Staff

Loans will be made available to all confirmed employees in the form of salary advance and staff loans from the Company.

11.4 Statutory Payroll Remittance

Those charged with Governance confirm that they are aware of and taken full responsibility for the accuracy of disclosure made to the financial statements in respect of the remittance of NSSF Contribution and other statutory payrolls deduction respectively.

11.5 Persons with Disabilities

Applications for employment by disabled persons are always considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and appropriate training is arranged. It is the policy of the Company that training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

12. GENDER PARITY:

The Company had 5 employees out of which 3 were females and 2 were male.

13. RELATED PARTY TRANSACTIONS:

Details of related party transactions for the year ended 31st December, 2023 have been appropriately disclosed in NOTE 16 to the financial statements.

14. POLITICAL AND CHARITABLE DONATIONS:

The Company did not make donations to any political party or charitable organization during the reporting period.

15. ENVIROMENTAL CONTROL

The Company has not yet evolved its policy on environmental control. However, it takes appropriate control measures to conform to various environmental related laws in Tanzania.

16. STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

Those charged with Governance are responsible for preparing the annual report and the annual financial statements in accordance with International Financial Report Standards (IFRS) and Tanzania Financial Reporting Standard (TFRS) No. 1 "The Report by those charged with Governance".

These Financial Statements have been prepared by the management of SEBUYS Limited. The Financial Statements comply with the Generally Accepted Accounting Practices and have been prepared in a manner that is consistent with the International Financial Reporting Standards (IFRS).

Those charged with Governance are responsible for designing, establishing, implementing, maintaining of proper accounting records and the preparation, integrity, fair presentation of the financial statements of the Company and eventual issuance of annual report.

Those charged with Governance prepared the other information included in the annual report and are responsible for both its accuracy and its consistency with the financial statements. They also have general responsibility for selecting suitable accounting policies supported by judgment, estimates and applying them consistently, and for taking such steps as are reasonably open to them to safeguard the assets of the Company and prevent, detect fraud and other irregularities.

The going concern basis has been adopted in preparing the financial statements. Those charged with Governance have no reason to believe that the Company will not be a going concern in the foreseeable future based on forecasts and available cash resources. The viability of the Company is supported by the financial statements.

Those charged with Governance are responsible for establishing and maintaining a system of effective internal control designed to provide reasonable assurance that the transactions recorded in the accounts are within the statutory authority and that they contain the receipt and use of all financial resources by the Company.

17. AUDITORS:

M/s FINANCIAL CONSULTANTS & SERVICES have been appointed as Company's External Auditors effective from 2023 and have expressed their willingness to continue in office as Auditors and Tax Consultants. The members at the Annual General Meeting will make their appointment.

Other Information of Financial Consultants & Services:

- Physical Address: Magomeni Kagera Street, House No. 25
- Firm's Registration (BRELA) No. 65340
- Taxpayer's Identification Number (TIN) 102-107-756
- Registration Number with NBAA - PF-044

Signed by Chairman of those charged with Governance

Name: Gumadoko M. Mchungu

Signature: 

Date: 10/05/2024

DECLARATION OF THE ACCOUNTANT OF SEBUYS 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's financial 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 shown under Directors' Responsibility statement on an earlier page.

I **CPA Amenipa Sanga** being the Accountant of SEBUYS LIMITED hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2023 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 of the financial position of SEBUYS LIMITED as at 31st December, 2023 and its financial performance and cash flow for the year then ended and that they have been prepared based on properly maintained financial records.

Signature:



Position: **Accountant**

NBAA Membership No: ACPA-PP 6025

Date: 13rd May, 2024

INDEPENDENT AUDITORS' REPORT:

TO: THE SHAREHOLDERS OF SEBUYS COMPANY LIMITED

Opinion

We have audited the financial statements of **SEBUYS LIMITED**, which comprise the statement of financial position as at **31st December, 2023** and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at **31st December, 2023**, and (of) its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (**IFRSs**) and the requirements of the **Companies Act 2002**.

Basis for Opinion:

We conducted our audit in accordance with International Standards on Auditing (**ISAs**). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Professional Accountants (**IESB code**) together with the ethical requirements that are relevant to our audit of Financial Standards in Tanzania and we have fulfilled our other ethical responsibilities in accordance with these requirements and the **IESB Code**. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditors' Report Thereon:

Management is responsible for the other information. Other Information consists of Directors' Report, Statement of Directors' Responsibilities and the Declaration of the Accountant, other than the Financial Statements and Auditors' Report thereon.

Our opinion on the financial Statements does not cover the other information and we do not express any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regards.

Responsibilities of Management and Those Charged with Governance for the Financial Statements:

Management is responsible for the preparation and fair presentation of the financial statements in accordance with **IFRSs**, and the requirement of the Companies Act 2002 for such internal control as management 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, management is 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 management 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 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. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern, if we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Entity or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

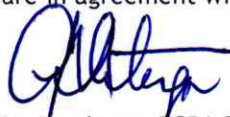
From the matters communicated with the directors, we determine those matters that were of most significance in the audit of financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements:

This report, including the opinion, has been prepared for, and only for, the Company's members as a body in accordance with the Companies Act, 2002 of Tanzania and for no other purposes.

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

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- In our opinion, proper books of account have been kept by the Company so far as appears from our examination of those books;
- The Directors' Report is consistent with the financial statements;
- Information specified by law regarding directors' remuneration and transactions with the Company is not reflected in these Financial Statements since no transactions were executed.
- The statements of financial position and statements of profit or loss and other comprehensive income are in agreement with the books of account.



CPA Alatanga M. Mwabena, FCPA 297

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Email: info@finconsultser.co.tz

DATE: 13/05/2024

SEBUYS COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2023

	NOTE	31.12.2023 TZS	31.12.2022 TZS
ASSETS:			
NON - CURRENT ASSETS:			
Property, Plant and Equipment	2	25,428,492	5,864,489
Intangible Assets	3	20,021,638	8,957,378
Total Non-Current Assets		<u>45,450,130</u>	<u>14,821,867</u>
CURRENT ASSETS:			
Cash and Bank Balances	4	26,180,109	10,025,874
Investment	5	51,022,912	-
Debtors and Prepayments	6	380,840,712	113,464,559
Inventories		-	523,364
Total Current Assets		<u>458,043,733</u>	<u>124,013,797</u>
TOTAL ASSETS		<u>503,493,862</u>	<u>138,835,664</u>
EQUITY AND LIABILITIES			
Equity:			
Share Capital	7	137,084,783	41,602,936
Share premium	7	10,000,000	
Retained Earnings	8	9,911,062	(9,035,658)
Total Equity		<u>156,995,845</u>	<u>32,567,278</u>
CURRENT LIABILITIES:			
Deferred Interest income		2,590,087	-
Creditors and Accruals	9	339,553,189	97,407,020
Directors Loan	10	-	8,065,497
Accrued Interest on Loan	11	-	795,869
Taxation Account	12	4,354,741	-
Total Current Liabilities		<u>346,498,017</u>	<u>106,268,386</u>
TOTAL EQUITY AND LIABILITIES		<u>503,493,862</u>	<u>138,835,664</u>

NOTES 1 TO 19 FORM PART OF THESE FINANCIAL STATEMENTS.



DIRECTOR

10/05/2024

DATE

SEBUYS COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME FOR THE YEAR ENDED
31ST DECEMBER, 2023

	NOTES	31.12.2023 TZS	31.12.2022 TZS
REVENUE			
Operating Revenue	14	128,248,619	20,170,083
TOTAL REVENUE		<u>128,248,619</u>	<u>20,170,083</u>
LESS: OPERATING EXPENSES			
Administrative Expenses	15	95,834,268	26,473,088
Finance Costs		-	795,869
Depreciation & Amortization	1.3, 2 & 3	9,112,891	1,695,784
TOTAL EXPENSES		<u>104,947,159</u>	<u>28,964,741</u>
NET PROFIT/ (LOSS) BEFORE TAXATION		23,301,461	(8,794,658)
LESS: Provision for Taxation	13	4,354,741	-
NET PROFIT AFTER TAXATION		<u>18,946,720</u>	<u>(8,794,658)</u>

NOTES 1 TO 19 FORM PART OF THESE FINANCIAL STATEMENTS.



DIRECTOR

10/05/2024

DATE

SEBUYS COMPANY LIMITED

STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER, 2023.

	31.12.2023	31.12.2022
	TZS	TZS
A: CASH FLOWS FROM OPERATING ACTIVITIES:		
Net profit before Tax	23,301,461	(8,785,658)
Adjustment for Non - Cash Items:		
Depreciation & Amortization	9,112,891	1,695,784
Cash Flow from Operating Activities before Working Capital Items	32,414,352	(7,089,874)
Add: Changes in Working Capital:		
(Increase)/Decrease in Stock	523,364	(523,364)
(Increase)/Decrease in Investment	(51,022,912)	-
(Increase)/Decrease in Debtors and Prepayment	(267,376,153)	(113,464,559)
Increase/(Decrease) in Creditors	242,146,169	97,157,020
Deferred Interest	2,590,087	
Cash from Working Capital	(73,139,445)	(16,830,903)
Net Cash Generated from Operating Activities	(40,725,094)	(23,920,777)
Tax Paid During the Period		
Net Cash from Operating Activities	(40,725,094)	(23,920,777)
B: CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of assets	(39,741,152)	(13,917,651)
Net Cash used in Investing Activities	(39,741,152)	(13,917,651)
C: CASH FLOWS FROM FINANCING ACTIVITIES:		
Directors Loan	(8,065,497)	8,065,497
Loan Interest	(795,869)	795,869
Capital Addition	95,481,847	39,002,936
Share premium	10,000,000	
Net Cash from Financing Activities	96,620,481	47,864,302
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	16,154,235	10,025,874
Cash and Cash Equivalents as at 1 st January	10,025,874	-
Cash and Cash Equivalents as at 31 st December	26,180,109	10,025,874

NOTES 1 TO 19 FORM PART OF THESE FINANCIAL STATEMENTS.


 DIRECTOR

10/05/2024
 DATE

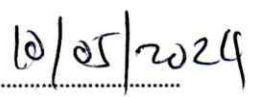
SEBUYS COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY FOR THE YEAR ENDED
31ST DECEMBER, 2023.

DETAILS	SHARE CAPITAL TZS.	RETAINED EARNINGS TZS.	TOTAL TZS.
Balance at 01.01.2022	2,600,000	(250,000)	2,350,000
Capital Addition	39,002,936		39,002,936
Net Profit for the Year		(8,785,657)	(8,785,657)
Balance at 31.12.2022	41,602,936	(9,035,657)	32,567,279
Balance at 01.01.2023	41,602,936	(9,035,657)	32,567,279
Capital Addition	95,481,847	-	105,481,847
Share premium	10,000,000		
Add: Net Profit for the year	-	18,946,720	18,946,720
Balance at 31.12.2023	147,084,783	9,911,062	157,853,845

NOTES 1 TO 19 FORM PART OF THESE FINANCIAL STATEMENTS.



 DIRECTOR



 DATE

SEBUYS COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS - 2023

1.0 PRINCIPAL ACCOUNTING POLICIES:

The principal accounting policies adopted are as set out below:

1.1 Basis of Accounting:

These Financial Statements are prepared in conformity with International Accounting Standards (IAS) and on the basis of historical cost concept.

1.2 Revenue and Expenditure Recognition:

Revenue comprises the fair value for sales of services, net of Value Added Tax (VAT).

Expenditure:

Expenses are recognized in the Statement of Comprehensive Income in the year in which they are incurred.

1.3 Property, Plant and Equipment Recognition:

The cost of an item of property, plant and equipment is recognized as an asset if, and only if:

- 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.

Measurement:

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Derecognizing:

The carrying amount of an item of property, plant and equipment shall be derecognized:

- On disposal, or
- When no future economic benefits are expected from its use or disposal.

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

Subsequent Expenditure:

Expenditure incurred to replace a component of item of property plant and equipment is accounted for separately and capitalized 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 reliably measured. All other expenditure items are recognized in the income statement as expenses during the financial period in which they are incurred.

Depreciation:

Depreciation is provided on reducing balance method to write off the cost of each fixed asset to its residual value over its estimated useful economic life. Annual depreciation rates applied are as follows:

	%
Furniture, Fixtures & Equipment	12.5
Amortization Intangible Assets	33

Property, plant and equipment acquired during the year are depreciated from the date when they are available for use and cease to be depreciated at earlier of the date that the asset is classified as held for sale and the date that the asset is de-recognized.

1.4 Impairment of Assets

The company at each Balance Sheet date reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. Impairment loss occurs where the asset is carried at more than its recoverable amount. An asset is carried at more than its recoverable amount if its carrying amount exceeds the amounts to be recovered through use or sale of the asset.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Directors estimate the recoverable amount of the cash -generating unit to which the asset belongs.

The recoverable amount represents the greater of the net selling price and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is recognized as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses the carrying amount of the asset it is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Financial Assets:

Financial Assets and Financial Liabilities are recognized in the Company's Balance Sheet when the Company becomes a party to the contractual provision of the instrument.

Receivables:

Receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Allowance for irrecoverable amount is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivable.

Bank Borrowings:

Interest-bearing bank loans and overdrafts are recorded at their proceeds received, net of direct issue costs.

Payables:

Payables are stated at their nominal value.

1.6 Borrowing Costs:

Borrowing costs shall be recognized as an expense in the period in which they are incurred, except to the extent that they are capitalized.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset shall be capitalized as part of the cost of that asset when it is probable that they will result in future economic benefits to the company and the costs can be measured reliably.

1.7 Foreign Currencies:

Transactions and Balances:

Transactions in currencies other than the Tanzania Shilling (Tzs) are recorded at the rates of exchange prevailing on the dates of the transactions. At each Balance Sheet date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing on the Balance Sheet date. All exchange gains or losses are dealt with through the Income Statement.

1.8 Cash and Cash Equivalents:

Cash and cash equivalents are carried in the Balance Sheet at cost. Cash and cash equivalents comprise cash on hand, deposits held at call with banks net of bank overdrafts. Bank overdrafts are included within borrowings in the current liabilities in the Balance Sheet.

1.9 Borrowings:

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost, any difference between the proceeds (*net of transaction costs*) and the redemption value is recognized in the Income Statement over the period of the borrowings using the effective interest method.

1.10 Provisions:

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

1.11 Offsetting a Financial Assets and a Financial Liability:

A financial asset and a financial liability shall be offset and the net amount presented in the Balance Sheet when and only when, the company:

- Currently has a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.12 Accounting for Leases:

Leases in which a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

1.13 Taxation:

Current taxation is provided for on the basis of the results shown in the financial statements in accordance with the Tanzania Income Tax Act.

Deferred taxation is provided, under the liability method, for all temporary differences arising between the tax bases of the assets and liabilities and their carrying values for financial reporting purposes.

The principal temporary differences arise from depreciation on property, plant and equipment and tax losses carried forward. Tax rates enacted or substantively enacted at the Balance Sheet date are used to determine deferred tax.

Deferred taxation assets are recognized only to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

1.14 Reporting Currency:

Items included in the financial statements are measured in Tanzania Shilling (TZS), which is both the company's reporting and functional currency.

NOTE 2: PLANT, PROPAERTY AND EQUIPMENT AS AT DECEMBER 31, 2023

PARTICULARS	FURNITURE & EQUIPMENT	TOTAL
	TZS	TZS
COST:		
Balance As At 1-01-2023	6,702,274	6,702,274
Additions for the year	21,543,652	21,543,652
COST AS AT 31-12-2023	28,245,926	28,245,926
DEPRECIATION:		
Balance As At 01-01-2023	837,784	837,784
Charge for the year	1,979,650	1,979,650
As at 31-12-2023	2,817,434	2,817,434
Net Book value 31-12-2023	25,428,492	25,428,492
Net Book value 31-12-2022	5,864,489	5,864,489

NOTE: 3	NET SOFTWARE AND SYSTEMS	31.12.2023	31.12.2022
		TZS	TZS
	Balance B/D	9,815,378	2,600,000
	Addition	<u>18,197,500</u>	<u>7,215,378</u>
	Balance C/D	28,012,878	9,815,378
	Less: Amortization		
	Balance B/D	858,000	-
	Amortization	7,133,240	-
	Accumulated Balance	<u>7,991,240</u>	<u>858,000</u>
	Net Balance	<u>20,021,638</u>	<u>8,957,378</u>
NOTE: 4	CASH AND BANK BALANCES:	31.12.2023	31.12.2022
		TZS	TZS
	Cellulant T LTD on Hand	501,685	-
	Mobile Money	4,570,386	
	TCB Bank 15 Ex	20,864,477	9,645
	TCB Bank 16 BD	116,536	
	TCB Bank 17 CL	127,025	10,016,229
	TOTAL	<u>26,180,109</u>	<u>10,025,874</u>
NOTE: 5	INVESTMENT	31.12.2023	31.12.2022
	Opening Balance	-	-
	Addition: Investment in Invoice	37,157,303	-
	Interest earned	20,220,535	-
	Less: Withdraw	<u>(6,354,926)</u>	-
	Balance	<u>51,022,912</u>	-
NOTE: 6	RECEIVABLES & PREPAYMENTS:	31.12.2023	31.12.2022
		TZS	TZS
	Asset Financing	24,136,631	9,133,871
	Lease Financing	19,637,397	-
	Prepayments	1,317,600	-
	Borrowers Receivables	335,749,084	104,330,688
	TOTAL	<u>380,840,712</u>	<u>113,464,559</u>
NOTE: 7	SHARE CAPITAL		
	The authorized share capital of the company is TZS 1,000,000,000 divided into 200,000 ordinary shares of TZS 5,000 each. A total of 120,000 shares have been issued.		
	The issued and paid-up Capital of the Company is TZS 137,084,783 divided into 27,417 ordinary shares of TZS 5,000 each.		

NOTE: 8	RETAINED EARNINGS:	31.12.2023	31.12.2022
		TZS	TZS
	Balance as At 1 st Jan	(9,035,657)	(250,000)
	Prior Year Adjustment	-	-
	Net Profit(Loss) for the Year	18,946,720	(8,785,657)
	TOTAL	9,911,062	(9,035,657)
NOTE: 9	CREDITORS & ACCRUALS:	31.12.2023	31.12.2022
		TZS	TZS
	Audit Fees Payable	-	800,000
	Accrued Expenses	-	1,000,000
	Directors Advances Payables	48,000,000	-
	WHT	5,796,065	654,978
	Investors Account	285,757,124	94,952,042
	TOTAL	339,553,189	97,407,020
NOTE: 10	DIRECTORS LOAN	31.12.2023	31.12.2022
		TZS	TZS
	Ishmael Oneya	-	8,065,497
	TOTAL	-	8,065,497
NOTE: 11	ACCRUED INTEREST ON LOAN	31.12.2023	31.12.2022
		TZS	TZS
	Ishmael Oneya	-	795,869
	TOTAL	-	795,869
NOTE: 12	TAXATION ACCOUNT:	2023	2022
		TZS	TZS
	Balance B/F	-	-
	Corporate Tax per accounts	4,354,741	-
	Balance C/F	4,354,741	-

NOTE: 13 TAX COMPUTATION:	2023	2022
	TZS	TZS
Unrelieved Profit (Loss) B/F	(8,785,657)	-
Current Profit(Loss) B/F	<u>23,301,461</u>	<u>(8,785,657)</u>
Taxable Income	14,515,803	(8,785,657)
30% Corporate Tax	4,354,741	-
Unrelieved Profit (Loss) C/F	<u>10,161,062</u>	<u>(8,785,657)</u>

NOTE: 14 OPERATING REVENUE:	2023	2022
	TZS	TZS
Invoice Trading Fees	71,273,855	14,538,093
Processing Fees	3,920,000	2,110,000
Penalties	4,046,421	1,939,252
Investment Income	20,220,535	-
Other Income	10,380,357	-
Asset Financing Interest	18,407,451	1,591,738
TOTAL	<u>128,248,619</u>	<u>20,179,083</u>

NOTE: 15 ADMINISTRATIVE EXPENSES	2023	2022
	TZS	TZS
Office Rent	6,138,054	2,000,000
Salaries	9,895,000	4,000,000
NSSF Contribution	776,000	-
Credit Info	3,571,050	2,354,100
Bank Charges	4,716,488	1,714,392
Transport	1,170,000	904,000
Hosting Fees	2,668,918	1,421,054
Debt Recovery Expenses	105,000	543,000
Marketing and Promotion	3,454,700	5,873,600
Government Levy	45,704	-
Legal Fees	1,984,580	978,000
IT Support	4,017,650	1,940,000
Printing and Stationery	285,000	873,992
Asset Financing Fees	-	500,000
License and Fees	3,186,864	1,634,000
Security Service	225,000	-

NOTE: 15 ADMINISTRATIVE EXPENSES CONTINUED	2023	2022
Office General expenses	2,606,560	-
Fuel Expenses	100,000	-
Office Repair	200,000	-
Directors fees	48,000,000	-
Electricity	683,600	-
Communication Expenses	1,894,100	936,950
Audit Fees and Expenses	110,000	800,000
TOTAL	95,384,268	26,473,088

NOTE: 16 RELATED PARTY TRANSACTIONS

The following transactions undertaken by the Company related to Directors/Senior Management:

Particulars	2023 TZS	2022 TZS
Directors:		
Loan from Directors	-	8,065,497
Interest on Loan	-	795,869
Directors fees	48,000,000	-
	48,000,000	8,861,366

NOTE: 17 TOTAL INVOICE OUTSTANDING	2023 TZS
Manufacturing	93,715,907
Agri Export	86,030,360
Manufacturing	10,867,790
Wholesale	31,652,038
Manufacturing	45,461,959
ICT	57,998,525
Banking	<u>10,022,506</u>
TOTAL	<u>335,749,083</u>

NOTE: 18	TOTAL VALUE OF INVOICE FUNDED	2023 TZS	2022 TZS
	Agri Export	180,090,000	-
	Banking & Financial Services	37,032,829	38,026,400
	Central Government	1,800,000	-
	Government Regulatory Authority	120,774,680	1,842,480
	ICT	44,054,400	-
	International Organization	9,864,800	-
	Manufacturing	587,259,810	148,156,112
	Security Services	20,620,500	-
	Wholesale	47,510,860	29,800,000
	Real Estate		1,800,000
	Transport	-	44,950,000
	Other	-	2,600,000
	TOTAL	<u>1,049,007,879</u>	<u>267,174,992</u>

NOTE: 19 COMPARATIVE FIGURES

Previous year's figures have been restated to make them comparable with current year's figures.