



**SEBUYS COMPANY LIMITED**

**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED  
ENDED 31<sup>ST</sup> DECEMBER 2022.**

**FCS**

**FINANCIAL CONSULTANTS & SERVICES**

**Certified Public Accountants**

P. O. Box 72534 Telephone 0754 278104/0755 043323/0717 105030/0754 289930

**E-mail: [info@finconsultser.co.tz](mailto:info@finconsultser.co.tz) Kagera Street No. 25 Magomeni Area**

## 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** PHTHIBE M KUMBWA being the Accountant of SEBUYS LIMITED hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2022 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 31<sup>st</sup> December, 2022 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: PHTHIBE M KUMBWA

Position: HEAD FINANCE

NBAA Membership No: 4407

Date: 17/05/2023

## SEBUYS COMPANY LIMITED

### THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31.12.2022.

#### 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 **31<sup>st</sup> December, 2022** which disclose the state of affairs of the company.

#### 2. COMPANY BACKGROUND:

##### 2.1 ESTABLISHMENT

The SEBUYS Limited was incorporated on 23<sup>rd</sup> 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 Kigamboni in Dar es Salaam.

##### 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.

##### 2.3 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, Innovation and 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 2022.

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 Oneya	Director	Tanzanian
4.	Ombeni Ntezi	Director	Tanzanian

6. **MANAGEMENT**

The Company's Day to day operations is looked after by the Managing Director.

7. **DIRECTOR'S INTERESTS IN SHARES OF THE COMPANY:**

Number of authorized shares is 10,000 shares with per value of TZS10,000. The Director's interests and ownership as at 31st December, 2022 were as follows:

S/No.	Name	Issued shares	Paid up Capital
1.	Gumodoka Msifuni Mehuna	4,000	10,892,346
2.	Phoibe Manase Mkumbwa	1,000	5,000,000
3.	Ishmael Oneya	2,000	17,210,590
4.	Ombeni Ntezi	2,000	8,500,000
5.	Asanterabi Mehuna	500	
6.	Siwamin Mehuna	<u>500</u>	<u>-</u>
	<b>TOTAL</b>	<b><u>10,000</u></b>	<b><u>41,602,936</u></b>

8. **PERFORMANCE FOR THE YEAR:**

The Company suffered a loss of TZS 6,639,712 during the year ended 31<sup>st</sup> December 2022.

9. **DIVIDEND**

Dividend was not declared in 2022 because the Company incurred a loss.

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. **EMPLOYEES' WELFARE**

**Relationship between Management and Employees**

The Company had 1 staff as at 31<sup>st</sup> December, 2022. Open communication was maintained with employees through regular meetings with management in order to **promote good governance**.

The Company has equal opportunity to employees: 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.

**11.1. Training Facilities:**

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

**11.2. Financial Assistance to Staff**

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

**11.3. Statutory Payroll Remittances**

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 remittances for National Social Security funds (NSSF) contribution and other statutory payroll deductions respectively.

**11.4. 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 1 male employee.

**13. RELATED PARTY TRANSACTIONS:**

There was no related party transactions for the year ended 31<sup>st</sup> December, 2022.

**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 31<sup>ST</sup> DECEMBER 2022**

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 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: Gumodoko M. Meluno

Signature: [Signature]

Date: 17/05/2023



## INDEPENDENT AUDITOR'S REPORT:

### TO THE SHAREHOLDERS OF SEBUYS COMPANY LIMITED

#### Introduction:

We have audited the financial statements of **SEBUYS LIMITED**, which comprise the statement of financial position as at **31<sup>st</sup> December, 2022** 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.

#### Opinion:

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at **31<sup>st</sup> December, 2022**, 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 regard.

#### 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 are 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.

  
Alatang M. Mwabena, FCPA 297

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Certified Public Accountants  
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P. O. Box 72534, DAR-ES-SALAAM  
Tel: 0754 278104 / 0755 043322

DATE: 18/05/2023

**SEBUYS COMPANY LIMITED**

**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER 2022**

	NOTE	31.12.2022 TZS	31.12.2021 TZS
<b>ASSETS:</b>			
<b>NON-CURRENT ASSETS:</b>			
Property, Plant and Equipment	2	5,864,489	-
Intangible Assets	3	8,957,378	2,600,000
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalent	4	10,025,874	
Receivable and Prepayments	5	113,464,559	
Inventory		<u>523,364</u>	<u>0</u>
<b>Total Current Assets</b>		<b><u>124,013,797</u></b>	
<b>TOTAL ASSETS</b>		<b><u>138,835,664</u></b>	<b><u>2,600,000</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity:</b>			
Authorized Share Capital TZS 100,000,000			
Shares 10,000 of TZS 10,000 Each			
<b>Issued and Paid-up Capital</b>			
5160 Shares of TZS 10,000 Each		41,602,936	2,600,000
Retained Earnings		<u>(9,035,658)</u>	<u>(250,000)</u>
<b>Total Equity</b>		<b><u>32,567,278</u></b>	<b><u>2,350,000</u></b>
<b>CURRENT LIABILITIES</b>			
Directors Loan		8,065,497	
Accrued Interest on loan		795,869	
Creditors and Accrued Charges	6	<u>97,407,020</u>	<u>250,000</u>
<b>Total Current Liabilities</b>		<b><u>106,268,386</u></b>	<b><u>250,000</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>138,835,664</u></b>	<b><u>2,600,000</u></b>

**NOTES 1 TO 9 FORM PART OF THESE FINANCIAL STATEMENTS.**

These statements were approved by the board of directors on 17/05/2023 and were signed off on its behalf by:



**DIRECTOR**

17/05/2023

**DATE**

**SEBUYS COMPANY LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME FOR THE YEAR**  
**ENDED**  
**31<sup>ST</sup> DECEMBER 2022.**

	NOTES	2022 TZS	2021 TZS
REVENUE	7	20,179,083	-
<b>OPERATING EXPENSES</b>			
Administrative Expenses	8	26,473,088	100,000
Financial Charges & Interest		795,869	
Depreciation & Amortization	2 & 3	<u>1,695,784</u>	<u>-</u>
<b>TOTAL EXPENSES</b>		<b><u>28,964,741</u></b>	<b><u>100,000</u></b>
<b>NET PROFIT/LOSS BEFORE TAXATION</b>		<b>(8,785,657)</b>	<b>(100,000)</b>
PROVISION FOR TAXATION		<u>0</u>	<u>-</u>
<b>NET PROFIT/ (LOSS) AFTER TAXATION</b>		<b><u>(8,785,657)</u></b>	<b><u>(100,000)</u></b>

**NOTES 1 TO 9 FORM PART OF THESE FINANCIAL STATEMENTS.**

These statements were approved by the board of directors on 17/05/2023 and were signed off on its behalf by:

  
**DIRECTOR**

17/05/2023  
**DATE**



**SEBUYS COMPANY LIMITED**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022.**

	31.12.2022	31.12.2021
	TZS	TZS
<b>A     <u>Cash Flows from Operating Activities</u></b>		
Profit/ (Loss) Before Taxation	(8,785,658)	(100,000)
Depreciation	1,695,784	
<b>Operating Profit before Working Capital Changes:</b>	<b>(7,089,874)</b>	<b>(100,000)</b>
Increase/(Decrease) in Stock	(523,364)	
Increase/(Decrease) in Prepayment and Receivable	(113,464,559)	
Increase/(Decrease) in Creditors and Accruals	97,157,020	100,000
<b>Cash Generated from /(absorbed in) Operating</b>	<b>(23,920,776)</b>	<b>-</b>
Tax Paid	-	-
<b>Net Cash Flows from /(absorbed in) Operating Activities</b>	<b>(23,920,776)</b>	<b>-</b>
<b>B     <u>Cash Flows from Investing Activities:</u></b>		
Acquisition of Assets	(13,917,652)	-
<b>Net Cash Flows used in Investing Activities</b>	<b>(13,917,652)</b>	<b>-</b>
<b>C     <u>Cash Flows from Financing Activities:</u></b>		
Directors Loan	8,065,497	
Loan Interest	795,869	
Capital Introduced	39,002,936	-
<b>Net Cash Flows from Financing Activities</b>	<b>47,864,302</b>	<b>-</b>
Net Increase/(Decrease) in Cash and Cash Equivalents	10,025,874	-
Cash and Cash Equivalents at beginning of the year	-	-
<b>Cash and Cash Equivalents at the end of the Period</b>	<b>10,025,874</b>	<b>-</b>

**NOTES 1 TO 9 FORM PART OF THESE FINANCIAL STATEMENTS.**

These statements were approved by the board of directors on 17/05/2023 and were signed off on its behalf by:

.....  
  
**DIRECTOR**

.....  
17/05/2023  
**DATE**

**SEBUYS COMPANY LIMITED**  
**STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY FOR THE YEAR ENDED**  
**31<sup>ST</sup> DECEMBER 2022.**

PARTICULARS	SHARE CAPITAL	RETAINED EARNINGS	TOTAL
	TZS.	TZS.	TZS.
Balance at 1st January, 2021	2,600,000	(150,000)	2,450,000
Net Profit/(Loss) for the Period		(100,000)	(100,000)
<b>Balance at 31<sup>st</sup> December, 2021</b>	<b>2,600,000</b>	<b>(250,000)</b>	<b>2,350,000</b>
Balance at 1 <sup>st</sup> January, 2022	2,600,000	(250,000)	2,350,000
Capital Addition	39,002,936		39,002,936
Net Profit/(Loss) for the Period		(8,785,657)	(8,785,657)
<b>Balance at 31<sup>st</sup> December, 2022</b>	<b>41,602,936</b>	<b>(9,035,657)</b>	<b>32,567,279</b>

**NOTES 1 TO 9 FORM PART OF THESE FINANCIAL STATEMENTS.**

These statements were approved by the board of directors on 17/05/2023 and were signed off on its behalf by:

.....  
**DIRECTOR**

.....  
**DATE**

**SEBUYS COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS – 2022**

**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 goods, 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

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.



### 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.

### 1.12 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.

### 1.13 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, 2022

PARTICULARS	Furniture & Equipment	Total
	TZS	TZS
<b>COST</b>		
As at 1.1.2022		-
Additions	6,702,274	6,702,274
<b>COST AS AT 31.12.2022</b>	<b>6,702,274</b>	<b>6,702,274</b>
<b>DEPRECIATION</b>		
As at 1.1.2022		-
Charge for the year	(837,784)	837,784
<b>As at 31.12.2022</b>	<b>(837,784)</b>	<b>837,784</b>
<b>NET BOOK VALUE 31.12.2022</b>	<b>5,864,489</b>	<b>5,864,489</b>
<b>NET BOOK VALUE 31.12.2021</b>	<b>6,702,274</b>	<b>6,702,274</b>

**NOTE 3: NET SOFTWARE & SYSTEM**

	31.12.2022	31.12.2021
Balance B/d	2,600,000	
Addition	<u>7,215,378</u>	<u>2,600,000</u>
Balance C/d	<u>9,815,378</u>	<u>2,600,000</u>
<b>Less: Amortization</b>		
Balance B/D	858,000	0.00
Accumulated Balance	<u>858,000</u>	
<b>Net Balance</b>	<u><b>8,957,378</b></u>	<u><b>2,600,000</b></u>

**NOTE 4 RECEIVABLE & PREPAYMENT**

	31.12.2022 TZS	31.12.2021 TZS
Asset Financing	9,133,871	
Borrowers Receivable	<u>104,330,688</u>	
<b>TOTAL</b>	<u><b>113,464,559</b></u>	<u><b>0</b></u>

**NOTE 5 CASH & CASH EQUIVALENT**

	31.12.2022 TZS	31.12.2021 TZS
TCB Bank 15 EX	9,645	
TCB Bank 17 CL	<u>10,016,229</u>	
<b>TOTAL</b>	<u><b>10,025,874</b></u>	<u><b>0</b></u>

**NOTE 6 CREDITORS AND ACCRUED CHARGES**

	31.12.2022 TZS	31.12.2021 TZS
Audit Fees Payable	800,000	250,000
WHT Taxes & Accrued expenses	1,654,978	
Investors Account	<u>94,952,042</u>	<u>0</u>
<b>TOTAL</b>	<u><b>97,407,020</b></u>	<u><b>250,000</b></u>

**NOTE 7 REVENUE**

	31.12.2022 TZS	31.12.2021 TZS
Invoice Trading Fees	14,538,093	
Processing Fees	2,110,000	
Penalties	1,939,253	
Other Income	-	
Asset Financing Interest	<u>1,591,738</u>	<u>-</u>
<b>TOTAL</b>	<u><b>20,179,083</b></u>	<u><b>-</b></u>

**NOTE****8****ADMINISTRATIVE EXPENSES****31.12.2022****TZS****31.12.2021****TZS**

Office Rent	2,000,000	
Salaries	4,000,000	
Credit Info	2,354,100	
Bank Charges	1,714,392	
Transport	904,000	
Hosting fees	1,421,054	
Marketing & Promotion	5,873,600	
Legal Fees	978,000	
IT Support	1,940,000	
Printing and Stationaries	873,992	
Asset Financing Fees	500,000	
License and Fees	1,634,000	
Communication Expenses	936,950	
Audit Fees	800,000	100,000
<b>TOTAL</b>	<b><u>26,473,088</u></b>	<b><u>100,000</u></b>

**NOTE 9: COMPARATIVE FIGURES:**

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

**NOTE 10****TOTAL VALUE OF INVOICE FUNDED AS DEC 2023**

<b>SECTOR</b>	<b>FUNDED INVOICES 31.12.2022</b>	<b>FUNDED INVOICES 31.12.2021</b>
Agri Export	-	34,800,600
Banking & Financial Services	38,026,400	
Central Government	-	
Government Regulatory Authority	1,842,480	
Manufacturing	148,156,112	60,640,000
Wholesale	29,800,000	
Real estate	1,800,000	
Transport	44,950,000	29,920,880
Other	2,600,000	
<b>TOTAL</b>	<b><u>267,174,992</u></b>	<b><u>125,361,480</u></b>