

Systech Fabrication Services Limited
Financial Statements
For the year Ended 31st December, 2019.

Systech Fabrication Services Limited
Annual Report and Financial Statements
For the year Ended 31st December, 2019.

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Systech Fabrication Services Limited
Annual Report and Financial Statements
For the year Ended 31st December, 2019.

COMPANY INFORMATION

Registered Office

Lunga Lunga Plaza
Lunga Lunga Road
1st Floor LR NO. 209/11527
P.O Box 74159-00200
Nairobi

Board of Directors

Mr. Fidel Odhiambo
Mr. Anthony Maina

Auditors

John Maina & Associates
Certified Public Accountants
Registered Auditors
P.O Box 68644-00622
Nairobi

Bankers

I & M Bank
Industrial Area Branch
Nairobi
Kenya

Systech Fabrication Services Limited

Annual Report and Financial Statements

For the year Ended 31st December, 2019.

REPORT OF THE DIRECTORS

The Directors submit their report together with the audited Financial Statements for the year ended 31st December 2019, which disclose the state of affairs of the company.

Principal Activities

The business of the company is to deal in plant engineering services involving sale, repair and maintenance of waste incinerators, boilers, air conditioning and cooling systems and solar

Results and Dividends

The company reported a loss of Ksh.31,323,467 hence no dividends declared for the year.

Dividend

The Directors do not recommend the declaration of a dividend for the year.

Directorate

The Directors who held office during the year are set out on page one.

In accordance with the company's Articles of Association, all Directors are subject to retirement by rotation.

Auditors

John Maina & Associates were appointed as company's auditors and have expressed their willingness to continue in office in accordance with Section 159 (2) of the Kenyan Companies Act.

By order of the board



.....
Director

.....
Director

Date: 1/06/2020

Systech Fabrication Services Limited*Annual Report and Financial Statements**For the year Ended 31st December, 2019.***STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Kenyan Companies Act requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of its operating results for that year. It also requires the directors to ensure that the company maintains proper accounting records which disclose, with reasonable accuracy, the financial position of the company. The directors are also responsible for safeguarding the assets of the company.

The Directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards for SME's and the requirements of the Kenyan Companies Act. The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company as at 31st December 2019 and of its operating results for the year then ended. The Directors further accept responsibility for the maintenance of accounting records which have been relied upon in the preparation of the financial statements, as well as on the adequacy of the systems of internal financial controls.

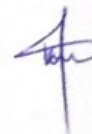
Nothing has come to attention of the directors to indicate that the company will not remain a going concern for at least the next twelve months from the date of this statement.

Approved for issue by the board of Directors on ~~MAY~~ JUNE, 2020 and signed on its behalf by:

Director



Director



REPORT OF THE INDEPENDENT AUDITORS

We have audited the accompanying financial statements of Systech Fabrication Services Limited, set out on pages 6 to 14 which comprise the statement of financial position at 31 December 2019 and the statements of comprehensive income, changes in equity and cash flows for the year then ended and the notes to the financial statements, which include a summary of a significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of Systech Fabrication Services Limited at 31 December 2019, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Kenyan Companies Act, 2015.

Directors' responsibility on the financial statements

The directors are responsible for preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Kenyan Companies Act. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Basis of 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 Kenya, 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.

Other Information

The directors are responsible for the other information. The 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.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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 on the other information, 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 the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Kenyan Companies Act, 2015 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.

In preparing the financial statements, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS(Con't)

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 judgement 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, misrepresentations, 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 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 directors' 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 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.

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.

Report on other matters prescribed by the Kenyan Companies Act, 2015

In our opinion the information given in the report of the directors on page 2 is consistent with the financial statements.

The engagement of our firm as auditors for the audit that resulted in the issuance of this audit report is CPA J M Kamau P/1010

JOHN MAINA & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
P.O. Box 68644 - 00622 NAIROBI

Email: maina.john@cpaconsults.co.ke

Certified Public Accountants (Kenya)
Nairobi

DATED... 8/06/2020

SYSTECH FABRICATION SERVICES LTD*Financial Statements**For the year Ended 31st December, 2019.**Statement of Comprehensive Income*

	2019	2018
	KSHS	KSHS
Sales	174,388,492	43,066,613
Cost of Sales	<u>(103,001,086)</u>	<u>(25,640,258)</u>
Gross Profit	71,387,406	17,426,355
Other Operating Income	1,165,947	97,461
Rental income	342,864	387,057
Administrative Expenses	(18,161,982)	(20,899,811)
Other Operating Expenses	(16,034,737)	(16,922,216)
Operating Profit/Loss	38,699,498	(19,911,154)
Finance Costs	(4,204,321)	(3,541,779)
Profit Before Tax	34,495,177	(23,452,933)
Tax Expense	<u>(3,171,710)</u>	<u>-</u>
Net Profit for the year	<u>31,323,467</u>	<u>(23,452,933)</u>

Systech Fabrication Services Limited*Financial Statements**For the year Ended 31st December, 2019.**Statement of financial position*

	2,019	2,018
	KSHS	KSHS
ASSETS		
<u>Non current Assets</u>		
Property, Plant & Equipment	34,246,246	32,939,022
Financial Assets	585,000	585,000
	<u>34,831,246</u>	<u>33,524,022</u>
<u>Current Assets</u>		
Work In Progress	32,263,322	28,322,766
Current tax receivable	1,155,295	1,155,295
Related Party	251,300	2,113,890
Trade & Other Receivables	117,094,725	57,512,829
Inventory	3,129,984	2,641,883
Cash & Cash Equivalents	30,170	630,459
	<u>153,924,796</u>	<u>92,377,121</u>
TOTAL ASSETS	<u>188,756,042</u>	<u>125,901,144</u>
EQUITY & LIABILITIES		
<u>Capital & Reserves</u>		
Share Capital	100,000	100,000
Revenue Reserves	63,232,760	39,779,827
	<u>63,332,760</u>	<u>39,879,827</u>
<u>Non-Current Liabilities</u>		
Loan account	33,141,564	30,334,778
Directors Account	-	488,558
	<u>33,141,564</u>	<u>30,823,336</u>
<u>Current Liabilities</u>		
Trade & Other Payables	92,281,718	55,034,503
Related Party	-	-
Current tax	-	-
	<u>92,281,718</u>	<u>55,034,503</u>
TOTAL EQUITY & LIABILITIES	<u>188,756,042</u>	<u>125,901,144</u>

Systech Fabrication Services Limited
Financial Statements
For the year Ended 31st December, 2019.

STATEMENT OF CHANGES IN EQUITY	Share Capital	Revenue Reserves	Total Kshs.
Year Ended 31-12-19			
At 1st January	100,000	31,909,293	32,009,293
Net Profit	-	31,323,467	31,323,467
At 31st December	<u>100,000</u>	<u>63,232,760</u>	<u>63,332,760</u>
Year Ended 31-12-18			
At 1st January	100,000	63,232,760	63,332,760
Adjustment		0	
Net Profit	-	(23,452,933)	(23,452,933)
At 31st December	<u>100,000</u>	<u>39,779,827</u>	<u>39,879,827</u>

Systech Fabrication Services Limited
Financial Statements
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CASH FLOW STATEMENT	2,019	2,018
	KSHS	KSHS
<u>Cash flow from operating activities</u>		
Net Profit before taxation	34,495,177	(23,452,933)
Adjustment for:-		
Depreciation	2,618,452	2,419,812
Gain on disposal	760,643	(900)
Prior year adjustment	264,000	140,520
Operating profit before working capital changes	38,138,272	(20,893,502)
Work In Progress	(7,640,559)	3,940,556
Trade and Other Receivables	(78,131,311)	56,515,195
Inventory		488,101
Trade and Other Payables	42,493,582	(37,290,832)
Cash Generated from operations	(5,140,016)	2,759,519
Tax Paid	(3,998,092)	(326,382)
Net Cash generated from operating activities	(9,138,108)	2,433,136
<u>Cash flow from investing Activities</u>		
Purchase of Property, Plant & Equipment	(29,479,374)	(1,112,585)
Sale of Property, Plant & Equipment	755,157	-
Net Cash flow from investing activities	(28,724,217)	(1,112,585)
<u>Cash flow from financing Activities</u>		
Movement in borrowings	26,813,713.00	(2,955,528)
Increase in Related party	-	(1,862,590)
(Increase)/Decrease in Shareholders account	(295,357)	488,558
Net cash flow from financing Activities	26,518,356	(4,329,560)
Increase / (decrease) in Cash & Cash Equivalent	(11,343,969)	(3,175,304)
Cash & Cash equivalent at beginning of year	11,374,139	30,170
Cash & Cash equivalent at end of year	30,170	(3,145,134)

Systech Fabrication Services Limited
Financial Statements
For the year Ended 31st December, 2019.

NOTES

1. Accounting Policies

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

(a) Basis of Preparation

The financial statements have been prepared under the historical cost convention and comply with International Financial Reporting Standards for SME's and are presented in the functional currency, Kenya Shillings (Shs.)

(b) Revenue Recognition

Sales are recognized upon delivery of goods, and are stated net of Value Added Tax, rebates and trade discounts.
Interest income is recognized on receipt basis.

(c) Property, Plant and Equipment

All categories of property, plant and equipment are initially recognised at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated using the reducing balance basis to write off the cost of each asset over its estimated useful life using the following annual rates:-

Buildings	2.5%
Tractors & Motor Lorries	37.5%
Machinery Equipment & Tools	12.5%
Computers, Copier & Fax	30%

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

(d) Translation of Foreign Currencies

Transactions in foreign currencies during the year are converted into Kenya Shillings using the exchange rate prevailing on the transaction date. Monetary assets and liabilities at the balance sheet date denominated in foreign currencies are translated into Kenya shillings using the exchange rate prevailing as at that date. The resulting gains and losses from the conversions and translation are recognised in the profit and loss account on a net basis in the year in which they arise.

(e) Inventories

Inventories are stated at the lower of the cost and net realizable value. Cost is determined using the FIFO method. Net realisable value is the estimated selling price less the estimated selling expenses.

(f) Provision and charges for liabilities

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

(g) Retirement Benefit Obligation

The company and the employees contribute to the National Social Security Fund, a national defined contribution scheme. Contributions are determined by local statute and the company's contributions are charged to the profit and loss account in the year to which they relate.

Systech Fabrication Services Limited
Financial Statements
For the year Ended 31st December, 2019.

NOTES

(h) Taxation

Tax expense in the profit and loss account is the aggregate of the current income tax and deferred tax. The current rate of tax is 30%.

Current tax

Current tax is at the rate of 30% is provided on the basis of results for the year adjusted in accordance with the fiscal laws of Kenya.

Deferred tax

Deferred tax is provided in full on all temporary differences, except those arising at the initial recognition of an asset or liability, that at the time of the transaction affects neither the accounting nor taxable profit or loss. Deferred tax is provided using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes, using tax rates enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

(i) Receivables

Receivables are recognised and carried at nominal value. Bad debts are written off when measures taken to recover them have proved unsuccessful.

(j) Cash and Cash equivalents

Cash and cash equivalents include cash in hand, term and call deposits with banks and short term liquid investments in money market instruments net of bank overdrafts. In the balance sheet, bank overdrafts are included as borrowings under current liabilities.

(k) Comparatives

Where necessary the comparative figures have been adjusted to conform with changes in presentation in the current year.

2. Financial Risk Management

The company's activities expose it to a variety of financial risks including credit, liquidity, exchange rate, interest rate risks and changes in market prices of products. The company has in place policies to ensure that credit is extended to customers with an established credit history, and sufficient cash balances are maintained at all times. To minimise the adverse effects of changes in business environment the company sets acceptable levels of risks.

3. Critical accounting estimates and judgements

The company makes estimates and assumptions that affect the reported amounts of assets and liabilities with the next financial period.

i) Property, Plant & Equipment

Critical estimates are required in determining the depreciation rates for property, plant and equipment. The management determines these rates based on their assessment of the useful lives of the various items of property, plant and equipment.

ii) Intangible assets

Critical estimates are made by management in determining the amortisation rates for intangible assets. The management determines these rates based on their assessment of the useful lives of intangible assets. Preliminary expenses have not been amortized.

iii) Impairment losses on receivables

The company regularly reviews its receivables to assess impairment. The company makes judgement in determining whether there is any decrease in the future cash flows of any receivables.

Fixed Asset Schedule as at 31st December 2019

	Motor Vehicle Kshs	Buildings capitalization	Computer Equipment kshs	Furniture&fitting kshs	Tools & Equipment kshs	Total Kshs
Cost or Valuation 1.1.2019	6,470,906.00	27,899,310.00	1,331,007.52	384,851.83	4,364,271.05	40,450,346.40
Additions	-	-	624,872.69	418,987.24	68,724.68	1,112,584.61
Disposal	-	-	-	-	-	-
As at 31/12/2019	6,470,906.00	27,899,310.00	1,955,880.21	803,839.07	4,432,995.73	41,562,931.01
Depreciation						
As at 1/1/2019	2,557,285.40	1,201,804.90	901,042.97	223,252.75	1,320,710.64	6,204,096.66
Disposal	-	-	-	-	-	-
Charge for the period to 31/12/2019	974,314.17	667,437.63	316,451.17	72,573.29	389,035.64	2,419,811.90
As at 31/12/2019	3,531,599.57	1,869,242.53	1,217,494.14	295,826.04	1,709,746.28	8,623,908.56
Net Book Value						
As at 31/12/2019	2,939,306.43	26,030,067.47	738,386.07	508,013.03	2,723,249.45	32,939,022.45
As at 1/1/2019	3,913,620.60	26,697,505.10	429,964.55	161,599.08	3,043,560.41	34,246,249.74

Systech Fabrication Services Limited

Financial Statements

For the year Ended 31st December, 2019

NOTES	2,019	2,018
	KSHS	KSHS
3 Loan to (from) Shareholders		
Shareholders Account	0	488,558
4 Financial Assets		
Bank of Kigali	405,000	405,000
Britak Shares	180,000	180,000
	<u>585,000</u>	<u>585,000</u>
5 Works In Progress		
Projects Work In Progress	25,615,178	22,136,015
Capital Work In Progress	6,648,144	6,186,751
	<u>32,263,322</u>	<u>28,322,766</u>
6 Trade and Other Receivables		
Trade Receivables	117,448,081	55,674,985
Deposits & Prepayments	278,657	247,741
Other Receivables	1,011,512	1,460,012
Withholding tax	0	0
Staff debtors	263,822	130,091
	<u>117,092,943</u>	<u>57,512,829</u>
7 Cash and Cash Equivalents		
Cash on call - Britam 1	0	(0.5)
I & M Bank	(321,234)	5,767
Money for re-bank	0	4,665
Equity savings account	114,451	2,248
Cash on Hand	20,000	824
ECB - Pound account	129,934	184,784
ECB - Dollar account	15,172	12,373
ECB - Ksh account	36,662	443
Performance Bonds	1,283,020	419,355
	<u>30,170</u>	<u>630,459</u>
8 Share Capital		
Authorised		
1,000 Ordinary shares of 100 each	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
10 Borrowings		
Loan of Equipments	6,604,192	3,616,461
Loan On Godown	12,719,011	11,902,694
Loan on KCB	636,216	353,123
Loan on KCC	2,695,353	1,806,905
Loan from Directors	5,000,000	5,000,000
NSSF - TPS Account	475,292	447,434
Loan Mr. Benson	-	1,900,000
Loan Dr. Onyango	-	1,025,000
Related Parties	5,011,500	3,000,000
Spring Board Capital	-	1,283,161
	<u>33,141,564</u>	<u>30,334,778</u>

Systech Fabrication Services Limited
Financial Statements
For the year Ended 31st December, 2019.

NOTES	2,019	2,018
	KSHS	KSHS
11 Trade and other payables		
Trade Payables	74,175,599	31,810,999
Workshop	3,758,000	-
Amounts Received in advance	9,433,495	7,803,531
Deposits Received	4,914,624	8,945,308
Provision for doubtful debts	1,909,129	2,699,072
Overdraft Facility (Family Bank)	1,247,833	3,775,593
	<u>92,281,718</u>	<u>55,034,503</u>
12 Revenue		
Incinerator Sales	110,975,077	18,147,756
General Repairs & Maintenance	46,071,942	5,625,085
Mechanical Works Sales	5,175,071	-
Repair & Maintenance of incinerators	3,478,785	4,271,975
Repair & Maintenance of boilers	368,312	10,829,004
Spares & Accessories	2,636,727	3,704,047
Foreign exchange gain/ (loss)	(585,723)	488,745
Workshop	6,268,300	-
	<u>174,388,492</u>	<u>43,066,613</u>
13 Cost of sales		
Cost of sales	<u>103,002,866</u>	<u>25,640,258</u>
14 Other income		
Interest income	360,773	98,361
P/Loss on sale of fixed assets	760,643	(900)
Miscellaneous income	44,532	-
	<u>1,165,947</u>	<u>97,461</u>
15 Administrative expenses		
Staff Salaries	11,572,110	13,026,858
Directors Remuneration	1,836,000	1,836,000
Staff Welfare	326,053	351,675
Travelling & subsistence	563,670	962,877
Telephone & postage	462,356	567,809
Bank charges	398,534	644,316
Staff leave	46,667	101,214
Employee costs	192,775	240,226
Auditors Remuneration	308,004	308,004
Legal & Professional fees	1,892,587	1,903,555
Electricity & water	135,972	240,075
Staff training	143,572	244,580
Security services	52,500	41,000
Printing and stationery	231,183	431,622
	<u>18,161,982</u>	<u>20,899,811</u>
16 Finance Costs		
Interest expense	<u>4,204,321</u>	<u>3,541,779</u>

*Fixed Asset Schedule as at 31st December 2019**Financial Statements**For the year Ended 31st December, 2019.*

NOTES	2,019	2,018
	Kshs	Kshs
17 Rental Income		
	<u>342,864</u>	<u>387,057</u>
18 Operating expenses		
Marketing & selling	5,528,390	7,717,486.86
Motor running expenses	3,106,810	2,494,790.63
Board & management meetings	1,392,600	1,005,844.00
Depreciation	2,618,452	2,419,811.90
Rent & rates	599,312	330,000.00
Bad debts	603,134	789,942.60
Office expenses	152,371	339,058
Repairs & maintenance	188,080	136,062.61
Membership & subscriptions	102,500	190,500
Medical expenses	261,779	189,652
Strategic plan costs	189,672	140,000
Computer repairs	320,840	219,880
Insurance	446,109	199,891
Licence	101,517	239,336
Tools & equipments Repairs	55,661	50,984
Newspapers & periodicals	19,172	34,528
Mpesa charges	22,402	29,068
Workshop Expenses	325,936	395,381
	<u>16,034,737</u>	<u>16,922,216</u>
19 Auditors' Remuneration		
Fees	<u>308,004</u>	<u>308,004</u>
20 Taxation		
Balance at beginning of the year	328,913	1,155,295
Current tax for the year recognised in profit or loss	(3,171,710)	-
Tax paid	3,998,092	
Balance at end of the year	<u>1,155,295</u>	<u>1,155,295</u>
20 Related Parties		
Regional Technics	<u>251,300</u>	<u>2,113,890</u>

Fixed Asset Schedule as at 31st December 2019**Computation of Income Tax**

For the year Ended 31st December, 2019

	2019	2018
	KSHS.	KSHS.
Net Profit before tax	34,495,177	(23,452,933)
Less: Interest Income Separated		
Net Trading profit	34,495,177	(23,452,933)
Add: Depreciation	2,631,241	2,419,812
Capital deductions		-
Donation		-
	37,126,418	(21,033,121)
Less: Wear & Tear Allowances	(1,551,504)	(1,756,465)
Investment Deduction Allowances (100%)	(25,002,548)	-
	<u>7,941,125</u>	<u>(19,276,656)</u>
Adjusted Profit	<u>7,941,125</u>	<u>(19,276,656)</u>
Tax @30%	2,382,338	-

CAPITAL DEDUCTIONS COMPUTATION**1 WEAR & TEAR**

	M.V Class III 25%	Computers Class II 30%	F,F & E Class IV 12.5%	Total
WDV				
At 01-01-2016	3,913,621	429,964	3,205,159	7,548,744
Additions	-	624,873	487,712	1,112,585
Qualifying ID				
Disposal	-	-	-	-
At 31-12-2016	<u>3,913,621</u>	<u>1,054,837</u>	<u>3,692,871</u>	<u>8,661,328</u>
Wear & Tear	978,405	316,451	461,609	1,756,465
At 31-12-2016	<u>2,935,215</u>	<u>738,386</u>	<u>3,231,262</u>	<u>6,904,863</u>