



UNIHEALTH CONSULTANCY LIMITED

SUBSIDIARIES, JOINT-VENTURE & ASSOCIATE COMPANIES FINANCIAL YEAR 2019-20

SUBSIDIARY COMPANIES

1. Aryavarta FZE : U.A.E
2. Biohealth Limited : Tanzania
3. Unihealth (T) Limited : Tanzania

JOINT-VENTURE COMPANIES

1. Victoria Hospital Limited : Uganda
2. UMC Global Health Limited : Nigeria

ASSOCIATE COMPANIES

1. Unihealth (U) Limited : Uganda

UniHealth Consultancy Limited

Registered Office : H-13/14, Everest, 156, Tardeo Road, Mumbai - 400 034, Maharashtra, India.

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CIN No.: U85100MH2010PLC200491

**Aryavarta FZE
Ras Al Khaimah - United Arab Emirates**

**Reports and Financial Statements
For the period April 1,2019 to March 31, 2020**

**Aryavarta FZE
Ras Al Khaimah - United Arab Emirates**

**Reports and Financial Statements
For the period April 1,2019 to March 31, 2020**

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**ARYAVARTA FZE
RAS AL KHAIMAH-UNITED ARAB EMIRATES**

DIRECTORS' REPORT

The Director has pleasure in presenting directors' report and the audited financial statements of Aryavarta FZE ("the Company") for the period ended March 31, 2020.

PRINCIPAL ACTIVITIES:

The principal activity of the Company is management consultancy.

BUSINESS OPERATIONS REVIEW AND FUTURE BUSINESS DEVELOPMENTS:

The Company has a Turnover of AED 84,144 (Net of Medical Income and Expenses) for the year ended 31/03/2020. The Net Loss incurred for the year is AED 174,316. The Director is optimistic about the prospects for the coming years and expects to improve the performance of the company.

FINANCIAL RESULTS

The financial result of the Company is as summarized below:

(Amounts in AED)

Particulars	2019-20	2018-19
Revenue	84,144	1,115,186
Direct costs	--	(870,273)
Gross Profit	84,144	244,913
Other income	--	12,646
Administrative expenses	(258,461)	(35,392)
Net Profit/(loss) for the year	(174,316)	222,169
Other comprehensive income/(loss)	-	-
Total comprehensive income/(loss) for the year	(174,316)	222,169

CHANGES IN ACCOUNTING POLICIES:

There have not been any significant changes in the accounting policies as in the previous years.





DIVIDENDS:

During the year 2020 the company did not declare or pay any dividends to the shareholders.

LITIGATIONS:

There are no legal or arbitration proceedings, nor are the Directors aware of any such proceedings, as on the date of this report, which are pending or threatened, which may or may not have a material effect on the Financial statements.

AUDITORS:

The auditors of the Company are M/s. MCA Auditing, Chartered Accountants, Dubai, United Arab Emirates, and the Company proposes their re-appointment for the year ended March 31, 2021.

DIRECTORS' RESPONSIBILITIES:

The Company law requires the Directors to prepare the financial statements for each financial year which gives a true and fair view of the state of affairs of the Company and of the net profit or loss for that year. The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the Company and to enable them to ensure that the financial statements comply with the regulations of Ras Al Khaimah Free Trade Zone Authority.



Akshay Mahendra Parmar
Director



Date:

Independent auditors' report

To,

The Shareholders

ARYAVARTA FZE

Ras Al Khaimah - United Arab Emirates

Report on the audit of financial statements

Opinion

We have audited the accompanying financial statements of **ARYAVARTA FZE** (the "Company") which comprise the statement of financial position as at March 31, 2020 and the statement of profit or loss and other comprehensive income, statement of changes in members' equity, statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2020 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, in compliance with the provisions of the applicable law and 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.

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 skepticism 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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.

We communicate with those charged with governance 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.

For MCA Auditing



S.Venkatesh

Registration Number: 676

Date:




Aryavarta FZE
Ras Al Khaimah - United Arab Emirates

Statement of financial position
As of March 31, 2020
(In United Arab Emirates Dirhams)

	<u>Notes</u>	<u>2019-2020</u>	<u>2018-2019</u>
Assets			
Non-Current Assets			
Advances to Related Parties		839,166	887,918
Total Non-Current Assets		839,166	887,918
Current assets			
Receivables	5	1,430,666	1,142,157
Other Current Assets	6	7,378	6,433
Cash and cash equivalents	7	2,661	8,532
Total Current Assets		1,440,705	1,157,122
Total assets		2,279,871	2,045,040
Equity & Liabilities			
Shareholders' equity			
Share capital		49,000	49,000
Retained Earnings		895,153	1,069,469
Total Shareholders' Equity		944,153	1,118,469
Liabilities			
Non-Current Liabilities			
		-	-
Current Liabilities			
Advance from Related Party		472,379	427,848
Other Current Liability	8	863,339	498,723
Due to Related Party		-	-
Total Current Liabilities		1,335,718	926,571
Total Liabilities		1,335,718	926,571
Total Shareholders' Equity and Liabilities		2,279,871	2,045,040

The Report of the Auditors is set out on Pages 3 and 4.
The financial statements were approved on behalf of the directors.


Akshay Mahendra Parmar
Director
Date:



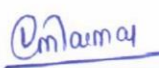
The accompanying notes form an integral part of these financial statements.

Aryavarta FZE
Ras Al Khaimah - United Arab Emirates

Statement of comprehensive income
For the period April 1, 2019 to March 31, 2020
(In United Arab Emirates Dirhams)

	<u>Notes</u>	<u>2019-2020</u>	<u>2018-2019</u>
Revenue	9	84,144	1,115,186
Cost of Sales	10	-	(870,273)
Gross Profit		84,144	244,913
Other Income	11	-	12,648
Administrative expenses	12	(258,461)	(35,392)
Net Profit / (Loss) for the year		(174,316)	222,169
Other comprehensive income / (loss)		-	-
Total comprehensive income/(loss) for the year		(174,316)	222,169

The Report of the Auditors is set out on Pages 3 and 4.
The financial statements were approved on behalf of the directors.


Akshay Mahendra Parmar
Director
Date:



The accompanying notes form an integral part of these financial statements.

Aryavarta FZE
Ras Al Khaimah - United Arab Emirates

Statement of changes in equity
For the period April 1, 2019 to March 31, 2020
(In United Arab Emirates Dirhams)

	<u>Share capital</u>	<u>Accumulated Profits / (Losses)</u>	<u>Total</u>
Balance as on April 1, 2019	49,000	1,069,469	1,118,469
Net profit / (loss) for the period		(174,316)	(174,316)
Dividend Declared		-	
Balance as on March 31, 2020	<u>49,000</u>	<u>895,153</u>	<u>944,153</u>
Balance as on April 1, 2018	49,000	847,300	896,300
Net profit / (loss) for the period	-	222,169	222,169
Dividend Declared	-	-	-
Balance as on March 31, 2019	<u>49,000</u>	<u>1,069,469</u>	<u>1,118,469</u>

The accompanying notes form an integral part of these financial statements.



Aryavarta FZE
Ras Al Khaimah - United Arab Emirates

Statement of cash flows
For the period April 1, 2019 to March 31, 2020
(In United Arab Emirates Dirhams)

	<u>2019-2020</u>	<u>2018-2019</u>
Cash flows from operating activities		
Total comprehensive income/(loss) for the year	(174,316)	222,169
	<u>(174,316)</u>	<u>222,169</u>
<i>Adjustments for:</i>		
Interest Paid on Borrowings	-	-
Operating Profit before Working Capital Changes	<u>(174,316)</u>	<u>222,169</u>
(Increase)/Decrease in Receivables	(288,509)	(878,433)
(Increase)/Decrease in Other Current Assets	(945)	(1,020)
Increase/(Decrease) in Other Current Liabilities	365,665	(231,812)
Increase/(Decrease) in Advance from Customers	44,531	64,281
Net cash (used in) / generated from operating activities (A)	<u>(53,572)</u>	<u>(824,815)</u>
Cash flow from investing activities		
Acquisition of property, plant and equipment	-	-
Net cash (used in) / generated from investing activities (B)	<u>-</u>	<u>-</u>
Cash flows from financing activities		
Interest on Borrowings	-	-
Loans and Advances extended	48,752	-
Repayment of Loans and Advances	(1,050)	(1,576)
Cash Proceeds from Repayment of loans extended	-	834,720
Net cash (used in) / generated from financing activities (C)	<u>47,702</u>	<u>833,144</u>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	<u>(5,871)</u>	8,329
Cash and cash equivalents at the beginning of the period	8,532	203
Cash and cash equivalents at the end of the period	<u>2,661</u>	<u>8,532</u>
Note:		
Cash & Cash equivalents includes:		
Cash in hand	-	-
Bank balance	2,661	8,532
Total	<u>2,661</u>	<u>8,532</u>

The accompanying notes form an integral part of these financial statements.



Notes to the financial statements
For the period April 1, 2019 to March 31, 2020

1 Reporting Entity

Aryavarta FZE ("the Company") is a company domiciled in the United Arab Emirates (UAE). The Company was incorporated on July 10, 2014 under the Service/Consulting License No. 6004055 issued by Ras Al Khaimah Free Trade Zone. The registered office of the Company is P.O. Box 16111, Ras Al Khaimah, UAE. The Company is primarily involved in Management Consultancy.

The share capital paid up is to the extent of AED 49,000. The break-up of shareholding at March 31, 2020 is as follows:

Name of Shareholder	% Holding
Unihealth Consultancy Private Limited	100%

2 Summary of significant accounting policies

2.1 Statement of Compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS).

2.2 Basis of Preparation

The financial statements have been prepared on historical cost basis. The financial statements are presented in United Arab Emirates Dirhams (AED), which is the functional currency of the Company.

The accounting policies adopted in the preparation of these financial statements are consistent with those used in the previous year, except for certain standards and interpretations and amendments to standards and interpretations adopted by the company as of 1 January 2019.

2.3 New and revised IFRSs applied with no material effect on the financial statements

The following new standards, amendments and interpretations are effective for the first time for

- a. IFRS 9 (2014) Financial Instruments (Amendment – Prepayment Features with Negative
- b. Annual Improvements to IFRSs 2015 – 2018 Cycle (IFRS 3 Business Combinations, IFRS 11
- c. IAS 19 Employee Benefits (Amendment – Plan Amendment, Curtailment or Settlement)

A narrow-scope amendment was made to IFRS 9 that addresses concerns about how IFRS 9 classifies particular pre-payable financial assets. It amends the existing requirements in IFRS 9 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. However, the calculation of this compensation payment must be the same for both the case of an early repayment penalty and the case of an early repayment gain. The final amendments also contain (in the Basis for Conclusions) a clarification regarding the accounting for a modification or exchange of a financial liability measured at amortised cost that does not result in the derecognition of the financial liability.



Notes to the financial statements
For the period April 1, 2019 to March 31, 2020

Other Amendments

New standards, interpretations and amendments effective from 1 January 2019

- IFRS 16 Leases (IFRS 16); and
- IFRIC 23 Uncertainty over Income Tax Treatments (IFRIC 23)

There are no taxes applied in the UAE and hence this standard is not applicable to the company for the year 2019.

Other new and amended standards and Interpretations issued by the IASB that will apply for the first in the next annual financial statements are not expected to impact the Establishment as they are either not relevant to the Company's activities or require accounting which is consistent with the Company's current accounting policies.

b) New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the group has decided not to adopt early. The most significant of these is as follows, which are all effective for the period beginning 1 January 2020:

- IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment – Definition of Material)
- IFRS 3 Business Combinations (Amendment – Definition of Business)
- Revised Conceptual Framework for Financial Reporting

Amendments were made to IAS 28 clarifying that IFRS 9, including its impairment

There were four amendments as part of the 2015-2018 Annual Improvements Cycle. These were made to IFRS 3 Business Combinations and IFRS 11 Joint Arrangements, IAS 12 Income Taxes and IAS 23 Borrowing Costs.

- IFRS 3: A company remeasures its previously held interest in a joint operation when it
 - IFRS 11: A company does not remeasure its previously held interest in a joint operation when
 - IAS 12: A company accounts for all income tax consequences of dividend payments in the
 - IAS 23: A company treats as part of general borrowings any borrowing originally made to
- IFRS 17 Insurance Contracts: The standard covers recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts, that was issued in 2005 (effective for annual periods beginning on or after 1 January 2021);

IAS 19 was amended to clarify that it is now mandatory that the current service cost and the net interest for the period after the remeasurement are determined using the assumptions used for the remeasurement for a plan amendment, curtailment or settlement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling.



Notes to the financial statements
For the period April 1, 2019 to March 31, 2020

2.4 Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates prevailing at the dates of the transactions. Asset and liabilities denominated in foreign currencies at reporting date are retranslated to the functional currency at the exchange rate prevailing at that date. Foreign exchange differences arising on retranslation are recognised in the period in which the estimates are revised and in any future period affected.

2.5 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Subsequent costs are included in the asset carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefit associated with the item will flow from it to the company and cost of the item can be reliably measured. All other repairs and maintenance expenses are charged to the income statement during the financial period in which they are incurred.

Depreciation on assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

The residual values, useful lives and depreciation methods of the assets are reviewed and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within other income in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings. The Company does not have any Fixed Assets in its books as on 31/03/2020

Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.



Notes to the financial statements
For the period April 1, 2019 to March 31, 2020

2.6 Financial instruments

Financial instruments comprise financial assets and financial liabilities.

Financial assets and financial liabilities are recognized in the Company's financial statements when the Company has become a party to the contractual provisions of the instrument. A financial asset is any asset that is cash, a contractual right to receive cash or other financial asset, a contractual right to exchange financial instruments under conditions that are potentially favorable or an equity instrument.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset, or to exchange financial instruments under conditions that are potentially unfavorable.

2.6 Financial instruments (Contd)

Asset head	Mar-20	Mar-19
Receivables	1,430,666	1,142,157
Other current assets	1,697	1,076
Cash and cash equivalents	2,661	8,532
Total	1,435,023	1,151,765

2.6.1. Receivables amounting to AED 1,430,666

Trade and other receivables will be measured initially at the transaction cost. They will be subsequently stated at net of provisions for impairment, which is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of receivables.

Receivables have been analysed for the performance over the last 2 years (2017-2018 and 2018-2019) to assess the recoverability of the dues and creation of provision for Bad and Doubtful Debts.

Out of the Total outstanding Receivables of AED 1,430,666 an amount of AED 988,373 has been due for more than 365 days. The management has collected a portion of the same upto the date of signing of this report. Considering the Good financial health and certainty in collecting the balances the management has not created any provision against the Receivables. Further the management has given an undertaking regarding the collectability of the amount due.

Derecognition

A financial asset is derecognized when:

- the right to receive cash flows from the asset has expired;
- the company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the company has transferred its right to receive cash flows from the asset and either: (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



Notes to the financial statements
For the period April 1,2019 to March 31, 2020

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Other receivables

Except for the trade receivables provisioned above, all other Financial Assets are supported by adequate collateral or are realisable upon completion of contract/due date. Hence we do not foresee the requirement for provisioning for an expected credit loss for the same.

2.6.2 Cash and Cash Equivalents - AED 2,661

Cash and cash equivalents include cash in hand and deposits held at call with banks with original maturities of three months or less.

Cash at bank included balances with Bank Of Baroda The balances disclosed are as per the fair value as on 31.03.2020 which is same as their carrying value.

The credit rating as per Fitch credit rating is as follows:

Name of Bank	Balance as on 31.03.2020	Credit rating as per Fitch	Overview and comments
Bank Of Baroda	2,661	F1+	Stable

2.6 Financial instruments (Contd)

The credit rating shows a stable outlook to the Banks Financial Performance and hence Management does not perceive any risk with respect to the balance with the said bank. Accordingly no provision has been created towards balance with the Bank.

Financial Liabilities held in the name of the Company as on 31.03.2020 are as follows:

Liability	Mar-20	Mar-19
Payables	851,776	455,135
Loans and Advances	-	1,050
Provisions	11,563	42,538
Total	863,339	498,723

2.7 Trade payables

Trade payables are recognized initially at the transaction price for the goods and services received, whether billed by the customers or not.

2.8 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of future economic benefits will be required to settle the obligation.



Notes to the financial statements
For the period April 1,2019 to March 31, 2020

2.9 Revenue recognition

IFRS 15 "Revenue from contract with customers" outlines guidelines for revenue arising from contracts with customers and supersedes current revenue recognition guidance across several standards and interpretations in IFRS.

The Company recognises revenue on fulfillment of the below mentioned criteria's:

- a) The customer simultaneously receives and consumes benefits provided as part of Companies Performance obligation; or
- b) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhances; or
- c) The Company's performance does not create an asset with an alternative use to the Customer and the Company has an enforceable right to payment for performance obligations created to date.

For Performance Obligations where none of the above conditions are met, revenue is recognised at a point in time at which performance obligation is satisfied.

Revenue is recognised in the financial statements to the extent that economic benefits will flow to the Company and the revenue and costs, if and when applicable can be measured reliably for its activities as specified below:

The Establishment earns revenue from provision of support service to head office. Revenue from services is recognised when services are rendered and the above criteris satisfied and is spread over the period of contract.

Revenue from Management Consultancy in the course of ordinary activities is measured at a point in time at which performance obligation is satisfied as per the contract with customers. Revenue from rendering such services is recognised as a percentage of the services performed to date and total services to be performed and when there is reasonable assurance of the receipt of the consideration. Revenue is recognised in the financial statements to the extent that economic benefits will flow to the Company and the revenue and costs, if and when applicable can be measured reliably.

2.9 Leases

At the inception of the contract, the Company/company identifies whether the contract contains the lease element as described under the standard.

- a) A contract is or contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
- b) Control is conveyed where the customer has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use.

Initial Measurement

Right to use Asset

At the commencement date, a lessee shall measure the right-of-use asset at cost. The cost of the right-of-use asset shall comprise:



Notes to the financial statements
For the period April 1, 2019 to March 31, 2020

- the amount of the initial measurement of the lease liability, as described in paragraph 26;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the lessee;
- an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Lease Liability

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- (a) fixed payments, less any lease incentives receivable;
- (b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (as described in paragraph 28);
- (c) amounts expected to be payable by the lessee under residual value guarantees;
- (d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- (e) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease

Subsequent Measurement

Right to use Asset

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined based on the lease term.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if the company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The company has elected not to recognize right-of-use assets and lease liabilities for short-term



Notes to the financial statements
For the period April 1, 2019 to March 31, 2020

leases that have a lease term of 12 months or less and for leases of low-value assets. The company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3 Critical accounting judgements, estimates and assumptions

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

i) Going Concern

These financial statements have been prepared by the Management on a going concern basis based on their assessment of the financial ability of the Company. The Management is confident that the company has the financial ability to meet its commitments as and when they fall due, Further, they are satisfied that the company has sufficient resources and appropriate business plans to generate sufficient cash flow to meet its future obligations. The Management is not aware of any material uncertainties that may affect the going concern ability of the Company. Further the Management has expressed no plans for the liquidation of the company in the near future.

4 Financial risk management

The Company management observes domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through analyzing risks exposure by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk), credit risk, and liquidity risk.

The Company seeks to minimize the effects of risks related to financial instruments. The Company's policies in this regards are set and approved by the management on foreign exchange risk, interest rate risk, credit risk and the investment of excess liquidity.



Notes to the financial statements
For the period April 1,2019 to March 31, 2020

4.1. Market risk Management

The activities of the company expose it primarily to the financial risks of changes in foreign currency exchange rates. The Company is not exposed to any significant interest rate risks.

The company undertakes certain transactions denominated in foreign currencies. Hence exposures to the exchange rate fluctuations arise.

Currently the company is mainly exposed to the currency exchange risk related to the transactions denominated in the multi currencies. There is no currency exchange risk related to transactions denominated in the US dollars or currencies linked with it as the AED rate is fixed to the US dollar . The management undertakes suitable procedure to minimize risk associated with transactions denominated in currencies other than AED and USD.

4.2. Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The company obtains information about counterparty's credit worthiness from publicly available information and its own trading records.

The company exposure and the credit rating of its counterparties are continuously monitored and aggregate value of transactions concluded is spread amongst approved counterparties credit exposure is controlled by counterparty limit that are reviewed and approved periodically by the relevant management in the company and, where appropriate, letter of guarantees are obtained from the customer.

Credit risk is primarily related to the trade and other receivable balance which were presented in the balance sheet net of provision from doubtful debt that was estimated by management based on prior experience and prevailing economic condition.

4.3. Liquidity risk management

The company monitors its risk to a shortage of funds using recurring liquidity forecasting tool. This tool considers the maturity of both its financials investments and financial assets (e.g. accounts receivable, other financial assets) and projected cash flow from operations.

The company manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities by continuously monitoring forecasted and actual cash flows and matching the maturity profit of the financial asset and liabilities.



Aryavarta FZE
Ras Al Khaimah - United Arab Emirates

Notes to the financial statements
For the period April 1,2019 to March 31, 2020
(In United Arab Emirates Dirhams)

	<u>2019-2020</u>	<u>2018-2019</u>
5 Receivables		
Receivables	1,430,666	1,142,157
	<u>1,430,666</u>	<u>1,142,157</u>
<i>Ageing - Receivables</i>		
0-90 Days	-	834,779
90-180 Days	3,752	55,140
180-365 Days	438,541	128,009
More than 365 Days	988,373	124,229
	<u>1,430,666</u>	<u>1,142,157</u>
6 Other Current Assets		
Prepayments	5,681	5,357
Duties and Taxes	1,697	1,076
	<u>7,378</u>	<u>6,433</u>
7 Cash and cash equivalents		
Cash at bank	2,661	8,532
	<u>2,661</u>	<u>8,532</u>
8 Other Current Liability		
Payables	851,776	455,135
Loans and Advances	-	1,050
Provisions	11,563	42,538
	<u>863,339</u>	<u>498,723</u>
9 Revenue		
Consultancy Services	-	1,066,040
Others	84,144	49,146
	<u>84,144</u>	<u>1,115,186</u>
10 Cost Of Sales		
Consultancy Charges	-	870,273
	<u>-</u>	<u>870,273</u>



Aryavarta FZE
Ras Al Khaimah - United Arab Emirates

Notes to the financial statements
For the period April 1, 2019 to March 31, 2020
(In United Arab Emirates Dirhams)

11 Other Income

Exchange Gain	-	12,648
	<u>-</u>	<u>12,648</u>

12 Administrative expenses

Bank Charges	9,002	9,872
Consultancy Charges	217,287	-
Legal expenses	20,411	20,520
Interest on loan	-	-
Professional fees	5,000	5,000
Forex charges	-	-
Postage and Stationary Expenses	-	-
Membership Fees	-	-
Reimbursement of Expenses	1,210	-
Trip Expenses	5,158	-
Exchange Loss	1,135	-
Write off	(743)	-
	<u>258,461</u>	<u>35,392</u>

13 Related parties

The Company enters into transactions with companies and entities that fall within the definition of a related party as contained in IAS 24, International Accounting Standards (IAS). Such transactions are in normal course of business and at terms that correspond to those on normal arms-length transactions with third parties. Related parties comprise companies and entities under common ownership and/or common management and control; their partners and key management personnel.

The Company believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties.

2019-2020 **2018-2019**

Due to Related Parties

Victoria Hospital Ltd

-Other Advances	472,379	427,848
	<u>472,379</u>	<u>427,848</u>



Notes to the financial statements
For the period April 1, 2019 to March 31, 2020
(In United Arab Emirates Dirhams)

13 Related parties (Contd)

Due from Related Parties

Biohealth Ltd

-Other Advances	655,541	704,118
-Other Receivables	55,088	55,225
	710,629	759,343

Unihealth Uganda Limited

-Other Advances	183,625	183,800
	183,625	183,800

14 Subsequent Events

Impact of Covid 19

The outbreak of Covid 19 pandemic has caused huge economic disruption globally. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

The company is involved in Management Consultancy services. There has not been any impact on the business or operations of the company in the year 2019 or in the 3 months of 2020 due to this pandemic.

As per the assessment of the Management, there will little delay on the realization of balances as on 31/03/2020 in the subsequent year as all of them have requested for an extension of time for settlement and the company has granted addition credit period. However, considering the goodwill and credit worthiness of the customers the Management believes that a provisioning may not be required. Further, the Management has assessed liquidity status of the company for the next one year and is confident that the company will not have any issues in handling the commitments in the next one year.

Based on these assessments, the Company has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 December 2019 have not been adjusted to reflect their impact.

There were no events after the reporting period, other than the above, which have a bearing on the understanding of the financial statements.



Notes to the financial statements
For the period April 1,2019 to March 31, 2020
(In United Arab Emirates Dirhams)

14 Contingent Liability

Except for the ongoing business obligations which are under normal course of business, there has been no other known contingent liability or capital commitment on Company's account as of balance sheet date.

15 Comparative figures

The previous year figures have been re grouped or reclassified wherever necessary to make them comparable to those of the current year.



BIOHEALTH LIMITED
P.O.BOX 5189, MWANZA

FINANCIAL STATEMENT FOR THE YEAR
ENDED 31ST MARCH, 2020

AUDITED BY,

G- WASHINGTON & COMPANY

Public Accountants in public practice,

P.O.Box 10677,

MWANZA

BIOHEALTH LIMITED- P.O. BOX 5189, MWANZA

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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CORPORATE INFORMATION FOR THE YEAR ENDED 31ST MARCH 2020

1. DIRECTORS

Dr. AKSHAY PARMAR Director
DR. ANURAG SHAH Director

2. PRINCIPAL ACTIVITY

The Principal Activity is Hospital & Healthcare

3. BANKERS:

EXIM BANK

4. REGISTERED OFFICE

NKOMA/FICHAFICHENI STREET
PLOT NO. 96, PO BOX 5189, MWANZA

5. PRINCIPAL PLACE OF BUSINESS:

NKOMA/FICHAFICHENI STREET
PLOT NO. 96, PO BOX 5189, MWANZA

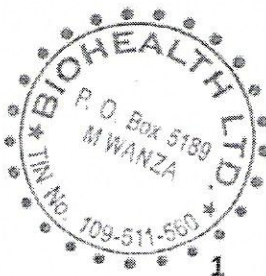
6. COMPANY TIN:

109-511-560

BY ORDER OF THE BOARD



Director: Dr Akshay Parmar



Date: 30/01/2021

BIOHEALTH LIMITED- P.O. BOX 5189, MWANZA

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

The Directors submit their report together with the Audited Financial Statements for the year ended 31st March 2020, which disclose the state of affairs of the company.

1 DIRECTORS

The directors of the company at the date of this report, all of whom have served since 1st March 2020, are:-

<u>Name</u>	<u>Position</u>	<u>Nationality</u>
Dr. Akshay Parmar	Director	Indian
Dr. Anurag Shah	Director	Indian

2 DIRECTORS' INTEREST IN THE SHARES OF THE COMPANY

The directors' interest in the issued and fully paid shares of the company as at 31st March 2019 were as follows:-

	<u>31ST March. 2020</u>	
	<u>Number</u>	<u>Nominal Value</u>
Unihealth Consultancy Pvt Ltd.	1000	100,000,000.
Padmendra Pandey	<u>10</u>	<u>1,000,000.</u>
	1010	101,000,000

3 PRINCIPAL ACTIVITY

The Principal Activity is Hospital & Healthcare.

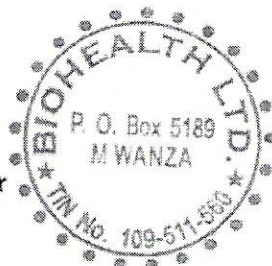
4. POLITICAL DONATIONS

The Directors on enquiry have satisfied themselves that there were no Political donations which were made in the year 2020

BY ORDER OF THE BOARD



Director: Dr. Akshay Parmar



Date: 30/01/2021

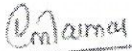
BIOHEALTH LIMITED- P.O. BOX 5189, MWANZA

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31ST MARCH 2020

The Tanzanian companies Act requires the directors to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss. It also requires the directors to ensure that the company keeps proper accounting records that 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 annual 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 and requirements of the Tanzanian Companies Act 2002. 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 and of its loss. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

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


.....
Director: Dr. Akshay Parmar



Date: 30/01/2021

INDEPENDENT AUDITORS' REPORT

BIOHEALTH LIMITED - P.O. BOX 5189 MWANZA

We have audited the accompanying financial statements of **Biohealth Limited** which comprise the statement of position as at March, 31, 2020 and statement of comprehensive income, changes in equity and cash flows for the years and a summary of significant accounting policies and other explanatory.

Managements' Responsibility for the financial statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with international Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control 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.

Auditors' Responsibility

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

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

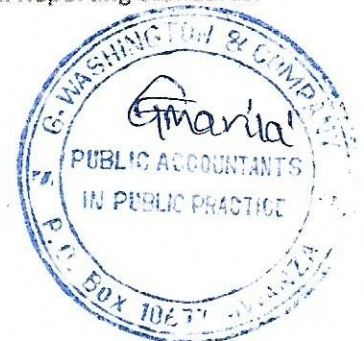
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Biohealth Limited** as at March, 31, 2020 and of its statement of comprehensive income, changes in its equity, and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

G- WASHINGTON & COMPANY
Public Accountants in public practice,
P.O BOX 10677
Mwanza.

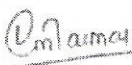
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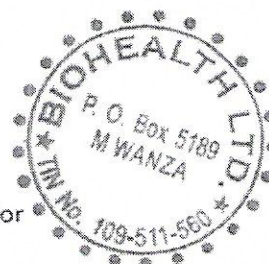


BIOHEALTH LIMITED-P.O BOX 5189,MWANZA
STATEMENT OF FINANCIAL POSITION AS AT 31ST, MARCH, 2020

		<u>31.03.2020</u>	<u>31.03.2019</u>
<u>ASSETS</u>		<u>TSHS</u>	<u>TSHS</u>
<u>Non Current Assets</u>			
Property, Plant & Equipment	Note 7	128,486,927	149,105,107
Intangible Asset		47,025,000	52,725,000
Total Non Current Assets		175,511,927	201,830,107
 <u>CURRENT ASSETS</u>			
Inventories	Note 8	55,156,390	140,751,674
Accounts Receivables	Note 9	593,189,704	500,709,823
Cash and Cash Equivalents	Note 10	9,067,442	4,179,036
Total Current Assets		657,413,536	645,640,533
 Total Assest		 832,925,463	 847,470,640
 <u>EQUITY AND LIABILITIES</u>			
<u>EQUITY</u>			
<u>Capital Account</u>			
Share capital	Note 11	101,000,000	101,000,000
Retained Earnings/ (Accumulated Loss)		59,880,962	55,847,893
Total Equity		160,880,962	156,847,893
 <u>LIABILITIES</u>			
<u>Current Liabilities</u>			
Accounts Payables	Note 13	217,475,466	219,719,263
Total Current Liabilities		217,475,466	219,719,263
 <u>Non Current Liabilities</u>			
Long term loan	Note 12	454,569,035	470,903,484
		454,569,035	470,903,484
Total Liabilities		672,044,501	690,622,747
 Total Equity & Liabilities		 832,925,463	 847,470,640

Certified True and Correct
BIOHEALTH LIMITED


 Director
 Dr. Akshay Parmar



BIOHEALTH LIMITED-P.O BOX 5189,MWANZA

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST, MARCH, 2020

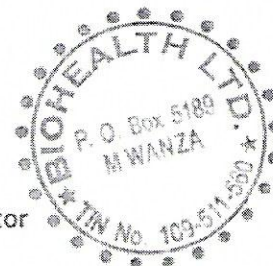
		<u>31.03.2020</u>	<u>31.03.2019</u>
		<u>TSHS</u>	<u>TSHS</u>
Revenue	Note 2	497,438,530	577,216,015
Less: cost of service revenue	Note 3	<u>(185,215,787)</u>	<u>(261,158,415)</u>
Gross profit		312,222,743	316,057,600
Administrative Expenses	Note 4	(262,432,951)	(245,978,222)
Selling and distributions Exp	Note 5	(5,650,227)	(21,003,534)
Depreciation & Amotization Exp	Note 7	<u>(25,831,953)</u>	<u>(28,418,412)</u>
Results from operating Activities		18,307,612	20,657,432
Finance Cost	Note 6	<u>(9,321,944)</u>	<u>(17,193,216)</u>
Profit for the year before Income Tax		8,985,668	3,464,216
Income Tax Expenses	Note 16	<u>(4,952,599)</u>	<u>(7,233,033)</u>
Profit for the year after Income Tax		4,033,069	(3,768,817)

Certified True and Correct
BIOHEALTH LIMITED

Dr. Akshay Parmar

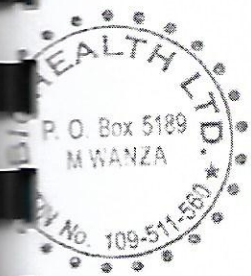
..... Director

Dr. Akshay Parmar



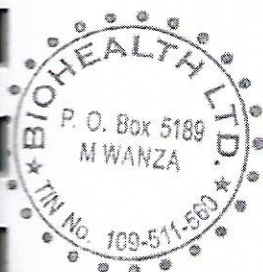
BIOHEALTH LIMITED-P.O BOX 5189,MWANZA
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST, MARCH,2020

	<u>Share Capital</u>	<u>Retained Earnings</u> <u>(Accumulated Loss)</u>	<u>Total Equity</u>
	<u>TSHS</u>	<u>TSHS</u>	<u>TSHS</u>
Balance at 1 st April 2018	101,000,000	59,616,710	160,616,710
profit/ (Loss) for the year	-	(3,768,817)	(3,768,817)
Balance at 31 st March 2019	101,000,000	55,847,893	156,847,893
Balance at 1 st April 2019	101,000,000	55,847,893	156,847,893
profit/ (Loss) for the year	-	4,033,069	4,033,069
Balance at 31 st March 2020	101,000,000	59,880,962	160,880,962



STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2020

	<u>31.03.2020</u>	<u>31.03.2019</u>
	<u>TSHS</u>	<u>TSHS</u>
1		
<u>Cash flow from operating activities</u>		
Profit/ (Loss) for the year	8,985,668	3,464,216
Add: Adjustments for Depreciation	<u>20,131,953</u>	<u>28,418,412</u>
	29,117,621	31,882,628
 <u>Working Capital Changes</u>		
(Increase) /Decrease in Inventories	85,595,284	128,254,430
(Increase) /Decrease in Accounts Receivables	(92,479,881)	(206,404,405)
Increase/ (Decrease) in Current Liabilities	(2,243,797)	(41,680,201)
Taxation	<u>(4,952,599)</u>	<u>(25,218,728)</u>
Total Net working capital changes	(14,080,993)	(145,048,904)
 Net Cash flow used for operating Activities	15,036,628	(113,166,276)
 2		
<u>Cash flow from Investing Activities</u>		
Purchases of Property, Plant & Equipment	486,227	-
Intangible Asset	5,700,000	-
Disposal of Property, Plant & Equipment	<u>-</u>	<u>(57,000,000)</u>
Net cash flow used for Investing Activities	6,186,227	(57,000,000)
 3		
<u>Cash flow from Financing Activities</u>		
capital Introduced	-	-
Increases/ (Decrease) in Long due to related parties	-	102,193,046
Increases/ (Decrease) in Long Term Loans	<u>(16,334,449)</u>	<u>47,135,984</u>
Net Cash flow from Financing Activities	(16,334,449)	149,329,030
 Changes in cash and cash Equivalents for the year	4,888,406	(20,837,246)
Cash and cash equivalent at start	<u>4,179,036</u>	<u>25,016,282</u>
Cash and cash Equivalent at close	9,067,442	4,179,036
 Cash and cash Equivalent at close	<u>9,067,442</u>	<u>4,179,036</u>



BIOHEALTH LIMITED-P.O.BOX 5189 MWANZA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

1. The director submits his report together with the accounts for the Year ended 31st March, 2020 which disclose the state of affairs of his business.

1.1 Principal Activities: Its Principal Hospital & Healthcare.

1.2 **Going Concern**

The financial statements have been prepared on the going concern basis. The entities to continue as again concern is dependent upon the ability of the entity to generate profitable operations in the future and/or to obtain the necessary financing to meet its obligations and pay its liabilities arising from normal business operations as and when they come due business operations as and when they come due.

1.3 **Basis of Accounting**

The Financial statements have been prepared on the accrual basis of accounting, and in accordance with International financial reporting standards. Whereby revenue is recognized when earned and expenses are recognized when incurred.

1.4 **Principal Accounting Policies**

1.4.1 **Basis of Preparation.**

The Financial Statements have been prepared in accordance with International Financial reporting standards (IFRS) where an International Financial reporting standard does not address a particular issue the appropriate International Financial Reporting Standard/ International Accounting Standard has been applied.

The preparation of financial statements in conformity with general accepted accounting Practices requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date the financial statements and the reported amounts of revenue and Expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates

1.4.2 **Adoption of new and revised Standards**

In the current year the company has adopted all the new and revised Standards and International Accounting Standard and the International Financial reporting Standard that are relevant to its operations and effective for annual reporting periods beginning on 1st January 2009. The adoption of these new and review standards and Interpretations had no material effect on how the results for the current or prior years have been prepared and presented.

1.4.3 **Functional and presentation currency**

These financial statements are prepared in Tanzania Shillings

1.4.4 **Measurement base**

The accounting principles recognized as appropriate for the measurement and reporting of the statement of comprehensive Income, cash flows and financial position on the accrual basis using historical cost are followed in the preparation of the financial Statements.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

1.4.5 Use of estimates and Judgments

The preparation of financial statements requires management to make judgments estimates and assumptions that affect the application of assets liabilities, Income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In particular, Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are: -

- ❖ Taxation
- ❖ Provisions
- ❖ Contingent Liabilities
- ❖ Property, Plant & Equipment
- ❖ Financial Asset/ Liabilities

Foreign Currency Translation

(a) Foreign currency translation

The transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the financial position date are translated to Tanzania shillings at the foreign exchange rate ruling at that date.

(b) Financial statements of foreign operations

The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition are translated to Tanzania shillings at foreign exchange rates ruling at the financial position date. The Income and Expenses of foreign operations are translated to Tanzania shillings at average rates. Translation differences on non-monetary financial assets such as equities classified as available for sale are included in the fair value reserve in equity.

1.4.6 Presentation of Financial Statements

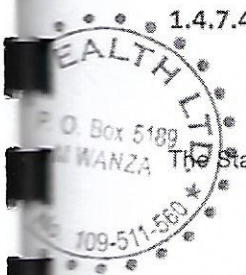
These Financial Statements are presented in accordance IAS I as follows.

1.4.7.1 Statement of financial Position as at of the period

1.4.7.2 Statement of Comprehensive Income for the period

1.4.7.3 Statement of changes in Equity for the period

1.4.7.4 Statement of Cash flows for the period



BIOHEALTH LIMITED-P.O.BOX 5189 MWANZA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

1.4.7.5 Accounting Policies and notes to the financial statement.

1.4.8 **Financial Instruments**

- (a) These financial instruments include bank Accounts, Certificates of Deposit, and Accounts receivables and accounts payable. All financial instruments are recognized in the financial position at their fair value.
- (b) Non derivative financial Instruments comprise Investments in Equity and debts securities, trade and other receivables, including service concession receivables, cash and cash equivalents; loan and borrowings and trade other payable. Non derivative financial instruments are recognized initially at fair value plus for Instruments not at fair value through profit and loss any directly attributable transaction costs.

(c) **Financial Assets**

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- Loans and receivables;
- Financial assets at fair value through profit or loss;
- Held to maturity investments; and
- Available-for-sale financial assets.

(d) **Financial Liabilities**

The financial liabilities include borrowings, trade and other payable and derivative financial instruments. Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for financial liabilities held for trading or designated at fair value through profit or loss, that are carried subsequently at fair value with gains or losses recognized in profit or loss.

(e) **Offsetting Financial Instruments**

Financial Assets and Liabilities are offsetted and the net amount reported in the statement of financial position when there is a legally enforcement right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the assets and settle the liability simultaneously.

1.4.9 **Property, Plant and Equipment**

(i) **Recognition and measurement**

Items of property, Plant and Equipment are measured at historical cost less accumulated depreciation and accumulated Impairment loss. Cost includes expenditure that direct is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing are allocated. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of Property, Plant and Equipment



BIOHEALTH LIMITED-P.O.BOX 5189 MWANZA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

All other repairs and maintenance are charged to the statement of Comprehensive come during the financial period in which they are incurred.

(ii) Reclassification to Investment property

Property that is being constructed for future uses as Investment property is accounted for as property, Plant and equipment until construction or development is Complete, at which time it is re-measured to fair value and reclassified as investment property. Any gain or loss arising on re-measurement is recognized in profit or loss.

When the use of property changes from owner occupied to Instrument property, the property is measured to fair value and reclassified as Investment property.

(iii) Subsequent Costs

The cost of replacing part of an item of property, plant and Equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow and its cost can be measured reliably.

(iv) Depreciation

Depreciation is calculated on straight line basis to recognize the consumption of economic benefits of an asset over its useful life.

Depreciation assets are classified as follows: -

Furniture and Fixtures and medical Equipment	12.50%
Motor Vehicles and Computers	37.50%

Land is not depreciated as it is deemed to have an indefinite life.

1.4.10

Operating Lease

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in the statement of Comprehensive Income on a Straight line basis over the lease term .to that asset.

1.4.11

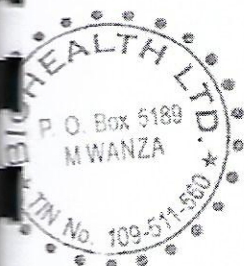
Impairment

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value.

All impairment losses are recognized in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognized previously in equity is transferred to profit or loss.



BIOHEALTH LIMITED-P.O.BOX 5189 MWANZA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at mortised cost and available-for-sale financial assets that are debt securities, the reversal is recognized in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognized directly in equity.

1.4.12 (a) Employee benefits

Employee entitlements to salaries, wages, annual vacation, pension costs, and other benefits are recognized when they are accrued to employees. Annual vacation and other leave has been calculated on an actual entitlement basis at current rates of pay.

The company has an average defined benefit pension scheme covering all of its employees. National Social Security Fund contributions are made to a separate National Security Fund Account.

(b) Termination benefits

Termination benefits are recognized as an expense when the Entity is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the company has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

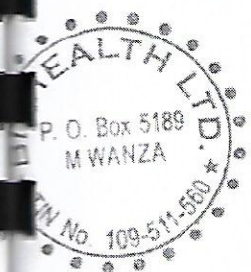
A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation that can be estimated reliably.

1.4.13 Revenue Recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the activities. Revenue is shown net of value added tax, returns, rebates and discounts.

(a) Sale of Goods

Sales of goods are recognized when the entity has delivered products to the customer, the customer has accepted the products and collectability of the related receivables is reasonably assured.



BIOHEALTH LIMITED-P.O.BOX 5189 MWANZA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(b) Finance Income and Expenses

(i) Finance Income

Finance Income Comprises Interest Income on funds invested (Including available-For-Sale financial Assets), dividend income, gains on the disposal of available for-sale financial Assets, changes in the value of financial assets at fair value through statement of comprehensive Income, and gains on hedging instruments that are recognized in comprehensive Income.

- Interest Income is recognized as it accrues in comprehensive Income, using the effective interest method.
- Dividend Income is recognized in the comprehensive Income on the date that the company's right to receive payment is established.

(ii) Finance Expenses (Cost)

Finance Expenses Comprise Interest on borrowings unwinding of discount on provisions, dividends on preference shares classified as liabilities changes in the fair value of financial assets at the fair value through comprehensive Income, Impairment losses recognized on financial assets, and losses on hedging instruments that are recognized in comprehensive Income.

1.4.14

Inventories

Inventories are stated at stated at the lower of cost or net realizable value. Cost is determined using the weighted average or the first in, first out (FIFO) method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

1.4.15

Accounts Receivables & Loans

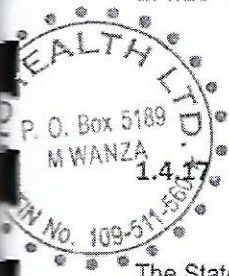
Trade receivables are carried at original amortised amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the year-end. Provision for bad and doubtful debts is made in respect of specific debts, which have been outstanding for recovery for one year and are considered doubtful of recovery.

1.4.16

Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held with banks and investments in money market instruments

Financial assets and liabilities



BIOHEALTH LIMITED-P.O.BOX 5189 MWANZA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

The entity classifies its financial assets in the following categories: at fair value through comprehensive income, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

1.4.18 Accounts Payable & Others

Trade payable are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.4.19 Borrowing Costs

(a) **Capitalisation of borrowing cost**

Borrowings Cost directly attributable to the acquisition, construction or production qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

(b) Borrowing cost, incurred in respect of inventory that require a substantial period to prepare assets for its intended use, are capitalized up to the date that the development of the asset is ready for its intended use. Borrowing costs are capitalized at the rates applicable to the related liabilities

(c) All other borrowing costs are recognized in Statement of Comprehensive Income in the period in which they are incurred.

1.4.20 Current Income Tax

Income Tax Expenses comprises current and differed Tax. Income Tax Expenses is recognized in statement of Statement of Comprehensive Income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Taxable income for the year using Income Tax act 2004 rates enacted or substantively at the reporting date, and any adjustment to tax payable in respected of previous years.

1.5 Financial Risk Management

The Proprietor's activities expose it to a variety of financial risks: credit risk and liquid risk. The Proprietor's overall risk management programmed seeks to minimize potential adverse effect of the Proprietor's financial performance. Risk management is carried out by the management on behalf of the board proprietor.

(a) **Financial Risk**

(i) **Credit Risk**

Concentration of credit risk with respect to trade receivables is limited due to the fact that a significant portion of the Proprietor's sales are on cash basis. The Proprietor's historical experience in collection of accounts receivable falls within the recorded allowances.

(iii) **Interest rate Risk**



BIOHEALTH LIMITED-P.O.BOX 5189 MWANZA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

The Proprietor's exposure to the risk of changes in market Interest rates is limited as the Entity's long term loans and interest bearing deposits carry fixed interest rates.

(iii) Foreign exchange risk

The entity is exposed to foreign exchange risk with respect to foreign currency arising from foreign supplies and revenue. The entity mitigates part of its foreign exchange risk through hedging activities including forward contracts.

(iv) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices it also affect the entity income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(b) Insurable risks

The entity has adequate insurance cover for its properties and material contents, loss of profits and public liability. The sums insured for each insurance cover are reviewed annually in accordance with recommendations from professional advisers, where applicable.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST, MARCH, 2020

		<u>31.03.2020</u>	<u>31.03.2019</u>
		<u>TSHS</u>	<u>TSHS</u>
Note 2	REVENUE		
	Sales	497,438,530	577,216,015
		<u>497,438,530</u>	<u>577,216,015</u>
Note 3	COST OF REVENUES		
	Opening inventories	140,751,674	269,006,104
	Add: Purchases	79,659,095	104,506,989
	Good available for Sale	220,410,769	373,513,093
	Less: Closing Inventories	(55,156,390)	(140,751,674)
	Cost of Sales	<u>165,254,379</u>	<u>232,761,419</u>
	Direct cost		
	Clearing and forwarding charges	-	1,164,005
	Custom duty	2,418,178	1,748,000
	Electricity expenses	3,666,135	6,000,385
	Water expenses	4,972,010	3,281,235
	Registration expenses/camp expenses	6,231,100	6,838,300
	Direct levies and duties	-	3,295,271
	Insurance-direct	62,235	103,050
	Water testing charges	306,750	155,250
	Freight charges	2,305,000	4,604,500
	Direct cost -lab tests	-	1,207,000
		<u>19,961,408</u>	<u>28,396,996</u>
	Total cost of materials	<u>185,215,787</u>	<u>261,158,415</u>
Note 4	ADMINISTRATIVE & ESTABLISHMENT EXPENSES		
	Employees Cost Note 15	26,408,700	66,117,231
	Consultancy charges	72,000,000	18,951,955
	Fines and penalties	2,000	60,000
	Insurance	438,831	509,938
	Accommodation	4,013,800	5,135,720
	Dues, rates, fees and license charges	217,375	3,678,475
	Medical and local expenses	-	73,000
	NSSF/PPF	2,640,870	6,611,724
	Rent	33,900,000	29,187,000
	Rent	310,000	600,100
	Postage and courier expenses	-	53,612,664
	Professional and legal fee	91,347,438	5,589,700
	Repair and maintenance -indirect	3,100,000	2,975,283
	SDL	1,188,397	219,600
	Printing and stationary	-	6,000,000
	Security expenses	-	873,800
	staff walfere	2,101,000	392,000
	Subscription charges	230,000	1,950,462
	Office expenses	1,281,505	7,639,500
	Audit fees	2,000,000	246,400
	Telephone expenses	10,000	372,000
	Internet expenses	-	-
	Service levy	1,492,316	-
	WCF	264,087	661,173
	Conveyance charges	4,997,000	4,367,000
	Transportation and travelling exp	7,254,418	18,161,753
	Visa and permit expenses	1,860,000	9,324,500
	Bank charges	1,458,214	2,437,244
	Miscellaneous expenses	3,917,000	230,000
		<u>262,432,951</u>	<u>245,978,222</u>
Note 5	SELLING AND DISTRIBUTION EXPENSES		
	Advertising expenses	-	500,000
	Unsettled insurance claims	343,000	14,325,884
	Discount allowed	1,052,227	127,650
	Promotion expenses	-	2,048,000
	Marketing expenses	4,255,000	4,002,000
		<u>5,650,227</u>	<u>21,003,534</u>
Note 6	Finance Cost		
	Interest on loan from others	3,661,950	1,588,090
	Foreign exchange loss/(gain)-unrealised	5,659,994	15,605,126
		<u>9,321,944</u>	<u>17,193,216</u>



BIOHEALTH LIMITED-P.O BOX 5189,MWANZA

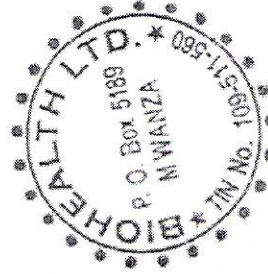
PROPERTY, PLANT AND EQUIPMENT AS AT 31ST MARCH, 2020

DETAILS	COST/VALUATION		DEPRECIATION CHARGES			NET BOOK VALUE	
	01.04.2019	Addition	Total	01.04.2020	31.03.2020	Rate	31.03.2019
Motor vehicles	4,165,240	-	4,165,240	2,499,144	1,561,965	37.50%	4,165,240
Medical tax registration machine	519,188	-	519,188	74,170	64,898	12.50%	519,188
Computer	2,053,125	-	2,053,125	1,231,876	769,923	37.50%	2,053,125
Medical equipment	92,816,156	(486,227)	92,329,929	13,259,451	11,541,242	12.50%	92,816,156
Furniture & Fixtures	49,551,397	-	49,551,397	7,078,771	6,193,925	12.50%	49,551,397
Total Property, Plant & Equipment	149,105,107	(486,227)	148,618,880	24,143,412	20,131,953		149,105,107

Intangible Assets

Software	52,725,000	-	52,725,000	4,275,000	5,700,000		47,025,000	52,725,000
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Total Property, Plant & Equipment as at 31/03/2020	201,830,107	(486,227)	201,343,880	28,418,412	25,831,953		175,511,927	201,830,107
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BIOHEALTH LIMITED - P.O BOX 5189,MWANZA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST, MARCH, 2020

		<u>31.03.2020</u>	<u>31.03.2019</u>
		<u>TSHS</u>	<u>TSHS</u>
Note 8	<u>INVENTORIES</u>		
		55,156,390.00	140,751,674.00
		<u>55,156,390.00</u>	<u>140,751,674.00</u>
Note 9	<u>ACCOUNT RECEIVABLES</u>		
	Trade Debtors	277,845,610.00	259,859,524.00
	Advance to employees	13,500,000.00	9,916,000.00
	Current asset	1,200,000.00	-
	Prepaid expenses	112,019.00	204,225.00
	Due from associate companies and related parties	300,532,075.00	230,730,074.00
		<u>593,189,704.00</u>	<u>500,709,823.00</u>
	9.1 In the Opinion of the Director, the Carrying amounts of the current portion of trade and other Receivables approximate to their fair value. Fair value are based on discounted cash flows using a discount rate based up on the weighted average cost of capital that Director expect to be applicable at the statement of Financial Position.		
	9.2 No Interest is charged on the trade Receivables.		
Note 10	<u>CASH AND CASH EQUIVALENTS</u>		
	Cash at Bank	3,611,685.00	2,165,711.00
	Cash in hand	5,455,757.00	2,013,325.00
		<u>9,067,442.00</u>	<u>4,179,036.00</u>
Note 11	<u>SHARE CAPITAL</u>		
	Authorised share capital		
	1,010 Shares of Shs. 100,000/-Each	<u>101,000,000.00</u>	<u>101,000,000.00</u>
	<u>ISSUED AND FULLY PAID UP SHARE CAPITAL</u>		
	1,010 Share of 100,000/- Each	<u>101,000,000.00</u>	<u>101,000,000.00</u>
	<u>SHAREHOLDER'S OF THE COMPANY ARE-</u>		<u>2018Share</u>
Note 12	<u>LONG TERM LOAN</u>		
	Due to associate companies and related parties	454,569,035.00	470,903,484.00
		<u>454,569,035.00</u>	<u>470,903,484.00</u>
Note 13	<u>ACCOUNT PAYABLES</u>		
	Trade Creditors	8,011,905.00	15,556,720.00
	Other payables	-	179,905.00
	Due to associate companies and related parties	181,871,219.00	183,876,705.00
	Income tax	3,752,599.00	6,033,033.00
	Withholding tax payable	677,104.00	742,120.00
	Accrues	23,162,639.00	13,330,780.00
		<u>217,475,466.00</u>	<u>219,719,263.00</u>
Note 14	<u>Accrues</u>		
	NSSF/PPF payable	1,020,720.00	995,820.00
	PAYE payable	1,729,288.00	1,719,406.00
	SDL	574,599.00	590,236.00
	Wcf	82,030.00	-
	Service levy payables	1,492,316.00	-
	Audit fee	9,639,500.00	7,639,500.00
	Provision for expenses	8,624,186.00	2,385,818.00
		<u>23,162,639.00</u>	<u>13,330,780.00</u>
	14.1 In the Opinion of the Director, the Carrying amounts of the current portion of trade and other Payables approximate to their fair value. Fair value are based on discounted cash flows using a discount rate based up on the weighted average cost of capital that Director expect to be applicable at the statement of Financial Position.		
	14.2 No Interest is charged on the trade Payables.		
Note 15	<u>EMPLOYEES COST</u>		
	Salaries & Wages	26,408,700.00	66,117,231.00
		<u>26,408,700.00</u>	<u>- 66,117,231.00</u>
Note 16	<u>INCOME TAX EXPENSES</u>		
	Current Tax	-	1,020,000.00
	Prior Year Tax	-	-
		<u>-</u>	<u>1,020,000.00</u>

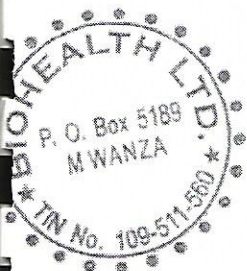
BIOHEALTH LIMITED-P.O BOX 5189,MWANZA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST, MARCH, 2020

- | | | <u>31.03.2020</u> | <u>31.03.2019</u> |
|---------|--|-------------------|-------------------|
| | | <u>TSHS</u> | <u>TSHS</u> |
| Note 17 | <u>Capital Commitments</u>
There were no future commitments not provided for the in financial statements as at 31 st March, 2019 | | |
| Note 18 | <u>Contigent Liabilities</u>
There was no any contigent envisaged by business at 31 st March, 2019 | | |
| Note 19 | <u>Comparative Information</u>
Where necessary, Comparative figures have been adjusted to conform with changes in presentation in the current month. | | |

- Note 20 **Financial Assets and Liabilities (IFRS 9)**
 Assets and Liabilities, and their fair values

The table below sets out classification of each class of financial assets and liabilities and their fair values

		<u>31.03.2020</u>	<u>31.03.2019</u>
		<u>TSHS</u>	<u>TSHS</u>
		<u>Fair Value</u>	<u>Fair Value</u>
<u>FINANCIAL ASSETS</u>			
Cash and cash Equivalents	Note 10	9,067,442	4,179,036
Accounts Receivables	Note 9	<u>594,389,703</u>	<u>500,709,823</u>
Total Financial Assets		603,457,145	504,888,859
<u>FINANCIAL LIABILITIES</u>			
Accounts Payables	Note 13	217,475,466	219,719,263
Longterm Loan		<u>454,569,035</u>	<u>470,903,484</u>
Total Financial Liabilities		672,044,501	690,622,747



BIOHEALTH LIMITED - P.O BOX 5189, MWANZA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST, MARCH 2020

Note 21	<u>31.03.2020</u>	<u>31.03.2019</u>
FINANCIAL INSTRUMENTS (IAS 32)	<u>TSHS</u>	<u>TSHS</u>
Categories of Financial Instruments		
Assets		
Loans and Receivables		
Accounts Receivables	593,189,704	500,709,823
Cash & Cash Equivalents	9,067,442	4,179,036
Available for sale Financial Assets		
Investments		
NON FINANCIAL ASSETS		
Property, Plant and Equipment	128,486,927	149,105,107
Investment Property		
Intangible Assets	47,025,000	52,725,000
Inventories	<u>55,156,390</u>	<u>140,751,674</u>
Total Assets	<u>832,925,463</u>	<u>847,470,640</u>
EQUITY & FINANCIAL LIABILITIES		
Financial Liabilities at amortised cost		
Trade Creditors	217,475,466	219,719,263
Accrued Charges		
Longterm Loan	454,569,035	470,903,484
Borrowings		
EQUITY & NON FINANCIAL LIABILITIES		
Capital	101,000,000	101,000,000
Accumulative Retained Earnings (Accumulated Loss)	<u>59,880,962</u>	<u>55,847,893</u>
Equity & Liabilities	<u>832,925,463</u>	<u>847,470,640</u>

21.1

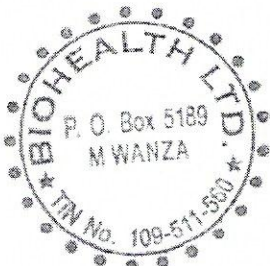
FINANCIAL INSTRUMENTS

The Director's financial instruments consist of cash, receivables, payables Unless otherwise noted, it is management's opinion that the Director is not exposed to significant interest, currency, or credit risk arising from these financial instruments. The fair value of the instruments approximates their carrying values, unless otherwise noted.

The Director is exposed to financial risk that arises from the fluctuation in interest rates and in the credit quality of its customers.

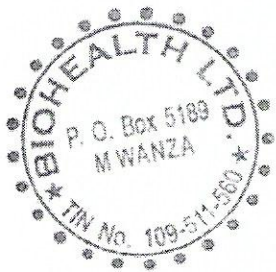
Interest rate risk is minimized through management's constant review of demand and maturing debt, The Director structures its finances so as to stagger the maturities of debt, thereby minimizing exposure to interest rate fluctuations.

Credit risk exists in that a significant majority of the Directors's receivables is held by customers franchise and is concentrated in the retail industry. The Director mitigates this risk through diversification of its customer base, limiting its exposure to any one customer and maintaining strict collection procedures.



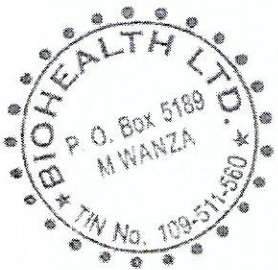
BIOHEALTH LIMITED-P.O BOX 5189,MWANZA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST. MARCH,2020

	<u>31.03.2020</u>	<u>31.03.2019</u>
	<u>TSHS</u>	<u>TSHS</u>
Note 22 <u>FINANCIAL INFORMATION OF THE PROPRIETOR</u>		
Total Assets	832,925,463	847,470,640
Total Liabilities	<u>(672,044,501)</u>	<u>(690,622,747)</u>
Total Assets & Liabilities	160,880,962	156,847,893
<u>CAPITAL AND RESERVES</u>		
Balance Brought forward	101,000,000	101,000,000
Reserves	<u>59,880,962</u>	<u>55,847,893</u>
	160,880,962	156,847,893



COMPUTATION OF INCOME FOR THE YEAR ENDED 31ST MARCH 2020

	<u>31.03.2020</u>	<u>31.03.2019</u>
	<u>TSHS</u>	<u>TSHS</u>
Net Profit for the year	8,985,668	3,464,216
Add: Depreciation	25,831,953	28,418,412
Add:Telephone expenses (10%)	1,000	24,640
Add:Visa and penalties exp	1,860,000	9,324,500
Add:Unrealised forex loss-current year	5,659,994	15,605,126
Add:Fine and penalties	<u>2,000</u>	<u>60,000</u>
	42,340,615	56,896,894
Less: Wear and tear allowance	<u>(25,831,953)</u>	<u>(32,786,784)</u>
Chargeable income	16,508,662	24,110,110
Chargeable Tax	4,952,599	7,233,033
Less: Tax Paid	<u>(1,200,000)</u>	<u>(1,200,000)</u>
Tax Overpaid	3,752,599	6,033,033



UNHEALTH TANZANIA LIMITED

P.O.BOX 5189, MWANZA

FINANCIAL STATEMENT FOR THE YEAR

ENDED 31ST MARCH, 2020

AUDITED BY,

G- WASHINGTON & COMPANY

Public Accountants in public practice,

P.O.Box 10677,

MWANZA

UNIHEALTH TANZANIA LIMITED-P. O BOX 5189, MWANZA

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UNIHEALTH TANZANIA LIMITED-P. O BOX 5189, MWANZA

CORPORATE INFORMATION FOR THE YEAR ENDED 31ST MARCH 2020

1. DIRECTORS

ANURAG SHAH	DIRECTOR
AKSHAY MAHENDRA PARMAR	DIRECTOR

2. PRINCIPAL ACTIVITIES

The Company's Principal activity is Hospital and Health care

3. BANKERS:

PRINCIPAL BANKERS

Bank of Baroda (Tanzania) Limited
CRDB Bank

4. REGISTERED OFFICE:

Plot No. 96, Block S, Nkoma / Fichaficheni Street,
P O Box - 5189, Mwanza, Tanzania

5. PRINCIPAL PLACE OF BUSINESS:

As above

6. COMPANY TIN NO.

130 779 271

BY ORDER OF THE BOARD

Akshay Parmar

Director :

Akshay Parmar
Date 30/01/2021



DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

The Directors submit their report together with the Audited Financial Statements for the year ended 31st March 2020, which disclose the state of affairs of the Company.

1 **DIRECTORS**

The directors of the company at the date of this report, all of whom have served since 31st March 2019, are:-

<u>Name</u>	<u>Position</u>	<u>Nationality</u>
ANURAG SHAH	DIRECTOR	INDIAN
AKSHAY MAHENDRA PARMAR	DIRECTOR	INDIAN

2 **SHAREHOLDER S' INTEREST IN THE SHARES OF THE COMPANY**

The directors' interest in the issued and fully paid shares of the company as at 31st March 2020 Were as follows:-

	<u>31ST March 2020</u>	
	<u>Number</u>	<u>Nominal Value</u>
Issued and fully paid up Shares of 1,000 Shs.100,000/= Each		
UNIHEALTH CONSULTANCY PRIVATE LIMITED	800	80,000,000
ANURAG SHAH	50	5,000,000
AKSHAY MAHENDRA PARMAR	50	5,000,000
PADMENDRA PANDEY	100	10,000,000
	<u>1,000</u>	<u>100,000,000</u>


3 **PRINCIPAL ACTIVITIES**

The Company's Principal activity is Hospital and health care.

4. **POLITICAL DONATIONS**

The Directors on enquiry have satisfied themselves that there were no Political donations which were made in the year 2020

BY ORDER OF THE BOARD


.....
Director-
Akshay Parmar
Date: 30/01/2021



STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31ST MARCH 2020

The Tanzanian companies Act requires the directors to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss. It also requires the directors to ensure that the company keeps proper accounting records that 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 annual 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 and requirements of the Tanzanian Companies Act 2002. 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 and of its loss. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

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

Akshay
.....
Director:
Akshay Parmar
Date: 30/01/2021



***INDEPENDENT AUDITORS' REPORT**
UNIHEALTH TANZANIA LIMITED -P. O BOX 5189, MWANZA

We have audited the accompanying financial statements of **Unihealth Tanzania Limited** which comprise the statement of position as at March, 31, 2020 and statement of comprehensive income, changes in equity and cash flows for the years and a summary of significant accounting policies and other explanatory.

Managements' Responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with international Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control 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.

Auditors' Responsibility

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

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

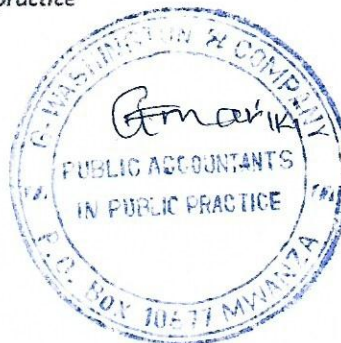
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Unihealth Tanzania Limited** as at March, 31, 2020 and of its statement of comprehensive income, changes in its equity, and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

G-WASHINGTON & COMPANY
Public Accountants in public practice
P.O BOX 10677,
Mwanza.

Date: 31/01/2021



UNIHEALTH TANZANIA LIMITED - P.O. BOX 5189, MWANZA
STATEMENT OF FINANCIAL POSITION AS AT 31ST, MARCH, 2020

		<u>31.03.2020</u>	<u>31.03.2019</u>
		<u>TSHS</u>	<u>TSHS</u>
ASSETS			
Non Current Assets			
Property, Plant & Equipment	Note 7	<u>1,598,703</u>	<u>2,227,925</u>
Total Non Current Assets		1,598,703	2,227,925
 CURRENT ASSETS			
Inventories	Note 9	785,650	2,632,319
Accounts Receivables	Note 10	242,565,517	347,782,589
Cash and Cash Equivalents	Note 11	<u>15,221,165</u>	<u>13,240,281</u>
Total Current Assets		258,572,332	363,655,189
 Total Asset		 <u>260,171,035</u>	 <u>365,883,114</u>
 EQUITY AND LIABILITIES			
EQUITY			
Capital Account			
Share capital	Note 12	100,000,000	100,000,000
Retained Earnings/ (Accumulated Loss)		<u>(165,875,598)</u>	<u>6,186,589</u>
Total Equity		(65,875,598)	106,186,589
 LIABILITIES			
Current Liabilities			
Accounts Payables	Note 14	<u>24,314,559</u>	<u>28,966,451</u>
Total Current Liabilities		24,314,559	28,966,451
 Non Current Liabilities			
Long term loan		<u>301,732,074</u>	<u>230,730,074</u>
		301,732,074	230,730,074
 Total Liabilities		 326,046,633	 259,696,525
 Total Equity & Liabilities		 <u>260,171,035</u>	 <u>365,883,114</u>

Certified True and Correct
UNIHEALTH TANZANIA LIMITED

Akshay Parmar
 Director
Akshay Parmar



UNIHEALTH TANZANIA LIMITED - P.O. BOX 5189, MWANZA

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST, MARCH, 2020

		<u>31.03.2020</u>	<u>31.03.2019</u>
		<u>TSHS</u>	<u>TSHS</u>
Revenue	Note 2	56,862,240	36,049,730
Less: cost of service revenue	Note 3	<u>(5,846,119)</u>	<u>612,825</u>
Gross profit		51,016,121	36,662,555
Other income	Note 4	72,358,400	107,280
OTHER COST OF SERVICE REVENUES	Note 5	<u>(12,950,862)</u>	<u>(9,284,584)</u>
		110,423,659	27,485,251
Administrative Expenses	Note 6	(276,362,440)	(22,619,954)
Selling and Distribution		(3,914,220)	-
Depreciation & Amotization Exp	Note 7	<u>(929,222)</u>	<u>(230,475)</u>
Results from operating Activities		(170,782,223)	4,634,822
Finance Cost	Note 7	<u>(1,279,964)</u>	<u>(64,640)</u>
Profit for the year before Income Tax		(172,062,187)	4,570,182
Income Tax Expenses	Note 16	<u>-</u>	<u>(1,460,572)</u>
Profit for the year after Income Tax		(172,062,187)	3,109,610.00

Certified True and Correct
UNIHEALTH TANZANIA LIMITED

Akshay
..... Director

Akshay Parmar



UNIHEALTH TANZANIA LIMITED - P.O. BOX 5189, MWANZA

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST, MARCH, 2020

	<u>Share Capital</u>	<u>Retained Earnings</u> <u>(Accumulated Loss)</u>	<u>Total Equity</u>
	<u>TSHS</u>	<u>TSHS</u>	<u>TSHS</u>
Balance at 1 st April 2018	100,000,000	3,076,979	103,076,979
profit/ (Loss) for the year	-	3,109,610	3,109,610
Balance at 31 st March 2019	100,000,000	6,186,589	106,186,589
Balance at 1 st April 2019	100,000,000	6,186,589	106,186,589
profit/ (Loss) for the year	-	(172,062,187)	(172,062,187)
Balance at 31 st March 2020	100,000,000	(165,875,598)	(65,875,598)



UNIHEALTH TANZANIA LIMITED - P.O. BOX 5189, MWANZA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2020

	<u>31.03.2020</u>	<u>31.03.2019</u>
	<u>TSHS</u>	<u>TSHS</u>
1		
<u>Cash flow from operating activities</u>		
Profit/ (Loss) for the year	(172,062,187)	4,570,182
Add: Adjustments for Depreciation	929,222	230,475
Add: Prior period adjustment	-	383,237
	(171,132,965)	5,183,894
<u>Working Capital Changes</u>		
(Increase) /Decrease in Inventories	1,846,669	(2,439,475)
(Increase) /Decrease in Accounts Receivables	105,217,072	(230,360,504)
Increase/ (Decrease) in Current Liabilities	(4,651,892)	19,359,279
Taxation	-	(1,050,000)
Total Net working capital changes	102,411,849	(214,490,700)
Net Cash flow used for operating Activities	(68,721,116)	(209,306,806)
2		
<u>Cash flow from Investing Activities</u>		
Purchases of Property, Plant & Equipment	(300,000)	(2,458,400)
Disposal of Property, Plant & Equipment	-	-
Net cash flow used for Investing Activities	(300,000)	(2,458,400)
3		
<u>Cash flow from Financing Activities</u>		
capital introduced	-	-
Increases/ (Decrease) in Long Term Loans	71,002,000	216,948,674
Net Cash flow from Financing Activities	71,002,000	216,948,674
Changes in cash and cash Equivalents for the year	1,980,884	5,183,468
Cash and cash equivalent at start	13,240,281	8,056,813
Cash and cash Equivalent at close	15,221,165	13,240,281
Cash and cash Equivalent at close	15,221,165	13,240,281



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

1 General Information

Unihealth Tanzania Limited was incorporated in Republic of Tanzania under the Companies Act 2002. The address of the registered office is P.O. Box 5189, Mwanza.
Principal Activity of the company is Hospital and health care.

1.2 Going Concern

The financial statements have been prepared on the going concern basis. The entities to continue as going concern is dependent upon the ability of the entity to generate profitable operations in the future and/or to obtain the necessary financing to meet its obligations and pay its liabilities arising from normal business operations as and when they come due business operations as and when they come due.

1.3 Basis of Accounting

The Financial statements have been prepared on the accrual basis of accounting, and in accordance with International financial reporting standards. Whereby revenue is recognized when earned and expenses are recognized when incurred.

1.4 Principal Accounting Policies

1.4.1 Basis of Preparation.

The Financial Statements have been prepared in accordance with International Financial reporting standards (IFRS) where an International Financial reporting standard does not address a particular issue the appropriate International Financial Reporting Standard/ International Accounting Standard has been applied.

The preparation of financial statements in conformity with general accepted accounting Practices requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date the financial statements and the reported amounts of revenue and Expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

1.4.2 Adoption of new and revised Standards

In the current year the company has adopted all the new and revised Standards and International Accounting Standard and the International Financial reporting Standard that are relevant to its operations and effective for annual reporting periods beginning on 1st January 2009. The adoption of these new and review standards and Interpretations had no material effect on how the results for the current or prior years have been prepared and presented.

1.4.3 Functional and presentation currency

These financial statements are prepared in Tanzania Shillings

1.4.4 Measurement base

The accounting principles recognized as appropriate for the measurement and reporting of the statement of comprehensive Income, cash flows and financial position on the accrual basis using historical cost are followed in the preparation of the financial Statements.

1.4.5 Use of estimates and Judgments

The preparation of financial statements requires management to make judgments estimates and assumptions that affect the application of assets liabilities, Income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments' in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are: -



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

- ❖ Taxation
- ❖ Provisions
- ❖ Contingent Liabilities
- ❖ Property, Plant & Equipment
- ❖ Financial Asset/ Liabilities

1.4.6 Foreign Currency Translation

(a) Foreign currency translation

The transaction in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the financial position date are translated to Tanzania shillings at the foreign exchange rate ruling at that date.

(b) Financial statements of foreign operations

The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition are translated to Tanzania shillings at foreign exchange rates ruling at the financial position date. The income and expenses of foreign operations are translated to Tanzania shillings at average rates. Translation differences on non-monetary financial assets such as equities classified as available for sale are included in the fair value reserve in equity.

1.4.7 Presentation of Financial Statements

These Financial Statements are presented in accordance IAS 1 as follows.

1.4.7.1 A statement of financial Position as at of the period

1.4.7.2 Statement of Comprehensive Income for the period

1.4.7.3 Statement of changes in Equity for the period

1.4.7.4 Statements of Cash flow for the period

1.4.7.5 Accounting Policies and notes to the financial statements.

1.4.8 Financial Instruments

(a) These financial instruments include bank Accounts, Certificates of Deposit, and Accounts receivables and accounts payable.

All financial instruments are recognized in the financial position at their fair value.

(b) Non derivative financial Instruments comprise Investments in Equity and debt securities, trade and other receivables, including service concession receivables, cash and cash equivalents; loan and borrowings and trade other payable. Non derivative financial instruments are recognized initially at fair value plus for instruments not at fair value through profit and loss any directly attributable transaction costs.

(c) Financial Assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- Loans and receivables;
- Financial assets at fair value through profit or loss;
- Held to maturity investments; and
- Available-for-sale financial assets.

(d) Financial Liabilities

The financial liabilities include borrowings, trade and other payable and derivative financial instruments.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Financial liabilities are measured subsequently at mortised cost using the effective interest method, except for financial liabilities held for trading or designated at fair value through profit or loss, that are carried subsequently at fair value with gains or losses recognized in profit or loss.

- (e) **Offsetting**
Assets and liabilities, and income and expenses, shall not be offset unless required or permitted by a Standard or an Interpretation.

1.4.9 **Property, Plant and Equipment**

- (i) **Recognition and measurement**
Items of property, Plant and Equipment are measured at historical cost less accumulated depreciation and accumulated impairment loss. Cost includes expenditure that direct is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing are allocated. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of Property, Plant and Equipment
All other repairs and maintenance are charged to the statement of Comprehensive come during the financial period in which they are incurred.

- (ii) **Reclassification to Investment property**
Property that is being constructed for future uses as Investment property is accounted for as property, Plant and equipment until construction or development is Complete, at which time it is re-measured to fair value and reclassified as investment property. Any gain or loss arising on re-measurement is recognized in profit or loss. When the use of property changes from owner occupied to Instrument property, the property is measured to fair value and reclassified as Investment property.

- (iii) **Subsequent Costs**
The cost of replacing part of an item of property, plant and Equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow and its cost can be measured reliably.

- (iv) **Depreciation**
Depreciation is calculated on straight line basis to recognize the consumption of Depreciation assets are classified as follows: -
Buildings - NIL
Motor vehicles 25% and 37.5%
Furniture and Fixtures 12 $\frac{1}{2}$ %
Land is not depreciated as it is deemed to have an indefinite life.

1.4.10 **Leased assets**

- (a) Leases in terms of which the entity assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

- (b) **Operating Lease**
Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in the statement of Comprehensive Income on a Straight line basis over the lease term.

1.4.11

- (i) **Impairment**
Financial assets

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at mortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value.

All impairment losses are recognized in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognized previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at mortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

(ii) Non-financial assets

The carrying amounts of the entities non-financial assets, other than biological assets, investment property, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash-generating unit').

1.4.12 Non-current assets held for sale

Non-current assets (or disposal groups comprising assets and liabilities) those are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the assets (or components of a disposal group) are remeasured in accordance with the Entity accounting policies. Thereafter generally the assets (or disposal group) are measured at the lower of their carrying amount and fair value less cost to sell. Any impairment loss on a disposal group first is allocated to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit asset, investment property and biological assets, which continue to be measured in accordance with the Entity accounting policies. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognized in excess of any cumulative impairment loss.

1.4.13 Employee benefits

- (a) Employee entitlements to salaries, wages, annual vacation, pension costs, and other benefits at recognized when they are accrued to employees. Annual vacation and other leave has been calculated on and actual entitlement basis at current rates of pay.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

The company has average defined benefit pension scheme covering all of its employee in National Social Security Fund contributions are made to a separately National Security Fund Account.

(b) Termination benefits

Termination benefits are recognized as an expense when the Entity is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the company has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Short-term benefits

Short-term benefits employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation can be estimated reliably.

1.4.14

Revenue Recognition

Revenue Comprises of the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the activities. Revenue is shown net of value added tax, returns, rebates and discounts.

(a) Sale of Goods

Sales of goods are recognized when entity has delivered products to the customer, the customer has accepted the products and collectibility of the related receivables is reasonably issued.

(b) Sale of Services

Sales of services are recognized in the accounting period in which the services are rendered by reference to completion of specific transaction assessed on the basis of the actual services to provide as a proportion of the total services to be provided.

(c) Finance Income and Expenses

(i) Finance Income

Finance Income Comprises Interest Income on funds invested (including available-For-Sale financial Assets), dividend income, gains on the disposal of available for-sale financial Assets, changes in the value of financial assets at fair value through statement of comprehensive Income, and gains on hedging instruments that are recognized in comprehensive Income.

➤ Interest Income is recognized as it accrues in comprehensive Income, using the effective interest method.

➤ Dividend Income is recognized in the comprehensive Income on the date that the company's right to receive payment is established.

(ii)

Finance Expenses (Cost)

Finance Expenses Comprise Interest on borrowings unwinding of discount on provisions, dividends on preference shares classified as liabilities changes in the fair value of financial assets at the fair value through comprehensive income, impairment losses recognized on financial assets, and losses on hedging instruments that are recognized in comprehensive Income.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

- 1.4.15 **Inventories**
Inventories are stated at stated at the lower of cost or net realizable value. Cost is determined using the weighted average or the first in, first out (FIFO) method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.
- 1.4.16 **Accounts Receivables**
Trade receivables are carried at original amortised amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the year-end. Provision for bad and doubtful debts is made in respect of specific debts, which have been outstanding for recovery for one year and are considered doubtful of recovery.
- 1.4.17 **Cash and cash equivalents**
For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held with banks and investments in money market instruments.
- 1.4.18 **Financial assets and liabilities**
The entity classifies its financial assets in the following categories: at fair value through comprehensive income, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.
- 1.4.19 **Share Capital**
Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as deduction from the proceeds, net of tax.
- Where any entity company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the company's equity holders. Where such shares are subsequently sold, reissued or otherwise disposed of, any consideration received is included in equity attributable to the company's equity holders, net of any directly attributable incremental transaction costs and the related income tax effects.
- 1.4.20 **Accounts Payable & Others**
Trade payable are recognized initially at fair value and subsequently measured at mortised cost using the effective interest method.
- 1.4.21 **Borrowing Costs**
- (a) **Capitalization of borrowing cost**
Borrowings Cost directly attributable to the acquisition, construction or production qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.
- (c) Borrowing cost, incurred in respect of inventory that require a substantial period to prepare assets for its intended use, are capitalized up to the date that the development of the asset is ready for its intended use. Borrowing costs are capitalized at the rates applicable to the related liabilities.
- (c) All other borrowing costs are recognized in Statement of Comprehensive Income in the period in which they are incurred.
- 1.4.22 **Dividend Policy**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

The company has a dividend Policy for dividend payment as written in the articles of association of the company. The declaration and payment of dividends will be recommended by the board of Directors and the shareholder's, in their discretion.

1.4.23

Income Tax

Income Tax Expenses comprises current and differed Tax. Income Tax Expenses is recognized in statement of comprehensive income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Taxable income for the year using Income Tax act 2004 rates enacted or substantively at the reporting date, and any adjustment to tax payable in respected of previous years.

1.5

Financial Risk Management

The Company's activities expose it to a variety of financial risks: credit risk and liquid risk. The company's overall risk management programmed seeks to minimize potential adverse effect of the company's financial performance. Risk management is carried out by the management on behalf of the board director.

(a) Financial Risk

(i) Credit Risk

Concentration of credit risk with respect to trade receivables is limited due to the fact that a significant portion of the company's sales are on cash basis. The company's historical experience in collection of accounts receivable falls within the recorded allowances.

(ii) Liquid Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the company maintains flexibility in funding by keeping committed credit lines available in the form of short term loans and bank overdrafts.

(iii) Interest rate Risk

The Entity's exposure to the risk of changes in market Interest rates is limited as the Entity's long term loans and interest bearing deposits carry fixed interest rates.

(iii) Foreign exchange risk

The entity is exposed to foreign exchange risk with respect to foreign currency arising from foreign supplies and revenue. The entity mitigates part of its foreign exchange risk through hedging activities including forward contracts.

(v) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the entity income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(d) Insurable risks

The entity has adequate insurance cover for its properties and material contents, loss of profits and public liability. The sums insured for each insurance cover are reviewed annually in accordance with recommendations from professional advisers, where applicable.



UNIHEALTH TANZANIA LIMITED - P.O. BOX 5189, MWANZA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST, MARCH, 2020

		<u>31.03.2020</u>	<u>31.03.2019</u>
		<u>TSHS</u>	<u>TSHS</u>
Note 2	<u>REVENUE</u>		
	Sales	56,862,240	36,049,730
		<u>56,862,240</u>	<u>36,049,730</u>
Note 3	<u>COST OF REVENUES</u>		
	Opening inventories	2,632,319	192,844
	Add: Purchases - direct expenditures	3,999,450	1,826,650
	Good available for sale	<u>6,631,769</u>	<u>2,019,494</u>
	Less: Closing inventories	(785,650)	(2,632,319)
	Cost of sales	<u>5,846,119</u>	<u>(612,825)</u>
Note 4	<u>OTHER INCOME</u>		
	Hospital	72,358,400	-
	Foreign exchange gains	-	107,280
		<u>72,358,400</u>	<u>107,280</u>
Note 5	<u>OTHER COST OF SERVICE REVENUES</u>		
	Laboratories expenditures	1,700,000	3,210,000
	Electricity charges	2,284,605	905,275
	Water Charges	818,093	941,253
	Hospital expenditures	8,148,164	4,228,056
		<u>12,950,862</u>	<u>9,284,584</u>
	Less: Work in progress	-	-
	Cost of sales	<u>12,950,862</u>	<u>9,284,584</u>
Note 6	<u>ADMINISTRATIVE & ESTABLISHMENT EXPENSES</u>		
	Employees Cost	96,003,501	3,619,200
	Repair computer	-	24,000
	Donation	-	500,000
	Seervice Levy	170,587	-
	Fines and penalties	431,820	30,000
	Fuel	4,552,816	-
	General insurance expenses	28,449	-
	Hotel expenditures	796,300	550,500
	Guest house expenditures	163,000	311,000
	Dues, rates, Fees and license charges	16,181,246	10,332,674
	NSSF	9,600,350	361,920
	Rent	33,125,730	-
	Postage and courier expenses	284,000	162,750
	Professional and legal fee	80,744,289	731,000
	Registration expenses	547,900	20,000
	Repair and maintenance	8,416,949	1,511,810
	SDL	5,280,205	192,500
	Printing and stationary	608,300	311,600
	staff walfere	345,300	-
	Visa	8,740,000	-
	Audit fees	1,000,000	3,420,000
	Telephone expenses	1,531,099	439,000
	Conveyance charges	4,801,099	102,000
	Transportation and travelling exp	376,000	-
	Miscellaneous expenses	2,633,500	-
		<u>276,362,440</u>	<u>22,619,954</u>
Note 6	<u>Selling and Distribution</u>		
	Bad debts	3,914,220	-
		<u>3,914,220</u>	-
Note 7	<u>Finance Cost</u>		
	Bank charges	697,410	64,640
	Foreign exchange loss/gain	582,554	-
		<u>1,279,964</u>	<u>64,640</u>



UNIHEALTH TANZANIA LIMITED-P.O BOX 5189,MWANZA
PROPERTY, PLANT AND EQUIPMENT AS AT 31ST MARCH 2020

Note 7

DETAILS	COST/VALUATION		DEPRECIATION CHARGES			NET BOOK VALUE		
	01.04.2019	Addition	Total	01.04.2019	31.03.2020	Rate	31.04.2020	31.03.2019
Office equipments	2,010,425	-	2,010,425	207,975	753,909	37.50%	1,256,516	2,010,425
Computer and Accessories	-	300,000	300,000	-	93,750	37.50%	206,250	-
Bicycle	217,500	-	217,500	22,500	81,563	37.50%	135,937	217,500
Total Property, Plant & Equipment	2,227,925	300,000	2,527,925	230,475	929,222		1,598,703	2,227,925



UNIHEALTH TANZANIA LIMITED - P.O. BOX 5189, MWANZA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST, MARCH, 2020

	<u>31.03.2020</u>	<u>31.03.2019</u>		
	<u>TSHS</u>	<u>TSHS</u>		
Note 9 <u>INVENTORIES</u>				
Stock	785,650	2,632,319		
	785,650	2,632,319		
Note 10 <u>ACCOUNT RECEIVABLES</u>				
Trade Debtors	3,555,250	5,821,930		
Advance to employees	-	9,740,000		
Advance to suppliers	3,599,343	3,249,030		
Deferred revenue	222,875,281	222,875,281		
Prepaid expenses	706,406	5,317,111		
Due from shareholders	10,000,000	100,000,000		
Prepaid duties and taxes	1,829,237	779,237		
	242,565,517	347,782,589		
10.1	In the Opinion of the Director, the Carrying amounts of the current portion of trade and other Receivables approximate to their fair value. Fair value are based on discounted cash flows using a discount rate based up on the weighted average cost of capital that Director expect to be applicable at the statement of Financial Position.			
10.2	No interest is charged on the trade Receivables.			
Note 11 <u>CASH AND CASH EQUIVALENTS</u>				
Cash At Bank	1,595,352	4,763,768		
Cash on hand	13,625,813	8,476,513		
	15,221,165	13,240,281		
Note 12 <u>SHARE CAPITAL</u>				
Authorised share capital	100,000,000	100,000,000		
1,000 Shares of Shs. 100,000/- Each				
<u>ISSUED AND FULLY PAID UP SHARE CAPITAL</u>	100,000,000	100,000,000		
1,000 Share of 100,000/- Each				
<u>SHAREHOLDER'S OF THE COMPANY ARE:-</u>				
	Percentage <u>Holdings%</u>	2020 Share	Percentage <u>Holdings%</u>	2019 Share
UNIHEALTH CONSULTANCY PRIVATE LIMITED	80.00%	800.00	80.00%	800.00
ANURAG SHAH	5.00%	50.00	5.00%	50.00
AKSHAY MAHENDRA PARMAR	5.00%	50.00	5.00%	50.00
PADMENDRA PANDEY	10.00%	100.00	10.00%	100.00
	100%	1,000.00	100%	1,000.00
Note 13 <u>LONG TERM LOAN</u>				
Due to related parties		301,732,074		230,730,074
		301,732,074		230,730,074
Note 14 <u>ACCOUNT PAYABLES</u>				
Trade Creditors		-		555,768
Withholding tax		335,011		506,749
Accruas		23,979,548		27,903,934
		24,314,559		28,966,451



UNIHEALTH TANZANIA LIMITED - P.O. BOX 5189, MWANZA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST, MARCH, 2020

	<u>31.03.2020</u>	<u>31.03.2019</u>
	<u>TSHS</u>	<u>TSHS</u>
Note 14.1 Accrued		
HESLB (Loan Board)	75,000	1,641,040
NSSF/PPF payable	1,385,740	1,486,420
PAYE payable	1,422,534	444,731
SDL and WCF payable	381,079	-
Service levy	170,587	-
Audit fee	1,000,000	3,420,000
Provision for expenses	19,544,608	20,438,539
Corporate tax	-	473,204
	23,979,548	27,903,934

14.2 In the Opinion of the Director, the Carrying amounts of the current portion of trade and other Payables approximate to their fair value. Fair value are based on discounted cash flows using a discount rate based up on the weighted average cost of capital that Director expect to be applicable at the statement of Financial Position.

14.3 No interest is charged on the trade Payables.

Note 15 EMPLOYEES COST			
Salaries & Wages	Note 4	96,003,501	3,619,200
		96,003,501	3,619,200

Note 16 INCOME TAX EXPENSES			
Current Tax		-	-
Prior Year Tax		-	-

Note 17 Capital Commitments
 There were no future commitments not provided for the in financial statements as at 31st March, 2020

Note 18 Contingent Liabilities
 There was no any contingent envisaged by business at 31st March, 2020

Note 19 Comparative Information
 Where necessary, Comparative figures have been adjusted to conform with changes in presentation in the current month.

Note 20 Financial Assets and Liabilities (IFRS 9)
 Assets and Liabilities, and their fair values
 The table below sets out classification of each class of financial assets and liabilities and their fair values

		<u>31.03. 2020</u>	<u>31.03. 2019</u>
		<u>TSHS</u>	<u>Fair Value</u>
FINANCIAL ASSETS			
Cash and cash Equivalents	Note 11	15,221,165	13,240,281
Accounts Receivables	Note 10	242,565,517	347,782,589
Total Financial Assets		257,786,682	361,022,870
FINANCIAL LIABILITIES			
Accounts Payables	Note 14	24,314,559	28,966,451
Longterm Loan		301,732,074	230,730,074
Total Financial Liabilities		326,046,633	259,696,525



UNIHEALTH TANZANIA LIMITED - P.O. BOX 5189, MWANZA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST, MARCH, 2020

Note 21	<u>31.03.2020</u>	<u>31.03.2019</u>
FINANCIAL INSTRUMENTS (IAS 32)	<u>TSHS</u>	<u>TSHS</u>
Categories of Financial Instruments		
Assets		
Loans and Receivables		
Accounts Receivables	242,565,517	347,782,589
Cash & Cash Equivalents	15,221,165	13,240,281
Available for sale Financial Assets		
Investments	-	-
NON FINANCIAL ASSETS		
Property, Plant and Equipment	1,598,703	2,227,925
Investment Property	-	-
Intangible Assets	-	-
Inventories	785,650	2,632,319
Total Assets	<u><u>260,171,035</u></u>	<u><u>365,883,114</u></u>
EQUITY & FINANCIAL LIABILITIES		
Financial Liabilities at amortised cost		
Trade Creditors	24,314,559	28,966,451
Accrued Charges	-	-
Longterm Loan	301,732,074	230,730,074
Borrowings	-	-
EQUITY & NON FINANCIAL LIABILITIES		
Capital	100,000,000	100,000,000
Accumulateve Retained Earnings (Accumulated Loss)	<u>(165,875,598)</u>	<u>6,186,589</u>
Equity & Liabilities	<u><u>260,171,035</u></u>	<u><u>365,883,114</u></u>

21.1 FINANCIAL INSTRUMENTS

The Director's financial instruments consist of cash, receivables, payables Unless otherwise noted, it is management's opinion that the Director is not exposed to significant interest, currency, or credit risk arising from these financial instruments. The fair value of the instruments approximates their carrying values, unless otherwise noted.

The Director is exposed to financial risk that arises from the fluctuation in interest rates and in the credit quality of its customers.

Interest rate risk is minimized through management's constant review of demand and maturing debt, The Director structures its finances so as to stagger the maturities of debt, thereby minimizing exposure to interest rate fluctuations.

Credit risk exists in that a significant majority of the Directors's receivables is held by customers franchise and is concentrated in the retail industry. The Director mitigates this risk through diversification of its customer base, limiting its exposure to any one customer and maintaining strict collection procedures.



UNIHEALTH TANZANIA LIMITED - P.O. BOX 5189, MWANZA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST, MARCH, 2020

	<u>31.03.2020</u>	<u>31.03.2019</u>
	<u>TSHS</u>	<u>TSHS</u>
Note 22 <u>FINANCIAL INFORMATION OF THE PROPRIETOR</u>		
Total Assets	260,171,035	365,883,114
Total Liabilities	<u>(326,046,633)</u>	<u>(259,696,525)</u>
Total Assets & Liabilities	<u>(65,875,598)</u>	<u>106,186,589</u>
 <u>CAPITAL AND RESERVES</u>		
Balance Brought forward	100,000,000	100,000,000
Reserves	<u>(165,875,598)</u>	<u>6,186,589</u>
	<u>(65,875,598)</u>	<u>106,186,589</u>



UNIHEALTH TANZANIA LIMITED - P.O. BOX 5189, MWANZA

COMPUTATION OF INCOME FOR THE YEAR ENDED 31ST MARCH 2020

	<u>31.03.2020</u>	<u>31.03.2019</u>
	<u>TSHS</u>	<u>TSHS</u>
Net Profit for the year	(172,062,187)	4,570,182
Add: Depreciation	929,222	230,475
Add: Telephone expenses	153,110	43,900
Add: Fine and penalties	431,820	30,000
Add: Donation	-	500,000
	<hr/>	<hr/>
	(170,548,035)	5,374,557
Less:		
Wear and tear allowance	947,972	307,300
Unrealised forexgain-current year	-	107,280
Donation (upto 2% of book profit before donation)	-	91,404
	<hr/>	<hr/>
Chargeable income	(169,600,063)	4,868,573
Chargeable Tax	-	1,460,572
Less: Tax Paid	-	-
	<hr/>	<hr/>
Tax Overpaid	-	1,460,572



UNIHEALTH TANZANIA LIMITED - P.O. BOX 5189, MWANZA

COMPUTATION OF INCOME FOR THE YEAR ENDED 31ST MARCH 2020

	<u>31.03.2020</u>	<u>31.03.2019</u>
	<u>TSHS</u>	<u>TSHS</u>
Net Profit for the year	(172,062,187)	4,570,182
Add: Depreciation	929,222	230,475
Add: Telephone expenses	153,110	43,900
Add: Fine and penalties	431,820	30,000
Add: Donation	-	500,000
	<hr/>	<hr/>
	(170,548,035)	5,374,557
Less:		
Wear and tear allowance	947,972	307,300
Unrealised forexgain-current year	-	107,280
Donation (upto 2% of book profit before donation)	-	91,404
	<hr/>	<hr/>
Chargeable income	(169,600,063)	4,868,573
Chargeable Tax	-	1,460,572
Less: Tax Paid	-	-
	<hr/>	<hr/>
Tax Overpaid	-	1,460,572



VICTORIA HOSPITAL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

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COMPANY INFORMATION

BOARD OF DIRECTORS

: Bhasker Kotecha
: Dr. Anurag Shah
: Dr. Chirag Kotecha
: Dr. Akshay Parmar

REGISTERED OFFICE

: Plot No. 54B Kira Road
: P.O. Box 72587
: Kampala, Uganda

INDEPENDENT AUDITOR

: PKF Uganda
: Certified Public Accountants
Plot 1B, Kira Road
: P.O. Box 24544
: Kampala, Uganda

COMPANY SECRETARY

: Equatorial Secretaries and Registrars Limited
Plot 1B, Kira Road
: P.O.Box 24544
: Kampala, Uganda

PRINCIPAL BANKERS

: Bank of Baroda (Uganda) Limited
: Plot 18, Kampala road
: P.O Box 7197
: Kampala, Uganda

: Diamond Trust Bank Uganda Limited
: P.O.BOX 7155
: Kampala,Uganda

REPORT OF THE DIRECTORS

The directors submit their report and the audited financial statements for the year ended 31 March 2020, which disclose the state of affairs of the company.

PRINCIPAL ACTIVITY

The principal activity of the company is to engage in the provision of healthcare services.

RESULTS	2020	7 months Period ended 2019
	Shs' 000	Shs' 000
Profit before tax	1,114,491	2,408,746
Tax	-	-
Profit for the year	<u>1,114,491</u>	<u>2,408,746</u>

PRINCIPAL RISKS AND UNCERTAINTIES

The overall business environment continues to remain challenging and this has a resultant effect on overall demand of the company's services. The company's strategic focus is to enhance sales growth whilst maintaining profit margins, the success of which remains dependent on overall market conditions and other factors such as the impact of the recent coronavirus outbreak. Whilst at this stage it is too early to predict the full potential impact of this outbreak on the company operations, the directors continue to monitor this situation closely with a view to assessing and mitigating its impact on the company.

SHARE CAPITAL

The authorised, issued and paid up share capital of the company is Shs. 4,950,000,000 (2019: 4,950,000,000) representing 49,500 (2019: 49,500) ordinary shares with par value of of Shs. 100,000 each.

DIVIDEND

The directors do not recommend the declaration of a dividend for the year (2019: Nil).

DIRECTORS

The directors who held office during the year and to the date of this report are shown on page 1.

In accordance with the company's Articles of Association, no director is due for retirement by rotation.

INDEPENDENT AUDITOR

The company's auditor, PKF Uganda, has indicated willingness to continue in office in accordance with the Companies Act, 2012.

BY ORDER OF THE BOARD



DIRECTOR
KAMPALA



2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Ugandan Companies Act, 2012 requires the directors to prepare financial statements for each financial year which 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 profit or loss for that year. It also requires the directors to ensure that the company keeps proper accounting records that are sufficient to show and explain the transactions of the company; and that disclose, with reasonable accuracy, the financial position of the company and that enables them to prepare financial statements of the company that comply with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Ugandan Companies Act, 2012. The directors are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors accept responsibility for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and in the manner required by the Ugandan Companies Act, 2012. They also accept responsibility for:

- i) designing, implementing and maintaining such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- ii) selecting and applying appropriate accounting policies; and
- iii) making accounting estimates and judgements that are reasonable in the circumstances.

The directors are of the opinion that the financial statements give a true and fair view of the financial position of the company as at 31 March 2020 and of its financial performance and cash flows for the period then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act, 2012.

In preparing these financial statements the directors have assessed the company's ability to continue as a going concern. Nothing has come to the 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.

There are matters that represent material uncertainties in the current year in respect of going concern other than the outbreak of covid-19 and the resulting developments.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the board of directors on 1st August 2021 and signed on its behalf by:



DIRECTOR



DIRECTOR

Report of the independent auditor to the members of Victoria Hospital Limited

Opinion

We have audited the financial statements of Victoria Hospital Limited set out on pages 7 to 19, which comprise the statement of financial position as at 31 March 2020, the statement of profit or loss and accumulated losses and the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2020, and of its financial performance and its cash flows for the period then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) and the Ugandan Companies Act, 2012.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Uganda, and we have fulfilled our other 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.

Material uncertainty related to going concern

We draw attention to Note 3 in the financial statements, which indicates that the company has recurrent accumulated losses of Shs 9.430 billion (2019: Shs 10.544 billion), and as of that date, the company's current liabilities exceeded its current assets by Shs Nil (2019: Shs 6.72 billion). Negative equity Shs 4.480 billion (2019: Shs 5.594 billion). As stated in the said note, these events or conditions, along with other matters, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the directors' report, the schedule of cost of sales and other operating expenditure 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 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.

Kalamu House, Plot 1B, Kira Road, Kampala, Uganda, P.O. Box 24544
T: +256 312 305800, E: pkfkam@ug.pkfea.com, www.pkfea.com

Partners: Charles Oguttu*, Frederick Kibbedi *, Alpesh Vadher**, Piyush Shah**, Gurmit Santokh**, Sumesh D'Cruz**, Ketan Shah***, Shilpa Cheda***
(*Ugandan, ** Kenyan, *** British)

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PKF Uganda is licensed and regulated by the Institute of Certified Public Accountants of Uganda. (Firm Number: AF0014)

Report of the independent auditor to the members of Victoria Hospital Limited (Continued)

Responsibilities of directors for the financial statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS for SMEs and the requirements of the Ugandan Companies Act, 2012, 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 has no realistic alternative but to do so.

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 skepticism 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 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 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.

We communicate with those charged with governance 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 of the independent auditor to the members of Victoria Hospital Limited (Continued)**Report on other legal and regulatory requirements**

As required by the Uganda Companies Act, 2012 we report to you, based on our audit that;

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion proper books of account have been kept by the Company, so far as appears from our examination of those books; and
- iii) the Company's statement of financial position and statement of profit or loss and accumulated losses are in agreement with the books of account.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Sumesh D' Cruz who holds practicing certificate number P0366.

Sumesh D. Cruz

PKF Uganda
Certified Public Accountants
Kampala

19 August 2021
Ref: SJD/V008/0179/2021



STATEMENT OF PROFIT OR LOSS AND ACCUMULATED LOSSES

	Notes	2020 Shs `000	7 months period ended 2019 Shs `000
Revenue	4	15,853,200	7,028,282
Cost of sales		<u>(7,022,949)</u>	<u>(2,913,220)</u>
Gross profit		8,830,251	4,115,062
Other operating income	5	72,447	4,272,092
Selling and marketing expenses		(43,963)	(45,607)
Administrative expenses		(4,894,738)	(2,914,871)
Other operating expenses		<u>(2,105,395)</u>	<u>(1,203,199)</u>
Operating profit		1,858,602	4,223,477
Finance costs	8	<u>(744,111)</u>	<u>(1,814,731)</u>
Profit before tax		1,114,491	2,408,746
Tax		<u>-</u>	<u>-</u>
Profit for the year		<u>1,114,491</u>	<u>2,408,746</u>
Accumulated losses at the start of the year		(10,544,591)	(12,953,337)
Profit for the year		<u>1,114,491</u>	<u>2,408,746</u>
Accumulated losses at the end of the year		<u>(9,430,100)</u>	<u>(10,544,591)</u>

The notes on pages 10 to 19 form an integral part of these financial statements.


Report of the independent auditor - pages 4 to 6.

STATEMENT OF FINANCIAL POSITION

	Notes	2020 Shs `000	7 months period ended 2019 Shs `000
CAPITAL EMPLOYED			
Share capital	10	4,950,000	4,950,000
Accumulated losses		<u>(9,430,100)</u>	<u>(10,544,591)</u>
Equity attributable to owners of the company		<u>(4,480,100)</u>	<u>(5,594,591)</u>
Non-current liabilities			
Borrowings	11	<u>31,375,647</u>	<u>26,550,701</u>
		<u>26,895,547</u>	<u>20,956,110</u>
REPRESENTED BY			
Non-current assets			
Property and equipment	13	<u>26,773,636</u>	<u>27,682,712</u>
Current assets			
Inventories	14	256,433	354,239
Trade and other receivables	15	6,929,138	4,533,669
Cash and cash equivalents	16	<u>565,416</u>	<u>269,178</u>
		<u>7,750,987</u>	<u>5,157,086</u>
Current liabilities			
Borrowings	11	1,672,159	7,077,677
Trade and other payables	17	<u>5,956,917</u>	<u>4,806,011</u>
		<u>7,629,076</u>	<u>11,883,688</u>
Net current assets/(liabilities)		<u>121,911</u>	<u>(6,726,602)</u>
		<u>26,895,547</u>	<u>20,956,110</u>

The financial statements on pages 7 to 19 were approved and authorised for issue by the board of

Directors on 1st August 2021 and were signed on its behalf by:

 DIRECTOR

The notes on pages 10 to 19 form an integral part of these financial statements.

Report of the independent auditor - pages 4 to 6.

STATEMENT OF CASH FLOWS

		2020	7 months period ended 2019
	Notes	Shs `000	Shs `000
Cash flows from operating activities			
Profit before tax		1,114,491	2,408,746
Adjustments for:			
Depreciation on property and equipment	13	1,648,440	979,354
Reclassification from WIP to expenses		-	40,728
Reclassification of taxes recoverable to other receivables		-	335,673
Interest expense	8	35,637	1,916,262
Unrealised exchange loss/(gain)		708,474	(103,055)
Changes in working capital:			
- inventories		97,806	(25,994)
- trade and other receivables		(2,395,469)	(2,130,266)
- trade and other payables		1,150,906	1,490,202
Interest paid		<u>(35,637)</u>	<u>(1,916,263)</u>
Net cash from in operating activities		<u>2,324,648</u>	<u>2,995,387</u>
Cash flows from Investing activities			
Cash paid for purchase of property and equipment	13	(774,364)	(47,025)
Proceeds from disposal of property, plant and equipment		<u>35,000</u>	<u>-</u>
Net cash used in investing activities		<u>(739,365)</u>	<u>(47,025)</u>
Cash flows from financing activities			
Proceeds from non shareholder's loans		13,507	109,660
Repayment of borrowings from shareholders		(813,379)	(2,220,360)
Proceeds/(repayment) of borrowings from shareholders loans		351,511	(784,957)
Proceeds/(repayment) of bank borrowings		<u>226,830</u>	<u>(253,198)</u>
Net cash from/(used in) financing activities		<u>(221,531)</u>	<u>(3,148,855)</u>
Increase/(decrease) in cash and cash equivalents		<u>1,363,752</u>	<u>(200,493)</u>
Movement in cash and cash equivalents			
At start of year	16	(1,762,021)	(1,664,583)
Effect of exchange rate changes		(708,474)	103,055
Increase/(decrease)		<u>1,363,752</u>	<u>(200,493)</u>
At end of year	16	<u>(1,106,743)</u>	<u>(1,762,021)</u>

The notes on pages 10 to 19 form an integral part of these financial statements.

Report of the independent auditor - pages 4 to 6.

NOTES: SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1. General information

Victoria Hospital Limited is incorporated in Uganda under the Ugandan Companies Act, 2012 as a private company limited by shares, and is domiciled in Uganda. The address of its registered office is on Plot No. 54B Kira Road. The principal activity of the company is to engage in provision of healthcare services.

2a) Basis of preparation

The financial statements of Victoria Hospital Limited have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs). They have been prepared under the historical cost convention.

The preparation of financial statements in conformity with the IFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements, are disclosed in note 2 (b).

These financial statements comply with the requirements of the Uganda Companies Act, 2012. The statement of profit or loss and accumulated losses represents the profit and loss account referred to in the Act. The statement of financial position represents the balance sheet referred to in the Act.

Going concern

The financial performance of the Company is set out in the Directors' report and in the statement of profit or loss and accumulated losses. The financial position of the Company is set out in the statement of financial position. Disclosures in respect of principal risks and uncertainties are included within the report of the directors.

As stated in Note 3, based on the financial performance and position of the company and its risk management policies, the directors are of the opinion that the company is well placed to continue in business for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

b) Key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The directors have made the following assumptions that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The assumptions and judgements set-out below do not consider the full potential impact of the recent coronavirus outbreak as it is too early at this stage to predict the full potential impact of this on the financial statements of the company.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below.

- **Useful lives of property and equipment** - management reviews the useful lives and residual values of the items of property and equipment on a regular basis. During the financial year, they determined no significant changes in the useful lives and residual values.
- **Impairment of trade receivables** - management reviews their portfolio of trade receivables on an annual basis. In determining whether receivables are impaired, they make judgments as to whether there is any evidence indicating that there is a measurable decrease in the estimated future cash flows expected.

NOTES: SIGNIFICANT ACCOUNTING POLICIES

c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and/or performance of services in the ordinary course of business and is stated net of and discounts and after eliminating sales within the company.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria has been met for each of the company's activities.

- i) Sales of goods are recognised upon delivery of products and customer acceptance; and
- ii) Sale of services are recognised upon performance of the services tendered by reference to the stage of completion of the service contract.

d) Property and equipment

All property and equipment is initially recorded at cost and thereafter stated at historical cost less accumulated depreciation. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be reliably measured. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated on a reducing balance basis to write down the cost of each asset to its residual value over its estimated useful life using the following annual rates:

	Rate %
Computers	40%
Furniture and equipment	20%
Medical equipment	12.5%
Other medical equipment	12.5%
Leasehold improvements	20%
Motor vehicles	15%

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Gains and losses on disposal of property and equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating profit or loss.

e) Impairment of assets

At each reporting date, property and equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

NOTES : SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Impairment of assets (Continued)

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

f) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and deposits held at call with banks, net of bank overdrafts.

In the statement of financial position, bank overdrafts are included within borrowings in current liabilities.

g) Financial assets

Financial assets are initially recognised at the transaction price. Most sales are made on the basis of normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method.

h) Financial liabilities

Financial liabilities are initially recognised at the transaction price (less transaction costs). Trade payables are obligations on the basis of normal credit terms and do not bear interest. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest method.

i) Translation of foreign currencies

Transactions in foreign currencies during the year are converted into Ugandan Shillings (functional currency) at rates ruling at the transaction dates. Assets and liabilities at the statement of financial position date which are expressed in foreign currencies are translated into Uganda Shillings at rates ruling at that date. The resulting differences from conversion and translation are dealt with in profit or loss in the year in which they arise.

j) Current and deferred tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income and equity.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised.

NOTES: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) Current and deferred tax (Continued)

Offsetting

An entity shall offset current tax assets and current tax liabilities, or offset deferred tax assets and deferred tax liabilities if, and only if, it has a legally enforceable right to set off the amounts and the entity can demonstrate without undue cost or effort that it plans either to settle on a net basis or to realise the asset and settle the liability simultaneously.

k) Employee benefit obligations

The Company and its employees contribute to the National Social Security Fund (NSSF), a statutory defined contribution scheme registered under the NSSF Act. The Company's contributions to the defined contribution scheme are charged to profit or loss in the period to which they relate.

l) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method.

Net realisable value is the estimate of the selling business, less the costs of completion and selling expenses.

m) Borrowings

Borrowings are recognised initially at the transaction price (that is, the present value of cash payable to the lender, including transaction costs). Borrowings are subsequently stated at amortised cost. Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

n) Share capital

Ordinary shares are classified as equity.

o) Comparatives

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

NOTES

3. Basis of preparing the financial statements - going concern

At the reporting date the company reported a deficiency in shareholders' fund of Shs 4.480 billion (2019: Shs 5.594 billion). The company meets its day today working capital requirements through borrowings from bankers, shareholders and related parties.

The directors consider the going concern basis to be appropriate for the preparation of these financial statements based on the pledges of support from the company's shareholders and related parties. The financial statements do not include any adjustment that should result from a failure to obtain such continuing support.

	2020	7 months period ended 2019
	Shs '000	Shs '000
4. Revenue		
Consultation income	701,187	830,292
Dental income	51,595	57,191
Outsourced services	177,190	137,324
Other income	4,607,283	1,829,538
Ultra sound income	362,436	177,353
Drugs and consumables	3,977,917	1,414,981
Ambulance sales	35,617	26,461
In patient	5,845,091	2,591,347
Other clinical services	163,164	18,004
Discounts allowed	(68,280)	(54,209)
Total revenue	<u>15,853,200</u>	<u>7,028,282</u>
5 Other operating income		
Other income	1,929	5,809
Charity	36,956	-
Refund of processing Fees from the bank	-	108,196
Shareholder Loan W/off	-	4,122,942
Discounts received	33,562	35,145
Total other operating income	<u>72,447</u>	<u>4,272,092</u>
6. Operating profit		
The following items have been charged in arriving at operating profit:		
Depreciation on property and equipment (Note 13)	1,648,440	836,882
Audit fees	20,000	20,000
- under provision in prior year	2,350	10,000
Staff costs (Note 7)	3,334,657	2,280,408
7. Staff costs		
Salaries and wages	2,817,784	1,936,227
Staff welfare and medical expense	130,405	36,356
Immigration expenses	104,690	114,307
NSSF employer contribution	281,778	193,518
Total staff costs	<u>3,334,657</u>	<u>2,280,408</u>
8. Net finance costs		
Interest expense		
- term loans	19,887	1,266,744
- bank overdraft facility	15,750	649,519
Unrealised exchange loss/(gain)	708,474	(103,055)
Unadjusted Forex loss	-	1,523
Total net finance costs	<u>744,111</u>	<u>1,814,731</u>

NOTES (CONTINUED)

	2020 Shs '000	7 months period ended 2019 Shs '000
9. Tax		
Current tax	-	-
Deferred tax charge (Note 12)	-	-
Tax	<u>-</u>	<u>-</u>
The tax on the company's profit(loss) before tax differs from the theoretical amount that would arise using the basic rate as follows:		
Profit before tax	<u>1,114,491</u>	<u>2,408,746</u>
Tax calculated at a tax rate of 30% (2019: 30%)	334,347	722,624
Tax effect of:		
- expenses not deductible for tax purposes	309,115	267,278
- movement in unrecognised deferred tax	(468,264)	(1,541,058)
- reversal of prior year EBITDA not allowable	(177,616)	-
- under/(over) provision in prior year	<u>2,417</u>	<u>551,156</u>
Tax	<u>-</u>	<u>-</u>
10. Share capital		
Authorised, issued and fully paid:		
49,500 (2019: 49,500) ordinary shares of Shs 100,000 each	<u>4,950,000</u>	<u>4,950,000</u>
11. Borrowings		
Non-current		
Shareholders account (Note 18(ii))	257,613	1,070,992
Loans from shareholders (Note 18 (iii))	9,075,402	8,723,891
Loans from non shareholders (Note 18 (iv))	2,729,211	2,715,704
Term loan from Bank of Baroda (Note 11 (i))	<u>19,313,421</u>	<u>14,040,113</u>
	<u>31,375,647</u>	<u>26,550,701</u>
Current		
Term loan from Bank of Baroda	-	5,046,478
Bank overdraft (Note 16)	<u>1,672,159</u>	<u>2,031,199</u>
	<u>1,672,159</u>	<u>7,077,677</u>
Total borrowings	<u>33,047,806</u>	<u>33,628,378</u>
i) Term loan from Bank of Baroda Limited		
At start of year	14,040,113	11,177,699
Repayments	5,273,308	2,862,415
Interest accrued	<u>19,887</u>	<u>1,266,744</u>
	19,333,308	15,306,857
Less:-		
Interest repayment	<u>(19,887)</u>	<u>(1,266,744)</u>
At end of year	<u>19,313,421</u>	<u>14,040,113</u>

NOTES (CONTINUED)

11. Borrowings (Continued)

The term loan from Bank of Baroda Limited relates to:

- i) A facility of USD 3,500,000 taken up on 31 March 2016. The loan has a maturity period of 84 months with a moratorium of 12 months attracts interest at a rate of 10% per annum.
- ii) A facility of UGX 1,436,000,000 taken up on 10 January 2017. The loan has a maturity period of 66 months with a moratorium of 12 months attracts interest at a rate of 23.25% per annum.
- iii) A facility of UGX 4,308,000,000 taken up on 10 January 2017. The loan has a maturity period of 72 months with a moratorium of 12 months attracts interest at a rate of 23.25% per annum.

The facilities are secured as follows;

- a. Debenture charge on current assets and fixed assets of the company on both present and future of the company.
- b. Legal mortgage of land and building on plot 1495, Kyadondo Block 213 at Bukoto, Kampala (lease for 49 years from 21.04.2011 to 21.04.2060) in the name of M/s Tulip Construction Ltd, to be purchased in the name of the Company M/s Victoria Hospital Limited.
- c. Personal guarantee of directors of the company Dr. Chirag Jagdish Kotecha, Mr Bhasker Kotecha, Mrs. Drashna Kotecha and Mr. Shyam Kotecha.
- d. Resolution duly registered with registra of companies for accepting terms and conditions of saction and execution of security documents.

12. Deferred tax

Deferred tax is calculated, in full, on all temporary timing differences under the liability method using a principal tax rate of 30% (2016: 30%). The movement on the deferred tax account is as follows.

	2020 Shs '000	7 months period ended 2019 Shs '000
At start of year	-	-
credit to profit or loss	-	-
At end of year	-	-

Deferred tax liabilities, deferred tax charge/(credit) in the statement of profit or loss is attributable to the following items:

	At start of year Shs '000	Charge to Profit or loss Shs '000	At end of year Shs '000
Deferred tax liabilities			
Property and equipment	1,801,119	(122,440)	1,678,679
Unrealised exchange gain	30,917	(30,917)	-
	<u>1,832,036</u>	<u>(153,358)</u>	<u>1,678,679</u>
Deferred tax asset			
Other timing differences	(116,399)	-	(116,399)
Unrealised exchange losses	(436,638)	(212,542)	(649,180)
Tax losses carried forward	<u>(3,478,436)</u>	<u>834,163</u>	<u>(2,644,273)</u>
	<u>(4,031,473)</u>	<u>621,622</u>	<u>(3,409,852)</u>
Net deferred tax assets	<u>(2,199,437)</u>	<u>468,264</u>	<u>(1,731,173)</u>

Deferred tax assets on tax losses carried forward are only recognised to the extent of certainty of availability of sufficient future taxable profits to utilise such losses against. Deferred tax assets amounting to Shs 1.731 billion (2019: Shs 2.199 billion) in respect of tax losses carried forward amounting to Shs 8.814 billion (2019: Shs 11.594 billion) that can carried forward against future taxable profits have not been recognised.

NOTES (CONTINUED)

13. Property and equipment

Year ended 31 March 2020

Cost	Medical and other equipment Shs'000	Furniture and other equipment Shs'000	Computer equipment Shs'000	Leasehold improvement Shs'000	Land Shs'000	Building Shs'000	Motor vehicle Shs'000	Work in progress Shs'000	Total Shs'000
At start of year	7,350,261	615,972	238,242	247,640	2,771,792	18,144,823	142,249	2,080,172	31,591,150
Additions	635,652	7,178	8,999	-	-	77,395	-	45,140	774,364
On disposal	-	-	-	-	-	-	(35,000)	-	(35,000)
At end of year	<u>7,985,913</u>	<u>623,150</u>	<u>247,241</u>	<u>247,640</u>	<u>2,771,792</u>	<u>18,222,218</u>	<u>107,249</u>	<u>2,125,312</u>	<u>32,330,514</u>
Depreciation									
At start of year	2,226,829	338,857	217,058	207,320	-	870,401	47,972	-	3,908,438
On disposal	-	-	-	-	-	-	-	-	-
Charge for the year	<u>702,173</u>	<u>55,423</u>	<u>10,165</u>	<u>8,064</u>	<u>-</u>	<u>863,723</u>	<u>8,892</u>	<u>-</u>	<u>1,648,440</u>
At end of year	<u>2,929,002</u>	<u>394,280</u>	<u>227,223</u>	<u>215,384</u>	<u>-</u>	<u>1,734,124</u>	<u>56,864</u>	<u>-</u>	<u>5,556,878</u>
Net book value									
As at 31 March 2020	<u>5,056,911</u>	<u>228,870</u>	<u>20,018</u>	<u>32,256</u>	<u>2,771,792</u>	<u>16,488,094</u>	<u>50,385</u>	<u>2,125,312</u>	<u>26,773,636</u>
As at 31 March 2019	<u>5,123,432</u>	<u>277,115</u>	<u>21,184</u>	<u>40,320</u>	<u>2,771,792</u>	<u>17,274,422</u>	<u>94,277</u>	<u>2,080,172</u>	<u>27,682,712</u>

NOTES (CONTINUED)

	2020 Shs '000	7 months period ended 2019 Shs '000
14. Inventories		
Drugs and pharmacy supplies	<u>256,433</u>	<u>354,239</u>
15. Trade and other receivables		
Trade receivables	6,668,246	3,719,765
Other receivables	207,840	697,676
Prepayments	<u>53,052</u>	<u>116,228</u>
	<u>6,929,138</u>	<u>4,533,669</u>
16. Cash and cash equivalents		
Cash at bank and in hand	<u>565,416</u>	<u>269,178</u>
For the purpose of the statement of cash flows, the year end and cash equivalents comprise the following:		
Cash and bank balances	565,416	269,178
Bank overdraft (Note 10)	<u>(1,672,159)</u>	<u>(2,031,199)</u>
	<u>(1,106,743)</u>	<u>(1,762,021)</u>
17. Trade and other payables		
Trade payables	2,058,906	1,965,092
Accruals	996,645	669,456
Other payables	1,364,820	1,039,276
Payables to related parties (Note 18 (i))	<u>1,536,546</u>	<u>1,132,187</u>
	<u>5,956,917</u>	<u>4,806,011</u>
18. Related party transactions and balances		
The following transactions were carried out with related parties.		
i) Payables to related parties (Note 17)		
Bioheath Limited	135,577	132,031
Unihealth Consultancy Pvt Limited	158,525	152,209
Unihealth Pharmaceuticals Pvt Limited	283,700	115,491
Uchmi Commodities	36,073	36,073
Arya Varta Trading Pvt Limited - india	879,507	679,223
Europa Healthcare Limited	<u>43,164</u>	<u>17,160</u>
	<u>1,536,546</u>	<u>1,132,187</u>
Advances from related parties are unsecured and interest free.		
ii) Advances from shareholders (Note 11)		
At start of year	1,070,992	3,291,352
Repayments	<u>(813,379)</u>	<u>(2,220,360)</u>
At end of year	<u>257,613</u>	<u>1,070,992</u>

NOTES (CONTINUED)

	2020	7 months period ended 2019
	Shs '000	Shs '000
18. Related party transactions and balances (continued)		
iii) Loans from Shareholders (Note 11)		
Bhasker Kotecha	3,368,010	3,280,445
Dr. Chirag Kotecha	2,424,409	2,430,847
Unihealth Consultancy Pvt Limited	<u>3,282,983</u>	<u>3,012,599</u>
	<u>9,075,402</u>	<u>8,723,891</u>
Loans from related parties are unsecured and interest free, with no fixed repayment terms.		
iv) Loans from Non shareholders (Note 11)		
Shyam Kotecha - Loan 1 and 2	470,475	448,024
Meera Ruparelia	379,938	370,060
Shyama (Minakshi) Kotecha	778,873	740,120
Darshana Kotecha	1,099,925	-
R L Jain	<u>-</u>	<u>1,157,500</u>
	<u>2,729,211</u>	<u>2,715,704</u>

SCHEDULE OF COST OF SALES	2020	7 months period ended 2019
	Shs '000	Shs '000
1. COST OF SALES		
Opening stock	354,239	328,245
Purchases	3,253,068	1,400,674
Direct costs (1.1)	3,672,075	1,538,540
Closing stock	<u>(256,433)</u>	<u>(354,239)</u>
Total cost of sales	<u><u>7,022,949</u></u>	<u><u>2,913,220</u></u>
1.1 DIRECT COSTS		
Garbage and biowaste collection	64,352	40,568
Insurance rejection and discount	93,713	661
Laundry and fumugation expenses	2,578	1,212
Locum and specialist payment	2,486,467	915,432
Water and electricity	356,353	172,033
Food and faciliation expenses	113,276	92,830
Opthamology Service	27,235	-
Outsource services	277,208	180,152
Cleaning expenses	23,150	66,200
Other direct cost	<u>227,743</u>	<u>69,452</u>
Total direct costs	<u><u>3,672,075</u></u>	<u><u>1,538,540</u></u>

SCHEDULE OF OTHER OPERATING EXPENDITURE

	2020	7 months period ended 2019
	Shs '000	Shs '000
1 SELLING AND MARKETING EXPENSES		
Marketing and advertising	43,963	45,607
2 ADMINISTRATIVE EXPENSES		
Employment costs:		
Salaries and wages	2,817,784	1,936,227
NSSF Company contribution	281,778	193,518
Local service tax	-	13,364
Staff medical and welfare	130,405	36,356
Immigration	104,690	114,307
Total employment costs	3,334,657	2,293,772
Other administrative expenses:		
Telephone and internet	92,202	51,090
Printing and stationery	105,306	66,425
Audit fees		
-current year	20,000	20,000
-under provision in prior years	2,350	10,000
Legal and professional charges	113,500	60,812
Bank charges and commissions	24,378	8,926
Accommodation	152,508	186,727
News papers and periodicals	202	861
Travel and transport	77,040	78,880
Vehicle running expenses	89,112	63,552
Computer expenses	-	5,480
General and office expenses	21,412	12,000
Bad debts written off	765,217	-
Processing and registration fees	72,024	-
Excise duty	840	626
Round offs	18	245
Community outreach	23,972	51,516
Fines and penalties	-	3,959
Total other administrative expenses	1,560,081	621,099
Total administrative expenses	4,894,738	2,914,871

SCHEDULE OF OTHER OPERATING EXPENDITURE (CONTINUED)

3 OTHER OPERATING EXPENSES	2020	7 months period ended 2019
Establishment:	Shs '000	Shs '000
Rent and rates	34,560	20,160
Repairs and maintenance	174,771	35,671
Insurance expenses	82,466	77,607
Duties, clearing and forwarding	13,310	8,159
Security expenses	81,390	46,830
License fees	70,458	35,418
Depreciation on property and equipment	<u>1,648,440</u>	<u>979,354</u>
Total other operating expenses	<u><u>2,105,395</u></u>	<u><u>1,203,199</u></u>
4 NET FINANCE COSTS		
Interest expense		
- term loans	-	1,227,431
- bank overdraft facility	-	184,650
Unrealised exchange loss/(gain)	708,473	(103,055)
Interest on unsecured loan	15,750	464,869
Interest paid	19,887	-
Interest paid on unsecured loan	-	39,313
Exchange loss	-	<u>1,523</u>
Total net finance costs	<u><u>744,110</u></u>	<u><u>1,814,731</u></u>

TAX COMPUTATION

	2020 Shs	2019 Shs
Profit before tax	1,114,491,000	2,408,746,000
Add: Depreciation on property and equipment	1,648,440,000	979,354,000
Fines and penalties	-	3,959,000
Interpol payment	-	1,350,000
Accommodation (for experts)	152,508,304	-
Immigration costs	107,762,805	104,297,040
Guest house expenses	-	186,727,000
Staff welfare and general office expenses	4,895,000	2,540,000
Bad debts written off	765,217,000	-
Disallowed interest	-	592,054,934
Unrealised exchange gain for last year now realised	103,055,000	-
Unrealised exchange loss	708,473,000	-
	<u>4,604,842,109</u>	<u>4,279,027,974</u>
Less: Wear and tear allowance	373,971,678	325,274,474
Un realised exchange gain	-	103,055,000
Deductible prior year interest expense	592,054,934	-
Industrial building deduction	858,270,815	854,401,060
	<u>1,824,297,427</u>	<u>1,282,730,534</u>
Adjusted taxable profit	2,780,544,682	2,996,297,440
Tax losses brought forward	<u>(11,594,787,655)</u>	<u>(14,591,085,095)</u>
Tax losses carried forward	<u>(8,814,242,973)</u>	<u>(11,594,787,655)</u>
Tax at 30%	<u><u>NIL</u></u>	<u><u>NIL</u></u>

WEAR AND TEAR SCHEDULE

	Class (i) 40% Shs	Class (ii) 35% Shs	Class(iv) 20% Shs	Total Shs
Written down values 31/03/2020	18,367,587	40,728,660	1,164,394,398	1,223,490,645
Additions	6,876,051	-	644,951,561	651,827,612
Disposals		(35,000,000)	-	-35,000,000
	<u>25,243,638</u>	<u>5,728,660</u>	<u>1,809,345,959</u>	<u>1,840,318,257</u>
Wear and tear allowance	<u>(10,097,455)</u>	<u>(2,005,031)</u>	<u>(361,869,192)</u>	<u>(373,971,678)</u>
Written down values 31/03/2020	<u>15,146,183</u>	<u>3,723,629</u>	<u>1,447,476,767</u>	<u>1,466,346,579</u>

INDUSTRIAL BUILDING DEDUCTIONS

Industrial Buidings Allowance	Cost	Residue	IBA 20%	Residue
UMC building 2019	Jan 2019 13,431,204,000	-	2,686,240,800	10,744,963,200

INDUSTRIAL BUILDINGS	Year	Cost Shs	Residue B/forward Shs	Allowance 5% Shs	Residue C/forward Shs
UMC building 2019	Jan 2019	10,744,963,200	9,854,455,975	537,248,160	9,317,207,815
Kadic Hospital		6,343,058,000	5,708,752,200	317,152,900	5,391,599,300
Building	2020	<u>77,395,097</u>	<u>-</u>	<u>3,869,755</u>	<u>73,525,343</u>
		<u>17,165,416,297</u>	<u>15,563,208,175</u>	<u>858,270,815</u>	<u>14,782,332,458</u>

UMC GLOBAL HEALTH LIMITED

ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

UMC GLOBAL HEALTH LIMITED

**30 OGUNLOWO STREET, IKEJA, LAGOS STATE,
NIGERIA,**

**Annual Report & Financial Statements
as on 31st MARCH 2020**

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UMC GLOBAL HEALTH LIMITED
ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

CORPORATE INFORMATION

Board of Directors :-

Name	Nationality
Mr. Abhishek Bhageria	Indian
Mr. Anurag Shah	Indian
Mr. Aditya Bhageria	Indian

Registered Office of the Company :-

30,Ogunlowo Street,
Ikeja, Lagos State,
Nigeria

Auditors :-

Lateef Akanbi & Co.
Chartered Accountants
51, Airport Road, P O Box 12820, Kano, Nigeria

Bankers :-

1. ZENITH BANK PLC

KM 37, Lagos Abeokuta
Expressway Sango Ota,
Ogun, Nigeria

2. JAIZ BANK

Nigeria

UMC GLOBAL HEALTH LIMITED

ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

DIRECTORS REPORT

The directors' have pleasure in presenting their report along with the Audited Financial Statements for the financial period ended on 31ST March 2020, which disclose the State of Affairs of the company.

1. PRINCIPAL ACTIVITIES

The principal activity of the company is providing healthcare services, consulting and dealing with pharmaceutical products.

2. COMPOSITION OF THE BOARD OF DIRECTORS

The directors of company at the date of this report and who served the company during the financial year 2020, except otherwise stated are:-

Name	Position	Nationality
Mr. Abhishek Bhageria	Director	Indian
Mr Anurag Shah	Director	Indian
Mr Aditya Bhageria	Director	Jndian

The directors' have an interest in the company to the extent given under the heading 'Capital Structure'.

3. CAPITAL STRUCTURE & SHAREHOLDING OF THE COMPANY

As at 31st March 2020, the Issued share capital of the company consists of 10,000,000 ordinary shares of Ngn. 1.00 K/- each and were held by the following shareholders:-

Name of Shareholder	No. Of Shares
Unihealth Consultancy Private Ltd	500,000
Mr Abhishek Bhageria	250,000
Mr Aditya Bhageria	250,000

4.CORPORATE GOVERNANCE

The Board of Directors consists of three directors. The Board takes overall responsibility for the Company, including responsibility of identifying key risk areas, considering and monitoring investment decisions, considering significant financial matters, and reviewing the performance of management, business plans and budgets. The Board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative, and for compliance with sound corporate governance principles. The Board is meeting at regular intervals. The Board delegates the day to day management of the business to senior management and their team. Senior management is invited to attend the board and management meetings and facilitates the effective control of all the Company's operational activities, as a medium of communication and coordination between all the various business units. The company is committed to the principles of effective corporate governance. The directors recognize the importance of integrity, transparency and accountability.

5. RISK MANAGEMENT AND INTERNAL CONTROL

The Board accepts final responsibility for the risk management and internal control systems of the Company. It is the task of management to ensure that adequate internal financial and operations control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:-

- The efficiency and effectiveness of operations;
- The safeguarding of Company's assets;
- Compliance with applicable Laws and Regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and
- Responsible behavior towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non compliance with such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the company's internal control system is designed to provide the Board with reasonable assurance that the procedures in place are operating efficiently. The Board assessed the internal control systems throughout the financial period ended 31st March 2020 and is of the opinion that they met accepted criteria. The Board carries out risk and internal control assessment through Board Meetings and Management meetings, on regular basis.

6. SOLVENCY

The Board of Directors confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis. The Board of directors has reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

7. OPERATING RESULTS

The financial results for the period ending 31st March 2020 are set out in the financial statements enclosed at Page 8 to 10.

8. RELATED PARTY DISCLOSURE

All the Related Party Transactions are at 'Arm's Length' as disclosed in the ANNEXURE - B.

9. DIVIDENDS

The directors of your company have not declared dividend year ended 31st March 2020

10. AUDITORS

The Auditor has expressed their willingness to be our Auditor and is eligible for appointment.

11. ACKNOWLEDGEMENTS

Your directors wish to place on records, their sincere thanks and deep sense of appreciation for the overwhelming co-operation and assistance received from the Government of Nigeria, the Nigeria Revenue Authority, Nigeria Port Authority, various other Government and Semi Government organizations, the bankers of the company and last but not the least the employees of the company. The management looks forward to the continued support from all for the future.

12. STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Companies Act requires the Directors to prepare financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the operating results for that Period. 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 the responsibility for the financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, consistent with previous years, and in conformity with the Generally Accepted Accounting Principles and the requirements of the Companies Act. The Directors are of the opinion that the financial statements give a true and fair view of the state of financial affairs of the Company as at 31st March, 2020 and of its operating results for the Period then ended. The Directors further confirm the accuracy and completeness of the accounting records maintained by the Company 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.

Approved by the Board of Directors on **28/09/2020** and signed on its behalf by:



Director: Aditya Bhageria

Place: Nigeria

Dated: 28/09/2020



Director: Anurag Shah

Place: Nigeria

Dated: 28/09/2020

**Lateef
Akanbi & Co
Chartered Accountants**

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF UMC GLOBAL HEALTH LIMITED

51, Airport Road,
P. O. Box 12820, Kano.
Tel: 08023665572
Email: ademadeko@yahoo.com

SEPTEMBER, 2020

Opinion

We have audited the financial statements of UMC Global Health Limited, which comprise the Statement of Financial Position as at 31st March 2020, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity for the year then ended, and notes to the financial statement including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31st March 2020 and of its financial performance are in accordance with International Accounting Standards and the Companies Act.

Basis for Opinion

We conducted our audit in accordance with Applicable Standards of Auditing. 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 and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Director's Report as required by the Companies Act which we obtained prior to the date of this report. Other information does not include the Financial Statement and our auditor's report 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 statement 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 the Directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with Accounting Standards and the requirements of the Companies Act 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.

Auditor's responsibilities for the audit of 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 skepticism 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 circumstance, but not for the purpose of expressing an opinion on the effectiveness of the company's internal director.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosure made by the directors.

Lateef Akanbi & Co Chartered Accountants

51, Airport Road,
P. O. Box 12820, Kano.
Tel: 08023665572
Email: ademadeko@yahoo.com

Conclude on the appropriateness of the director's use of the going concern basis of accounting and based on audit evidence obtained, whether a material uncertainty exist 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 on conditions may cause the company to cease to continue as a going concern.

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

Report on other legal and regulatory requirements.

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

- i. 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.
- ii. In our opinion proper books of account have been kept by company, so far as appears from our examination of these books;
- iii. The director's reports is consistent with the financial statements.
- iv. Information specified by the law regarding director's remuneration and transactions with the company is disclosed; and
- v. The Company's Statement of Financial Position and Statement of Profit or Loss and other Comprehensive Income are in agreement with books of accounts.

KANO – NIGERIA




LATEEF AKANBI & CO.
(CHARTERED ACCOUNTANTS)


**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH 2020**

	Notes	APR 2019 To MAR 2020 NGN	APR 2018 To MAR 2019 NGN
Total Revenue	14	395,000,161	229,019,021
Total Income		395,000,161	229,019,021
Cost of Sales	15	119,833,362	49,027,505
Financial Expenses	16	2,588,445	1,266,027
Selling and distribution expenses	17	5,348,098	1,879,025
Administrative Expenses	18	261,939,484	216,862,363
Total Expenses		389,709,390	269,034,919
EBIT		5,290,771	(40,015,898)
Profit / (Loss) before Taxes		5,290,771	(40,015,898)
Accumulated Losses at the start of the Year		(132,658,721)	(92,642,823)
Profit / Loss for the Financial Year		5,290,771	(40,015,898)
Accumulated Losses at End of the Year		(127,367,950)	(132,658,721)

The significant accounting policies on pages 11 to 13 and the notes on pages 14 to 19 form an integral part of these financial statements.

Report of the Independent Auditor's on page 5 to 7.

The financial statements on Pages 8 to 19 were approved by the Board of Directors and signed behalf by:



Name : Aditya Bhageria
Director
Date : 28/09/2020



Name : Anurag Shah
Director
Date : 28/09/2020

STATEMENT OF FINANCIAL POSITION AS ON 31ST MARCH 2020

	Notes	APR 2019 To MAR 2020 NGN	APR 2018 To MAR 2019 NGN
Equity			
Share capital	1	10,000,000	10,000,000
Accumulated loss		(127,367,950)	(132,658,721)
<i>Equity Attributable to owners of the company</i>		(117,367,950)	(122,658,721)
Non Current Liabilities			
Unsecured loan	2	123,011,868	132,176,969
Current liabilities			
Trade and other payables	3	174,224,847	143,136,228
Due to related party	4	30,550,337	29,040,840
Provisions	5	7,916,524	6,770,284
Deposits	6	55,054,733	6,345,247
Total Equity and Liabilities		273,390,360	194,810,847
Non current assets			
Fixed Assets	7	131,770,943	143,962,917
Current assets			
Inventories	8	31,964,225	9,035,778
Trade and other receivables	9	46,717,519	5,025,391
Cash and cash equivalents	10	39,368,085	13,217,174
Prepaid Expenses	11	2,871,798	2,871,798
Share Subscription Amount	12	1,462,500	1,462,500
Misc Exp	13	19,235,290	19,235,290
Total Assets		273,390,360	194,810,847

The significant accounting policies on pages 11 to 13 and the notes on pages 14 to 19 form an integral part of these financial statements.

Report of the Independent Auditor's on page 5 to 7.

The financial statements on Pages 8 to 19 were approved by the Board of Directors and signed behalf by:



Name : Aditya Bhageria
Director
Date : 28/09/2020



Name : Anurag Shah
Director
Date : 28/09/2020

UMC GLOBAL HEALTH LIMITED
ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31stMARCH 2020

Particulars	Share Capital	Retained	Total
As at start of the year	10,000,000	(132,658,721)	(122,658,721)
Issued of shares	-	-	-
	10,000,000	(132,658,721)	(122,658,721)
Net Profit for the year	-	5,290,771	5,290,771
At the end of the year	10,000,000	(127,367,950)	(117,367,950)

The significant accounting policies on pages 11 to 13 and the notes on pages 14 to 19 form an integral part of these financial statements.

Report of the Independent Auditor's on page 5 to 7.

The financial statements on Pages 8 to 19 were approved by the Board of Directors and signed behalf by:



Name : Aditya Bhageria

Director

Date : 28/09/2020



Name : Anurag Shah

Director

Date : 28/09/2020

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Accounting

The accounts are prepared on historical cost basis of accounting modified when necessary to include valuation of assets.

1.2 Adoption of International Financial Reporting Standards (IFRS)

The Company has not adopted the International Financial Reporting Standards for the presentation and preparation of its financial statements. In the circumstances, these financial statements have been prepared under the generally accepted accounting principles.

1.3 Comparative information

The accounting policies have been consistently applied by the company. The comparative figures may have been restated to conform with the comparative presentation.

1.4 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable net of trade discounts and vat .The following specific criteria are used for the purpose of recognition of revenue.

1.4.1 Sales of goods

Revenue from sale of goods is recognized when significant risks and rewards of ownership of the goods have passed to the buyer; with the company retaining neither continuing managerial involvement to the degree usually associated with ownership nor the effective control over the goods sold.

1.4.2 Rendering of services

Revenue from rendering of services is recognized in the accounting period in which the services are rendered or performed.

1.4.3 Others

Other incomes are recognized on accrual basis.

Gains & losses arising from incidental activities to the main revenue generating activities and those arising from group of similar transactions which are not material, are aggregated, reported and presented on net basis

UMC GLOBAL HEALTH LIMITED
ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

1.5 Expenditure recognition

1.5.1 Expenses are recognized in income statement on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in running of the business and in maintains the property, plant and equipment in a state of efficiency have been charged to income in arriving at the profit for the year.

1.5.2 For the purpose of the presentation of the income statement, the directors are of the opinion that the functions of expenses method present fairly the elements of the company's performance and hence such presentation method is adopted.

1.6 Employments Benefits

The Company Contribute in applicable funds for the benefits of employes

1.7 Fixed Assets

All Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost comprises of purchase price and any attributable cost of bringing the asset to its working condition for its intended use. In the case of fixed assets acquired for new projects, all expenditure attributable to the new project up to the date of commercial production is capitalized.

1.8 Depreciation

Depreciation of fixed assets has been calculated on reducing balance method to write off the cost and/or valuation of assets over their estimated useful lives. The annual rates applied which are consistent with those of previous years are as follows:

<u>ASSETS</u>	<u>RATE</u>
Furniture and fittings	20.00%
Medical equipment	25.00%
Motor vehicles	25.00%
Computers and accessories	25.00%

1.11 Borrowings Costs

Borrowing costs attributable to the acquisition or construction of a qualifying asset are included in the cost of that asset. Borrowing costs incurred after the date the qualifying asset is ready for its intended use are recognized as an expense.

1.12 Inventories

Inventories are valued at lower of cost or at net realizable value. In general FIFO method is adopted in valuing stocks. Net realizable value is the value at which stocks may be realized in the normal course of business after allowing for the cost of realization.

1.13 Foreign Currency Transaction

Transaction in foreign currency on non-monetary items during the year is translated in Nigeria Naira at the rate ruling on the date the transaction take place. Monetary items appearing in the books at the end of the year are translated in Nigeria Naira at the rate ruling on the balance sheet date and the resulting gain / loss is taken to the Profit & Loss account

1.14 Previous year figures have been rearranged and regrouped wherever necessary in order to make them comparable with current year figures.

1.15 Taxation

The provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the applicable provision of the income tax act

1.16 Trade and other receivable

Trade receivables are stated at the amounts they are estimated to realize net of provision for bad and doubtful receivable.

1.17 Cash and cash equivalent

Cash and cash equivalent are defined as cash on hand, demand deposits and short term highly liquid investments, readily convertible to known amount of cash and subject to insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalent consists of cash in hand and deposits in banks. Investments with short maturities i.e. three months or less from the date of acquisition are also treated as cash equivalent.

UMC GLOBAL HEALTH LIMITED
ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

	APR 2019 To MAR 2020 NGN	APR 2018 To MAR 2019 NGN
NOTE : 1 SHARE CAPITAL Authorized , Issued and Fully Paid up 10,000,000 shares of NAIRA 1 each	10,000,000	10,000,000
Total Equity	10,000,000	10,000,000
NOTE : 2 LOANS & LIABILITIES Loan from Plenco Aditya Bhageria (Loan)	115,296,868 7,715,000	124,461,969 7,715,000
Total Loans & Liabilities	123,011,868	132,176,969
NOTE : 3 TRADE AND OTHER PAYABLES (CREDITORS) Trade Payable	174,224,847	143,136,228
Total	174,224,847	143,136,228
NOTE : 4 DUE TO RELATED PARTY Unihealth Pharmaceuticals Pvt. Ltd. Aryavarta Trading Pvt.Ltd. Aryavarta FZE	11,542,790 5,912,500 13,095,046	11,542,790 1,328,400 16,169,650
Total	30,550,337	29,040,840
NOTE : 5 PROVISIONS PROFESSIONAL FEES SALARY PAYABLE	(499,360) 8,415,884	1,591,493 5,178,791
Total	7,916,524	6,770,284

UMC GLOBAL HEALTH LIMITED
ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

	APR 2019 To MAR 2020 NGN	APR 2018 To MAR 2019 NGN
NOTE : 6 DEPOSITS Deposits From Patients	55,054,733	6,345,247
Total	55,054,733	6,345,247
NOTE : 7 FIXED ASSETS ANNEXURE NO A ATTACHED	131,770,943	143,962,917
	131,770,943	143,962,917
NOTE : 8 INVENTORIES closing stock	31,964,225	9,035,778
	31,964,225	9,035,778
NOTE : 9 Trade and other Receivables Others Receivable	46,717,519 -	5,025,391 -
Total Receivables	46,717,519	5,025,391
NOTE : 10 CASH AND CASH EQUIVALENTS Cash in hand Cash at bank	3,788,595 35,579,490	910,037 12,307,137
Total Cash and Cash Equivalents	39,368,085	13,217,174

UMC GLOBAL HEALTH LIMITED
ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

	APR 2019 To MAR 2020 NGN	APR 2018 To MAR 2019 NGN
NOTE : 11		
PREPAID EXPENSES		
Prepaid Agency Fee D-4 & E-5	2,871,798	2,833,333
Prepaid (Agency Fees - House No 9)	-	2,849
Prepaid Rent House No 9	-	35,616
Total Prepaid Exp.	2,871,798	2,871,798
NOTE : 12		
Share Subscription Amount		
Bhageria Abhishek Vinod Kumar	1,462,500	1,462,500
Total	1,462,500	1,462,500
NOTE : 13		
MISC. EXPENSES		
Deffered Revenue Exp. Write Off	19,235,290	19,235,290
Total	19,235,290	19,235,290

UMC GLOBAL HEALTH LIMITED
ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

	APR 2019 To MAR 2020 NGN	APR 2018 To MAR 2019 NGN
NOTE : 14		
REVENUE		
D.O.T	-	1,460,000
Normal IPD	164,091,295	81,229,893
Normal OPD	210,110,380	49,345,037
Pathology	-	30,714,065
Pharmacy	31,728,977	27,905,653
Radiology	-	37,772,642
Service Bill(Consultation)	-	10,058,610
LESS :Discount Allowed Sales	10,930,491	9,466,879
Total Revenue	395,000,161	229,019,021
NOTE : 15		
COST OF SALE		
Opening Sock	9,035,778	6,633,152
Purchase	85,554,648	37,500,984
Direct Cost	57,207,162	13,929,147
Closing Stock	31,964,225	9,035,778
Total Cost of Sale	119,833,362	49,027,505
NOTE : 16		
FINANCIAL EXPENSES		
Bank charges	2,588,445	1,266,027
Total Finance Cost	2,588,445	1,266,027
NOTE : 17		
Selling and distribution expenses		
Advertisement Expenses	67,000	1,879,025
Business Promotion Expenses	5,281,098	-
Total Marketing Expenses	5,348,098	1,879,025

UMC GLOBAL HEALTH LIMITED
ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

	APR 2019 To MAR 2020 NGN	APR 2018 To MAR 2019 NGN
NOTE : 18		
ADMINISTRATIVE EXPENSES		
Car Insurance Charges	-	15,917
Car License Charges	-	5,575
Cleaning Charges	8,392,500	9,371,550
Computer Expenses	182,702	79,100
Conveyance Expenses	-	905,157
Depreciation	40,070,656	38,307,460
Electricity Charges	13,806,479	6,518,495
Food Expenses for Staff	857,673	119,235
Gas Cylinder Expenses	310,300	230,050
Hospital General Expenses	2,576,817	1,816,065
Hotel Expenses	2,536,917	1,432,030
Inspection Charges	-	20,000
Insurance Charges	3,383,230	100,000
Labour Charges	-	11,000
Licenses & Registartion Expenses	841,890	1,067,022
Office Expenses	637,002	815,202
Parking Fees	-	10,200
Penalty Charges	-	364,971
Petrol & Fuel Expenses	12,292,050	7,748,442
Plenco Industries Pvt Ltd Exp	-	28,000
Postage & Courier Exp	93,700	152,800
Printing Stationery	3,697,843	2,686,055
Professional Fees A/c	30,219,782	26,435,331
Repairs & Maintenance	13,717,489	14,068,247
Rent Expenses	4,808,000	6,364,384
Salary Allowance	99,464,516	67,750,684
Security Charges	3,805,300	5,622,097
Sponsorship Fees	-	200,000
Staff Welfare	656,075	2,332,035
Telephone & Internet Expense	2,071,600	2,605,734
Television Expenses	259,800	111,700
Travelling Expenses	13,447,055	7,762,849
Transport Charges	2,457,735	345,500
Visa Expenses	-	4,159,447
Water Expenses A/c	670,450	514,200
Agency Fees & Legal Fees (D-4 & E-5)	-	212,917
Legal Fees	347,600	101,151
Deffered Revenue Exp. Write Off	-	6,411,763
Miscellaneous Expenses	334,323	60,000
Round Off	-	(2)
Total Administrative Expenses	261,939,484	216,862,363

UMC GLOBAL HEALTH LIMITED
ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Related party disclosure

The company has following related parties by virtue of common shareholding / directorship

Outside Nigeria

Unihealth Pharmaceuticals Pvt. Ltd
Aryavarta Trading Pvt.Ltd.
Aryavarte FZE

Transactions: 1st April 2019 - 31st March 2020

Trading:

Purchases (including fixed asset purchase) & expenses

<u>Outside Nigeria</u>	NGN
Unihealth Pharmaceuticals Pvt. Ltd	-
Aryavarta Trading Pvt.Ltd.	14,328,000
Aryavarte FZE	11,515,871
	<hr/> 25,843,871 <hr/>

Outstanding Balances :- 1st April, 2019 - 31st March 2020

Trading :-	NGN
Unihealth Pharmaceuticals Pvt. Ltd	11,542,790
Aryavarta Trading Pvt.Ltd.	5,912,500
Aryavarte FZE	13,095,046
	<hr/> 30,550,337 <hr/>

19 Contingent liabilities and commitments

The management does not anticipate any contingent liabilities as at 31st March 2020.

UMC GLOBAL HEALTH LIMITED
ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

ANNEXURE "A" FOR NOTE : 7 - FIXED ASSETS

Sr. No.		Description	Amount	Dep. Rate	Dep from	Dep to	Days	Depreciation Amt	Closing Balance	
1	PLANT & MACHINERY	AC	Air conditioner	33,082	25	01/Apr/19	31/Mar/20	366	8,293	24,789
			Air conditioner (LG SPL 1.5 HP JETCOOL GOLD)	162,545	25	01/Apr/19	31/Mar/20	366	40,747	121,797
			Air conditioner (LG SPL 1.5 HP JETCOOL SILVER)	100,027	25	01/Apr/19	31/Mar/20	366	25,075	74,952
			Air conditioner (LG SPL 10 HP JETCOOL SILVER)	71,895	25	01/Apr/19	31/Mar/20	366	18,023	53,872
			Air conditioner	50,014	25	01/Apr/19	31/Mar/20	366	12,538	37,476
2	PLANT & MACHINERY	CAR	Motor Car Honda Accord 2007	1,391,006	25	01/Apr/19	31/Mar/20	366	348,704	1,042,302
			Motor Car Peugeot 406	1,578,557	25	01/Apr/19	31/Mar/20	366	395,721	1,182,837
3	PLANT & MACHINERY	Computer & printer	Scanner-2	25,007	25	01/Apr/19	31/Mar/20	366	6,269	18,738
			Scanner-1	25,007	25	01/Apr/19	31/Mar/20	366	6,269	18,738
			Photo Copy Machine-	125,034	25	01/Apr/19	31/Mar/20	366	31,344	93,690
			Laptop(500Gb:2gb Ram)	68,769	25	01/Apr/19	31/Mar/20	366	17,239	51,530
			HP P 2015 Printer-2 (Cardiology Dept)	14,517	25	01/Apr/19	31/Mar/20	366	3,639	10,878
			HP P 2015 Printer-2 (Pharmacy Dept)	14,517	25	01/Apr/19	31/Mar/20	366	3,639	10,878
			HP P 2014 Printer-2 (Office)	24,668	25	01/Apr/19	31/Mar/20	366	6,184	18,484
			HP P 2014 Printer-1 (Office)	10,572	25	01/Apr/19	31/Mar/20	366	2,650	7,922
			HP Laser Printer (HR)	14,301	25	01/Apr/19	31/Mar/20	366	3,585	10,716
			HP Laser Printer (Marketing Dept)	14,291	25	01/Apr/19	31/Mar/20	366	3,583	10,709
			HP Laserjet Printer Pro 1102-2	32,509	25	01/Apr/19	31/Mar/20	366	8,149	24,359
			HP Laserjet Printer Pro 1102-3	32,509	25	01/Apr/19	31/Mar/20	366	8,149	24,359
			HP Laserjet Printer Pro 1102-4	32,509	25	01/Apr/19	31/Mar/20	366	8,149	24,359
			HP Laserjet Printer Pro 1102-5	32,509	25	01/Apr/19	31/Mar/20	366	8,149	24,359
			HP Laserjet Printer Pro 1102-6	32,509	25	01/Apr/19	31/Mar/20	366	8,149	24,359
			HP Laserjet Printer Pro 1102-7	32,509	25	01/Apr/19	31/Mar/20	366	8,149	24,359
			HP Laserjet Printer Pro 1102-8	32,509	25	01/Apr/19	31/Mar/20	366	8,149	24,359
			HP Laserjet Printer Pro 1102-9	32,509	25	01/Apr/19	31/Mar/20	366	8,149	24,359
			HP Laserjet Printer Pro 1102-15	32,509	25	01/Apr/19	31/Mar/20	366	8,149	24,359
			HP Laserjet Printer Pro 1102-14	32,509	25	01/Apr/19	31/Mar/20	366	8,149	24,359
			HP Laserjet Printer Pro 1102-13	32,509	25	01/Apr/19	31/Mar/20	366	8,149	24,359
			HP Laserjet Printer Pro 1102-12	32,509	25	01/Apr/19	31/Mar/20	366	8,149	24,359
			HP Laserjet Printer Pro 1102-11	32,509	25	01/Apr/19	31/Mar/20	366	8,149	24,359
			HP Laserjet Printer Pro 1102-10	32,509	25	01/Apr/19	31/Mar/20	366	8,149	24,359
			HP Laserjet Printer Pro 1102-1	32,509	25	01/Apr/19	31/Mar/20	366	8,149	24,359
			HP Laserjet Printer	36,260	25	01/Apr/19	31/Mar/20	366	9,090	27,170
			HP Laser 204 Nw Printer (Laboratory Dept)	20,851	25	01/Apr/19	31/Mar/20	366	5,227	15,624
HP Laserjet Ink Advantage 015	3,751	25	01/Apr/19	31/Mar/20	366	940	2,811			
Canon 2900 Printer	13,469	25	01/Apr/19	31/Mar/20	366	3,377	10,093			

4	FURNITURE & FITTINGS	Disel Tank	Disel Tank	173,370	20	01/Apr/19	31/Mar/20	366	34,769	138,601
5	FURNITURE & FITTINGS	Electrical Fittings &	Electric Fitting & Fixture	691,914	20	01/Apr/19	31/Mar/20	366	138,762	553,152
			Electric Fitting & Fixture	471,856	20	01/Apr/19	31/Mar/20	366	94,630	377,226
6	FURNITURE & FITTINGS	Furniture & Fixture	Furniture & Fixture	934,464	20	01/Apr/19	31/Mar/20	366	187,405	747,059
			Furniture & Fixture	208,044	20	01/Apr/19	31/Mar/20	366	41,723	166,321
			Furniture & Fixture	485,436	20	01/Apr/19	31/Mar/20	366	97,353	388,083
			Furniture & Fixture	138,696	20	01/Apr/19	31/Mar/20	366	27,815	110,881
			Furniture & Fixture	970,871	20	01/Apr/19	31/Mar/20	366	194,706	776,165
			Furniture & Fixture	445,237	20	01/Apr/19	31/Mar/20	366	89,291	355,945
			Furniture & Fixture	570,564	20	01/Apr/19	31/Mar/20	366	114,426	456,139
			Furniture & Fixture	327,649	20	01/Apr/19	31/Mar/20	366	65,709	261,940
			Furniture & Fixture	919,890	20	01/Apr/19	31/Mar/20	366	184,482	735,408
7	PLANT & MACHINARY	House Generator	Generator	150,041	25	01/Apr/19	31/Mar/20	366	37,613	112,428
			Invertor Batteries 2	442,934	25	01/Apr/19	31/Mar/20	366	111,037	331,897
			Invertor Batteries 1	211,120	25	01/Apr/19	31/Mar/20	366	52,925	158,196
			Generator(Maxi Gen 5.0 KW Key+Wheel+Handle)	122,346	25	01/Apr/19	31/Mar/20	366	30,670	91,676
8	PLANT & MACHINARY	Medical Equipments	CT Scanner (With lead glass injector &	33,230,528	25	01/Apr/19	31/Mar/20	366	8,330,393	24,900,135
			Hitachi 0.2 T (Permanent Magnet MRI Cabel & Wire Installation)	1,017,074	25	01/Apr/19	31/Mar/20	366	254,965	762,109
			Hitachi 0.2 T (Permanent Magnet MRI)	50,350,882	25	01/Apr/19	31/Mar/20	366	12,622,207	37,728,674
			Oxygen Cylinder - 1 (Big)	19,562	20	01/Apr/19	31/Mar/20	366	3,923	15,639
			Refridgerator	100,965	25	01/Apr/19	31/Mar/20	366	25,310	75,655
			Leadsheet (CT Scanner)	3,126,627	25	01/Apr/19	31/Mar/20	366	783,798	2,342,829
9	FURNITURE & FITTINGS	Office Equipment	Mercury UPS -1500VA	82,523	25	01/Apr/19	31/Mar/20	366	20,687	61,835
			Mercury UPS -650VA	87,525	25	01/Apr/19	31/Mar/20	366	21,941	65,584
			Money Counting Machine	31,259	25	01/Apr/19	31/Mar/20	366	7,836	23,423
			Water Dispenser	12,503	25	01/Apr/19	31/Mar/20	366	3,134	9,369
			Water Dispenser-1(Gasa-Gwd-10603dx)	34,384	25	01/Apr/19	31/Mar/20	366	8,620	25,765
			Water Dispenser-2(Gasa-Gwd-10603dx)	34,384	25	01/Apr/19	31/Mar/20	366	8,620	25,765
			Water Dispenser-3(Gasa-Gwd-10603dx)	34,384	25	01/Apr/19	31/Mar/20	366	8,620	25,765
			Water Dispenser (Sushito)	22,819	25	01/Apr/19	31/Mar/20	366	5,720	17,098
			Wall Fan - STC-C-16-1	4,254	25	01/Apr/19	31/Mar/20	366	1,066	3,188
			Wall Fan - STC-C-16-2	4,254	25	01/Apr/19	31/Mar/20	366	1,066	3,188
			Office Telephone - Huawai F316-1	13,186	25	01/Apr/19	31/Mar/20	366	3,305	9,880
			Office Telephone - Huawai F316-2	13,186	25	01/Apr/19	31/Mar/20	366	3,305	9,880
			White Goods	540,898	25	01/Apr/19	31/Mar/20	366	135,595	405,303
			10	FURNITURE & FITTINGS	webcam	Webcam-C110/210-Logitech	4,781	25	01/Apr/19	31/Mar/20
11	FURNITURE & FITTINGS	Office Equipment	Office Tabale	102,132	20	01/Apr/19	31/Mar/20	366	20,482	81,649
12	FURNITURE & FITTINGS	Office Equipment	Olympic Chairs	60,243	20	01/Apr/19	31/Mar/20	366	12,082	48,162
13	FURNITURE & FITTINGS	Office Equipment	Executive Chairs	39,353	20	01/Apr/19	31/Mar/20	366	7,892	31,461
14	FURNITURE & FITTINGS	Office Equipment	Pan Ceiling Fan (5622)	45,990	20	01/Apr/19	31/Mar/20	366	9,223	36,767
15	FURNITURE & FITTINGS	Office Equipment	Inverter (Luminous 1.5KVA/24V)	57,189	20	01/Apr/19	31/Mar/20	366	11,469	45,720
16			Battery Genus 200ah -1 (Inverter)	87,418	20	01/Apr/19	31/Mar/20	366	17,531	69,886
17			Battery Genus 200ah -2 (Inverter)	87,418	20	01/Apr/19	31/Mar/20	366	17,531	69,886
18			Battery Rack	6,536	20	01/Apr/19	31/Mar/20	366	1,311	5,225
19	FURNITURE & FITTINGS	Office Equipment	Mercury UPS-650 Pro - 1	11,607	20	01/Apr/19	31/Mar/20	366	2,328	9,279
20			Mercury UPS-650 Pro - 2	11,607	20	01/Apr/19	31/Mar/20	366	2,328	9,279
21			Mercury UPS-650 Pro - 3	11,607	20	01/Apr/19	31/Mar/20	366	2,328	9,279
22	FURNITURE & FITTINGS	Office Equipment	Mercury UPS - 650VA-11	8,427	20	01/Apr/19	31/Mar/20	366	1,690	6,737
23	FURNITURE & FITTINGS	Office Equipment	Mercury UPS - 2000 Pro	32,398	20	01/Apr/19	31/Mar/20	366	6,497	25,900

24	FURNITURE & FITTINGS	Office Equipment	Mercury 3 Kva Ups	86,696	20	01/Apr/19	31/Mar/20	366	17,387	69,309
25	FURNITURE & FITTINGS	Office Equipment	Mercury 650 Pro UPS	14,333	20	01/Apr/19	31/Mar/20	366	2,874	11,459
26	FURNITURE & FITTINGS	Office Equipment	Chest Freezer (Scan Cost 1114)	59,680	20	01/Apr/19	31/Mar/20	366	11,969	47,711
27	FURNITURE & FITTINGS	Office Equipment	Hauwai Tablet (Telephone)	8,942	20	01/Apr/19	31/Mar/20	366	1,793	7,149
28	FURNITURE & FITTINGS	Office Equipment	Huawei F501 (Office Telephone)	10,120	20	01/Apr/19	31/Mar/20	366	2,030	8,090
29			L Com Gsm - 1 (Office Telephone)	10,120	20	01/Apr/19	31/Mar/20	366	2,030	8,090
30			L Com Gsm - 2 (Office Telephone)	10,120	20	01/Apr/19	31/Mar/20	366	2,030	8,090
31	FURNITURE & FITTINGS	Office Equipment	CUG Phone (Model-5656)	10,442	20	01/Apr/19	31/Mar/20	366	2,094	8,348
32	FURNITURE & FITTINGS	Office Equipment	Water Dispenser - 2 (Sushito)	31,170	20	01/Apr/19	31/Mar/20	366	6,251	24,919
33	FURNITURE & FITTINGS	Office Equipment	Router WD N 750	11,718	20	01/Apr/19	31/Mar/20	366	2,350	9,368
34	FURNITURE & FITTINGS	Furniture & Fixture	Furniture & Fixture	527,836	20	01/Apr/19	31/Mar/20	366	105,856	421,979
35	FURNITURE & FITTINGS	Furniture & Fixture	Physiotherapy Table (Bed Terractor)	28,603	20	01/Apr/19	31/Mar/20	366	5,736	22,867
36	PLANT & MACHINARY	Medical Equipments	Leadsheet 2mm Pure(Xray Room)	1,702,179	25	01/Apr/19	31/Mar/20	366	426,711	1,275,468
37			Centerfuse Machine - Lab	29,223	25	01/Apr/19	31/Mar/20	366	7,326	21,897
38			Electrolytes Analyser	1,039,726	25	01/Apr/19	31/Mar/20	366	260,644	779,082
39			L.G Refrigerator(LG REF 292 RLBN)	103,932	25	01/Apr/19	31/Mar/20	366	26,054	77,877
40	PLANT & MACHINARY	Television	LG Home Theater System(LG AUD 655)	59,279	25	01/Apr/19	31/Mar/20	366	14,860	44,419
41			LG TV (TV 49 UJ630V -	177,068	25	01/Apr/19	31/Mar/20	366	44,388	132,680
42	PLANT & MACHINARY	Medical Equipments	Maxi Gas Cooker	38,493	25	01/Apr/19	31/Mar/20	366	9,650	28,843
43			AC Brakete & Installtion	12,318	25	01/Apr/19	31/Mar/20	366	3,088	9,230
44			Endoscopy & Colonoscopy Unit	8,534,240	25	01/Apr/19	31/Mar/20	366	2,139,405	6,394,835
45			HV TANK - 2	195,719	25	01/Apr/19	31/Mar/20	366	49,064	146,655
46			Oxygen Cylinder - Small	37,356	20	01/Apr/19	31/Mar/20	366	7,492	29,864
47			Oxygen Cylinder - 2 Big	20,301	20	01/Apr/19	31/Mar/20	366	4,071	16,230
48			Oxygen Cylinder - 3 Big	20,301	20	01/Apr/19	31/Mar/20	366	4,071	16,230
49			Installation of MRI (Hitachi 0.2T)	4,889,236	25	01/Apr/19	31/Mar/20	366	1,225,658	3,663,578
50			LED OT Light ME - 403H	861,017	25	01/Apr/19	31/Mar/20	366	215,844	645,173
51			OT Tabel ME - 1500 E	1,345,339	25	01/Apr/19	31/Mar/20	366	337,256	1,008,083
52			Stryker 1288 HD3 Chip Camera	5,740,115	25	01/Apr/19	31/Mar/20	366	1,438,960	4,301,154
53			Stryker 1288 Camera HD	143,503	25	01/Apr/19	31/Mar/20	366	35,974	107,529
54			LED Light Source (Fiber Optic Cable & Code)	287,006	25	01/Apr/19	31/Mar/20	366	71,948	215,058
55			Strayker 10mm (30degree Laparoscope)	2,009,040	25	01/Apr/19	31/Mar/20	366	503,636	1,505,404
56			Suction Machine with Foot Option - 1	125,565	25	01/Apr/19	31/Mar/20	366	31,477	94,087
57			Suction Machine with Foot Option - 2	125,565	25	01/Apr/19	31/Mar/20	366	31,477	94,087
58			Co2 Tubing Regulator (Co2 Endofialtor 30ltr)	430,509	25	01/Apr/19	31/Mar/20	366	107,922	322,587
59			Fumigation Machine	251,130	25	01/Apr/19	31/Mar/20	366	62,955	188,176
60			Electric Cautery Machine	538,136	25	01/Apr/19	31/Mar/20	366	134,903	403,233
					Hitachi 0.2T (RF Sheild Magnet)	10,314,308	25	01/Apr/19	31/Mar/20	366
61			ICU Setup	27,878,683	25	16/Aug/19	31/Mar/20	229	4,372,752	23,505,930
62	PLANT & MACHINARY	AC	LG Air Conditioner (LG SPLIT HP GENCOOL-B)	99,312	25	01/Apr/19	31/Mar/20	366	24,896	74,416
63		AC	LG Air Conditioner (LG SPLIT HP JETCOOL GOLD)	83,145	25	01/Apr/19	31/Mar/20	366	20,843	62,302
64		AC	Air Conditioner - MTB36CE-RN1	1,124,625	25	01/Apr/19	31/Mar/20	366	281,927	842,698

65	PLANT & MACHINARY	House Generator	Generator 2WH	138,082	25	01/Apr/19	31/Mar/20	366	34,615	103,467
66	PLANT & MACHINARY	Computer & Printer	Printer Laseerget 400	22,277	25	01/Apr/19	31/Mar/20	366	5,585	16,693
67	PLANT & MACHINARY	Car	Honda Accord Car (Ash Colour)	1,776,986	25	01/Apr/19	31/Mar/20	366	445,464	1,331,523
		TOTAL		171,841,601					40,070,656	131,770,943

JR & ASSOCIATES
Certified Public Accountant of Uganda

UNIHEALTH (U) LIMITED

INCORPORATED IN UGANDA

**DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2020**

UNIHEALTH (U) LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE, 2020

The reports and statements set out below comprise the annual financial statements presented to the shareholders

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UNIHEALTH (U) LIMITED
COMPANY INFORMATION

DIRECTORS :-

Mr. Akshay Parmar
Mr. Anurag Shah

REGISTERED OFFICE :-

Plot 50, Kira Road,
Kampala, Uganda.

AUDITORS :-

JR & Associates
Certified Public Accountant of Uganda
Kampala, Uganda.

PRINCIPAL BANKERS : -

Bank of Baroda (U) Limited
Kampala, Uganda.

Diamond Trust Bank Limited
Kampala, Uganda.

TAX IDENTIFICATION NUMBER (TIN):-

1009190689

UNIHEALTH (U) LIMITED

Annual Financial Statements for the year ended June 30, 2020

Directors' Report

The directors submit their report together with the audited financial statements for the year ended 30th June, 2020 which disclose the state of affairs of Unihealth (U) Limited.

Principal activities

The Company provides health care services.

Results and dividends

A summary of the results for the year is given on page 4 of the accounts. The directors do not recommend any payment of dividend.

Statutory requirements

Share capital

The authorised Equity Share Capital of the Company is U.Shs. 680,000,000/- divided into 6800 Ordinary Equity Shares of U shs 100,000/- each.


Directors

The Directors who held office during the period and to the date are shown on Page 1.

Auditors

JR & Associates; Certified Public Accountants of Uganda have been appointed as auditors of the Company in accordance with section 167(1) of the Companies Act, 2012.

By Order of the Board


.....
Director

Date: 26.04.2021

Place: Kampala.

UNIHEALTH (U) LIMITED**Annual Financial Statements for the year ended June 30, 2020****Directors' Responsibilities and Approval**

The directors are required in terms of the Companies Act, 2012 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above approach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by the management , that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to June 30, 2020 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independantly reviewing and reporting on the company's annual financial statements.

The annual financial statements have been examined by the company's external auditors and their report is presented on page 4.

The annual financial statements set out on pages 2 to 15, which have been prepared on the going concern basis, were approved by the board on 26.04.2021 and were signed on its behalf by:-


.....

Director

Date: 26.04.2021

Place: Kampala.


.....

Director



P.O.Box 8235
Kampala - Uganda

JR & ASSOCIATES

Certified Public Accountants

Plot No. 70, Bukoto Street - Kamwokya "Africa 2000 Network Building"

Tel: 0778 693 640

0778 693 643

Mob: 0700 485 088

0759 779 926 / 0782 725 587

THIS FIRM IS LICENSED AND REGULATED BY THE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF UGANDA

Report of the independent auditor to the members of UniHealth Uganda Limited

Opinion

We have audited the financial statements of Unihealth(U) Limited, set out on pages to which comprise the statement of financial position as at 30th June, 2020 statement of profit or loss and retained earnings, 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 give a true and fair view of the financial position of Unihealth(U) Limited as at 30th June, 2020 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards(IFRS) and the requirements of the Ugandan Companies Act, 2012.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Uganda, and we have fulfilled our other 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 directors' report, the schedule of other operating expenditure 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 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.

Directors' responsibility for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the International Financial Reporting Standards and the Ugandan Companies Act, 2012, and 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.

**Report of the independent auditor to the members of UniHealth Uganda Limited
(continued)**

Directors' responsibility for the financial statements (continued)

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 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 skepticism throughout the audit. We also:

(i) 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.

(ii) 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.

(iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

(iv) Conclude on the appropriateness of 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.

(v) 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 those charged with governance 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 of the independent auditor to the members of UniHealth Uganda Limited
(continued)**

Report on other legal and regulatory requirements

As required by the Ugandan Companies Act, 2012, we report to you, based on our audit, that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) in our opinion proper books of account have been kept by the company, so far as appears from our examination of those books; and
- (iii) the company's statement of financial position and statement of profit or loss and retained earnings are in agreement with the books of account.

Signed JR & Associates Date _____
Jr & Associates
Certified Public Accountants
Kampala



UNILHEALTH (U) LIMITED
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH JUNE, 2020.

	Note	U.Shs. In '000'	
		30TH JUNE	
		2020	2019
Sales Revenue / Income	2	-	-
Cost of Sales	3	-	-
Gross Profit / (Loss)		-	-
Other Income	4	-	6,535
		-	6,535
Overheads			
Administration expenses	5	(3,910)	(5,469)
Other Operating Expenses	6	-	-
Employment Expenses	7	-	-
Finance Costs	8	(477)	(704)
OPERATING PROFIT / (LOSS)		(4,387)	362
Net Profit before Tax		(4,387)	362
Tax	8	-	-
Net Profit After Tax		(4,387)	362
Deferred Tax	9	-	-
Prior Period Tax Arrears		-	-
Prior Period Adjustment		-	-
Net Profit after Tax		(4,387)	362
Add : Balance B/F		(249,794)	(250,156)
Balance C/F to Balance Sheet		(254,180)	(249,794)

The accounting policies on pages 9, 9A & 9B and the notes on pages 10 to 15 form an integral part of the annual financial statements.

UNIHEALTH (U) LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2020

ASSETS	Note	As at 30th June			
		2020		2019	
		U.Shs. In '000'		U.Shs. In '000'	
Non-current assets					
Property, plant and equipment	11	21,689		24,099	
			21,689		24,099
Investments					
Fixed Deposits	13	-		-	
			-		-
Current Assets					
Inventories	14	-		-	
Trade/Other Receivables	15	608,621		608,621	
Cash and bank balances	16	142,461		142,937	
Withholding Tax/Prepaid Tax	17	6,367		6,367	
			757,448		757,925
Total Assets			779,138		782,024
EQUITY AND LIABILITIES					
Capital employed					
Share capital	18	680,000		680,000	
Share Application Money	18	-		-	
Retained earnings		(254,180)		(249,794)	
			425,820		430,206
Non current liabilities					
Borrowings	19	271,096		270,546	
			271,096		270,546
Deferred Tax Liability					
Deferred Tax	12	-		-	
			-		-
Current liabilities					
Trade and other payables	20	75,951		75,001	
Bank overdraft	21	-		-	
Taxation	22	6,272		6,272	
			82,223		81,273
Total equity and liabilities			779,138		782,024

The report of the Auditor is on Page 4

The accounting policies on pages 9, 9A & 9B and the notes on pages 10 to 15 form an integral part of the annual financial statements.

The accounts were approved by the Board on 26.04.2021 & were signed on its behalf by:

.....DIRECTOR

.....DIRECTOR

UNIHEALTH (U) LIMITED

STATEMENT OF CHANGES IN EQUITY
30TH JUNE, 2020

	Share Capital U.Shs.'000	Retained/Earnings (Deficit) U.Shs.'000	Total U.Shs.'000
Balance at 1st July, 2018			
As previously stated	680,000	(250,156)	429,844
Net Profit/(Loss) for the period	-	-	-
As restated	680,000	(250,156)	429,844
Issue of share capital	-	-	-
Share Application Money	-	-	-
Net profit / (loss) for the period	-	362	362
Prior Year Adjustment	-	-	-
Deferred Tax	-	-	-
Taxation	-	-	-
Balance as at 30th June, 2019	680,000	(249,794)	430,206
Balance as at 1st July, 2019			
As previously stated	680,000	(249,794)	430,206
Prior year adjustment	-	-	-
As restated	680,000	(249,794)	430,206
Share Application Money	-	-	-
Share Allotment	-	-	-
Net profit / (loss) for the year	-	(4,387)	(4,387)
Prior Period Items	-	-	-
Prior year adjustment	-	-	-
Deferred Tax	-	-	-
Taxation	-	-	-
Balance at 30th June, 2020	680,000	(254,180)	425,820

The accounting policies on pages 9, 9A & 9B and the notes on pages 10 to 15 form an integral part of the annual financial statements.

UNIHEALTH (U) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED
30TH JUNE, 2020

	Note	U.Shs. In '000'	
		30TH JUNE	30TH JUNE
		2020	2019
OPERATING ACTIVITIES			
Cash Generated from Operations	23	5,245	154,888
Tax Paid		(6,367)	(6,367)
Other Adjustments		95	95
Net cash from operating activities		(1,027)	148,616
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		-	-
Fixed Deposit		-	-
Proceeds from disposal of fixed assets		-	-
Net cash used in investing activities		-	-
FINANCING ACTIVITIES			
Issue of share capital		-	-
Share Application Money		-	-
Long term borrowings		550	(151,320)
Net cash (used) / from financing activities		550	(151,320)
(DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		(477)	(2,704)

MOVEMENTS IN CASH AND CASH EQUIVALENTS		
At the start of the year	142,937	145,640
(Decrease) / Increase	(477)	(2,704)
At the end of the period	142,461	142,937

The accounting policies on pages 9, 9A & 9B and the notes on pages 10 to 15 form an integral part of the annual financial statements.

UNIHEALTH (U) LIMITED

Annual Financial Statements for the year ended June 30, 2020

ACCOUNTING POLICIES

Note**1 Significant Accounting Policies****a) Basis of Preparation**

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards (IFRS).

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain property, plant and equipment, if revaluation is made. No revaluation is made during the year under review

b) Revenue Recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods, in the ordinary course of business and is stated net of Value Added Tax (VAT) and discounts.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when the specific criteria have been met for sale of goods and services. The amount of revenue is not considered to be reliably measured until all contingencies relating to the sale have been resolved. The company bases its estimates on historical results, taking into consideration the type of customer, type of transaction and specifics of each arrangement.

Sales are recognised on delivery of goods, raising of invoices or cash sales.

c) Property, Plant and Equipment

All property, plant and equipment is stated at historical cost less depreciation.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to the company and the cost can be reliably measured. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated on the Reducing Balance Method to write down the cost of each asset to its residual values over its estimated useful life. The annual rates are as follows :

	Rates	
Motor Vehicles	20.00	%
Furniture & Equipment	10.00	%
Office Equipments	10.00	%

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

d) Translation of Foreign Currencies

Transactions in foreign currencies during the year are converted into Uganda Shillings (functional currency) at rates ruling at the transaction dates. Assets and liabilities at the balance sheet date which are expressed in foreign currencies are translated into Uganda Shillings at rates ruling at that date. The resulting differences from conversion and translation are dealt with in the income statement in the year in which they arise.

e) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the first-in first-out (FIFO) method. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

UNIHEALTH (U) LIMITED

Annual Financial Statements for the year ended June 30, 2020

ACCOUNTING POLICIES

(Continued)

f) Trade Receivables

Trade Receivables are carried at original invoiced amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the year end.

g) Trade Payables

Trade Payables are recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

h) Taxation**CURRENT TAX ASSETS & LIABILITIES**

Current Income Tax is the amount of income tax payable on the taxable profit for the year determined in accordance with the Uganda Income Tax Act.

DEFERRED TAX

A deferred tax liability is recognised for all taxable temporary differences, except that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of the unused tax losses and unused STC credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and used STC credits can be utilised.

TAX EXPENSE

Taxation expense is the aggregate of the charge to the statement of comprehensive income in respect of current income tax and deferred income tax.

i) Retirement Benefit Obligations

The company makes a contribution to a statutory pension scheme, National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The company's contribution under the scheme is limited to contributions legislated from time to time.

The company's contribution to the scheme is charged to the income statement in the year in which it is made./

j) Employee Entitlements

Employee entitlements to gratuity and long service awards are recognised when they accrue to employees. No such provision is made for the estimated liability for such entitlements at the balance sheet date.

k) Share Capital

Ordinary Shares are classified as Equity.

l) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at call with banks and investments in money market instruments with less than 90 days maturity from the date of acquisition, net of bank overdrafts.

UNIHEALTH (U) LIMITED
Annual Financial Statements for the year ended June 30, 2020
ACCOUNTING POLICIES

(Continued)

m) Regrouping/Reclassification/Rearrangement

Previous years figures have been regrouped/reclassified/rearranged wherever necessary to confirm to this years classification.

2 New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, company has adopted applicable standards and interpretations that are effective for the current financial year and that are relevant to its operations.

2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after July 01, 2016 or later periods :

<u>Standard/Interpretation :</u>	Effective date : Years beginning on or After	Expected Impact
IFRS 9 Financial Instruments	January 01, 2018	Unlikely there will be a material impact
IFRS 15 Revenue from Contracts with Customers	January 01, 2017	Unlikely there will be a material impact
Amendments to IAS 16 and IAS 18 : Clarification of Acceptable Methods of Depreciation and Amortization	January 01, 2016	Impact is currently being assessed
Amendment to IFRS 7: Financial Instruments Disclosures: Annual Improvements project	January 01, 2016	Unlikely there will be a material impact
Amendment to IAS 19: Employee Benefits : Annual Improvements project	January 01, 2016	Unlikely there will be a material impact
Disclosure Initiative : Amendment to IAS 1: Presentation of Financial Statements	January 01, 2016	Not expected to impact results but may result in additional disclosure

UNIHEALTH (U) LIMITED

Annual Financial Statements for the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS

	2020 U.Shs. In '000'	2019 U.Shs. In '000'
2 Sales Revenue/Income		
Standard rated sales	-	-
	-	-
3 Cost of sales		
Opening Stock	-	-
Add : Purchases	-	-
Outsource Cost	-	-
Discount Allowed	-	-
Garbage & Biowaste Collection	-	-
Insurance	-	-
Laundry	-	-
Expatriate Wages	-	-
Outsourced Services-Cost	-	-
Utilities	-	-
NDA Fees	-	-
Consumables	-	-
	-	-
Less : Closing Stock	-	-
Cost of sales	-	-
4 Other Income		
Realised Exchange Gain	-	-
Interest Income	-	-
Other Income	-	6,535
Unrealised Exchange Gain	-	-
Discount Received	-	-
	-	6,535
5 Administration expenses		
Audit fees	1,500	1,500
Professional Fees	-	1,291
Depreciation	2,410	2,678
Office Expenses	-	-
Subscription and Periodicals	-	-
Communication Expenses	-	-
Penalties	-	-
Printing & Stationery Expenses	-	-
Travelling Expenses	-	-
	3,910	5,469
6 Other Operating Expenses		
Marketing Expenses	-	-
Insurance	-	-
Rent	-	-
Security Expenses	-	-
Repairs and Maintenance	-	-
License Fees	-	-
	-	-

UNIHEALTH (U) LIMITED

Annual Financial Statements for the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS

Note	2020 U.Shs.In '000'	2019 U.Shs.In '000'
7 Employment Costs		
Salary & Wages	-	-
Other Staff Costs	-	-
Co's Contribution to NSSF	-	-
	<u>-</u>	<u>-</u>
8 Finance Costs		
Realised Foreign Exchange Loss	-	-
Unrealised Foreign Exchange Loss	-	-
Bank charges	477	704
Bank Interest	-	-
	<u>477</u>	<u>704</u>
9 Taxation		
Current tax	-	-
	<u>-</u>	<u>-</u>
10 Deferred Tax		
Current tax	-	-
	<u>-</u>	<u>-</u>

11 Property, plant and equipment

	Motor Vehicles	Furniture & Fixture	Computers & Assec	Office Equipment	Total
	U.Shs.'000	U.Shs.'000	U.Shs.'000	U.Shs.'000	U.Shs.'000
W.D.V					
1st July, 2019					
Net Book Value	-	24,099	-	-	24,099
Additions	-	-	-	-	-
Adjustments	-	-	-	-	-
Disposal	-	-	-	-	-
	-	24,099	-	-	24,099
DEPRECIATION					
Charge for the Year	-	2,410	-	-	2,410
Total	-	2,410	-	-	2,410
Net book value					
30th June, 2020	-	21,689	-	-	21,689
30th June, 2019	-	24,099	-	-	24,099

UNIHEALTH (U) LIMITED

Annual Financial Statements for the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS**Note**

	2020 U.Shs. In '000'	2019 U.Shs. In '000'
12 Deferred Tax (Asset)/Liability		
Opening	-	-
Prior Period adjustment	-	-
During the year	-	-
Closing	<u>-</u>	<u>-</u>
13 Investments		
Fixed Deposits	<u>-</u>	<u>-</u>
14 Inventories		
Stock of Trading Goods	<u>-</u>	<u>-</u>
15 Trade/Other Receivables		
Trade Receivables	440,671	440,671
Prepayments	-	-
Deposits (Other than Fixed Deposits)	-	-
Advances to suppliers	-	-
Loans	-	-
Other Receivables	167,950	167,950
	<u>608,621</u>	<u>608,621</u>
16 Cash and bank balances		
Cash on hand	135,773	135,773
Cash at bank	6,688	7,165
	<u>142,461</u>	<u>142,937</u>
17 Withholding Tax/Provisional Tax		
At the beginning of the year	6,367	6,367
Prior year adjustment	-	-
WHT	-	-
During the year	-	-
	<u>6,367</u>	<u>6,367</u>
18 Share capital		
Authorised Issued & Paid Up Share Capital 6800 Ordinary shares of Shs. 100,000 each	680,000	680,000
	<u>680,000</u>	<u>680,000</u>
19 Borrowings		
Other Borrowings	-	-
Related Parties	271,096	270,546
	<u>271,096</u>	<u>270,546</u>
Loan's are interest free and has no fixed repayment schedule		
20 Trade and other payables		
Trade Payables	26,501	27,051
Other Payables	49,449	47,949
	<u>75,951</u>	<u>75,001</u>
21 Bank Overdraft		
Bank overdraft	-	-
	<u>-</u>	<u>-</u>
22 Provision for Taxation		
Balance at year end	6,272	6,272
	<u>6,272</u>	<u>6,272</u>

UNIHEALTH (U) LIMITED

Annual Financial Statements for the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS**23 Cash generated from operations**

	2020 U.Shs. In '000'	2019 U.Shs. In '000'
Operating profit/(loss) before taxation	(4,387)	362
Adjustments for:		
Depreciation	2,410	2,678
Other Adjustments	6,272	6,272
Changes in working capital		
Inventories	-	-
Trade and other receivables	-	174,518
Trade and other payables	950	(28,942)
Cash generated/(used) from/in operations	5,245	154,888

24 Movement in cash and cash equivalent**At the beginning of the year**

Cash at bank and in hand	142,937	145,640
Bank overdraft		
Net balance at the beginning of the year	142,937	145,640
(Decrease)/Increase for the year	(477)	(2,704)

At the end of the year

Cash at bank and in hand	142,462	142,937
Bank overdraft		-
Net balance at the end of the year	142,462	142,937

25 Related Parties**Relationships****Members of key Management****Mr. Akshay Parmar
Mr. Anurag Shah**

UNIHEALTH (U) LIMITED

Annual Financial Statements for the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS

26 Country of incorporation and registered office

The company is incorporated in Uganda under the Ugandan Companies Act and domiciled in Uganda.

The address of its registered office is

Unihealth (U) Limited
Kampala, Uganda.

27 Risk Management

Capital Risk Management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Liquidity risk

The company's risk to liquidity is a result of the funds available to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise only of a limited customer base. Management evaluated credit risk relating to customers on an ongoing basis. The company's credit controller assesses the credit quality of each customer taking into account its financial position, past experience and many other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored.

Financial assets exposed to credit risk at year end were as follows:-

Financial Instrument	2020	2019
Cash and cash equivalents	142,461	142,937
Trade and other receivables	608,621	608,621

No collateral is held for any of the above assets. All receivables that are neither past due or impaired are within their approved credit limits, and no receivables have had their terms renegotiated.

Foreign exchange risk

The company does not operate internationally and so is not exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The company does not hedge foreign exchange fluctuations.

UNIHEALTH (U) LIMITED

Annual Financial Statements for the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS

28 Authorised capital expenditure

The company has got no outstanding capital commitments as at the end of the current financial period end.

29 Contingencies

In the opinion of management, the company did not have any contingent liabilities as at end of the current financial period.

30 Events after the reporting period

The management is not aware of any events after the reporting period, which may cast doubt on existence of the company after the end of the reporting period.

31 Currency

These financial statements are presented in thousands of Uganda Shillings (U.Shs.'000)

UNIHEALTH (U) LIMITED

**WEAR AND TEAR SCHEDULE
30TH JUNE, 2020**

(U. SHS IN '000')

	CLASS I 40% U.Shs. '000	CLASS II 35% U.Shs. '000	CLASS IV 20% U.Shs. '000	Total U.Shs. '000
W.D.V. 1st July, 2019	-	-	7,249	7,249
Additions	-	-	-	-
Transfer/Deletions/Sold	-	-	-	-
	-	-	7,249	7,249
Initial Allowance 75%	-	-	-	-
	-	-	7,249	7,249
Wear and Tear	-	-	1,450	1,450
W.D.V. 30th June, 2020	-	-	5,799	5,799

TAX COMPUTATION

Profit / (Loss) as per Accounts	(4,387)
<u>ADD :</u>	
Depreciation	2,410
Stamp duty	-
Loss on Disposal of Asset	-
Immigration Expenses	-
Staff Welfare	-
Penalties	-
Communication Expenses(10%)	-
	(1,977)
Restated	
<u>LESS :</u>	
Wear & Tear	(1,450)
	(3,426)
Profit / (Loss) for the Year	(3,426)
Loss B/F	(246,778)
Adjusted Profit / (Loss) for the Year	(250,205)
Tax @ 30%	-
<u>Less:-</u>	
Provisional Payment	-
Witholding Tax	6,367
	6,367
Balance Tax Payable/(Refundable)	(6,367)