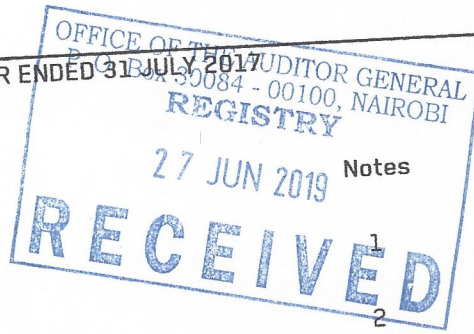


Empowerment and Liberation Party  
Accounts

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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2017



	Notes	2017 Shs
Revenue	1	1,115,564
Direct costs	2	-
Gross profit		1,115,564
Other income	3	6,843
		1,122,406
Selling and distribution expenses		(429,074)
Administrative expenses		(445,880)
Other operating expenses		247,452
Profit from operating activities		-
Finance costs	4	247,452
Profit before tax	5	-
Tax charge	6	247,452
Profit for the year		247,452



The notes on pages 5 to 10 form an integral part of these financial statements.

Empowerment and Liberation Party  
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 For the year ended 31 July 2017  
 BALANCE SHEET AS AT 31 JULY 2017

	Notes	2017 Shs
<b>EQUITY</b>		
Capital and reserves	7	100,000
Share capital		<u>247,452</u>
Retained earnings		<u>347,452</u>
<b>Non-current liabilities</b>		
Borrowings	8	<u>4,005,214</u>
Total non-current liabilities		<u>4,005,214</u>
Total equity		<u>4,352,666</u>
<b>REPRESENTED BY</b>		
<b>Non-current assets</b>		
Property, plant and equipment	9	<u>962,438</u>
		<u>962,438</u>
<b>Current assets</b>		
Trade and other receivables	10	4,750,177
Cash at bank and in hand	11	<u>854,065</u>
		<u>5,604,243</u>
<b>Current liabilities</b>		
Trade and other payables	12	<u>2,214,014</u>
		<u>2,214,014</u>
Net current assets		<u>3,390,228</u>
		<u>4,352,666</u>



The financial statements on pages 6 to 9 were approved for issue by the Board of Directors on 1st Aug 17 and were signed on its behalf by:

[Signature] Director

[Signature] Director

The notes on pages 5 to 10 form an integral part of these financial statements.

Empowerment and Liberation Party  
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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JULY 2018

		Share capital Shs	Retained earnings Shs	Total Shs
At 1 August 2017		-	-	-
Shares issued during the year	7	100,000	-	-
Net Profit for year		-	247,452	247,452
At 31 July 2017		<u>100,000</u>	<u>247,452</u>	<u>247,452</u>

The notes on pages 5 to 10 form an integral part of these financial statements.



Empowerment and Liberation Party

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STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 JULY 2017

	Notes	2017 Shs
<b>Operating activities</b>		
Net Profit for the year		247,452
<b>Adjustment for:</b>		
Income tax charge	6	-
<b>Operating profit/(loss) before working capital changes</b>		<u>247,452</u>
Tax paid	6	-
<b>Changes in working capital:</b>		
- Increase in trade and other receivables	10	(4,750,177)
- Increase in trade and other payables	12	2,214,014
<b>Net cash generated from/(used in) operating activities</b>		<u>(2,288,711)</u>
Proceeds from long-term borrowings	8	4,005,214
<b>Net cash used in investing activities</b>		<u>4,005,214</u>
<b>Investing activities</b>		
Property ,plant and equipment purchase	9	(962,438)
Issue of shares	7	100,000
<b>Net cash (used in)/generated from investing activities</b>		<u>(862,438)</u>
Increase in cash and cash equivalents		<u>854,065</u>
<b>Movement in cash and cash equivalents</b>		
At 1 March		-
Increase in the year		854,065
At 31 JULY 2017	11	<u>854,065</u>

The notes on pages 5 to 10 form an integral part of these financial statements.



Empowerment and Liberation Party  
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2017 Shs
<b>1 Revenue</b>	
Donation	<u>1,115,564</u>
<b>2 Direct costs</b>	
Supply Services	<u>-</u>
<b>3 Other income</b>	
Gain on exchange	5
Interest income	<u>6,837</u>
<b>Total other income</b>	<u>6,843</u>
<b>4 Finance costs</b>	
Interest on bank loans	<u>-</u>
<b>Total finance costs</b>	<u>-</u>
<b>5 Loss before tax</b>	

a) The following items have been recognised as expenses in arriving at loss before tax:

	2018 Shs
Employee benefit expenses	10,800
Depreciation of property, plant and equipment (Note 9)	21,448
Directors' remuneration	-
Auditors' remuneration	<u>-</u>

b) Employee benefit expenses

The following items are included in the employee benefits expenses:

	2017 Shs
Salaries, wages and allowances	100,000
Retirement benefit costs and terminal dues	<u>10,800</u>
<b>Total employee benefits expenses</b>	<u>110,800</u>



	2017 Shs
6 Income tax	
Current tax	-
Tax charge	-

Income tax is calculated at 30% of the estimated assessable profit for the year.

The tax expense for the year differs from the theoretical amount that would result from applying the statutory tax rate of 30% to profit/(loss) before tax as follows:

	2017 Shs
Loss before tax	247,452
Tax calculated at the statutory rate of 30%	-
Deferred tax not recognised(Note 10)	-
Tax charge	-
Tax payable	
Current tax charge	-
Tax paid	-
At 31 December	-



	No. of ordinary shares	Issued and fully paid Shs
7 Share capital		
At 31 July 2017	1,000	100,000

The total number of authorised ordinary shares is 1,000 with a par value of Shs. 100 each. The total number of shares issued and fully paid is 1,000 ordinary shares with a par value of Shs 100 each.

	2017 Shs
8 Borrowings	
Non-current	
Loans	200,000
Loan from related party	5,635,278
	4,005,214

The movement in long term borrowings is as follows:

At 1 March	-
Amounts borrowed	4,005,214
At 31 July 2017	4,005,214

In the opinion of the directors, the carrying amounts of borrowings approximate to their fair values. Fair values are based on discounted cash flows using the rate based upon the borrowing rate.

Loans from related parties are interest free, unsecured and not repayable within the next 12 months.

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NOTES (CONTINUED)

9 Property, plant and equipment

Cost	Furniture, fittings & equipment	Computer & equipment	Total
	Shs	Shs	Shs
At 1 March 2017	866,372	291,946	1,158,318
Additions	-	-	-
At 31 July 2017	<u>866,372</u>	<u>291,946</u>	<u>1,158,318</u>
Accumulated depreciation and impairment			
At 1 March 2017	-	-	-
Depreciation charge	<u>108,297</u>	<u>87,584</u>	<u>195,880</u>
At 31 July 2017	<u>108,297</u>	<u>87,584</u>	<u>195,880</u>
At 31 July 2017	<u><u>758,076</u></u>	<u><u>204,362</u></u>	<u><u>962,438</u></u>



Empowerment and Liberation Party

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For the year ended 31 July 2017

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2017 Shs
10 Trade and other receivables	
Trade receivables	-
Other receivables and prepayments	<u>4,750,177</u>
<b>Total trade and other receivables</b>	<b><u><u>4,750,177</u></u></b>

Trade and other receivables above do not contain impaired assets which have been provided for.

The fair values of the trade and other receivables is approximately equal to their carrying amounts.

11 Cash and cash equivalents

For the purpose of the cash flow statement, 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 overdraft are included in borrowings in current liabilities. The year-end cash and cash equivalents comprise the following:

	2017 Shs
Cash at bank	<u>854,065</u>
<b>Total cash and cash equivalents</b>	<b><u><u>854,065</u></u></b>





Empowerment and Liberation Party

Accounts

For the year ended 31 July 2017

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

		2017
<b>12 Trade and other payables</b>		<b>Shs</b>
Trade payables		1,619,582
Other payables and accruals		<u>594,432</u>
<b>Total trade and other payables</b>		<b><u><u>2,214,014</u></u></b>

In the opinion of the directors, the carrying amounts of trade and other payables approximate to their fair values.

**13 Related party transactions and balances**

The following transactions were carried out with related parties which are related through common shareholding and/or common directorships:

		2017
<b>i) Loans from related parties - Directors (Note 8)</b>		<b>Shs</b>
At 1 March		-
Amounts advanced		<u>4,026,662</u>
At 31 July		<b><u><u>4,026,662</u></u></b>
<b>ii) Directors' remuneration</b>		
Salaries and other employment benefits		<u>-</u>



**14 Critical accounting judgments and key sources of estimation uncertainty**

Estimates and judgments are continually evaluated and are based on historical experiences and other factors, including experience of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key areas of judgment and sources of estimation uncertainty are set out below:

**i) Property, plant and equipment - useful lives**

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

**ii) Intangible assets**

Critical estimates are made by directors in determining the amortisation rates for intangible assets. The management determines these rates of amortisation based on their assessment of the useful lives of the intangible assets.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15 Critical accounting judgments and key sources of estimation uncertainty (Continued)

iii) Income taxes

Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

iv) Provisions for obsolete inventories

The Company reviews inventories on an annual basis to assess the likelihood of obsolescence. In determining whether an inventory item is obsolete, directors make judgment as to whether the inventory item is relevant.

v) Provisions for doubtful debts

The Company reviews the debtors' portfolio regularly to assess the likelihood of impairment. This requires an estimation of amounts that are irrecoverable.

vi) Financial assets

The Company reviews its financial assets to assess the likelihood of impairment on an annual basis. In determining whether such assets are impaired, directors make judgements as to whether such assets are impaired and whether there are conditions that indicate potential impairment of such assets.

vii) Impairment losses

At each reporting date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If such indication exists the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the asset. Impairment losses are recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss, other than that arising from goodwill, is recognised as income immediately.



## SCHEDULE OF OPERATING EXPENDITURE FOR THE YEAR ENDED 31 JULY 2017

	2017
	Shs
<b>1. SELLING AND DISTRIBUTION EXPENSES</b>	
Advertising expenses	-
<b>Total selling and distribution costs</b>	<u>-</u>
<b>2. ADMINISTRATIVE EXPENSES</b>	
<b>Employment:</b>	
Salaries and wages	100,000
Post employment benefits - NSSF	<u>10,800</u>
<b>Total employment costs</b>	<u>110,800</u>
<b>Other administration:</b>	
Office expenses	205,390
Accounting fees	25,000
Consultancy fee	12,000
Legal fee	15,000
Secretarial fees	6,000
Subscriptions	18,000
Telephones	3,000
Printing and stationery	10,000
Bank charges	7,900
Meals and entertainment	11,000
Computer expenses and Internet	4,984
<b>Total other administrative expenses</b>	<u>318,274</u>
<b>Total administrative expenses</b>	<u>429,074</u>
<b>3. OTHER OPERATING EXPENSES</b>	
<b>Establishment:</b>	
Depreciation of property, plant and equipment	195,880
Rent	<u>250,000</u>
<b>Total other operating expenses</b>	<u>445,880</u>
<b>4. FINANCE COSTS</b>	
Bank interest	-
<b>Total finance costs</b>	<u>-</u>

