

KAL ASSOCIATES

Certified Public Accountant

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INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF KESARISUTA INDUSTRIES LIMITED FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

Opinion

We have audited the accompanying financial statements of **KESARISUTA INDUSTRIES LIMITED** which comprises of statement of financial position, statement of comprehensive income, statement of changes in equity and a statement of cash flows for the year ended 31st March 2025 the notes including a summary of significant accounting policies.

Disclaimer opinion

Since the company has been inactive since 17th July 2023 there is concern about the level of uncertainty surrounding future cash flow forecasts, further the company has not registered with Uganda Revenue Authority in order to comply with the statutory obligations according to the Income Tax Act

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and guidelines issued by the Institute of Certified Public Accountants of Uganda (ICPAU). 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 Organization 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 management is responsible for the other information, which includes the "Report of Directors". The other information 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. The company has been dormant since the day of incorporation

Responsibilities of Management and those charged with Governance for the financial Statements

Management is responsible for the preparation of the financial statements in accordance with the International Financial Reporting Standards (IFRS for SMEs), and for such internal controls 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 Organization'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 Organization 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.



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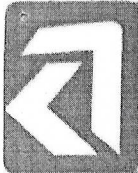
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Auditor's Responsibilities for the Audit of the Financial Statements

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 International Standard on Auditing (ISA's) 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:

- a) 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 material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- b) 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.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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.



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Going Concern

Use of the Going Concern Assumption

As part of our audit of the financial statements, we have concluded that management's use of the going concern assumption in the preparation of the financial statements is not appropriate as stated on page 4 Based on the work we have performed; we have identified material uncertainties related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern that we believe would need to be disclosed in accordance with International Financial Standards (IFRS). Because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Report on other legal and regulatory requirements

As required by the Ugandan Companies Act Cap 106 we report to you, the based on our audit that:

- i. We have not obtained all information and explanations which to the best of our knowledge and belief, were necessary for the purpose of the audit.
- ii. The statement of financial position and the comprehensive income and expenditure statement did not reflect any figure
- iii. In our opinion, no books of account have been kept by the company, so far as appears from our examination of those books.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Peter Kasango of Practicing Certificate number P0111

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KESARISUTA INDUSTRIES UGANDA LIMITED

Audited Financials

For the Period between 1st April 2024 to 31st March 2025

**STATEMENT OF FINANCIAL POSITION - FOR THE PERIOD
BETWEEN 1st April, 2024 TO 31ST MARCH, 2025**

ASSETS	Notes	2024-2025
		Shs
Non-Current Assets		
Property, Plant and Equipment	13	-
Current Assets		
Closing Inventories	14	-
Trade & Other Receivables	15	-
Cash & Cash Equivalents	16	-
TOTAL ASSETS		-
CAPITAL EMPLOYED		
Share Capital	10	-
Retained Earnings		-
Owner's Equity		-
Non-Current Liabilities		
Long Term Borrowings	11	-
Related Parties	18	-
Current Liabilities		
Trade and Other Payables	17	-
TOTAL EQUITY & LIABILITIES		-

The Financial Statements on pages 7 to 10 were approved and authorised for issue by the Board of Directors on the 22nd April 2025 and were signed on its behalf by:



DIRECTOR



DIRECTOR

The notes on pages 11 to 23 form an integral part of these financial statements.

KESARISUTA INDUSTRIES UGANDA LIMITED

Annual Report and Financial Statements


For the Period between 1st April 2024 to 31st March 2025

**STATEMENT OF COMPREHENSIVE INCOME - FOR THE PERIOD
BETWEEN 1st April, 2024 TO 31ST MARCH, 2025**

		2024-2025
		<i>(1st April, 2024 to 31st March, 2025)</i>
	Notes	Shs
Revenue	4	-
Cost of Sales		-
Other operating income	5	-
Gross profit		-
Selling and distribution expenses		-
Administrative expenses		-
Other Operating expenses		-
Operating profit		-
Net Finance Costs	8	-
Profit/(Loss) before tax		-
Tax credit/(Charge)	9	
Profit / (Loss) after tax for the year		-
Retained earnings at start of the year		-
Profit/(Loss) for the year		-
Accumulated losses at end of the year		-



Director



Director

The notes on pages 11 to 23 form an integral part of these financial statements.

Report of the independent auditor is on pages 4 , 5 and 6.

KESARISUTA INDUSTRIES UGANDA LIMITED

Audited Financials

For the Period between 1st April 2024 to 31st March 2025

**STATEMENT OF CHANGES IN EQUITY - FOR THE PERIOD
BETWEEN 1st April, 2024 TO 31ST MARCH, 2025**

	Share Capital Ushs	Retained Earnings Ushs	Total Ushs
Opening Balance 19th July, 2023	-	-	-
Profit/(Loss) for the Period	-	-	-
Revaluation Surplus	-	-	-
Totals as at 31st March, 2024	-	-	-

KESARISUTA INDUSTRIES UGANDA LIMITED

Audited Financials

For the Period between 1st April 2024 to 31st March 2025

**STATEMENT OF CASH FLOWS - FOR THE PERIOD
BETWEEN 1st April, 2024 TO 31ST MARCH, 2025**

		2024-2025
		<i>(1st April, 2024 to 31st March, 2025)</i>
	Notes	Shs
Operating activities		
<i>Profit/(Loss) before tax</i>		-
Adjustments for:		
<i>Depreciation (Note 13)</i>		-
Changes in working capital:		
<i>Trade and other Receivables</i>		-
<i>Inventory</i>		-
<i>Tax Recoverable</i>		-
<i>Trade and Other Payables</i>		-
Tax paid		-
Net Cash used in Operations		-
Investing Activities		
<i>Cash Paid for Purchase of Assets</i>	13	-
<i>Net cash used in investing activities</i>		-
Financing Activities		
<i>Proceeds from Long - Term Borrowings</i>	11	-
<i>Proceeds from Short -Term Borrowings</i>		-
Net cash from Financing Activities		-
Net Increase/(decrease) in Cash & Equiv.		-
<i>At start of the Period (19/07/2023)</i>		-
Cash Equivalents At end of year	16	-
 Balance Sheet Bank & Cash Balances		 -

SIGNIFICANT ACCOUNTING POLICES AS AT 31st March, 2025

1. General Information

Kesarisuta Industries Uganda Limited is a Private Limited Company that carries on the business of Manufacturing Basic Iron and Steel. and is registered by the Uganda Registration Services Bureau. The address of its registered Office and principal place of Business are indicated on Page 1.

2. Summary of 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 throughout the Period presented, unless otherwise stated.

These Financial Statements also comply with the requirements of the Ugandan Companies Act Cap 106 Section 163. The Company Statement of Income & Expenditure represents the Profit & Loss account referred to, in the Act. The Company Statement of Financial Position represents the Balance Sheet, referred to in the Act.

a) Basis of Preparation

The Financial Statements have been prepared under the Historical Cost Convention, except as indicated otherwise below and are in accordance with International Financial Reporting Standards (IFRS). The Historical Cost Convention is generally based on the fair value of the consideration given in exchange of Assets. Fair Value is the price that would be received to sell an Asset or paid to transfer a Liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or Estimated using another valuation technique. In estimating the fair value of an asset or liability, the company takes into account the characteristics of the Asset or Liability if market participants would take those characteristics into when pricing the Asset or Liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Financial Statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

Going Concern

The Financial Performance of the Company is set out in the Director's Report and in the statement of Profit or Loss. The Financial Position of the Company is set out in the statement of Financial Position. Other relevant disclosures are set out in the notes.

foreseeable future and as a result the Financial Statements are prepared on a Going Concern Basis.

SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

b) New and Amended standards Adopted by the Company

All new and amended standards and interpretations that have become effective for the first time in the financial year beginning 1 January 2018 have been adopted by the company. Of those, the following has had an effect on the company's Financial Statements:

International Financial Reporting Standards 9 (IFRS 9): Financial Instruments

IFRS 9 requires all Financial Assets to be measured at Fair Value on initial Recognition and subsequently at Amortised Cost or Fair Value (through profit or loss or through other comprehensive income), depending on their Classification by reference to the business model within which they are held and their contractual cash flow characteristics.

For Financial Liabilities, the most significant effect of IFRS 9 relates to cases where the fair value option is taken: the amount of change in fair value of a Financial Liability designated as at fair value through Profit or Loss that is attributable to changes in the Credit Risk of that Liability is recognised in Other Comprehensive Income (rather than in profit or loss), unless this creates an accounting mismatch.

For the impairment of financial assets, IFRS 9 introduces an "expected credit loss" (ECL) model based on the concept of providing for expected losses at the inception of a contract; this will require judgement in quantifying the impact of forecast economic factors. For financial assets for which there has not been a significant increase in credit risk since initial recognition, the loss allowance should represent ECLs that would result from probable default events within 12 months from the reporting date (12-month ECLs). For financial assets for which there has been a significant increase in credit risk, the loss allowance should represent lifetime ECLs. A simplified approach is allowed for trade receivables and lease receivables, whereby lifetime ECLs can be recognised from inception.

c) Critical Accounting Estimates and Judgement

Useful lives of Property, Plant and Equipment - Management reviews the useful lives and residual values of the items of Plant and Equipment on a regular basis. During the Financial Year, the Directors determined no Significant Changes in the Useful lives and Residual values.

d) Revenue Recognition

The company recognises revenue from distribution of fast moving consumers products. The company recognises revenue as and when it satisfies a performance obligation by transferring control of a product or service to a customer. The amount of revenue recognised is the amount the company expects to receive in accordance with the terms of the contract, and excludes amounts collected on behalf of third parties, such as Value Added Tax.

Other Income

Interest income is accrued by reference to time in relation to the principal outstanding and the effective interest rate applicable.

SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

e) Property, Plant and Equipment

All Property, Plant and Equipment is initially recorded at Cost and thereafter stated at Historical Cost less Depreciation. Historical Cost comprises Expenditure initially incurred to bring the Asset to its Location and Condition ready for its Intended Usage.

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.

Leasehold Land where there is any, is Depreciated over the remaining period of the Lease.

Depreciation is calculated on a Straightline basis to write down the Cost of each Asset, or the Revalued Amount, to its Residual Value over its Estimated Useful Life using these Annual Rates:

	<u>Rate %</u>
Motor Vehicles	26.20%
Computer Equipment	15.50%
Machinery and Equipment	12.50%
Furniture and Fittings	12.50%
Land & Buildings	0.00%

The Assets Residual Values and Useful lifespan are reviewed, and adjusted if appropriate, at each 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 property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit. On disposal of revalued assets, amounts in the revaluation reserve relating to that asset are transferred to retained earnings.

f) Translation of Foreign Currencies

Transactions in Foreign Currencies during the year are converted into Uganda Shillings (The Functional Currency), at the Rates Ruling at the Transaction Dates. At the end of each Reporting Period, monetary items denominated in Foreign Currencies are retranslated at the rates Prevailing at that date. The resulting differences from Conversion and Translation are dealt with in Profit or Loss in the Year in which they Arise.

b) Employee benefit obligations

The company and its employees are registered with NSSF and Comply with the NSSF Act. NSSF Contributions are charged against the profit or loss of the relevant year .

KESARISUTA INDUSTRIES UGANDA LIMITED

*Audited Financials**For the Period between 1st April 2024 to 31st March 2025*

NOTES (CONTINUED)

	2024-2025
	<i>(1st April, 2024 to 31st March, 2025)</i>
	Shs
4. Revenue	
<i>Revenue from Iron Sales</i>	-
5. Other Operating income	-
Total Other Incomes	-
6. Operating (Loss)/profit	
The following items have been charged in arriving at operating profit:	
Depreciation -Property & Equipment (Note 13)	-
<i>Audit fees</i>	-
<i>Staff costs (Note 7)</i>	-
7. Staff costs	
<i>Salaries and Wages</i>	-
<i>Staff Welfare</i>	-
<i>NSSF Company Contribution</i>	-
8. Net Finance (Income)/Costs	
<i>Bank loan interest</i>	-
<i>Bank Overdraft Interest</i>	-
9. Tax	
Current tax	
Deferred tax charge /(credit) (Note 12)	
The tax on the company's (loss)/profit before tax differs from the theoretical amount that would	
(Loss)/profit Before tax	-

KESARISUTA INDUSTRIES UGANDA LIMITED

Audited Financials

For the Period between 1st April 2024 to 31st March 2025

NOTES (CONTINUED)

2024-2025

(1st April, 2024 to 31st March, 2025)

Shs

10. Share Capital - 100 Ordinary Shares @USD \$20,000 Nominal Value

Jai balaji Industries Limited (99%)

Mondal Kishore (1%)

Authorised but not Issued

-

11. Borrowings

Non current

Bank Loan

-

Directors' loans (Note 18)

-

Current

Bank Over Draft

-

Total Loans

-

Loans if any, from directors are unsecured, denominated in Uganda Shillings and were received

12. Deferred tax

At start of year

Charge to statement of profit or loss

At end of year

KESARISUTA INDUSTRIES UGANDA LIMITED*Audited Financials**For the Period between 1st April 2024 to 31st March 2025*

NOTES (CONTINUED)	2024-2025
	(1st April, 2024 to 31st March, 2025)
	Shs
15. Trade and Other Receivables	
<i>Accounts Receivable</i>	-
<i>Prepayments</i>	-
	-
16. Cash and Cash Equivalents	
<i>Cash at bank and in hand</i>	-
	-
<i>For the purpose of the statement of cash flow, the year end cash and cash equivalents comprise the following: -</i>	
<i>Bank balance</i>	-
<i>Cash balance</i>	-
<i>Bank Overdraft (Note 11)</i>	-
	-
17. Trade and Other payables	
<i>Trade Payables</i>	-
<i>Audit Fees Payable</i>	-
<i>Tax Payable</i>	-
	-
18. Related party transactions	
<i>The following transactions were carried out with the related party which related through common directorship and shareholding.</i>	
<i>At start of the year</i>	-
<i>Received during the year: Director</i>	-
	-
At end of the year	-
19. Commitments	
<i>There were no capital commitments between <u>1st April, 2024 to 31st March, 2025</u></i>	
20. Presentation of currency	
<i>These financial statements are presented in Uganda Shillings (Ushs).</i>	

KESARISUTA INDUSTRIES UGANDA LIMITED

Audited Financials

For the Period between 1st April 2024 to 31st March 2025

NOTES (CONTINUED)

2024-2025

(1st April, 2024 to 31st March, 2025)

Shs

1.1 COST OF SALES

<i>Opening Inventories</i>	-
<i>Purchases</i>	-
<i>Direct costs (1.3)</i>	-
<i>Closing Inventories</i>	-
	-

1.2 PACKING MATERIALS CONSUMED

<i>Opening Inenories - Raw Materials</i>	-
<i>Purchases</i>	-
<i>Closing Inventories - raw materials</i>	-

1.3. DIRECT EXPENSES

<i>Send/withdraw Charges</i>	-
<i>Staff Subsistence Allowance</i>	-
<i>Send/withdraw Charges</i>	-
<i>Clearing and Forwarding Charges</i>	-
<i>Packaging Bags Exp</i>	-
<i>Storage Exp on Clearance</i>	-
	-
	-

KESARISUTA INDUSTRIES UGANDA LIMITED*Audited Financials**For the Period between 1st April 2024 to 31st March 2025***SCHEDULE OF OTHER OPERATING INCOME AND EXPENDITURE**

	2024-2025
	<i>(1st April, 2024 to 31st March, 2025)</i>
1. OTHER OPERATING INCOME	Shs
Other Income	-
	-
Total Other Incomes	-
2. SELLING AND DISTRIBUTION EXPENSES	
Sales, Distribution and Marketing Expense	-
	-
3. ADMINISTRATIVE EXPENSES	
Employment	
<i>NSSF 10%</i>	-
<i>Salary Adm Exp A/c</i>	-
<i>Staff Welfare Exp A/c</i>	-
Total Employment Costs	-
Other Administration Expenses:	
<i>Audit fees</i>	-
<i>Local Transport</i>	-
<i>Internet Data Bundles Exp A/c</i>	-
<i>Telephone Expenses A/c</i>	-
<i>Legal and Professional Fees</i>	-
<i>Licence & Permits Fees Exp A/c</i>	-
<i>Office Drinking Water</i>	-
<i>Motor Vehicle Fuel Expenses A/c</i>	-
<i>Consultancy Expense A/c</i>	-
<i>Stationery and Printing</i>	-
<i>Rent Exp A/c</i>	-
Total Other Administration Expenses	-
Total Administrative Expenses	-

KESARISUTA INDUSTRIES UGANDA LIMITED

Audited Financials

For the Period between 1st April 2024 to 31st March 2025

SCHEDULE OF OTHER OPERATING INCOME AND EXPENDITURE

2024-2025

(1st April, 2024 to 31st March, 2025)

4 OTHER OPERATING EXPENSES

Shs

Establishment Costs:

Electricity and Water (Utilities)

Office Cleaning Expenses

Repairs and Maintenance

Fines and Penalties

Depreciation Expense

Insurance (Motor Vehicle)

Total Other Operating Expenses

5 NET FINANCE COSTS

Bank Charges

Excise Duty

Interest on Loan Note

Interest on Over Draft Facility

Stamp Duty Exp A/c

Realised Forex Loss

Total Net Finance Costs

KESARISUTA INDUSTRIES UGANDA LIMITED

Audited Financials

For the Period between 1st April 2024 to 31st March 2025

12 COMPUTATION OF CHARGEABLE INCOME - BUSINESS

	2024-2025
	(1st April, 2024 to 31st March, 2025)
	Shs
Add Back;	
<i>Depreciation & Amortisation</i>	-
<i>Total Rental (Non Business) Expenses</i>	-
	-
Less	
<i>Non Rental Income</i>	-
Chargeable Income From Business	-
Total Tax payable @ 30% on Other Income	-
<i>Provisional Income Tax - Business Income</i>	-
<i>Withholding Tax on Income with Tax Credits</i>	-
Tax Refundable/Payable on Income	-