CEO ROUNDTABLE OF TANZANIA LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

CEO ROUNDTABLE OF TANZANIA LIMITED

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CEO ROUNDTABLE OF TANZANIA LIMITED

CORPORATE INFORMATION

REGISTERED OFFICE

3rd Floor, Infotech Place
565 Mwai Kibaki Road
P.O. Box 76686
Kawe
Dar es Salaam

PRINCIPAL PLACE OF BUSINESS

3rd Floor, Infotech Place
565 Mwai Kibaki Road
PO Box 76686
Kawe
Dar es Salaam

BANKERS

Exim Bank
1404/05 Exim Tower
Ghana Avenue
PO Box 1431
Dar es Salaam

AUDITORS

KPMG
2nd Floor, The Luminary
Plot No. 574 Haile Selassie Road, Masaki
P. O. Box 1160
Dar es Salaam, Tanzania

CEO ROUNDTABLE OF TANZANIA LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

The Directors have the pleasure of presenting their report together with the audited financial statements for the year ended 31 December 2016, which discloses the state of affairs of the Company as at that date.

1. INCORPORATION

The Company was incorporated in Tanzania under the Companies Act, 2002, Not-For-Profit Limited by Guarantee and without Share Capital under Tanzanian laws. The company was registered on 21 February 2008 under certificate of incorporation no. 64364.

2. BACKGROUND

The CEO Roundtable of Tanzania (CEOrt) is a policy dialogue forum through which the leaders of industry, commerce and agriculture in Tanzania can constructively engage the Government, its development partners and other stakeholders with a view to developing a conducive environment for business to prosper and for the country to develop in an atmosphere of peace and tranquillity.

Presently, members of the CEOrt and the companies they represent account for more than 40% of the tax revenue collected by the Government of Tanzania.

As creators of wealth and therefore principal beneficiaries of constructive economic policies, members of the CEO Roundtable recognise the importance of working in close collaboration with Government in the spirit of public private partnership in order to enhance the dialogue and effectively contribute to policy analysis and the development and formulation processes through sharing their wealth of knowledge and practical experience.

The CEO Roundtable firmly believes that the economic and political gains since Tanzania formally embarked on the path of reform can only be safeguarded if the public and private sectors work closely together in partnership.

3. MISSION

To create a forum through which the Chief Executive Officers (CEOs) of companies operating business in Tanzania can constructively engage the Government of Tanzania, its development partners and other key stakeholders with a view of creating a more conducive business environment.

4. PRINCIPAL ACTIVITIES

The principal activities of the CEO Roundtable are advocacy, advisory and networking.

5. COMPOSITION OF THE BOARD OF DIRECTORS

The Directors of the Company at the date of this report, who have served throughout the year are:

Name	Position	Nationality
Mr. Ali A. Mufuruki	Chairman	Tanzanian
Mr. Yogesh Manek	Director	Tanzanian
Mr. Leonard Mususa	Director	Tanzanian
Mr. Nehemiah K. Mchechu	Director	Tanzanian
Mr. Francis Nanai	Director	Tanzanian
Ms. Ineke Bussemaker	Director	Dutch
Dr. Alex Nguluma	Director	Tanzanian

The Company Secretary at the date of this report was Dr. Alex Nguluma.

6. MEMBERS OF THE CEO ROUNDTABLE

Membership to the CEO Roundtable is open to CEOs and Executive Chairpersons of companies operating businesses in Tanzania. As at 31 December 2016, the CEO Roundtable comprised of 116 active members detailed as follows:

S/N	COMPANY	CEO
1	Access Bank Tanzania Ltd.	Hedvig Sundberg
2	Advent Construction Ltd.	Dhruv Jog
3	Africa Practice	Charles Washoma
4	African Risk & Insurance Services Ltd.	Sanjay Suchak
5	Airtel Tanzania	Sunil Colaso
6	ALAF Limited	Pankaj Kumar
7	Apex Holdings (A) Limited (Ducorp Group)	Amar Pattni
8	Asilia Africa	Jeroen Harderwijik
9	Association of Tanzania Employers	Aggrey K. Mlimuka
10	Auric Air Services Ltd.	Nurmohamed Hussein
11	BAM International	Eric Van Zuthem
12	Barclays Bank Tanzania Ltd.	Abdi Mohamed
13	Basil & Alred	Godfrey Mramba
14	BG Tanzania Ltd.	Marc den Hartog
15	BNM Company Ltd. (Villa Plast)	Ali Fawaz
16	Bora Industries Ltd.	Rajesh Sajnani
17	Citibank Tanzania Ltd.	Joseph Carasso
18	Coastal Travels Ltd.	Nicola Colangelo
19	Coca Cola Kwanza Ltd.	Basil Gadzios
20	Commercial Bank of Africa (T) Ltd.	Gift Shoko
21	Creditinfo Tanzania Ltd.	Davith Kahwa
22	CSI Electrical Ltd.	Cristopher Glasson
23	Dangote Industries Tanzania Ltd.	Harpreet Duggal
24	Dar es Salaam Stock Exchange	Moremi Marwa
25	Deloitte Consulting Ltd.	Eshak Harunani
26	Ecobank Tanzania	Enock Osei-Safo
27	Engen Petroleum Tanzania Ltd.	Paul Muhato
28	ENSafrica	Alex Nguluma
29	Ernst & Young	Joseph Sheffu
30	Exim Bank Tanzania	Dinesh Arora
31	Fastjet Airlines Ltd.	John Corse
32	First National Bank (FNB)	David Aitken
33	G4S Secure Solutions (T) Ltd.	Frik Van Heerden
34	Geita Gold Mining Ltd.	Simon Shayo
35	GF Trucks and Equipment Ltd.	Imran Karmali
36	Heineken Tanzania Ltd.	Michael Mbungu

6. MEMBERS OF THE CEO ROUNDTABLE (CONTINUED)

S/N	COMPANY	CEO
37	Helios Towers Tanzania Infraco Ltd.	Philippe Loridon
38	IBM Tanzania	Nahaat Mahfoudh
39	Iconic Properties Ltd.	Leonard Mususa
40	IMMMA Advocates	Sadock Magai
41	Imports International (T) Ltd	Trushal Jethwa
42	Indian Ocean Hotels	Jitesh Ladwa
43	Infotech Investment Group Ltd.	Ali Mufuruki
44	Innovex	Leonard Kitoka
45	International School of Tanganyika	Martin Hall
46	Italframe Limited	Massimo Tognetti
47	Jubilee Tanzania	George Alande
48	Kazi Services	Zuhura Muro
49	KCB Bank Tanzania Ltd.	Godfrey Ndalahwa
50	Kenya Kazi Security (T) Ltd.	Patrick Karimi
51	Killpests	George Lwakatare
52	Kilombero Valley Teak Company Ltd.	Hans Lemm
53	Kioo Ltd.	Kumar Krishnan
54	Kisima Water (Aqua Cool) Ltd.	Ali Dhanji
55	KLM Consult	Focus Lutinwa
56	KPMG	Salim Bashir
57	MAC Group	Yogesh Manek
58	Maktech & Tel Co Ltd.	Godwin Makyao
59	Mawalla Advocates	Lemmy Bartholomew
60	Mekonsult	Elinisaidie Msuri
61	MIC Tanzania Ltd.	Diego Gutierrez
62	M-Kopa Solar	David Damberger
63	Mohammed Enterprises Tanzania Ltd.	Mohammed Dewji
64	Mt. Meru Group	Atul Mittal
65	Mwananchi Communications Ltd.	Francis Nanai
66	Nabaki Afrika Ltd.	Vatsal Shah
67	National Bank of Commerce Ltd. (NBC)	Edward Marks
68	National Housing Corporation (NHC)	Nehemiah Mchechu
69	National Microfinance Bank Ltd. (NMB)	Ineke Bussemaker
70	New Africa Hotel	Shabir Abji
71	Nexia SJ Tanzania	Sujata Jaffer
72	NexLaw Advocates	Ayoub Mtafya
73	NIMETA Consult (T) Ltd.	Emmanuel Taseni
74	Noesis Strategic Institute Ltd.	Murtaza Versi
75	Olam Tanzania Ltd.	Ulhas Sardesai
76	Ophir Tanzania (Block 1) Ltd.	Fidelis Lekule

6. MEMBERS OF THE CEO ROUNDTABLE (CONTINUED)

S/N	COMPANY	CEO
77	Petrolube (T) Ltd.	Feroz Kassam
78	Plasco Ltd.	Juerg Fluehmann
79	Premier Agencies (T) Ltd.	Robert Elias Singu
80	Proper Consult (T) Ltd.	Haruna Masebu
81	PricewaterhouseCoopers (PwC)	David Tarimo
82	Reni International Co. Ltd	Dipak Vassa
83	Saami Holdings	Arnold Kilewo
84	Sanlam Life Insurance (T) Limited	Julius Magabe
85	SBC Tanzania Limited	Avinash Jha
86	Security Group (T) Limited	Eric K. Sambu
87	Selcom Wireless Ltd.	Sameer Hirji
88	Serengeti Breweries Ltd.	Helene Wessie
89	SimbaNet (T) Ltd.	Hussein Kitambi
90	Skylink Travel & Tours Ltd.	Moustafa Khataw
91	Songas Ltd.	Nigel Whittaker
92	Southern Sun Dar es Salaam	Michael Phillipson
93	Stanbic Bank Tanzania	Ken Cockerill
94	Standard Chartered Bank (T) Ltd.	Sanjay Rughani
95	Starpeco Ltd.	Gratian Nshekanabo
96	Statoil Tanzania AS	Øystein Michelsen
97	Strategis Insurance (T) Ltd.	Kain Mbaya
98	Sumaria Group Tanzania	Jayesh Shah
99	Superdoll Trailer Manufacture Co. Ltd.	Seif Seif
100	Swissport Tanzania Plc.	Mrisho Yassin
101	Synarge Group	Shekhar Kanabar
102	Tanga Cement Company Ltd.	Reinhardt Swart
103	Tanpack Tissues Ltd.	Rajesh Shah
104	Tanzania Breweries Ltd.	Roberto Jarrin
105	Tanzania Cigarette Company	Majd Abdo
106	Tanzania International Container Terminal Services Ltd. (TICTS)	Paul Wallace
107	Tanzania Mortgage Refinancing Company Ltd. (TMRC)	Oscar Mgaya
108	Tanzania Postal Bank	Sabasaba Moshingi
109	Techpack Tanzania Ltd.	Hussein Ladha
110	The Rickshaw Travel Group	Prema Lalji
111	Toyota Tanzania Ltd.	Vinod Rustagi
112	Twiga Bancorp Tanzania Ltd.	Cosmas Kimario
113	Union Trust Investment Ltd.	Shaffin Jamal
114	United Bank for Africa (T) Ltd.	Demola Ogunfeymi
115	Vodacom Tanzania Ltd.	Ian Ferrao
116	Yara Tanzania Chapa Meli (T) Ltd.	Alexandre Macedo

7. ANNUAL SUBSCRIPTION

An annual subscription of USD 1,500 is payable for membership to the CEO Roundtable. Membership dues are used to finance operations in support of the company's advocacy, advisory and networking activities.

8. CEO ROUNDTABLE OPERATIONS 2016

In addition to advancing the company's advocacy efforts for an improved business environment, the daily operational activities for the CEOrt include; Membership Management, Marketing & PR, Administrative Support and Event Management.

The CEO Roundtable adopts a lean organisational structure and operational activities are exclusively managed by the in-house Secretariat.

9. CEO ROUNDTABLE ACTIVITIES IN 2016

Throughout the year, the CEOrt continued its advocacy efforts in line with the key focus areas of the organisation including:

- Ethical Leadership and Tackling Corruption
- Skills Development and Human Capacity Building
- Public Private Partnerships (PPP) and Public Private Dialogue (PPD),
- Biodiversity and Conservation

The CEO Roundtable advocacy agenda is with a vision of creating a conducive business environment towards greater socio-economic development in Tanzania.

10. CEO ROUNDTABLE EVENTS CALENDAR

Monthly Events

The CEO Roundtable hosts dinner meetings on the second Tuesday of every month. The monthly events contribute significantly to the company's advocacy, advisory and networking agenda and provide an opportunity for CEOs to gain insights on critical issues within the business environment.

Throughout the year, the CEO Roundtable events provided an opportunity for members to engage in dialogue with key stakeholders on issues important to the business environment and in line with the key focus areas of the organisation. Dialogue during the monthly events included:

- Advocating on behalf of more meaningful Public Private Dialogue (PPD) with government to facilitate more inclusive private sector participation in supporting the government's socio-economic development agenda
- The long-term impact of policies and regulations to the investment climate and business environment
- Exploring private sector collaboration with government for human capacity building, enhanced skills development and meaningful job creation
- Opportunities for private sector participation within Tanzania's economic development projects
- Investigating private sector led solutions to address Tanzania's biodiversity challenges including water conservation and wildlife poaching

Annual Gala Dinner 2016

An annual tradition, the CEO Roundtable hosted the 8th Annual Gala Dinner at the Hyatt Regency Kilimanjaro on Saturday, 3rd December 2016.

The 2016 Annual Gala Dinner theme: "The Leadership Journey Continues", underpins the CEOrt's strong belief that ethical and visionary leadership is the backbone that could propel the country forward in achieving sustainable economic development.

10 .CEO ROUNDTABLE EVENTS CALENDAR (CONTINUED)

Traditionally, the CEOrt presents two leadership awards during the gala dinner; Lifetime Achievement for Outstanding Public Service Award and Public Sector Partner of the Year Award. However, in 2016 after taking measure of the leadership achievements throughout the year, the Board of Directors opted not to award the annual leadership categories during the 2016 Annual Gala Dinner

The Annual Gala Dinner event is a culmination of the CEO Roundtable's activities throughout the year and provides the opportunity to highlight the agenda for the year ahead. With this in mind, during his annual end of year address, the CEOrt Chairman took the opportunity to recognise the good work of H.E. President John Pombe Magufuli in tackling corruption, abuse of power and misuse of public resources. The Chairman further noted that it was the right time for government and private sector to come together to speak in a more meaningful way about partnership for the country's long-term economic benefit.

Annual General Meeting
The CEO Roundtable hosted the 3rd Annual General Meeting on 30th September 2016.

Board Meetings and Statutory Compliance
The CEOrt Board held the 9th Board Meeting on 20th September 2016 to review the activities and accomplishments to date as well as deliberate the organization's plans for the coming year. In addition, the Board reviewed and approved audited financial statements for the year 2015.

11. AUDITORS

KPMG, a firm of Certified Public Accountants, audited the financial statements of the Company. They were appointed to audit these accounts early in 2016 and they have expressed a willingness to continue in office.

By order of the Board

…………………………
Ali A. Mufuruki
Chairman

Date …………………………………… 2017

CEO ROUNDTABLE OF TANZANIA LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2016

The Company's Directors are responsible for the preparation of the financial statements that give a true and fair view of CEO Roundtable of Tanzania Limited, comprising the statement of financial position at 31 December 2016, and the statements of profit or loss and other comprehensive income, changes in accumulated fund and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2002.

The Directors are also responsible for 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, and for maintaining adequate accounting records and an effective system of risk management.

The Directors have made an assessment of the ability of the Company to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

The auditors are responsible for reporting on whether the annual financial statements give a true and fair view in accordance with the applicable financial reporting framework.

Approval of the financial statements

The financial statements of CEO Roundtable of Tanzania Limited, as identified in the first paragraph, were approved by the Board of Directors on ………………………. and signed by:

……………………
Ali A. Mufuruki
Chairman

CEO ROUNDTABLE OF TANZANIA LIMITED

DECLARATION OF HEAD OF FINANCE/ACCOUNTING
FOR THE YEAR ENDED 31 DECEMBER 2016

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a Statement of Declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a professional accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of an entity showing true and fair view position of the entity in accordance with international accounting standards and statutory reporting requirements. Full legal responsibility for financial statements rests with the Board of Directors as under Directors Responsibility statement on an earlier page.

I……………..being the outsourced head of finance/Accounting of CEO Roundtable of Tanzania Limited hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2016 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements comply with applicable accounting standards and statutory requirements as on that date and that they have been prepared based on properly maintained financial records.

Signed by: ....

NBAA Membership No.: ....

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CEO ROUNDTABLE OF TANZANIA LIMITED

Report on the Audit of the financial statements

Opinion

We have audited the accompanying financial statements of CEO Roundtable of Tanzania Limited ("the Company"), set out on pages 13 to 28 which comprise the statement of financial position as at 31 December 2016, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of CEO Roundtable of Tanzania Limited as at 31 December 2016, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 2002.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with 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 as required by the Companies Act, 2002, statement of director's responsibilities and declaration of Accountant/Head of Finance. The other information does not include the financial statements and our auditors' 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.

Responsibilities of Directors for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2002, and for such internal control as 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, directors are responsible for assessing the ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless directors either intend to liquidate the or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CEO ROUNDTABLE OF TANZANIA LIMITED (CONTINUED)

Auditors' 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 auditors' 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 internal control.

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' 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 directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CEO ROUNDTABLE OF TANZANIA LIMITED (CONTINUED)

Report on other legal and regulatory requirements

As required by the Companies Act, 2002 we report that:

- In our opinion, proper accounting records have been kept by CEO Roundtable of Tanzania Limited;
- the individual accounts are in agreement with the accounting records of the company; and
- we obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

KPMG
Certified Public Accountants (T)

____
Signed by: M. Salim Bashir
Dar es Salaam

__________________2017

CEO ROUNDTABLE OF TANZANIA LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Notes	2016 TZS	2015 TZS
ASSETS			
Non-current assets			
Property and equipment	4	31,271,586	51,982,671
Current assets			
Trade and other receivables	5	67,521,813	27,767,799
Cash and cash equivalents	6	235,356,599	245,539,938
		302,878,412	**273,307,737**
TOTAL ASSETS		**334,149,998**	**325,290,408**
EQUITY AND LIABILITIES			
Accumulated funds		305,651,588	310,780,408
		305,651,588	**310,780,408**
Current liabilities			
Trade and other payables	7	28,498,410	14,510,000
TOTAL EQUITY AND LIABILITIES		**334,149,998**	**325,290,408**

Approval of the financial statements

The financial statements on pages 13 to 28 were approved for issue by the Board of Directors on ……………………………. and signed on its behalf by:

…………………..
Ali A. Mufuruki
Chairman

Notes and related statements forming part of these financial statements appear on pages 17 to 28.

Independent Auditors' Report is on pages 10 to 12.

CEO ROUNDTABLE OF TANZANIA LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 TZS	2015 TZS
Income			
Subscriptions from members	8	353,606,875	331,803,822
Gala dinner contributions	9	132,900,896	90,278,500
Fundraising		-	5,375,000
Other income	10	52,780,000	21,643,053
Foreign exchange gain		1,144,755	36,859,302
		540,432,526	**485,959,677**
Administrative expenses	11	(462,226,029)	(375,966,730)
Gala dinner expenditure	12	(61,224,232)	(48,211,676)
Depreciation	4	(22,111,085)	(22,155,988)
		(545,561,346)	**(446,334,394)**
(Deficit)/ Surplus for the year		**(5,128,820)**	**39,625,283**

Notes and related statements forming part of these financial statements appear on pages 17 to 28.

Independent Auditors' Report is on pages 10 to 12.

CEO ROUNDTABLE OF TANZANIA LIMITED

STATEMENT OF CHANGES IN ACCUMULATED FUND
FOR THE YEAR ENDED 31 DECEMBER 2016

	Total TZS
Year ended 31 December 2015	
Balance at 1 January 2015	271,155,125
Surplus for the year	39,625,283
Balance at 31 December 2015	**310,780,408**
Year ended 31 December 2016	
Balance at 1 January 2016	310,780,408
Deficit for the year	(5,128,820)
Balance at 31 December 2016	**305,651,588**

Notes and related statements forming part of these financial statements appear on pages 17 to 28.

Independent Auditors' Report is on pages 10 to 12.

CEO ROUNDTABLE OF TANZANIA LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 TZS	2015 TZS
Cash flows from operating activities			
(Deficit) / surplus for the year		(5,128,820)	39,625,283
Adjustments for:			
- Depreciation	4	22,111,085	22,155,988
		16,982,265	61,781,271
Changes in:			
- Trade and other receivables		(39,754,014)	(11,461,399)
- Trade and other payables		13,988,410	3,460,000
- BEST grant			(14,144,000)
Net cash flows from operating activities		**(8,783,339)**	**39,635,872**
Cash flows from investing activities			
Acquisition of fixed assets	4	(1,400,000)	-
		(1,400,000)	-
Net decrease in cash and cash equivalents		(10,183,339)	39,635,872
Cash and cash equivalents at the beginning of the year		245,539,938	205,904,066
Cash and cash equivalents at the end of the year	6	**235,356,599**	**245,539,938**

Notes and related statements forming part of these financial statements appear on pages 17 to 28.

Independent Auditors' Report is on pages 10 to 12.

1. REPORTING ENTITY

CEO Roundtable of Tanzania Limited ("the Company") is a company limited by guarantee, domiciled in Tanzania. The financial statements of the Company are for the year ended 31 December 2016.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), and in the manner required by the Companies Act, 2002.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis, except for financial instruments at fair value, which are measured at fair value.

(c) Functional and presentation currency

The financial statements are presented in Tanzanian Shillings (TZS), which is also the Company's functional currency.

(d) Use of judgments and estimates

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and 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 recognised in the period in which the estimate is revised and in any future periods affected.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Property and equipment

i) Recognition and measurement

All items of property and equipment are stated at historical cost less accumulated depreciation and accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These are included in the profit or loss in other operating income. When revalued assets are sold, the amounts included in the revaluation surplus are transferred to retained earnings.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Property, plant and equipment (Continued)

ii) Subsequent cost

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The cost of day to day servicing of property, plant and equipment is recognised in profit or loss as incurred.

iii) Depreciation

Depreciation is recognized in profit or loss on a straight line basis over the estimated useful lives of each part of an item of property, plant and equipment. The annual depreciation rates for this purpose are as follows:

Motor vehicles	25.00%
Office equipment	12.50%
Office furniture	12.50%
Computers	37.50%

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

(b) Financial instruments

Financial instruments include balances with banks, trade and other receivables, borrowings and trade and other payables.

i) **Recognition**

A financial instrument is a contract that gives rise to both a financial asset of one enterprise and a financial liability of another enterprise. The Company recognises loans and receivables on the date when they are originated. These assets are initially recognised at fair value plus any directly attributable transaction cost. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

All other financial instruments are recognized on the trade date which is the date on which the company becomes party to the contractual provisions of the instrument.

ii) **Classification and measurement**

The Company classifies its non-derivative financial assets into loans and receivables while non-derivative financial liabilities are classified into other financial liability category.

Management determines the appropriate classification of its financial instruments at the time of purchase and re-evaluates its portfolio on a regular basis to ensure that all financial assets are appropriately classified.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those that the company intends to sell in the short-term or that it has designated as at fair value through profit or loss or available for sale. Loans and receivables comprise trade and other receivables and cash and bank balances.

These are measured at amortised cost using the effective interest method, less any impairment losses.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other financial liabilities

Other financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method. These include Borrowings and Trade and other payables.

iii) **De-recognition**

A financial asset is derecognised when the company loses control over the contractual rights that comprise that asset. This occurs when the rights are realised, expire or are surrendered. A financial liability is derecognised when it is extinguished, cancelled or expires.

iv) **Offsetting of financial assets and liabilities**

Financial assets and liabilities are offset and the net amount reported on the statement of financial position when there is a legally enforceable right to set-off the recognised amount and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

v) **Fair value of financial assets and liabilities**

Fair value of financial assets and financial liabilities is the price that would be received to sell an asset or paid to transfer a liability respectively in an orderly transaction between market participants at the measurement date.

(d) Impairment

i) **Financial asset**

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security.

The company considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

In assessing collective impairment the company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss

ii) Non-financial assets

The carrying amounts of the company's non-financial 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 (if any) that have indefinite useful 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 that cannot be tested individually 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, or CGU"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes.

The company's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(c) Revenue recognition

Subscription income is recognized upon raising the demand note for such payments from members. Other contributions (gala contributions) are recognized upon receipt of the cash from members.

(d) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency (Tanzanian Shillings) at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Foreign currency transactions (Continued)

reporting date are retranslated to the functional currency at the exchange rate at that date. Foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Foreign currency differences arising on retranslation are recognised in profit or loss in the period in which they arise.

(e) Employee benefits

i. Defined contribution plan

The Company makes statutory Contributions to the National Social Security Fund (NSSF) and Government Employee Provident Fund (GEPF). The Company's obligations in respect of contributions to such funds are 10% of the employees' gross emoluments.

Contributions to these pension funds are recognised as an expense in the period the employees render the related services.

ii. 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 recognised for the amount expected to be paid under short-term cash bonus if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

iii. Termination benefits

Termination benefits are recognised as an expense in the year when it becomes payable. Termination benefits are determined in accordance with the Tanzanian Labor Law.

(f) Operating lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

(g) Relevant new standards, amendments and interpretations issued but not yet effective and not early adopted

A number of new standards, amendments to standards and interpretations are not yet effective for annual periods beginning after 1 January 2016 and have not been applied in preparing these financial statements. None of those are expected to have a significant effect on the financial statements of the Company except for:

- **IFRS 15 Revenue from contracts with customers**

This standard replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC-31 Revenue – Barter of Transactions Involving Advertising Services.

The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Relevant new standards, amendments and interpretations issued but not yet effective and not early adopted (Continued)

- **IFRS 15 Revenue from contracts with customers**

This new standard will most likely have an impact on the Company, which will include a possible change in the timing of when revenue is recognised and the amount of revenue recognised.

The standard is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted under IFRS.

- **IFRS 16 Leases**

IFRS 16 was published in January 2016. It sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). IFRS 16 replaces the previous leases Standard, IAS 17 Leases, and related Interpretations. IFRS 16 has one model for lessees which will result in almost all leases being included on the Statement of Financial Position. No significant changes have been included for lessors.

The standard is effective for annual periods beginning on or after 1 January 2019, with early adoption permitted only if the entity also adopts IFRS 15. The transitional requirements are different for lessees and lessors. The Company are assessing the potential impact on the financial statements resulting from the application of IFRS 16.

- **IFRS 9 Financial Instruments**

On 24 July 2014, the IASB issued the final IFRS 9 Financial Instruments standard, which replaces earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement.

This standard will most likely have an impact on the Company, which will include changes in the measurement bases of the Company's financial assets to amortised cost, fair value through other comprehensive income or fair value through profit or loss. Even though these measurement categories are similar to IAS 39, the criteria for classification into these categories are significantly different. In addition, the IFRS 9 impairment model has been changed from an "incurred loss" model from IAS 39 to an "expected credit loss" model, which is expected to increase the provision for bad debts recognised in the Group.

The standard is effective for annual periods beginning on or after 1 January 2018 with retrospective application, early adoption is permitted.
All Standards will be adopted at their effective date (except for those Standards and Interpretations that are not applicable to the Company).

4. PROPERTY AND EQUIPMENT

	Motor vehicles	Furniture & office equipment	IT equipment	Total
	TZS	TZS	TZS	TZS
Cost				
Balance at 1 Jan 2015	64,212,734	30,044,947	6,277,200	100,534,881
Additions	-	-	-	-
Balance at 31 Dec 2015	**64,212,734**	**30,044,947**	**6,277,200**	**100,534,881**
Balance at 1 Jan 2016	64,212,734	30,044,947	6,277,200	100,534,881
Additions	-	-	1,400,000	1,400,000
Balance at 31 Dec 2016	**64,212,734**	**30,044,947**	**7,677,200**	**101,934,881**
Depreciation				
Balance at 1 Jan 2015	20,066,479	4,234,081	2,095,662	26,396,222
Charge for the year	16,053,184	3,748,853	2,353,951	22,155,988
Balance at 31 Dec 2015	**36,119,663**	**7,982,934**	**4,449,613**	**48,552,210**
Balance at 1 Jan 2016	36,119,663	7,982,934	4,449,613	48,552,210
Charge for the year	16,053,183	3,755,618	2,302,284	22,111,085
Balance at 31 Dec 2016	**52,172,846**	**11,738,552**	**6,751,897**	**70,663,295**
Net book values				
31 December 2016	**12,039,888**	**18,306,395**	**925,303**	**31,271,586**
31 December 2015	**28,093,071**	**22,062,013**	**1,827,587**	**51,982,671**

5. TRADE AND OTHER RECEIVABLES

	2016	2015
	TZS	TZS
BG Tanzania Ltd	10,855,000	10,750,000
Others	143,195	3,225,000
Infotech Place Limited	6,432,800	6,432,800
Commercial Bank of Africa	10,855,000	-
Statoil	271,375	-
Tanzania Cigarette Company (TCC)	10,855,000	-
Simba Motors	10,855,000	-
Stanbic Bank	10,855,000	
Prepayments	6,399,443	3,059,999
Coca Cola Kwanza Limited		4,300,000
	67,521,813	**27,767,799**

6. CASH AND CASH EQUIVALENTS

	2016	2015
Cash at bank – United States Dollars	228,299,559	255,674,237
Cash at bank – Tanzanian Shillings	6,494,023	(10,513,799)
Cash in hand	563,017	379,500
	235,356,599	**245,539,938**

7. TRADE AND OTHER PAYABLES

	2016 TZS	2015 TZS
Subscriptions received in advance	21,991,210	6,450,000
Accountancy fees payable	-	300,000
Audit fees payable	6,507,200	7,525,000
Accrual for telephone expenses	-	235,000
	28,498,410	**14,510,000**

8. SUBSCRIPTIONS FROM MEMBERS

The total annual subscription fees for 2016 from 116 members amounted to USD 163,449; equivalent to TZS 353,606,875 (2015: 113 members – USD 169,500 equivalent to TZS 331,803,822).

9. GALA DINNER CONTRIBUTION

The annual gala dinner contribution during the year was USD 61,216; equivalent to TZS 132,900,896. (2015: USD 41,990 equivalent to TZS 90,278,500).

10. OTHER INCOME

During the year, the Company raised USD 24,267, which is equivalent to TZS 52,780,000 in favor of Kagera Earthquake victims in Kagera. This amount was wholly contributed by CEO Roundtable members. Other income in year 2015 was comprised of Presidential Aspirants debate participation fee of TZS 3,755,053 and the balance of Best Grant of USD 8,320 equivalent to TZS 14,144,000.

11. ADMINISTRATIVE EXPENSES

	2016 TZS	2015 TZS
Monthly dinner charges	64,812,031	31,447,797
Accountancy fees	5,388,000	3,600,000
Audit fees	8,586,306	7,525,000
Bank charges	1,210,734	749,770
Internet charges – Web maintenance	14,042,130	10,144,813
Secretarial services	-	277,235
Marketing and Public relation	735,000	2,575,000
Salaries	147,760,318	134,861,807
Employer’s contribution to pension fund	14,227,959	13,417,333
Membership fees	3,225,000	5,484,000
Office rent	83,929,729	82,964,629
Service fees	16,221,337	14,640,817
Insurance	6,412,550	4,220,367
Telephone expenses	1,814,484	1,802,848
Utilities	5,653,756	6,644,416
Office expenses for premises	18,711,669	10,182,844
Other events	69,495,026	45,428,054
	462,226,029	**375,966,730**

12. GALA DINNER EXPENDITURE

The ‘Gala Dinner Expenditure’ relates to the cost of the Annual Gala Dinner held at the Kilimanjaro Hyatt Regency Hotel. The expenses included the hire of the venue, MC costs, entertainment and printing costs. The Gala dinner expenditure during the year was TZS 61,224,232; (2015 TZS 48,211,676)

13. OPERATING LEASE COMMITMENT

The Company has an operating lease commitment relating to its office premises, as follows:

	2016 TZS	2015 TZS
Office rent payable to Infotech Place Limited		
- Less than one year	107,262,597	90,816,000
- Between one and five years	83,920,005	158,928,000
	191,182,602	**249,744,000**

14. FINANCIAL INSTRUMENTS - FAIR VALUE AND MEASUREMENT

Accounting classifications and fair value

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments. The Company does not have financial instruments under level 1.

Level 2: Inputs other than quoted prices included within level 1 that are observable either directly or indirectly or other valuation techniques in which all significant inputs are directly or indirectly observable from market data. This category includes trade and other receivables, bank balances and trade payables whose carrying values approximate their fair values due to their short term nature.

Level 3: Inputs that are unobservable. This category includes instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on their valuation. The Company does not have financial instruments under this level.

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy (see note below the second table) as defined by IAS 39: Recognition and Measurement.

14. FINANCIAL INSTRUMENTS - FAIR VALUE AND MEASUREMENT (CONTINUED)

Accounting classifications and fair value (Continued)

	Loans and receivables TZS	Other financial liabilities TZS	Total TZS
At 31 December 2016			
Financial assets			
Trade and other receivables	67,521,813	-	67,521,813
Cash and cash equivalents	235,356,599	-	235,356,599
	302,878,412	**-**	**302,878,412**
Financial liabilities			
Trade and other payables	-	28,498,410	28,498,410
		28,498,410	**28,498,410**
At 31 December 2015			
Financial assets			
Trade and other receivables	27,767,799	-	27,767,799
Cash and cash equivalents	245,539,938	-	245,539,938
	273,307,737	**-**	**273,307,737**
Financial liabilities			
Trade and other payables	-	14,510,000	14,510,000
	-	**14,510,000**	**14,510,000**

The Company has not disclosed the fair values of financial instruments such as short-term receivables and payables, because their carrying amounts are a reasonable approximation of the fair values hence they are presented under "Financial assets not measured at fair value".

15. FINANCIAL RISK MANAGEMENT

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Currency risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Company's Directors have overall responsibility of the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risk adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered.

15. FINANCIAL RISK MANAGEMENT (CONTINUED)

The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Directors are responsible for monitoring compliance with the risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risk faced by the Company. The Directors are assisted in these functions by the management.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meets its contractual obligations, arising principally from the Company's net receivable which is mainly from members.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2016	2015
	TZS	TZS
Trade and other receivables	67,521,813	27,767,799
Cash and cash equivalents	235,356,599	245,539,938
	302,878,412	**273,307,737**

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. All liquidity policies and procedures are subject to review and approval by the Company's Directors.

The Directors believe that the Company has sufficient funds to settle the liabilities as and when they fall due. The Company does not have any long term liabilities, and the maturity profile of non-derivative financial liabilities based on the contractual cash flows, "undiscounted" and excluding impact of netting for the year ended 31 December 2016 was that the Company had total liabilities of TZS 28,498,410 (2015: TZS 14,510,000).

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates etc. will affect the company's 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 optimising the return.

Currency risk
The Company is exposed to currency risk on transactions that are denominated in a currency other than the respective functional currency of the company, the Tanzanian Shillings (TZS). The other currency in which these transactions primarily are denominated is US Dollars (USD).

The Company's strategy towards managing its foreign currency exposure is to transact mainly using its functional currency of TZS, where possible.

15. FINANCIAL RISK MANAGEMENT (CONTINUED)

Currency risk (Continued)

At the year end, the Company's exposure to currency risk was as follows:

	2016 TZS	**2015 TZS**
Balances denominated in USD:		
Trade and other receivables	67,521,813	27,767,799
Cash and cash equivalents	228,299,559	255,674,237
Trade and other payables	(28,498,410)	(13,975,000)
Net exposure	**267,322,962**	**269,467,036**

A sensitivity analysis in relation to the net exposure for a 10% strengthening of the USD against the TZS results in:

Increase in equity	**26,732,296**	**26,946,704**
Increase in profit or loss	**26,732,296**	**26,946,704**

16. SUBSEQUENT EVENTS

The Directors confirm that there were no material post reporting date events that require adjustment to, or disclosure in the financial statements.

17. CAPITAL COMMITMENTS AND CONTINGENCIES

The Directors confirm there are no capital commitments or contingent liabilities against the Company at the year end.