SHERA ZAMBIA LIMITED

FINANCIAL STATEMENTS

For the year ended 31 March 2024

JNMA CHARTERED ACCOUNTANTS
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHERA ZAMBIA LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Shera Zambia Limited** "the Company"), which comprise the statement of financial position as at 31 March 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies including notes to the financial statements. on pages 6 to 7 In our opinion, the accompanying financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of the Company as at 31 March 2024, and (of) its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the 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 [jurisdiction], 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 3 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements of **Shera Zambia Limited** as at 31 March 2024 have been properly prepared in accordance with Section 10 of the Company's Act 2017 and the accounting and other records and registers have been properly kept in accordance with the Act.

JNMA Chartered Accountants

Jairos N Mtonga
PARTNER
AUD/F000539

Date: 30 April 2024

JNMA
CHARTERED ACCOUNTANTS
LUSAKA

SHERA ZAMBIA LIMITED
Address:- Plot No. 32325, Lusaka, Zambia

Standalone Balance Sheet as at 31st March, 2024

Sr. No.	Particulars	Note No.	As at 31st March, 2024
I	ASSETS		
A	Non-Current Assets		
	a) Vehicle		599,687.67
	b) Capital Work-In-Progress		934,880.13
	c) Other Non-Current Assets		-
	Total Non-Current Assets		1,534,567.80
B	Current Assets		
	a) Inventories		-
	a) Financial Assets		-
	- Cash and Cash Equivalents		31,000.00
	- Bank Balances		530,526.05
	c) Advance to Parties		4,968,000.00
	Total Current Assets		5,529,526.05
	TOTAL ASSETS		7,064,093.85
II	EQUITY AND LIABILITIES		
1	EQUITY		
	a) Equity Share Capital	1	6,150,000.00
	b) Other Equity - attributable to owners of the company		-
	Total Equity		6,150,000.00
2	LIABILITIES		
A	Non-Current Liabilities		
	a) Financial Liabilities		-
	b) Long Term Provisions		-
	b) Deferred Tax Liabilities (Net)		-
	d) Other Non-Current Liabilities		-
	Total Non-Current Liabilities		-
B	Current Liabilities		
	a) Financial Liabilities		
	- Trade payables		914,093.85
	- Other Financial Liabilities		
	c) Other Current Liabilities		-
	d) Current Tax Liabilities (Net)		-
	Total Current Liabilities		914,093.85
	Total Liabilities		914,093.85
	TOTAL EQUITY & LIABILITIES		7,064,093.85
	The accompanying notes are integral part of these standalone financial statements	"1-2"	

For Shera Zambia Limited

Sheikh Naseem
Managing Director

Sahil Sheikh
Associate Director

SHERA ZAMBIA LIMITED

Address:- Plot No. 32325, Lusaka, Zambia

Cashflow Statement for the period ended on 31st March, 2024

Particulars	Year ended 31st March, 2024
CASH FLOW FROM OPERATING ACTIVITIES	
Net profit Before Tax and Extraordinary Iteams	-
Adjustments For:	
Interest and Finance Charges	-
Operating Profit before working capital changes	-
Adjustment For:	
Decrease/(Increase) in Trade receivables	-
Decrease/(Increase) in Other Non-Current Assets	-
Decrease/(Increase) in Other Current Asset	(4,968,000.00)
Changes in Trade Payables	914,093.85
Cash Generated from Operations	(4,053,906.15)
Taxes Paid	-
Net Cash From /(Used In) Operating Activities (A)	(4,053,906.15)
Cash Flow From Investing Activities	
(Purchase) / Sale of Fixed Assets/ Capital Work In Progress	(1,534,567.80)
Net Cash From /(Used In) Investing Activities (B)	(1,534,567.80)
Cash Flow From Financing Activities	
Proceeds from Issue of Shares	6,150,000.00
Changes in Short Term Borrowing	-
Changes in Long Term Borrowing	
Share Issue Expenses	-
Prelimanary Expenses	-
Net gain / loss on Foreign Exchanges	-
Net Cash From Financing Activities (c)	6,150,000.00
Net Increase / (Decrease) in Cash (A)+(B)+(C)	561,526.05
Cash and Cash equivalents at the beginning of the year	-
Cash and Cash equivalents at the end of the year	561,526.05

For Shera Zambia Limited

Sheikh Naseem
Managing Director

Sahil Sheikh
Associate Director

SHERA ZAMBIA LIMITED
Address:- Plot No. 32325, Lusaka, Zambia

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2024

1. Principal activity

The company is incorporated in Zambia and is principal business activities involved in Mafacturing of Non-ferrous Metal Products.

2. Basis of preparation of the financial statements

are set out below. These policies have been consistently applied, unless otherwise stated.

(a). Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires directors to exercise judgement in the process of applying the Company's accounting policies.
The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the director being able to generate sufficient funds.

If the company were unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the statement of financial position values of assets to their recoverable amounts, to provide for further liabilities that might arise and to reclassify fixed assets and long-term liabilities as current assets and liabilities.

The directors are of the opinion that it is appropriate for the financial statements to be prepared on a going concern basis.

For Shera Zambia Limited

Sheikh Naseem
Managing Director

Sahil Sheikh
Associate Director

Note - 2 - Equity Share Capital

Particulars	As At 31 March 2024
Authorised	
2,50,000 Equity shares of ZK. 24.60/- par value	6,150,000.00
Issued,Subscribed & Paid up	
2,50,000 Equity shares of ZK. 24.60/- par value	6,150,000.00
Total	**6,150,000.00**

Reconciliation of equity share capital

Particulars	As At 31 March 2024
Balance at the beginning of the period/year	
- Number of shares	-
Add: Shares issued during the period/year	
- Number of shares	250,000.00
Balance at the end of the period/year	
- Number of shares	250,000.00

Notes :

a) Details of Shares held by each shareholder holding more than 5% of share capital

PARTICULARS	As at 31.03.2024 No of Shares
Equity Shares	
Shera Energy Limited	245,000.00

b) Details of Shares held by Promoter of the company and change in stake of the company during the year

PARTICULARS	As at 31.03.2024 No of Shares	% held
Equity Shares		
Shera Energy Limited	245,000.00	98%

Terms & Rights attached to Equity Shares.

The Company has only one class of share referred to as Equity Shares having a par value of ZK.24.60/- each. Each holder of Equity Shares is entitled to one vote per share. Dividend on such shares is payable in proportion to the paid up amount. Dividend (if any) recommended by board of directors (other than interim dividend) is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of winding up of the company, the holder of Equity Shares will be entitled to receive any of the remaining assets of the company after all preferential amounts and external liabilities are paid in full. However, no such preferential amount exists currently. The distribution of such remaining assets will be on the basis of number of Equity Shares held and the amount paid up on such shares.