

LESELI HUB (PTY) LTD

**ANNUAL FINANCIAL STATEMENTS
AS AT 31 MARCH 2019**

M.PUTSOA & ASSOCIATES
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24 SEP 2020

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ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

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M Putsoa & Associates

Chartered Accountants and Business Consultants

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INDEPENDENT AUDITORS' REPORT

To the members of the LESELI HUB (Pty) Ltd

Opinion

We have audited the financial statements of LESELI HUB (Pty) Ltd which comprise the statement of financial position as at 31 March 2019, statement of comprehensive income, receipts and payments account and notes to the financial statements contained from page 1 to 6. In our opinion the financial statements present fairly, in all material respects the financial position of the Company as at 31 March 2019 and of its financial performance for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA's). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of the report below. We are independent of the Company in accordance with the International Ethics 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 Lesotho, 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.



Responsibility of Management and those charged with Governance of the Financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal controls as the management determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to the fraud or error.

In preparing the annual financial statements, Management is responsible for assessing the Business'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 business or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (Committee) are responsible for overseeing the Business'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 misstatements, 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 through the audit. We also:

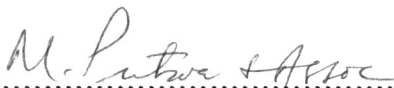
- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This risk of not detecting a material misstatement resulting in from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- 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 Business'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 business's ability to continue as a going concern.

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 due date of our auditor's report. However, future events or conditions may cause the school 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, amongst 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 with 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.


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M. Putsoa & Associates – Chartered Accountants
P Matsobane Putsoa (FCA) Lesotho

Membership No. 300303 of Lesotho Institute of Accountants
24th SEPTEMBER 2020



LESELI HUB (PTY) LTD

DIRECTORS' REPORT FOR YEAR ENDED 31 MARCH 2019

The Directors have the pleasure of presenting their report, which forms part of the financial statements, for the year ended 31 March 2019.

1. NATURE OF BUSINESS

The principal nature of the organization's business is to Advertising and marketing agency to the local companies and internationally.

2. MATERIAL CHANGES IN THE SCHEME

There are no material changes in the running of the Company.

3. REVIEW OF RESULTS AND ACTIVITIES

The company is operating very well and very popular between the two directors. It is quite a viable business.

4. BOARD OF DIRECTORS COMMITTEE MEMBERS

The following were in office at the end of the year under review:

Mr. Matete Ntsukunyane
Mr. Lereko Majola



5. REGISTERED OFFICE AND POSTAL ADDRESS

Registered Office

LESELI HUB (PTY) LTD

METCASH BUILDING

Kingsway -Maseru

Telephone

Postal Address

P.O. Box 14346

Maseru 100

+266 57268548

6. AUDITORS

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LESELI HUB (PTY) LTD
BALANCE SHEET AS AT 31ST MARCH 2019

	NOTES	2019	2018
NON CURRENT ASSETS		1,282,084	406,117
Fixed Assets	5	1,282,084	406,117
INVESTMENTS		198,000	
CURRENT ASSETS		233,044	218,838
Accounts Receivable		140,460	93,629
Cash Resources		92,584	125,209
TOTAL ASSETS		1,713,128	624,955
EQUITY & LIABILITIES			
CAPITAL & RESERVES		1,279,708	283,170
Share Capital	7	84,000	12,033
Retained Income		296,368	271,137
Revaluation		899,340	-
NON CURRENT ASSETS		361,389	337,596
Term Loan		361,389	337,596
CURRENT LIABILITIES		72,031	4,190
Accounts Payable		-	-
Taxation		72,031	4,190
TOTAL EQUITY & LIABILITIES		1,713,128	624,955

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LESELI HUB (PTY) LTD
INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

	NOTE	2019	2018
REVENUE	1.3		
Sales		609,274	1,287,025
COST OF SALES		-	647,006
GROSS PROFIT		609,274	640,019
LESS: ADMINISTRATION & OPERATING EXPENSES		575,632	623,260
Accounting Fees		5,600	8,500
Advertising & Promotion		1,650	14,525
Bank Charges		22,947	8,658
Consumables		-	-
Depreciation	4	84,823	110,449
Directors Fees		59,250	-
Fuel		19,340	-
Electricity & Water		-	4,525
General Expenses		18,556	23,447
Insurance		49,042	-
Interest		79,763	25,645
Leasing Charges		37,221	-
Licenses & Registration		-	650
Office Expenses		-	-
Printing & Stationery		93,844	8,565
Professional Fees		-	4,800
Rent & Rates		18,697	73,836
Repairs & Maintenance		8,280	-
Staff Welfare		4,710	-
Subscription		-	-
Telephone & Faxes		4,780	6,520
Transport		8,050	58,960
Wages & Salaries		59,080	274,180
NET PROFIT FOR THE YEAR		33,642	16,759
TAXATION		8,410	4,190
NET PROFIT AFTER TAXATION		25,231	12,569
RETAINED INCOME AT BEG. OF THE YEAR		271,137	258,568
RETAINED INCOME AT END OF THE YEAR		296,368	271,137

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LESELI HUB (PTY) LTD
NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31ST MARCH 2020

1 BUSINESS ACTIVITY	M	2019	2018
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The principal activities of the business
is that of Printing Works and Advetising Agency

2 ACCOUNTING POLICIES

The Annual Financial Statements
have been prepared on the historical
cost basis and incorporate the
following principal Accounting Policies
which are consistent with those used
in the previous year.

3 REVENUE

The revenue of the business comprise of
Income from Construction Services
The net amount of invoices to customers

609,274	1,287,025
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609,274	1,287,025
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4 DEPRECIATION

The policy of the company is to depreciate the assets over the period which they have been
used to generate the income subject to tax. And it will be apportioned over the period the asset used
Assets are depreciated using reducing balance method with the following rates

Office Furniture	10%
Motor Vehicles	25%
Plant & Equipment	20%



5 FIXED ASSETS

BILLBOARDS

	960,790	-
Cost	960,790	-
Addition	-	-

PLANT & EQUIPMENT

	15,310	19,138
Cost	43,200	43,200
Addition	-	-
Accumulated Depreciation	24,062	19,278
Depreciation	3,828	4,784

OFFICE FURNITURE

	94,482	104,980
Cost	134,692	134,692
Addition	-	-
Accumulated Depreciation	29,713	18,048
Current Depreciation	10,498	11,664

MOTOR VEHICLES

	211,502	282,000
Cost	376,000	376,000
Addition	-	-
Accumulated Depreciation	94,000	-
Depreciation	70,498	94,000

TOTAL ASSETS

	1,282,084	406,117
Cost	1,514,682	553,892
Addition	-	376,000
Accumulated Depreciation	147,775	37,326
Current Depreciation	84,823	110,449

6 SHARE CAPITAL

Authorised 1,000 Shares @ M12.03 each	84,000	12,033
Issued: 1,000 Shares @ M12.03 each	84,000	12,033

7 TERM LOAN

This loan was acquired to purchase the company Vehicles

361,389	337,596
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8 CASH RESOURCES

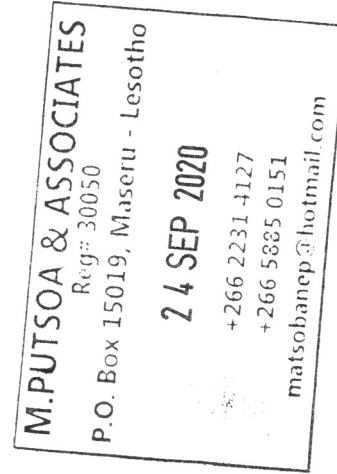
The cash resource is the cash in hand and at bank as the end of the trading period



LESELI HUB (PTY) LTD

Statement of changes in equity for the year ended 31 March 2019

	Issued capital M	Share Premium	Revaluation Reserve	Retained earnings M	Dividends M	Total equity M
Balance at 1 APRIL 2018	12,033	-	-	271,137	-	283,170
Changes in accounting policy						-
Restated balance	12,033			271,137	-	283,170
Changes in equity for the year 2019						
Issued Shares	71,967					71,967
Share Premium						-
Dividends				25,231		25,231
Income for the year						899,340
Revaluation gain			899,340			899,340
Balance at 31 MARCH 2019	84,000	-	899,340	296,369	-	1,279,709



LESELI HUB (PTY) LTD**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2019****CASH FLOW FROM OPERATING ACTIVITIES** **(80,799)**

Cash Generated by Operations	245,059
Finance Costs	151,730
Taxation Paid	174,128

CASH FLOW FROM INVESTING ACTIVITIES **-**

Call account	-
Acquisition of Assets	-
Proceeds on Disposal of Assets	-
Interest received	-

CASH FLOW FROM FINANCING ACTIVITIES **48,174**

Dividends	-
Acquisition of Loans	-
Repayment of Loans	23,793
Proceed from issue of members interest	71,967

Decrease in Cash and Cash Equivalents	(32,625)
Cash and Cash Equivalents at Beginning of the Year	125,209

Cash and Cash Equivalents at End of the Year	92,584
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LESELI HUB (PTY) LTD
NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

<u>Cash Generated by Operations</u>	245,059
Net Profit Before Taxation	33,642
<u>Adjustments:</u>	
<i>Non-Cash Items</i>	84,823
Depreciation	84,823
<i>Items Shown Separately</i>	79,763
Finance Costs	79,763
interest receivable	-
<i>Movements in Working Capital</i>	46,831
Increase in Inventory	-
Decrease in Accounts Receivable	46,831
Increase in Accounts Payable	-

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