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Ubambo Investment Holdings Limited Group

Annual Financial Statements
for the year ended 29 February 2024

AUDIT ADVISORY TECHNOLOGY CONSULTING

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Holds investments in the information and communications technology and infrastructure industries.
	M.S.C Bawa G.D. Harlow O.F.E Moola N. Govender
Registered office	1st Floor 25 Autumn Street Rivonia Gauteng 2191
Business address	1st Floor 25 Autumn Street Rivonia Gauteng 2191
Postal address	Postal Bag x 9943 Sandton Gauteng 2146
Bankers	Nedbank Limited
Auditor	RAiN Chartered Accountants Incorporated Chartered Accountant (SA) Registered Accountants and Auditors
registration number	1998/014976/06

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Level of assurance

These financial statements have been audited in compliance with the applicable requirements of the Companies Act No. 71 of 2008.

A report of the has not been prepared as the is a wholly owned subsidiary of which is incorporated in South Africa

Director's Responsibilities and Approval

The directors are required by the Companies Act No. 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditor is engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the entity's cash flow forecast for the year to 28 February 2025 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the entity's financial statements. The financial statements have been examined by the entity's external auditor and their report is presented on page 6 - 5.

The financial statements set out on pages 6 to 15, which have been prepared on the going concern basis, were approved by the board on 31 May 2024 and were signed on its behalf by:

Approval of financial statements

M.S.C Bawa	**G.D. Harlow**

Director's Report

The directors have pleasure in submitting their report on the group audited annual financial statements of Ubambo Investment Holdings Limited Group for the year ended 29 February 2024.

1. Review of financial results and activities

The consolidated group audited annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act No. 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

2. Auditors

RAiN Chartered Accountants Incorporated continued in office as auditors for the entity and it's subsidiaries for 2024.

At the AGM, the shareholders will be requested to reappoint RAiN Chartered Accountants Incorporated as the independent external auditors of the the company and to confirm Mr I.E Pierce as the designated lead audit partner for the 2025 financial year.

3. Share capital

			2024	2023
Authorised			Number of shares	
Ordinary shares			300 000 000	300 000 000

	2024	2023	2024	2023
Issued	R	R	Number of shares	
Ordinary shares	5 333 103	5 333 103	129 548 949	129 548 949

There have been no changes to the authorised or issued share capital during the year under review.

4. Directorate

The in office at the date of this report are as follows:

Directorate	Office	Designation	Nationality
M.S.C Bawa	Chief Executive Officer	Executive	South African
G.D. Harlow	Chairperson	Non-executive	South African
O.F.E Moola	Chief Operating Officer	Non-executive	South African
N. Govender	Chief Operating Officer	Non-executive Independent	South African

There have been no changes to the directorate for the period under review.

5. Interests in subsidiaries

Details of material interests in subsidiary are presented in the consolidated group annual financial statements in note 2.

There were no significant acquisitions or divestitures during the year ended 29 February 2024.

6. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

7. Going concern

The consolidated group annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Director's Report

. Going concern (continued)

The directors believes that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated annual financial statements have been prepared on a going concern basis. The directors has satisfied themselves that the group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors is not aware of any new material changes that may adversely impact the group. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the group.

We draw attention to the fact that at 29 February 2024, the group had accumulated losses of R 38 119 913 and that the group's total liabilities exceed its total assets.

The fact that the group is currently not generating any income does not pose a threat to the going concern of the entity as the directors have committed to continue obtaining finance at favourable terms to the company until such a time that the company's investments start generating income again.

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Independent Auditor's Report

To the directors of Ubambo Investment Holdings Limited

Opinion

We have audited the annual financial statements of Ubambo Investment Holdings Limited set out on pages 1 to 17, which comprise the statement of financial position as at 29 February 2024, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Ubambo Investment Holdings Limited as at 29 February 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa No. 71 of 2008.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008 of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual 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 Standards on Auditing 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 annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual 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 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 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 annual 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 annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the 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.

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RAiN Chartered Accountants Incorporated
Chartered Accountants (S.A.)
Registered Auditor
Per: I.E. PIERCE
Johannesburg
6 May 2024

Ubambo Investment Holdings Limited
Trading as Ubambo Investment Holdings Limited Group
(Registration number: 1998/014976/06)
Financial Statements for the year ended 29 February 2024

Statement of Financial Position as at 29 February 2024

Figures in Rand	Note(s)	2024	2023
Assets			
Non-Current Assets			
Other financial liabilities	3	2 251	2 250
Current Assets			
Trade and other receivables	4	28 383	244 815
Cash and cash equivalents	5	23 031	30 938
		51 414	**275 753**
Total Assets		**53 665**	**278 003**
Equity and Liabilities			
Equity			
Share capital	6	34 467 372	34 467 372
Accumulated loss		(38 119 913)	(37 480 574)
		(3 652 541)	**(3 013 202)**
Liabilities			
Current Liabilities			
Trade and other payables		13 204	13 204
Other financial liabilities	7	3 693 000	3 278 000
		3 706 204	**3 291 204**
Total Equity and Liabilities		**53 663**	**278 002**

Statement of Comprehensive Income

Figures in Rand	Note(s)	2024	2023
Operating expenses		(639 339)	(412 024)
Loss for the year		**(639 339)**	**(412 024)**
Other comprehensive income		-	-
Total comprehensive loss for the year		**(639 339)**	**(412 024)**

Statement of Changes in Equity

Figures in Rand	Share capital	Share premium	Total share capital	Accumulated loss	Total equity
Balance at 01 March 2022	**5 332 904**	**29 134 468**	**34 467 372**	**(37 068 550)**	**(2 601 178)**
Loss for the year	-	-	-	(412 024)	(412 024)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**-**	**(412 024)**	**(412 024)**
Balance at 01 March 2023	**5 332 904**	**29 134 468**	**34 467 372**	**(37 480 574)**	**(3 013 202)**
Loss for the year	-	-	-	(639 339)	(639 339)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**-**	**(639 339)**	**(639 339)**
Balance at 29 February 2024	**5 332 904**	**29 134 468**	**34 467 372**	**(38 119 913)**	**(3 652 541)**
Note(s)		6	6		

Statement of Cash Flows

Figures in Rand	Note(s)	2024	2023
Cash flows from operating activities			
Cash receipts from customers		216 432	-
Cash paid to suppliers and employees		(639 339)	(463 204)
Cash used in operations	10	(422 907)	(463 204)
Net cash from operating activities		**(422 907)**	**(463 204)**
Cash flows from financing activities			
Proceeds from/(repayment of) other financial liabilties		415 000	485 000
Total cash movement for the year		**(7 908)**	**21 696**
Cash and cash equivalents at the beginning of the year		30 938	9 242
Total cash at end of the year	5	**23 030**	**30 938**

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The consolidated group financial statements have been prepared on a going concern basis in accordance with and in compliance with , International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committeee ("IFRIC") issued and effective at the time of preparing these audited annual financial statements, and the Companies Act No. 71 of 2008. The consolidated group financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

1.2 Investments in subsidiaries

Investments in subsidiaries are measured at cost less any accumulated impairment losses.

1.3 Financial instruments

Initial measurement

Financial instruments held by the group are classified in accordance with the provisions of IFRS 9 Financial Instruments.
Broadly, the classification possibilities, which are adopted by the group ,as applicable, are as follows:
Financial assets which are equity instruments:
- Mandatorily at fair value through profit or loss; or
- Designated as at fair value through other comprehensive income. (This designation is not available to equity instruments which are held for trading or which are contingent consideration in a business combination).

Financial assets which are debt instruments

These include loans, trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Fair value through other comprehensive income. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments); or
- Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or
- Designated at fair value through profit or loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

Financial liabiities

- Amortised cost; or
- Mandatorily at fair value through profit or loss. (This applies to contingent consideration in a business combination or to liabilities which are held for trading); or
- Designated at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit or loss).

Accounting Policies

1.3 Financial instruments (continued)

Trade and other receivables

Classification
Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost.
They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the companyp's business model is to collect the contractual cash flows on trade and other receivables.
Recognition and measurement
Trade and other receivables are recognised when the group becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.
They are subsequently measured at amortised cost.
The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.
Derecognition
Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.
Any gains or losses arising on the derecognition of trade and other receivables is included in profit or loss..

Derecognition

Financial assets
The group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.
Financial liabilities
The group derecognises financial liabilities when, and only when, the company obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss..

1.4 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Accounting Policies

1.4 Tax (continued)

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

Deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

When management assess the extent to which is it probable that taxable profit will be available against which potential deferred tax assets can be utilised, they take into consideration that the utilisation of assessed losses are limited to the greater of 80% of the taxable income or R1 million in the year of assessment.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.5 Impairment of assets

The group assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.6 Share capital and equity

Equity instruments issued by the group are recognised at the proceeds received, net of direct issue costs.Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the company in which they are delcared

1.7 Consolidation

The consolidated group audited annual financial statements incorporate the group audited annual financial statements of the company and all subsidiaries. Subsidiaries are entities which are controlled by the group.
The group has control of an entity when it is exposed to or has rights to variable returns from involvement with the entity and it has the ability to affect those returns through use its power over the entity.
The results of subsidiaries are included in the consolidated group audited annual financial statements from the effective date of acquisition to the effective date of disposal.
Adjustments are made when necessary to the group audited annual financial statements of subsidiaries to bring their accounting policies in line with those of the group.
All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Notes to the Financial Statements

Figures in Rand	2024	2023

2. Investments in subsidiaries

Name of subsidiary		% holding 2024	% holding 2023	Carrying amount 2024	Carrying amount 2023
Ubambo Teleccommunications (Proprieatary) Limited	eg1*	100,00 %	100,00 %	-	-
Africa Genesis Investment Holdings Limited	eg**	100,00 %	100,00 %	-	-
Isivuno Investment (Proprietary) Limited	eg2	100,00 %	100,00 %	-	-
				-	-

3. Other financial liabilities

	2024	2023
Unlisted shares	2 251	2 250

4. Trade and other receivables

	2024	2023
Trade receivables	15 050	15 050
VAT	13 333	229 765
	28 383	**244 815**

5. Cash and cash equivalents

Cash and cash equivalents consist of:

	2024	2023
Bank balances	23 031	30 938

6. Share capital

	2024	2023
Issued		
Ordinary	5 332 904	5 332 904
Share premium	29 134 468	29 134 468
	34 467 372	**34 467 372**

7. Other financial liabilities

	2024	2023
Current liability	3 693 000	3 278 000

The current liability consist of the following: (these loans are unsecured, interest-free and has no fixed terms of repayment

- Inyanga Trading 489 (Proprietary) Limited R3 683 000

- Eclipse Unimited (Proprietary) Limited R 10 000

8. Auditor's remuneration

	2024	2023
Fees	88 073	124 178

Notes to the Financial Statements

Figures in Rand	2024	2023

9. Depreciation, amortisation and impairments

The following items are included within depreciation, amortisation and impairments:

10. Cash used in operations

Net loss before taxation	(639 339)	(454 301)
Changes in working capital:		
(Increase) decrease in trade and other receivables	216 432	159 436
(Increase) decrease in prepayments	-	(1 538)
	(422 907)	**(296 403)**

11. Related parties

Relationships	
Subsidiaries	Ubambo Telecommunications (Proprietary) Limited 2 Isivuno Investment (Proprietary) Limited
Entities with common directorship	Inyanga Trading 489 (Proprietary) Limted Eclipse Unlimited (Proprietary) Limted
Directors	M.S.C Bawa G.D Harlow O.F.E Moola N. Govender

Related party balances and transactions with entities with control, joint control or significant influence over the

Related party balances

Loan accounts - Owing (to) by related parties		
Inyanga Trading 489 (Proprietary) Limited	(3 683 000)	(3 268 000)
Eclipse Unlimited (Proprietary) Limited	(10 000)	(10 000)

Related party transactions

Aministration fees paid to related parties		
Eclipse Unlimited (Proprietary) Limited	(171 000)	(171 000)

Notes to the Financial Statements

Figures in Rand	2024	2023

12. Financial instruments and risk management

Credit risk

The other financial assets balance is the following:	23 031	45 888

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The group is exposed to credit risk on loans receivable, trade and other receivables and cash and cash equivalents.

Credit risk for exposures other than those arising on cash and cash equivalents, are managed by making use of credit approvals, limits and monitoring. The group only deals with reputable counterparties with consistent payment histories. Sufficient collateral or guarantees are also obtained when necessary. Each counterparty is analysed individually for creditworthiness before terms and conditions are offered. The exposure to credit risk and the creditworthiness of counterparties is continuously monitored.

Credit risk exposure arising on cash and cash equivalents is managed by the group through dealing withwell-established financial institutions with high credit ratings.No credit risk allowances was recognised during the 2024 or 2023 year of assessment.

The maximum exposure to credit risk is presented in the table below.

	2024	2023
Trade and other receivables (gross carrying amount)	-	14 950
Cash and cash equivalents (gross carrying amount)	23 031	30 938
Loans to group companies	1	1
Total	**23 032**	**45 889**

13. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis.

We draw attention to the fact that at 29 February 2024, the company had accumulated losses of R 38 119 913 and that the company's total liabilities exceed its total assets by R 3 652 541.

The fact that the group is currently not generating any income does not pose a threat to the going concern of the entity as the directors have committed to continue obtaining finance at favourable terms to the group until such a time that the group's investments start generating income again

14. Unrecognised deferred tax asset

Ubambo Investment Holdings Limited has assessed a deferred tax asset of R1 983 603 during the 2024 year of assessment. According to IAS12, deferred tax assets are recognised to the extent that it is probable that sufficient taxable profits will be available to realize the deductible temporary difference or carryforward of unused tax losses or tax credits

Ubambo Investment Holdings Limited does not foresee to make sufficient taxable profits against which the deferred tax asset can be untilized, as such the IAS12 recognition criteria have not been met

Detailed Income Statement

Figures in Rand	Note(s)	2024	2023
Expenses (Refer to page 16)		**(639 339)**	**(412 024)**
Loss for the year		**(639 339)**	**(412 024)**
Operating expenses			
Accounting fees		(12 575)	(23 376)
Administration and management fees		(171 000)	(171 000)
Auditors remuneration	8	(88 073)	(124 178)
Bank charges		(1 157)	(1 268)
Other expenses		-	(650)
Re-assessment of receivable recoverability		(214 422)	44 594
Service fees		(145 652)	(131 192)
IT expenses		(6 460)	(4 954)
		(639 339)	**(412 024)**

The supplementary information presented does not form part of the financial statements and is unaudited

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ACCOUNTANTS

Independent Auditor's Report

To the directors of Ubambo Investment Holdings Limited

Opinion

We have audited the annual financial statements of Ubambo Investment Holdings Limited set out on pages 1 to 17, which comprise the statement of financial position as at 29 February 2024, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Ubambo Investment Holdings Limited as at 29 February 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa No. 71 of 2008.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008 of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual 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 Standards on Auditing 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 annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual 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 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 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 annual 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 annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the 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.

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RAiN Chartered Accountants Incorporated
Chartered Accountants (S.A.)
Registered Auditor
Per: I.E. PIERCE
Johannesburg
6 May 2024