



Tel +251-911-40 49 89  
+251-111-11 14 79  
Fax.+251-111-11 14 63

ሰለሞን ኢሻ-ቴ  
የተመሰከረላቸው የሒሳብ አዋቂዎች  
የተፈቀደላቸው አዲተሮች በኢትዮጵያ

**Solomon Eshete**  
Chartered Certified Accountants-UK  
Certified Auditors in Ethiopia

P.O.Box 31003  
Addis Ababa  
Ethiopia

**INDEPENDENT AUDITOR'S REPORT ON FINANCIAL INFORMATION OF  
PURPOSEBLACK ETH TRADING SHARE COMPANY**

***Unqualified Opinion***

We have audited the accompanying financial statements of PurposeBlack Eth Trading Share Company which comprise the Statement of Financial Position as at 07 July 2022 (Sene 30, 2014), The Statement of Financial Performance, The Statement of Change in Equity and the statement of Cash Flow for the year period ended 07 July 2022 (Sene 30, 2014) and the notes to the financial information including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the PurposeBlack Eth Trading Share Company as at 07 July, 2022 (Sene 30, 2014) and (of) its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standard (IFRS).

***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 entity in accordance with the requirement of the IESBA Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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, 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 organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

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.

#### ***Other Matters***

The deficit of the company has reached Birr 63,864,929.39, at the balance sheet date as a result the paid up capital of the company has been washed up. The commercial code of Ethiopia article 543(1) states that "where three quarter of the capital are lost, the management shall consult with the members and decide whether the company should be dissolved". We receive the management decision to continue the business.

  
**SOLOMON ESHETE, FCCA**

Chartered certified accountants-UK  
Authorized auditors in Ethiopia

**11-Jan-2023  
Addis Ababa,  
Ethiopia**



PURPOSEBLACK ETH TRADING SHARE COMPANY

STATEMENT OF FINANCIAL POSITION

AS AT 7 JULY 2022 (SENE 30,2014)

	Notes	2022 ETB	2021 ETB
<b>Assets</b>			
<i>Non- Current assets</i>			
Property, plant and equipment	11	32,039,890	1,217,281
		<b>32,039,890</b>	<b>1,217,281</b>
<b>Current asset</b>			
Inventories	12	27,971,594	-
Deposit and prepayment		163,985	108,100
Trade and other receivables	13	35,697,371	-
Tax receivables		4,996,145	-
Cash and cash equivalent	14	67,380,015	2,205,431
		<b>136,209,110</b>	<b>2,313,531</b>
<b>Total assets</b>		<b>168,249,000</b>	<b>3,530,812</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Issued capital	15	1,120,000	1,120,000
Additional share issued and premiums	15	219,424,522	3,500,000
Legal reserve	16	-	-
Retained earnings	17	(63,864,929)	(1,204,300)
<b>Total equity</b>		<b>156,679,592</b>	<b>3,415,700</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	10	-	-
		<b>-</b>	<b>-</b>
<b>Current liabilities</b>			
Trade and other payables	18	11,569,407	115,112
Profit tax payable	9	-	-
		<b>11,569,407</b>	<b>115,112</b>
<b>Total liabilities</b>		<b>11,569,407</b>	<b>115,112</b>
<b>Total equity and liabilities</b>		<b>168,249,000</b>	<b>3,530,812</b>



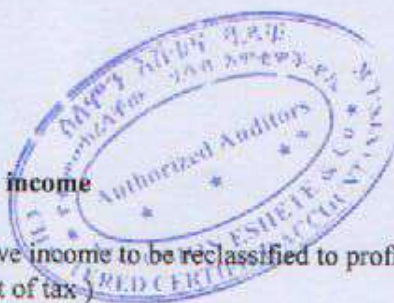


## PURPOSEBLACK ETH TRADING SHARE COMPANY

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 7 JULY 2022 (SENE 30, 2014)

	Notes	2022 ETB	2021 ETB
<b>Revenue</b>			
Sales	4	34,654,408	-
Cost of sales	5	12,617,633	-
<b>Gross profit</b>		<b>22,036,775</b>	<b>-</b>
Selling and distribution expenses		-	-
General and administration expense	6	84,697,404	1,204,300
Profit from operating activities		(62,660,629)	(1,204,300)
Other operating income	7	-	-
Profit before Interest and taxation		(62,660,629)	(1,204,300)
Finance costs/charges	8	-	-
Profit before tax		(62,660,629)	(1,204,300)
Income tax expense	9	-	-
Profit for the year		(62,660,629)	(1,204,300)
<b>Other comprehensive income</b>			
Let other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)		-	-
Let other comprehensive income not to be reclassified to profit or loss in the subsequent period (net of tax)		-	-
<b>Total comprehensive income for the year net of tax</b>		<b>(62,660,629)</b>	<b>(1,204,300)</b>





**PURPOSEBLACK ETH TRADING SHARE COMPANY**  
**STATEMENTS OF CASH FLOW**  
**FOR THE YEAR ENDED 7 JULY 2022 (SENE 30, 2014)**

	Notes	2022 ETB
<b>Operating activities</b>		
Profit before tax		(62,660,629)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization		5,977,110
Adjustment		-
Interest expense		-
		<u>(56,683,519)</u>
Cash flow from working capital movement:		
Increase / Decrease in trade and other receivables and prepayments		(35,697,371)
Increase / Decrease in Deposit and prepayment		(55,885)
Increase / Decrease in shareholders account		-
Increase / Decrease in Inventories		(27,971,594)
Increase / Decrease in tax receivables		(4,996,145)
Decrease in Tax payable		-
Increase in trade and other payables		11,454,295
		<u>(113,950,219)</u>
(Decrease) in profit tax liability		-
(Decrease) in financial liability		-
<b>Net cash flows from operating activities</b>		<u>(113,950,219)</u>
<b>Investing activities</b>		
Purchase of property, plant and equipment		(36,799,719)
<b>Net cash flows used in investing activities</b>		<u>(36,799,719)</u>
<b>Financing activities</b>		
Dividend paid		-
Shareholders payable		215,924,522
Interest paid		-
		<u>215,924,522</u>
Net increase/ ( decrease ) in cash and cash equivalents		65,174,583
Cash and cash equivalents at 08 July,		2,205,431
<b>Cash and cash equivalents at 07 July 2022</b>		<u><b>67,380,015</b></u>
<b>Cash and cash equivalents represented by</b>		
Cash at bank		67,380,015
		<u><b>67,380,015</b></u>



**PURPOSEBLACK ETH TRADING SHARE COMPANY**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 7 JULY 2022 (SENE 30,2014)**

	<b>Paid UP Capital BIRR</b>	<b>Legal reserveb BIRR</b>	<b>Retained Earnings BIRR</b>	<b>Total BIRR</b>
<b>Balance at 7 July 2021</b>	<b>1,120,000</b>	<b>-</b>	<b>(1,204,300)</b>	<b>(84,300)</b>
Comprehensive income for the year	-	-	(62,660,629)	(62,660,629)
Legal reserve	-	-	-	-
<b>Balance at 7 July 2022</b>	<b>1,120,000</b>	<b>-</b>	<b>(63,864,929)</b>	<b>(62,744,929)</b>

