



Buntingwa Resources Limited
(Registration number 120220042900)

Financial statements
for the year ended March 31, 2024

These financial statements have been independently reviewed in compliance with the applicable requirements of the
Companies Act No 10 of 2017.
Issued July 15, 2024

Buntingwa Resources Limited

(Registration number: 120220042900)

Financial Statements for the year ended March 31, 2024

General Information

Country of incorporation and domicile	Zambia
Nature of business and principal activities	Mining of non-ferrous metal ores including other mining and quarrying.
Directors	Rahul Vuendra Agrawal Krishan Chand Kalra Vikram Patini Rohit Kalra
Registered office	Parklands Kitwe Zambia
Bankers	Indo Zambia Bank Plc FNB Plc
Secretary	Kapambwe Theresa
Company registration number	120220042900
Level of assurance	These financial statements have been independently reviewed in compliance with the applicable requirements of the Companies Act No 10 of 2017.

Buntingwa Resources Limited

(Registration number: 120220042900)

Financial Statements for the year ended March 31, 2024

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Level of assurance

These financial statements have been independently reviewed in compliance with the applicable requirements of the Companies Act No 10 of 2017.

Published

July 15, 2024

Buntingwa Resources Limited

(Registration number: 120220042900)

Financial Statements for the year ended March 31, 2024

Directors' Responsibilities and Approval

The directors are required by the Companies Act No 10 of 2017, 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 company 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 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 company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set 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 company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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 company's cash flow forecast for the year to March 31, 2025 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The independent reviewer is responsible for independently reviewing and reporting on the company's financial statements. The financial statements have been examined by the company's independent reviewer and their report is presented on page 5 - 4.

The financial statements set out on pages 7 to 16, which have been prepared on the going concern basis, were approved by the directors on July 15, 2024 and were signed on its behalf by:

Approval of financial statements



Director

Director

Buntingwa Resources Limited

(Registration number: 120220042900)

Financial Statements for the year ended March 31, 2024

Directors' Report

The directors have pleasure in submitting their report on the financial statements of Buntingwa Resources Limited for the year ended March 31, 2024.

1. Nature of business

Buntingwa Resources Limited was incorporated in Zambia with interests in the Mining industry. The company operates in Zambia.

There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act No 10 of 2017. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

3. Share capital

Authorised			2024	2023
Ordinary shares			Number of shares	
			15,000	15,000
Issued	2024	2023	2024	2023
Ordinary shares	ZK	ZK	Number of shares	
	15,000	15,000	15,000	15,000

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

4. Secretary

The company secretary is Kapambwe Theresa.

The financial statements set out on page 7, which have been prepared on the going concern basis, were approved by the directors on July 15, 2024, and were signed on its behalf by:

Approval of financial statements



Director

Monday, July 15, 2024

Director

Monday, July 15, 2024

Independent Reviewer's Report

To the Shareholder of Buntingwa Resources Limited

I have reviewed the financial statements of Buntingwa Resources Limited, set out on pages 7 to 16, which comprise the statement of financial position as at March 31, 2024 and the statement of income and retained earnings, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act No 10 of 2017, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Reviewer's Responsibility

My responsibility is to express a conclusion on these financial statements. I conducted my review in accordance with the International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements (ISRE 2400 (Revised)). ISRE 2400 (Revised) requires me to conclude whether anything has come to my attention that causes me to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires me to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The independent reviewer performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, I do not express an audit opinion on these financial statements.

Conclusion

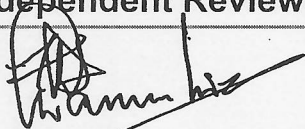
Based on my review, nothing has come to my attention that causes me to believe that these financial statements do not present fairly, in all material respects the financial position of Buntingwa Resources Limited as at March 31, 2024, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act No 10 of 2017.

Other Reports Required by the Companies Act No 10 of 2017

The financial statements include the Directors' Report as required by the Companies Act No 10 of 2017. The directors are responsible for the Directors' Report. My conclusion on the financial statements does not cover the Directors' Report and I do not express any form of assurance conclusion thereon.

In connection with my independent review of the financial statements, I have read the Directors' Report and, in doing so, considered whether the Directors' Report is materially inconsistent with the financial statements or my knowledge obtained in the independent review, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of the Directors' Report, I will report that fact. I have nothing to report in this regard.

Independent Reviewer's Report



Edward Mwamulima
(FZICA)(ACCA)(LL.M -Liverpool)
Managing Principal Chartered
Accountants Registered Auditors

July 15, 2024
Kitwe



Buntingwa Resources Limited

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Financial Statements for the year ended March 31, 2024

Statement of Financial Position as at March 31, 2024

Figures in Zambian Kwacha	Note(s)	2024	2023
Assets			
Non-Current Assets			
Property, plant and equipment	2	87,256,224	21,399,812
Intangible assets	3	25,338	-
		87,281,562	21,399,812
Current Assets			
Inventories	7	15,051,356	7,072,607
Trade and other receivables	8	4,459,712	-
Prepayments	5	1,557,487	-
Cash and cash equivalents		119,956	3,203,994
		21,188,511	10,276,601
Total Assets		108,470,073	31,676,413
Equity and Liabilities			
Equity			
Share capital	9	15,000	15,000
Accumulated loss		(15,860,826)	6,799,930
		(15,845,826)	6,814,930
Liabilities			
Current Liabilities			
Trade and other payables	13	9,823,902	5,998
Loans from shareholders	4	83,435,011	24,855,485
Other financial liabilities	10	20,623,870	-
Deferred income	11	10,433,116	-
		124,315,899	24,861,483
Total Equity and Liabilities		108,470,073	31,676,413

The financial statements and the notes on page 4, were approved by the directors on the July 15, 2024 and were signed on its behalf by:



Director

Director

The accounting policies on pages 10 to 12 and the notes on pages 13 to 16 form an integral part of the financial statements.

Buntingwa Resources Limited

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Financial Statements for the year ended March 31, 2024

Statement of Income and Retained Earnings

Figures in Zambian Kwacha

	Note(s)	2024	2023
Revenue	14	41	19
Cost of sales	15	(2,844,050)	108,360
Gross (loss) profit		(2,844,009)	108,379
Other income		-	8,764,848
Operating expenses	16	(18,978,564)	(2,073,297)
Operating (loss) profit		(21,822,573)	6,799,930
Finance costs	19	(838,183)	-
(Loss) profit for the year		(22,660,756)	6,799,930
Opening balance		6,799,930	-
Accumulated loss at the end of the year		(15,860,826)	6,799,930

The accounting policies on pages 10 to 12 and the notes on pages 13 to 16 form an integral part of the financial statements.

Buntingwa Resources Limited

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Financial Statements for the year ended March 31, 2024

Statement of Cash Flows

Figures in Zambian Kwacha

	Note(s)	2024	2023
Cash flows from operating activities			
Cash receipts from customers		5,973,404	-
Cash paid to suppliers and employees		(10,924,470)	(9,047,544)
Cash used in operations	20	(4,951,066)	(9,047,544)
Interest income		41	19
Finance costs		(838,183)	-
Net cash from operating activities		(5,789,208)	(9,047,525)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(80,231,431)	(21,399,812)
Proceeds from sale of property, plant and equipment	2	7,187,510	-
Purchase of intangible assets	3	(25,338)	-
Net cash from investing activities		(73,069,259)	(21,399,812)
Cash flows from financing activities			
Proceeds on share issue	9		30,000
Loans from shareholders		58,579,526	24,871,485
Repayments of other financial liabilities		20,623,870	-
Net cash from financing activities		79,203,396	24,901,485
Total cash movement for the year		344,929	(5,545,852)
Cash and cash equivalents at the beginning of the year		3,218,996	8,764,848
(Profit) or loss on foreign exchange on cash and cash equivalents		(3,428,965)	-
Total cash at end of the year		119,958	3,218,996

Buntingwa Resources Limited

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Financial Statements for the year ended March 31, 2024

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act No 10 of 2017. The financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs, and incorporate the principal accounting policies set out below. They are presented in Zambian Kwacha.

These accounting policies are consistent with the previous period.

1.1 Investment property

Investment property is land and buildings held to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business.

Investment property is initially measured at cost and subsequently at fair value with changes in fair value recognised in profit or loss. If the fair value of investment property cannot be measured reliably without undue cost or effort, then it is measured at cost less accumulated depreciation and accumulated impairment.

The cost of investment property comprises its purchase price and any directly attributable costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Costs include costs incurred initially to acquire or construct an investment property and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of investment property, the carrying amount of the replaced item is derecognised.

The fair value is determined annually by an external valuator derived from current market prices of comparable real estate.

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

The useful lives of items of property, plant and equipment have been assessed as follows:

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

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Financial Statements for the year ended March 31, 2024

Accounting Policies

1.2 Property, plant and equipment (continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.3 Intangible assets

Intangible assets are initially recognised at cost and subsequently at cost less accumulated amortisation and accumulated impairment losses.

Research and development costs are recognised as an expense in the period incurred.

Amortisation is provided to write down the intangible assets as follows:

Item	Depreciation method	Average useful life
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In cases where management is unable to make a reliable estimate of the useful life of an intangible asset, its best estimate is applied, limited to 10 years.

The residual value, amortisation period and amortisation method for intangible assets are reassessed when there is an indication that there is a change from the previous estimate.

1.4 Inventories

Inventories are measured at the lower of cost and estimated selling price less costs to complete and sell, on the first-in, first-out (FIFO) basis.

1.5 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets or goodwill or investment property on the cost model 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

If the company reacquires its own equity instruments, those instruments are deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments. Consideration paid or received shall be recognised directly in equity.

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 year in which they are declared.

1.7 Employee benefits

1.8 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

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Financial Statements for the year ended March 31, 2024

Accounting Policies

1.8 Revenue (continued)

Interest is recognised, in profit or loss, using the effective interest rate method.

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Financial Statements for the year ended March 31, 2024

Notes to the Financial Statements

Figures in Zambian Kwacha

2024

2023

2. Property, plant and equipment

	2024			2023		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
Buildings	5,711,275	-	5,711,275	-	-	-
Plant and machinery	87,798,801	(7,187,510)	80,611,291	-	-	-
Furniture and fixtures	31,017	-	31,017	-	-	-
Motor vehicles	773,166	-	773,166	-	-	-
Office equipment	129,475	-	129,475	-	-	-
Capital work in progress	-	-	-	21,399,812	-	21,399,812
Total	94,443,734	(7,187,510)	87,256,224	21,399,812	-	21,399,812

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Notes to the Financial Statements

Figures in Zambian Kwacha

3. Intangible assets

	2024		2023	
	Cost	Accumulated amortisation and impairment	Cost	Accumulated amortisation and impairment
Patents, trademarks and other rights	25,338	-	-	-

Reconciliation of intangible assets - 2024

	Opening balance	Additions	Closing balance
Patents, trademarks and other rights	-	25,338	25,338

Reconciliation of intangible assets - 2023

Shareholders	(83,435,011)	(24,855,485)
Terms and conditions: Interest free and unsecured		

Net loans to (from) shareholders

5. Prepayments

Prepayment	1,557,487	-
Net prepayments	1,557,487	-
Current assets		

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Notes to the Financial Statements

Figures in Zambian Kwacha

	<u>2024</u>	<u>2023</u>
6. Other asset		
7. Inventories		
Raw materials, components	15,051,356	7,072,607
8. Trade and other receivables		
VAT	<u>4,459,712</u>	<u>-</u>
9. Share capital		
Authorised 15,000 Ordinary shares of K1 each or par value of K1.	<u>15,000</u>	<u>15,000</u>
Issued Ordinary	<u>15,000</u>	<u>15,000</u>
10. Other financial liabilities		
At fair value		
Bank loans - other Terms and conditions	<u>20,623,870</u>	<u>-</u>
Current liabilities At fair value	<u>20,623,870</u>	<u>-</u>
11. Deferred income		
Deferred income	<u>10,433,116</u>	<u>-</u>
Net deferred income		
Current liabilities	<u>10,433,116</u>	<u>-</u>
12. Other liability		
13. Trade and other payables		
Trade payables	9,107,393	2,998
Accrued expense - Statutory payroll expenses	716,509	-
Accrued accounting fees	-	3,000
	<u>9,823,902</u>	<u>5,998</u>
14. Revenue		
Interest received (trading)	<u>41</u>	<u>19</u>
15. Cost of sales		
Sale of goods Cost of goods sold	<u>2,844,050</u>	<u>(108,360)</u>

Notes to the Financial Statements

Figures in Zambian Kwacha	2024	2023
16. Operating expenses		
Operating expenses include the following expenses:		
Loss on exchange differences	3,428,965	-
Depreciation and amortisation	7,187,509	-
Employee costs	3,268,657	-
	<u> </u>	<u> </u>
17. Employee cost		
Employee costs		
Emoluments	3,117,501	-
NHIMA	14,932	-
NAPSA	121,615	-
Skills development levy	14,609	-
	<u> </u>	<u> </u>
	3,268,657	-
	<u> </u>	<u> </u>
18. Depreciation, amortisation and impairments		
The following items are included within depreciation, amortisation and impairments:		
Depreciation		
Property, plant and equipment	7,187,509	-
	<u> </u>	<u> </u>
19. Finance costs		
Interest paid	838,183	-
	<u> </u>	<u> </u>
20. Cash used in operations		
Net loss before taxation	(22,660,756)	-
Adjustments for:		
Depreciation, amortisation, impairments and reversals of impairments	7,187,509	-
Loss on foreign exchange differences	3,428,965	-
Investment income	(41)	-
Finance costs	838,183	-
Changes in working capital:		
(Increase) decrease in inventories	(7,978,749)	-
(Increase) decrease in trade and other receivables	(4,459,712)	-
(Increase) decrease in prepayments	(1,557,487)	-
Increase (decrease) in trade and other payables	9,817,906	-
Increase (decrease) in deferred income	10,433,116	-
	<u> </u>	<u> </u>
	(4,951,066)	-

Buntingwa Resources Limited

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Financial Statements for the year ended March 31, 2024

Detailed Income Statement

Figures in Zambian Kwacha

	Note(s)	2024	2023
Revenue			
Interest received		41	19
Cost of sales			
Purchases		(2,844,050)	108,360
Gross (loss) profit		(2,844,009)	108,379
Other income			
Profit on exchange differences		-	8,764,848
Expenses (Refer to page 18)		(18,978,564)	(2,073,297)
Operating (loss) profit		(21,822,573)	6,799,930
Finance costs		(838,183)	-
(Loss) profit for the year		(22,660,756)	6,799,930

Buntingwa Resources Limited

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Financial Statements for the year ended March 31, 2024

Detailed Income Statement

Figures in Zambian Kwacha	Note(s)	2024	2023
Operating expenses			
Accounting fees		-	(6,000)
Bank charges		(484,345)	(10,227)
Cleaning		(1,475)	-
Commission paid		(919,114)	(116,197)
Consulting and professional fees		-	(40,639)
Consumables		(20,856)	-
Delivery expenses		(9,161)	(62,383)
Depreciation, amortisation and impairments		(7,187,509)	-
Employee costs		(3,268,657)	-
Fines and penalties		(67,415)	-
Hire		(626,509)	-
Incorporation costs		-	(16,000)
Insurance		(215,579)	-
Medical expenses		(3,282)	-
Motor vehicle expenses		(71,730)	(1,336)
Utilities		(572,067)	(1,440,771)
Printing and stationery		(27,999)	-
Loss on exchange differences		(3,428,965)	-
Protective clothing		(87,354)	-
Repairs and maintenance		(53,880)	(16,949)
Security		(467,721)	-
Staff welfare		(217,185)	-
Subscriptions		(246,191)	(56,975)
Transport and freight		(955,089)	(305,820)
Travel - local		(46,481)	-
		(18,978,564)	(2,073,297)