

LESELIHUB LIMITED

Company Reg No: 2013/1285

**ANNUAL FINANCIAL STATEMENTS
AS AT 31 MARCH 2024**


M.PUTSOA & ASSOCIATES
P.O. Box 15019, Maseru - Lesotho
09 JUN 2024
+266 2741 447
+266 5825 0151
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LESELIHUB LIMITED
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APPROVAL OF THE FINANCIAL STATEMENTS

The annual financial statements were approved by the Directors on...June 2024 and signed on their behalf by:

.....


Director

1



DIRECTORS REPORT

NATURE OF BUSINESS

The company is engaged in outside advertisement on billboards and related activities.

SHARE CAPITAL

Authorised share capital

336 000 ordinary shares of M1.00 each

Issued and paid up capital

100 382 Ordinary Shares @ M1.00 each

DIRECTORS AND SECRETARY

The names of the directors in office at the date of the report are:

Executive Directors:

Mr. Lereko Majola

Mr. Ntsukunyane Martin Matete

Independent non-executive directors:

None

Company Secretary:

Advocate Thapelo Donald Ntsiki

Company Auditors:

M. Putsoa & Associates

P.O. Box 15019

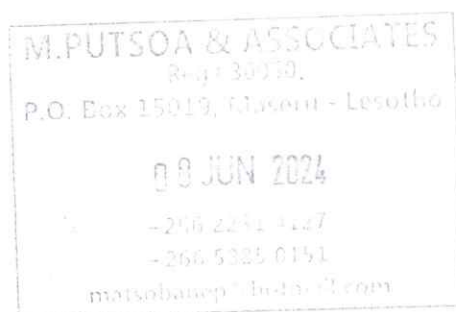
Maseru. 100

Company Bankers

FNB Lesotho

Pioneer Mall

Maseru.100



ADDRESSES AND CONTACT INFORMATION

M. Putsoa & Associates

P.O. Box 15019

Maseru. 100

Tel: 22314127

Cell:(+266) 58850151

Email: matsobanep@hotmail.co

Company Audited:

Leselihub Limited

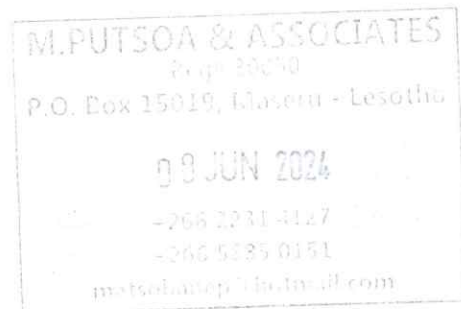
P.O. Box 14346

Maseru 100

Tel: 22314351

Cell:(+266) 63948215/57268548

Email: ceo@leselihub.com



STATEMENT OF RESPONSIBILITY BY THE BOARD

The directors and management are responsible for the preparation, integrity and fair presentation of the financial statements of LeseliHub Limited.

The annual financial statements have been audited by the independent accounting firm, M Putsoa & Associates, which was given unrestricted access to all financial records and related data, including minutes of meetings of management and the board. The directors have belief that all representations made to the independent auditors were valid and appropriate. The report of the auditors is presented on the next page.

The financial statements presented on pages 2 to 19 have been prepared in accordance with International Financial Reporting Standards. They are based on appropriate accounting policies which have been consistently applied and which are supported by reasonable and prudent judgment statements.

The directors are responsible for the company's system of internal controls. These are designed to provide reasonable but not absolute assurance as to the reliability of the financial statements and to adequately safe guard, verify and maintain accountability of assets. These controls are monitored throughout the company by management and employees with the necessary segregation of authority and duties. Processes are in place to monitor internal controls, to identify material breakdowns and implement timely corrective action.



.....
Director



.....
Director



M Putsoa & Associates

Chartered Accountants and Business Consultants

Matsobane Putsoa B.A Economics (U.B.L.S), F.C.A (Lesotho)

P.O Box 15019
Maseru 100

Phone (+266) 2231 4127
Mobile (+266) 5885 0151

Email:
matsobanep@hotmail.com

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LESELIHUB LIMITE

Opinion

We have audited the financial statements of Leselihub Limited which comprise the statement of financial position as at 31st March 2024, statement of comprehensive income, statement of Changes in equity, Statement of cash flow and notes to the financial statements contained from pages 2 to 19

In our opinion the financial statements present fairly, in all material respects the financial position of the company as at 31st March 2024 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 school 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 the requirements of the Companies Act of 2011, 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 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.

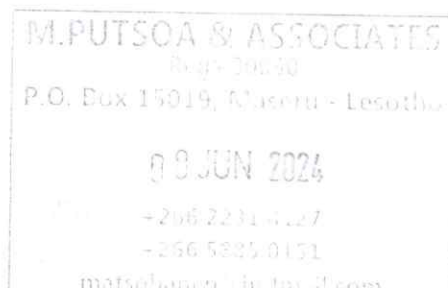
Those charged with governance (Board) are responsible for overseeing the company's financial reporting process.

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 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 judgement 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 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 due 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, 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.

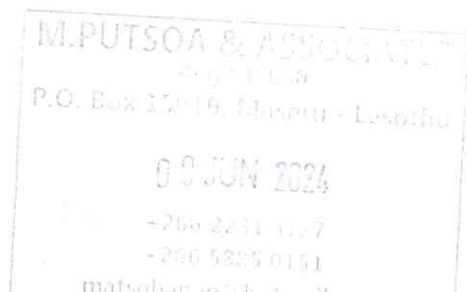
M. Putsoa & Associates

M. Putsoa & Associates – Chartered Accountants

Per Matsobane Putsoa (FCA) Lesotho

Membership No. 30050 of Lesotho Institute of Accountants

June 2024



LESELIHUB LIMITED

Annual Financial Statements for the year ended 31 March 2024

Statement of Comprehensive Income

FIGURES IN M	NOTES	2024	2023
Revenue	11	4,342,867	3,582,034
Cost of sales	12	673,057	307,402
Gross profit		3,669,810	3,274,632
Operating Costs		3,225,264	2,722,449
Operating Profit		444,546	552,183
Finance costs	13	27,020	33,084
Profit Before Tax		417,526	519,099
Taxation @25%	14	104,381	129,775
Net Profit After Tax		313,144	389,324
Accumulated profit at 1 April 2022		865,270	475,946
Profit for the Year		313,144	389,324
Retained Earnings for the year		1,178,415	865,270



LESELIHUB LIMITED

Annual Financial Statements as at 31 March 2024

Statement of Changes in Equity

figures in M	Share capital	Share Premium	Accumulated Profit	Revaluation	Total
Balance at 1 April 2021	84,000		410,257	899,340	1,393,597
Total comprehensive income for the year					
Profit for the year			65,689		65,689
Total comprehensive for the year	-		65,689		65,689
Balance at 31 March 2022	84,000		475,946	899,340	1,459,286
Balance at 1 April 2022	84,000		475,946	899,340	1,459,286
Issued Shares	16,382				16,382
Share Premium		3,369,386			3,369,386
Profit For the Year			389,324		389,324
Total comprehensive income for the year	16,382	3,369,386	389,324		3,775,092
Balance at 31 March 2023	100,382	3,369,386	865,270	899,340	5,234,378
Balance at 1 April 2023	100,382	3,369,386	865,270	899,340	5,234,378
Profit for the year			313,144		313,144
Total comprehensive income for the year			313,144		313,144
Balance at 31 March 2024	1,000	3,369,386	1,178,415	899,340	5,547,523

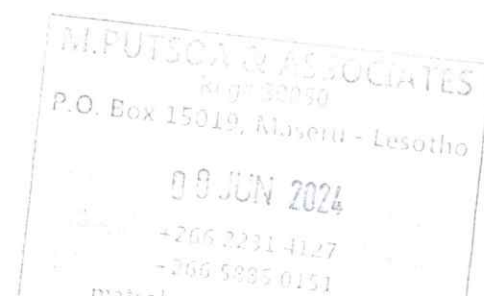
M.PUTSOA & ASSOCIATES
 Reg: 30050
 P.O. Box 15019, Maseru - Lesotho
 09 JUN 2024
 +266 2271 4127
 +266 5005 0151
 matsobanep@hotmail.com

LESELIHUB LIMITED

Annual Financial Statements as at 31 March 2024

STATEMENT OF OF FINANCIAL POSITION

FIGURES IN M	NOTES	2024	2023
ASSETS			
NON-CURRENT ASSETS			
property, plant and equipment	3	4,746,546	5,013,410
INVESTMENT			
Current Assets			
Inventies	4	240,352	95,000
Trade and other receivables	4	850,680	884,102
Defirred Tax		266,193	
cash and cash equivalents	6	144,839	392,795
		1,502,064	1,371,897
Total Assets		6,248,610	6,385,306
Equity and liabilities			
Equity			
Issued capital	7	100,382	100,382
Share Premium		3,369,286	3,369,286
Accumulated Retained Earnings		1,178,415	865,270
Revaluation Reserve		899,340	899,340
		5,547,423	5,234,278
Non-Current Liabilities			
Loan from shareholder	8	-	-
Borrowings	9	336,623	600,801
		336,623	600,801
Current Liabilities			
Trade and other Payables	10	5,170	177,738
Overdraft		255,013	242,714
Taxation		104,381	129,775
		364,564	550,227
Total equity and liabilities		6,248,610	6,385,306



LESELIHUB LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES	325,194	(53,575)
Cash Generated by Operations	618,407	(20,491)
Finance Costs	27,020	33,084
Taxation	266,193	-
CASH FLOW FROM INVESTING ACTIVITIES	(258,340)	(3,232,083)
Call account	-	215,620
Acquisition of Assets	(258,340)	(3,447,703)
Proceeds on Disposal of Assets	-	-
Interest received	-	-
CASH FLOW FROM FINANCING ACTIVITIES	(327,109)	2,840,145
Dividends	-	-
Acquisition of Loans	-	778,663
Return of Shares	(62,931)	-
Repayment of Loans	(264,178)	(1,324,186)
Proceed from issue of members interest	-	3,385,668
Decrease in Cash and Cash Equivalents	(260,255)	(445,513)
Cash and Cash Equivalents at Beginning of the Year	150,081	595,594
Cash and Cash Equivalents at End of the Year	(110,174)	150,081



LESELIHUB LIMITED
 NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

<u>Cash Generated by Operations</u>	618,407	(20,491)
Net Profit Before Taxation	417,526	552,183
<u>Adjustments:</u>		
<i>Non-Cash Items</i>	525,204	349,822
Depreciation	525,204	349,822
<i>Items Shown Separately</i>	27,020	33,084
Finance Costs	27020	33,084
Interest receivable		-
<i>Movements in Working Capital</i>	(351,342)	(955,580)
Increase/Decrease in Inventory	(145,352)	(95,000)
Increase/Decrease in Accounts Receivable	(33,422)	(733,522)
Increase/Decrease in Accounts Payable	(172,568)	(127,058)

M.PUTSOA & ASSOCIATES
 Reg. No. 30950
 P.O. Box 15919, Tloasebe - Lesotho
 09 JUN 2024
 +266 3011 4127
 +266 5029 0151
 matsoa@putsoa.co.za

LESELIHUB (PTY) LTD

Annual Financial Statements for the period ended 31 March 2024

Accounting policies

1. General information

LESELIHUB Ltd was a private company incorporated In Lesotho, which was converted into a public company in the year beginning 2023 March by making Public offer of shares.

CAPITAL STRUCTURE AFTER PUBLIC OFFER

Authorized Share Capital

336,000 Ordinary Shares at a nominal value of M1 each

Issued and Paid-up Capital

100,382 Ordinary Shares at a nominal Value of M1 each

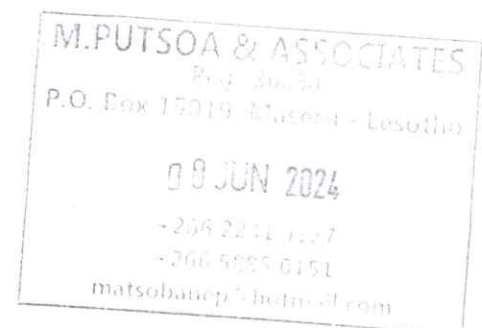
2. Summary of significant accounting policies

These Annual Financial Statements have been the prepared with the International Financial Reporting Standards for Small and Medium-size entities issued by the Accounting Standards Board and the requirements of the Lesotho for Companies Act 2011. The principal accounting policies applied in the preparation of these Annual Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These Annual Financial Statements have been prepared under the historical cost convention and are presented in Lesotho loti.

2.1 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and / or services in the ordinary course of the company's activities. Revenue is shown net of value-added tax, returns, and discounts.



The company recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities, as described below:

1. Identify the contract
2. Separate performance obligations
3. Determine transaction price
4. Allocate transaction price
5. Recognise revenue

The core principle of IFRS 15 is that revenue is recognised when the goods or services are transferred to the customer, at the transaction price.

2.2 Property, plant and equipment

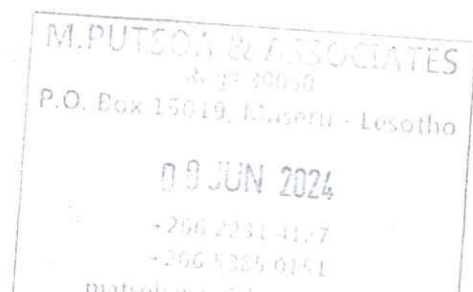
Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Costs include 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.

The residual value, depreciation method and useful life of each asset are reviewed at each annual reporting period if there are indicators present that there has been significant change from the previous estimates.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the reducing balance method. The following rates are used for the depreciation of property, plant and equipment:

Motor vehicles	25%
Machinery cost	20%
Furniture & Fittings	10%
Billboards	5%



2.2 Inventories

Inventories consist of special paper, Inks and other materials used in the printing of canvas which are valued at the lower of cost and net realisable value.

2.3 Trade and other receivables

Trade receivables are recognised at the transaction date and will be recorded in the balance sheet under the current Assets.

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

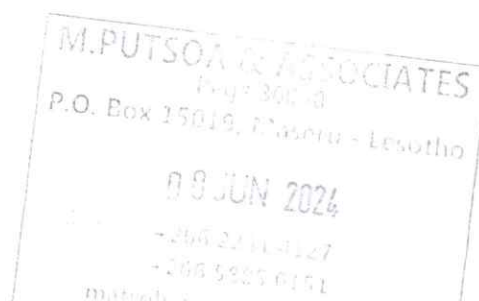
2.5 Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown under current liabilities on the statement of financial position.

2.7 Share capital

Ordinary shares are classified as equity

Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis. However all the shares are issued at the nominal value and all other shares that are paid above the nominal value are issued at the premium and therefore the share premium is recognised under the equity in the statement of financial position



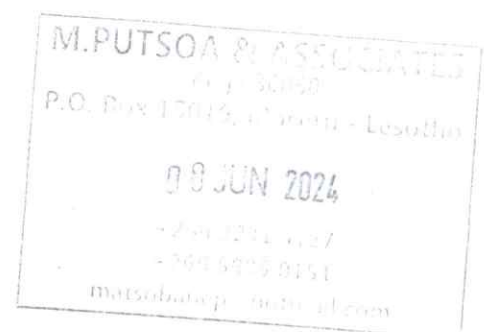
2.8 Borrowings

Borrowings are recognised initially at the transaction price (that is, the present value of cash payable to the bank, including transaction costs). Borrowings are subsequently stated at amortised cost. Interest expense is recognised on the basis of the effective interest rate and is included in finance costs.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for the least 12 months after the reporting date. Then the treatment will be under the Non-Current liabilities.

2.9 Trade payable

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective rate method.



Notes to the Annual Financial Statements
figures in M

3. Property, plant and equipment

	Cost	Accumulated depreciation	2024 carrying value	Cost	Accumulated depreciation	2023 carrying value
owned asset						
Machinery cost	1,869,514	510,036	1,359,478	1,641,204	184,436	1,456,768
Motor vehicles	376,000	325,810	50,190	376,000	309,079	66,921
Furniture and fittings	227,884	99,187	128,697	197,854	85,165	112,689
Billboards	3,554,771	346,590	3,208,180	3,554,771	177,739	3,377,032
	<u>6,028,169</u>	<u>1,281,623</u>	<u>4,746,546</u>	<u>5,769,829</u>	<u>756,419</u>	<u>5,013,410</u>

The carrying amount of property, plant and equipment can be reconciled as follows:

	carrying value at the beginning of year	Additions	Disposals	Depreciation	2024 carrying value at the of year
owned assets					
Machinery cost	1,456,768	228,310	-	325,600	1,359,478
Motor vehicles	66,921	-	-	16,730	50,190
Furniture and fittings	112,689	30,030	-	14,022	128,697
Billboards	3,377,032	-	-	168,852	3,208,180
	<u>5,013,410</u>	<u>258,340</u>		<u>525,204</u>	<u>4,746,546</u>

	carrying value at the beginning of year	Additions	Disposals	Depreciation	2023 carrying value at the of year
owned assets					
Machinery cost	232,405	1,361,619	-	137,256	1,456,768
Motor vehicles	89,227	-	-	22,307	66,921
Furniture and fittings	125,210	-	-	12,521	112,689
Billboards	1,468,687	2,086,084	-	177,739	3,377,032
	<u>1,915,528</u>	<u>3,447,703</u>	<u>-</u>	<u>349,822</u>	<u>5,013,410</u>

4. Inventories

Inventories comprise:

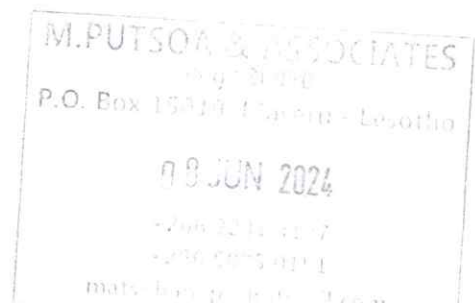
Closing Inventory	240,352	95,000
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5. Trade and other receivable

Trade and other receivables	850,680	884,102
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6. Cash and cash equivalents
favourable cash balances

cash and cash equivalents	144,839	392,795
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LESELIHUB LIMITED**Notes to the Annual Financial Statements**

figures in M	2024	2023
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7. Share capital

Issued

100,382 ordinary shares of M1 each	100,382	84,000
Issue of shares @ M1 each in 2023		16,382
Share Premium	3,369,286	3,369,286
	<u>3,469,668</u>	<u>3,469,668</u>

8. Loan from shareholder

shareholders loan

	-	-
--	---	---

9. Borrowings

Secured

long term loan

	336,623	600,801
	<u>336,623</u>	<u>600,801</u>

10. Trade and other payables

Trade and other payables

	<u>5,170</u>	<u>177,738</u>
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11. Revenue

an analysis of revenue is as follows:

Revenue

	<u>4,342,867</u>	<u>3,582,034</u>
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12. Cost of Sales

Opening stock

Purchases

closing stock

	95,000	-
	818,409	402,402
	240,352	95,000
	<u>673,057</u>	<u>307,402</u>

13. Finance

Interest paid

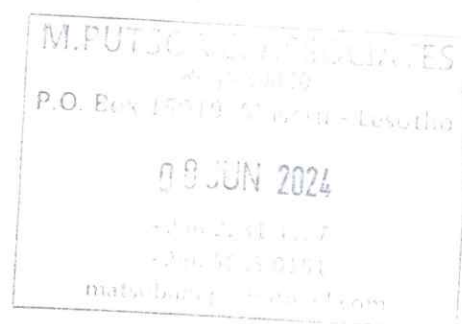
	27,020	33,084
	<u>27,020</u>	<u>33,084</u>

14. Income tax expense

Profit before Tax

Taxation Charged @25%

	<u>417,526</u>	<u>519,099</u>
	104,381	129,775



LESELIHUB LIMITED

Annual Financial Statements for the year ended 31 March 2024

Detailed income Statement

Figures in M	2024	2023
Gross Revenue		
Revenue	4,342,867	3,582,034
Cost of sales		
opening stock	95,000	-
purchases	818,409	402,402
closing stock	240,352	95,000
	673,057	307,402
Gross profit	3,669,810	3,274,632
OTHER INCIME		
Expenditure		
Accounting Fees	22,500	31,000
Advertising & Promotion	56,794	51,030
Accomodation	3,562	9,000
Bank Charges	43,110	15,682
Consumables	-	-
Clearing Fee	-	1,978
Cleaning	4,331	-
Depreciation	525,204	349,822
Directors Fees	-	-
Donation	2,000	-
Fuel	185,750	204,590
Electricity & Water	34,199	1,460
General Expenses	79,740	18,680
Insurance	18,268	12,250
Interest	27,020	33,084
Leasing Charges	172,083	334,200
Licenses & Registration	1,500	1,500
Office Expenses	33,443	35,600
Printing & Stationery	54,637	21,752
Professional Fees	49,325	-
Rent & Rates	182,544	188,640
Repairs & Maintanance	149,588	167,117
Staff Welfare	55,031	9,488
Subscription	-	-
Training staff	15,560	-
Telephone & Faxes	19,381	22,717
Transport	45,722	15,943
Staff Uniform	-	-
Wages & Salaries	1,470,993	1,230,000
	3,252,284	2,755,533
Profit for the year	417,526	519,099



LESELIHUB LIMITED

MANAGEMENT LETTER FOR THE YEAR ENDED 31st MARCH 2023 and 2024

We submit to the Board matters arising out of our audit for the year ended 31st March 2023 and 2024 for the attention of Management.

The Management's role is to put in place reliable internal control system culminating in safeguarding the assets of the company. In fulfilling the above mentioned responsibility, estimates and judgments, by Management, are required to assess the expected benefits and related costs of internal control policies and procedures. The purpose is to have reliable internal control systems that provide Management with reasonable assurance that the company's assets are safeguarded against loss from unauthorized use or disposition, and that the daily transactions are accordingly approved by Management and recorded properly in the books of accounts to facilitate production of annual financial statements in accordance with the International Accounting Standards.

Due to the fact that there is always an inherent risk that the internal control system may not detect all irregularities and errors and may not be detected regardless of how sound the internal control structure is, the audit was, therefore, not meant to uncover all irregularities and weaknesses in the system of internal controls.

1. Accounting System:

Comment:

The accounting records of the company are kept on excel spreadsheets yet an accounting software, Pastel, has been acquired. The company's accountant has also been trained on this software.

Effect:

The non-use of an accounting package will result unreliable data to prepare financial reports to the company's management

Management Response:

2. Fixed Assets

Comment:

The company does not have a fixed asset register.

Effect:

This control measure is very important in ensuring an efficient management of the company assets.

Management Response:

3. Management of vehicles:

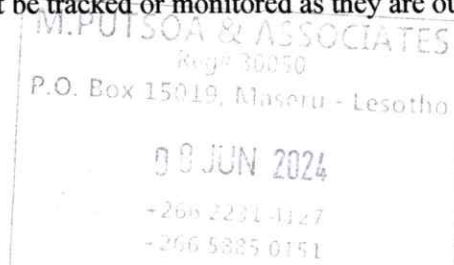
Comment:

The nature of the business is such that vehicles are expected to be on the road most of the time to install and monitor billboards. Management does not have log books in the vehicle nor does is have trackers installed on the vehicles.

Effect:

The vehicles are open to abuse if they cannot be tracked or monitored as they are out in the field.

Management Response:



4. Risk Assessment:

Comment:

The company does not have an internal audit function to perform an oversight function, especially on safety and proper financial management.

Effect:

The company faces the risk of poor safety on staff who work on installation of billboards and other equipment in the workshop. The financial management function will also be exposed when there is nobody keeping watch.

Management Response:

5. Use of Mobile Money:

Comment:

The company uses mobile money a lot. Transfers are made to staff to perform company business. The transactions are not well narrated, they appear in the bank statements as names of the payees without any narration on the purpose of the transfer.

Effect:

This complicates the work of the accountant who has to capture the information and allocate payments to their actual expense items.

Management Response:

We would like to take this opportunity to thank your team for assistance and co-operation during the audit.

Yours faithfully,

M. Putsoa & Assoc
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M. Putsoa & Associates

