

PRECISION AIR SERVICES PLC

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Group 31-Mar-16 TZS '000	Group 31-Mar-15 TZS '000	Company 31-Mar-16 TZS '000	Company 31-Mar-15 TZS '000
Revenue	6	90,751,272	105,377,666	90,751,272	100,206,111
Cost of sales	7	(71,285,082)	(71,457,890)	(71,285,082)	(68,856,522)
Gross Profit		19,466,190	33,919,776	19,466,190	31,349,589
Other income	8	3,271,563	1,425,689	3,271,563	1,425,689
Marketing expenses	9	(1,101,809)	(1,297,835)	(1,101,809)	(1,297,835)
Impairment of receivables	18	(4,587,949)	(19,581,324)	(4,587,949)	(19,130,271)
Write off of unknown debits	18	(8,032,297)	-	(8,032,297)	-
Administrative expenses	10	(34,419,398)	(33,531,022)	(34,236,959)	(30,627,180)
Aircraft impairment loss	13	-	(11,629,514)	-	(11,629,514)
Aircraft fair value loss	34	-	(22,393,486)	-	(22,393,486)
		(44,869,890)	(87,007,492)	(44,687,451)	(83,652,597)
Operating loss		(25,403,700)	(53,087,716)	(25,221,261)	(52,303,008)
Finance costs	11	(15,484,626)	(8,811,510)	(15,484,626)	(8,800,704)
Loss on foreign currency exchange	12	(50,495,538)	(21,700,860)	(50,183,815)	(21,700,860)
Loss before income tax		(91,383,864)	(83,600,086)	(90,889,702)	(82,804,572)
Income tax expense	21(b)	(292,173)	(297,812)	(272,255)	(331,414)
Loss for the year		(91,676,037)	(83,897,898)	(91,161,957)	(83,135,986)
Other comprehensive loss (items that will not be reclassified to profit and loss)					
Aircraft impairment loss	13	-	(7,265,561)	-	(7,265,561)
Total comprehensive loss		(91,676,037)	(91,163,459)	(91,161,957)	(90,401,547)
Loss for the year attributable to the owners of the Parent		(91,676,037)	(91,163,459)	(91,161,957)	(90,401,547)
Earnings per share - Basic and Diluted (TZS)	31	(571.30)	(522.83)		

PRECISION AIR SERVICES PLC

**FINANCIAL STATEMENTS
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STATEMENTS OF FINANCIAL POSITION

	<u>Notes</u>	Group 31-Mar-16 TZS '000	Group 31-Mar-15 TZS '000	Company 31-Mar-16 TZS '000	Company 31-Mar-15 TZS '000
ASSETS					
Non-current assets					
Property and equipment	13	108,930,957	122,820,897	107,655,593	121,343,310
Intangible assets	14	290,582	333,016	61,840	104,274
Investment in subsidiaries	15	-	-	-	80,419
Other non-current financial assets	16	7,808	6,405	7,808	6,405
Deferred income tax	21(d)	-	19,918	-	-
		109,229,347	123,180,236	107,725,241	121,534,408
Current assets					
Inventories	17	8,331,665	8,874,968	8,331,665	8,874,968
Trade and other receivables	18	12,239,937	8,866,188	15,508,019	10,309,242
Prepayments	19	28,825	510,908	28,825	510,908
Other current financial assets	16	4,096,974	3,614,104	4,096,974	3,614,104
Cash and short-term deposits	20	4,715,374	1,306,581	4,662,110	1,264,584
		29,412,775	23,172,749	32,627,593	24,573,806
Non-current assets held for sale	34	46,488,681	46,488,681	46,488,681	46,488,681
TOTAL ASSETS		185,130,803	192,841,666	186,841,515	192,596,895

PRECISION AIR SERVICES PLC

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

<u>EQUITY AND LIABILITIES</u>	<u>Notes</u>	<u>Group 31-Mar-16 TZS '000</u>	<u>Group 31-Mar-15 TZS '000</u>	<u>Company 31-Mar-16 TZS '000</u>	<u>Company 31-Mar-15 TZS '000</u>
Equity					
Share capital	22	3,209,396	3,209,396	3,209,396	3,209,396
Share premium	22	10,490,987	10,490,987	10,490,987	10,490,987
Accumulated losses		(219,664,540)	(127,988,503)	(218,024,675)	(126,862,718)
		(205,964,157)	(114,288,120)	(204,324,292)	(113,162,335)
Non-current liabilities					
Borrowings	23	130,153,293	145,418,797	130,153,293	145,418,797
		130,153,293	145,418,797	130,153,293	145,418,797
Current liabilities					
Borrowings	23	171,846,554	92,862,454	171,846,554	92,862,454
Trade and other payables	24	77,172,200	59,528,260	77,181,409	58,096,006
Sales in advance of carriage		10,372,705	7,738,389	10,372,705	7,738,389
Current income tax	21(a)	1,550,208	1,581,886	1,611,846	1,643,584
		260,941,667	161,710,989	261,012,514	160,340,433
TOTAL EQUITY AND LIABILITIES		185,130,803	192,841,666	186,841,515	192,596,895

The financial statements on page 17 to 75 were approved by the board of directors and authorised for

issue on _____ and were signed on its behalf by:

Name: _____ Title: _____ Signature: _____

Name: _____ Title: _____ Signature: _____

PRECISION AIR SERVICES PLC

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

STATEMENT OF CHANGES IN EQUITY

<u>Group</u>	Note 22 Issued <u>capital</u> TZS '000	Note 22 Share <u>premium</u> TZS '000	Note 13 and 22 Revaluation <u>reserve</u> TZS '000	Accumulated <u>losses</u> TZS '000	Total <u>equity</u> TZS '000
At 1 April 2015	3,209,396	10,490,987	-	(127,988,503)	(114,288,120)
Loss for the year	-	-	-	(91,676,037)	(91,676,037)
Other comprehensive income	-	-	-	-	-
Total comprehensive income			-	(91,676,037)	(91,676,037)
At 31 March 2016	3,209,396	10,490,987	-	(219,664,540)	(205,964,157)
<u>Group</u>					
At 1 April 2014	3,209,396	10,490,987	7,265,561	(44,090,605)	(23,124,661)
Loss for the year	-	-	-	(83,897,898)	(83,897,898)
Other comprehensive income	-	-	(7,265,561)	-	(7,265,561)
Total comprehensive income	-	-	(7,265,561)	(83,897,898)	(91,163,459)
At 31 March 2015	3,209,396	10,490,987	-	(127,988,503)	(114,288,120)

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FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Note 22 Issued capital TZS '000	Note 22 Share premium TZS '000	Note 13 and 22 Revaluation reserve TZS '000	Accumulated losses TZS '000	Total equity TZS '000
Company					
At 1 April 2015	3,209,396	10,490,987	-	(126,862,718)	(113,162,335)
Loss for the year	-	-	-	(91,161,957)	(91,161,957)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	(91,161,957)	(91,161,957)
At 31 March 2016	3,209,396	10,490,987	-	(218,024,675)	(204,324,292)
Company					
At 1 April 2014	3,209,396	10,490,987	7,265,561	(43,726,732)	(22,760,788)
Loss for the year	-	-	-	(83,135,986)	(83,135,986)
Other comprehensive income	-	-	(7,265,561)	-	(7,265,561)
Total comprehensive income	-	-	(7,265,561)	(83,135,986)	(90,401,547)
At 31 March 2015	3,209,396	10,490,987	-	(126,862,718)	(113,162,335)

PRECISION AIR SERVICES PLC

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	<u>Note</u>	<u>Group</u> <u>31-Mar-16</u> <u>TZS '000</u>	<u>Group</u> <u>31-Mar-15</u> <u>TZS '000</u>	<u>Company</u> <u>31-Mar-16</u> <u>TZS '000</u>	<u>Company</u> <u>31-Mar-15</u> <u>TZS '000</u>
Operating activities					
Loss before income tax		(91,383,864)	(83,600,086)	(90,889,702)	(82,804,572)
<i>Adjustments for:</i>					
Depreciation of property and equipment	13	21,326,193	20,067,430	21,123,968	19,496,648
Gain/(loss) on disposal of property and equipment		(23,425)	(59,565)	(23,425)	(59,565)
Amortisation of intangible assets	14	53,822	91,058	53,822	65,642
Interest on borrowings	11	15,484,626	8,811,510	15,484,626	8,800,704
Exchange loss on borrowings	12	49,707,384	20,629,760	49,707,384	20,629,760
Impairment of subsidiaries		-	-	80,419	-
Impairment of property and equipment	13	-	11,629,514	-	11,629,514
Fair value loss on non-current assets held for sale	34	-	22,393,486	-	22,393,486
<i>Changes in working capital:</i>					
• inventories		543,303	(2,071,181)	543,303	(2,071,181)
• trade and other receivables		(3,373,749)	11,502,744	(5,198,777)	12,092,962
• prepayments		482,083	1,037,136	482,083	(22,395)
• deferred revenue		2,634,316	4,177,056	2,634,316	4,177,056
• Other financial assets	16	553,269	-	553,269	-
• trade and other payables		17,643,998	(2,839,445)	19,085,403	(3,012,856)
Cash utilised in/ generated from operations		13,647,956	11,769,417	13,636,689	11,315,203
Income tax paid	21(a)	(303,993)	(307,963)	(303,993)	-
Net cash flows from operating activities		13,343,963	11,461,454	13,332,696	11,315,203
Investing activities					
Acquisition of computer software	14	(11,388)	(72,376)	(11,388)	(59,169)
Aircraft security deposit	16	(1,037,542)	(1,992,029)	(1,037,542)	(1,992,029)
Proceeds from sale of property and equipment		39,002	64,548	39,002	64,548
Purchase of property and equipment	13	(7,451,830)	(6,974,858)	(7,451,830)	(6,806,127)
Net cash flows used in investing activities		(8,461,758)	(8,974,715)	(8,461,758)	(8,792,777)
Financing activities					
Repayment of borrowings					
-interest		(1,521,608)	(1,844,781)	(1,521,608)	(1,833,975)
-principal		(1,402,754)	(4,489,380)	(1,402,754)	(4,489,380)
-Principal and Interest reclassified to overdraft		(7,522,398)	-	(7,522,398)	-
Net cash (used in) / generated from financing activities		(10,446,760)	(6,334,161)	(10,446,760)	(6,323,355)
Net (decrease)/increase in cash and cash equivalents		(5,564,555)	(3,847,422)	(5,575,822)	(3,800,929)
Cash and cash equivalents at start of the year	20	(5,521,702)	(1,674,280)	(5,563,699)	(1,762,770)
Cash and cash equivalents at year end	20	(11,086,257)	(5,521,702)	(11,139,521)	(5,563,699)