

**FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31ST DECEMBER, 2020**

**ROUGH TRACKS LIMITED,
P. O. BOX 591,
MOSHI.**

SOLANI & Co.
CERTIFIED PUBLIC ACCOUNTANTS IN PUBLIC PRACTICE
P. O. Box 519, MOSHI.
Tel: (027) 2751793
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ROUGH TRACKS LIMITED

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ROUGH TRACKS LIMITED

DIRECTORS AND COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Manmohan Singh Bhamra

Mr. Varinder Singh Bhamra

Mr. Sanjay Nathalal Pandit

Mr. Nagesh L.V.S. Dinavahi

REGISTERED OFFICE

Plot No. 34

Farm No.181/182

Moshi

Tanzania

SECRETARY

Hubert Vrael Nkya

AUDITORS

Solani & Co.

Certified Public Accountants in Public Practice

BANKERS

Exim Bank (Tanzania) Limited

Dimond Trust Bank (Tanzania) Limited

CRDB Bank Limited

NMB Bank Limited

ROUGH TRACKS LIMITED
REPORT OF THE DIRECTORS

The Directors submit their report and the audited financial statements for the year 31st December, 2020 which show the state of the Company's affairs.

1. PRINCIPAL ACTIVITY

The principal activity of the Company is Tours and Safaris.

2. DIVIDEND

The Directors do not recommend the payment of a dividend for the year.

3. ACCUMULATED LOSSES

The Directors propose to carry forward the balance of Accumulated losses amounting to T.Shs. 722,584,669/-

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks, including credit risk and the effects of changes in foreign currency exchange rates and interest rates. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

The Company has policies in place to ensure that consultancy is made to customers with an appropriate credit history.

5. DIRECTORS

The Directors who served during the year were: -

Mr. Manmohan Singh Bhamra - British

Mr. Varinder Singh Bhamra - British

Mr. Sanjay Nathalal Pandit - Tanzanian

Mr. Nagesh L.V.S. Dinavahi - Indian

6. AUDITORS

The Auditors, Solani & Co., have indicated willingness to continue in office and do so under the terms of Sec.170 of the Companies Act, 2002.

BY ORDER OF THE BOARD


DIRECTOR

ROUGH TRACKS LIMITED
DIRECTOR'S RESPONSIBILITIES

The Companies Act requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the operating results of the company for that year. It also requires the Directors to ensure the company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the company. They are also responsible for safeguarding the assets of the company.

The Directors accept the responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and in the manner required by the Companies Act. The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and of its operating results. The Directors further accept responsibility for the maintenance of the accounting records which may be relied in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the company will not remain a going concern for at least the next twelve months from the date of this statement.


.....
DIRECTOR

29.9. 2020

SOLANI & CO.

Tax Consultants & Certified Public Accountants
in Public Practice

J.K.NYERERE ROAD,
OPPOSITE HOTEL NEW CASTLE,
P.O.BOX 519, MOSHI, TANZANIA.
TEL: 2751793 / 2750461
Email: info@solanitz.com

AUDITORS' REPORT TO THE MEMBERS OF ROUGH TRACKS LIMITED

1 Preamble

We have audited the financial statements on pages 5 to 12 in accordance with International Standards on Auditing. The financial statements, which have been prepared in accordance with the accounting policies set out on Note 1 to the financial statements, are in agreement with the accounting records, and except for the matters mentioned in paragraph 5 below, we have obtained all the information and explanation necessary for the purpose of our audit.

2 Respective responsibilities of directors and auditors

The company's directors are responsible for the preparation of the financial statements and adopting the accounting policies. It is our responsibility to form an independent opinion, based on our audit on those statements and to report our opinion to you.

3 Basis of opinion

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's business, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

5 Matters affecting the opinion

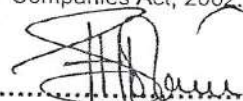
In common with many businesses of similar size and organization, the company's system of internal control as well as financial sustainability is dependent upon the close involvement of the directors. Where independent confirmation of the completeness of accounting records was therefore not available, we have accepted assurances from the directors that all the company's transactions have been reflected in the accounting records and adequately supported by relevant third party documents. Also where independent confirmation of the future financial sustainability of the company is uncertain, we have accepted assurances from the directors that the company will be able to secure financial resources to enable it to continue trading as a going concern in the foreseeable future.

6 Opinion

Except for the matters described in paragraph 5 above, in our opinion the financial statements give a true and fair view of the state of the company's financial affairs as at 31st December, 2020 in accordance with the International Financial Reporting Standards and comply with the Companies Act, 2002.

Moshi

Date: 29.9.2021



MR. HITESH H. SOLANI
SOLANI & CO.

CERTIFIED PUBLIC ACCOUNTANT'S IN PUBLIC PRACTICE


ROUGH TRACKS LIMITED
DECLARATION OF HEAD OF FINANCE

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act 1 No. 2 of 1995, requires financial statements to be accompanied with a Statement of Declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a professional accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of a Company showing true and fair view position of the Company in accordance with International accounting standards and statutory reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors as under Statement of Directors Responsibilities as described on page A4.

I, REENA N. PARWAR..... being the Financial Consultant of Rough Tracks Limited hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31st December, 2020 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of Rough Tracks Limited as on that date and that they have been prepared based on properly maintained financial records.

Signed by: .....

Name: REENA N. PARWAR

Position: Financial Consultant

NBAA Membership No: ACPA 3145

DATE: 29/09/2021.....

ROUGH TRACKS LIMITED
 PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED
 31ST DECEMBER, 2020

	Note	2020 T.Shs.	2019 T.Shs.
TURNOVER	1 (c)	<u>134,712,406</u>	<u>423,423,504</u>
LOSS BEFORE TAXATION		<u>(251,983,753)</u>	<u>(69,026,303)</u>
After Charging:-			
Depreciation		45,157,763	56,075,205
Auditors remuneration		<u>1,200,000</u>	<u>1,200,000</u>
TAXATION	6	-	-
NET LOSS FOR THE YEAR		<u>(251,983,753)</u>	<u>(69,026,303)</u>
STATEMENT OF ACCUMULATED LOSSES			
Loss for the year		(251,983,753)	(69,026,303)
Accumulated losses at the beginning of the year		<u>(470,600,916)</u>	<u>(401,574,613)</u>
Accumulated losses at 31st December, 2020		<u>(722,584,669)</u>	<u>(470,600,916)</u>

ROUGH TRACKS LIMITED
BALANCE SHEET AS AT 31ST DECEMBER, 2020

	Note	2020 T.Shs.	2019 T.Shs.
ASSETS			
NON CURRENT ASSETS			
Fixed Assets	2	1,049,103,135	1,094,260,897
CURRENT ASSETS			
Inventory		1,361,464	42,516,624
Debtors	3	168,954,451	503,073,066
Directors current accounts		7,431,198	12,831,198
Taxation		6,527,597	6,527,597
Bank balances		14,280,412	20,276,776
Cash in hand		807,890	470,134
		<u>199,363,012</u>	<u>585,695,395</u>
TOTAL ASSETS		<u>1,248,466,147</u>	<u>1,679,956,292</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Share capital	4	14,300,000	14,300,000
Accumulated losses		<u>(722,584,669)</u>	<u>(470,600,916)</u>
		(708,284,669)	(456,300,916)
CURRENT LIABILITIES			
Creditors	5	1,863,271,567	2,136,257,208
Bank overdraft		<u>93,479,249</u>	-
TOTAL LIABILITIES		<u>1,956,750,816</u>	<u>2,136,257,208</u>
TOTAL EQUITY AND LIABILITIES		<u>1,248,466,147</u>	<u>1,679,956,292</u>

These financial statements were approved by the board of directors on
29.9. 2021 and were signed on its behalf by:



 DIRECTOR

Report of the Auditors - page A5
Notes on pages A11 and A12 form part of these financial statements.

ROUGH TRACKS LIMITED
STATEMENT OF CHANGES IN EQUITY
31ST DECEMBER, 2020

	Share Capital T.Shs.	Accumulated Losses T.Shs.	Total T.Shs.
Year ended 31st December, 2019			
At start of year	14,300,000	(401,574,613)	(387,274,613)
Loss for the year	-	(69,026,303)	(69,026,303)
At end of the year	<u>14,300,000</u>	<u>(470,600,916)</u>	<u>(456,300,916)</u>
Year ended 31st December, 2020			
At start of year	14,300,000	(470,600,916)	(456,300,916)
Loss for the year	-	(251,983,753)	(251,983,753)
At end of the year	<u>14,300,000</u>	<u>(722,584,669)</u>	<u>(708,284,669)</u>

ROUGH TRACKS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED
31ST DECEMBER, 2020

	2020	2019
	T.Shs.	T.Shs.
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the year	(251,983,753)	(69,026,303)
Adjustment for:		
Profit on sale of fixed assets	-	(70,323,634)
Depreciation	45,157,763	56,075,205
Operating loss before working capital change	<u>(206,825,990)</u>	<u>(83,274,732)</u>
DECREASE IN WORKING CAPITAL		
Inventory	41,155,160	(26,044,035)
Debtors	334,118,615	(13,794,363)
Director's current Account	5,400,000	(2,400,000)
Creditors	<u>(272,985,641)</u>	<u>8,335,366</u>
Net cash from operations	<u>(99,137,856)</u>	<u>(117,177,764)</u>
Taxation	-	(5,244,968)
CASH FLOW FROM INVESTING ACTIVITIES		
Disposal/sale of fixed assets	-	95,339,295
Purchase of fixed assets	-	(28,825,542)
Net cash from investing activities	<u>-</u>	<u>66,513,753</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(99,137,856)</u>	<u>(55,908,979)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>20,746,910</u>	<u>76,655,889</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>(78,390,946)</u>	<u>20,746,910</u>
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS		
	2020	2019
	T.Shs.	T.Shs.
Cash in hand	807,891	470,134
Bank balances	14,280,412	20,276,776
Bank overdraft	<u>(93,479,249)</u>	-
	<u>(78,390,946)</u>	<u>20,746,910</u>

ROUGH TRACKS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31ST DECEMBER, 2020

1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

(a) Basis of preparation

The financial statements are prepared in accordance with and comply with International Financial Reporting Standard (IFRS). The financial statements are presented in Tanzania Shillings (T.Shs) and prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the directors best knowledge of current events and actions, actual results may differ from those estimates.

(b) Depreciation

The Company's assets are depreciated on a reducing balance method. The principal annual rates adopted for this purpose are as follows:

Buildings	NIL
Plant	25% p.a.
Motor vehicles	25% p.a.
Furniture and fittings	12½% p.a.
Tents	12½% p.a.
Generator	12½% p.a.

(c) Revenue Recognition

Turnover comprises of revenue derived from Tours and Safaris income excluding value added tax.

(d) Currency

These financial statements are expressed in Tanzania Shillings.

(e) Translation of Foreign Currencies

Translation in foreign currencies during the year are converted into Tanzania Shillings at rates ruling at the translation dates. Assets and liabilities at the balance sheet date which are expressed in foreign currencies are translated in Tanzania Shillings at rates ruling at that date. The resulting differences from conversion and translation are dealt with in the income statement in the year in which they arise.

2. FIXED ASSETS	Net Book Value				Net Book Value
	01.01.2020	Additions	Disposal	Depreciation	31.12.2020
	T.Shs.	T.Shs.	T.Shs.	T.Shs.	T.Shs.
Buildings	826,791,804	-	-	-	826,791,804
Plant	8,365,013	-	-	2,091,253	6,273,760
Motor vehicles	85,427,996	-	-	21,356,999	64,070,997
Furniture and fittings	19,316,624	-	-	2,414,578	16,902,046
Tents	152,241,176	-	-	19,030,147	133,211,029
Generator	2,118,285	-	-	264,786	1,853,499
	<u>1,094,260,898</u>	<u>-</u>	<u>-</u>	<u>45,157,763</u>	<u>1,049,103,135</u>

ROUGH TRACKS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31ST DECEMBER, 2020

	2020	2019
	T.Shs.	T.Shs.
3. DEBTORS		
Trade debtors	157,014,609	490,052,966
Other debtors	<u>11,939,843</u>	<u>13,020,100</u>
	<u>168,954,451</u>	<u>503,073,066</u>
4. SHARE CAPITAL		
Authorised		
1,000,000 ordinary shares of T.Shs.1,000/- each	<u>1,000,000,000</u>	<u>1,000,000,000</u>
Issued and fully paid up		
5,200 'A' ordinary shares of T.Shs.1,000/- each	5,200,000	5,200,000
9,100 'B' ordinary shares of T.Shs 1,000/- each	<u>9,100,000</u>	<u>9,100,000</u>
<u>14,300</u> ordinary shares of T.Shs. 1,000/- each	<u>14,300,000</u>	<u>14,300,000</u>
5. CREDITORS		
Trade creditors	1,814,037,460	2,128,872,029
Accrued charges including deposits	<u>49,234,107</u>	<u>7,385,179</u>
	<u>1,863,271,567</u>	<u>2,136,257,208</u>

6. TAXATION

No provision has been made for taxation as the Company has brought forward losses from previous years.

ROUGH TRACKS LIMITED
INCOME STATEMENT FOR THE YEAR ENDED
31ST DECEMBER, 2020

	2020 T.Shs.	2019 T.Shs.
INCOME		
Tours and Safaris	134,712,406	423,423,504
DIRECT EXPENSES		
Motor vehicles running expenses	10,951,509	14,196,187
Accommodation costs	13,889,909	3,559,716
Park fees	58,290,250	26,983,918
Tourism development levy	828,625	3,396,358
Provision purchases	24,434,642	19,642,813
Labour and other charges	1,050,737	-
Fuel expenses	8,100,618	41,266,436
Guest Food & Beverages	28,311,290	34,836,664
Management fees	31,048,949	92,212,536
Staff food Expenses	9,167,893	17,486,870
Guest Flight tickets	7,502,480	38,541,353
	<u>193,576,903</u>	<u>292,122,851</u>
GROSS (LOSS)/PROFIT	(58,864,496)	131,300,653
OTHER INCOME		
Gain on Exchange	-	114,593
Profit on sale of fixed assets	-	70,323,634
	-	<u>70,438,227</u>
OVERHEAD EXPENSES (page A14)	<u>193,119,256</u>	<u>270,765,183</u>
NET LOSS FOR THE YEAR	<u>(251,983,753)</u>	<u>(69,026,303)</u>

ROUGH TRACKS LIMITED
OVERHEAD EXPENSES FOR THE YEAR ENDED
31ST DECEMBER, 2020

OVERHEAD EXPENSES	2020	2019
	T.Shs.	T.Shs.
Licences	8,996,500	11,666,600
Postage and telephone charges	25,476	147,291
Insurances	11,339,730	13,097,464
Internet charges	3,225,000	6,622,500
Travelling expenses	1,843,000	4,475,105
Water charges	1,100,000	-
Salaries and Wages	11,085,248	19,450,358
Skills and development Levy	-	315,367
Tent repairs	-	10,257,077
Clearing and forwarding	-	450,000
Professional fees	3,334,000	17,486,867
Workers compensation fund	110,852	212,909
PSSSF Contributions	125,000	396,000
NSSF Contribution	983,525	315,000
NSSF Arrears	2,612,842	-
Market and advertisement expenses	8,721,600	47,041,160
Audit and accountancy fees	1,200,000	1,200,000
Bank charges	5,795,906	5,713,677
Bank Interest	2,540,844	-
Commission fees	9,400,000	2,399,000
Loss on exchange	46,821,282	-
Rent	9,009,600	8,981,280
Generator repair	282,102	1,990,000
Staff welfare expenses	700,000	1,873,931
Donations	1,800,000	500,000
Subscriptions	1,041,750	-
Serengeti district service levy	-	1,215,499
Security charges	7,400,000	10,800,000
General expenses	270,985	630,020
Printing and stationeries	161,017	795,000
Tax Arrears	2,762,562	46,657,873
Bad Debt Expense	5,272,673	-
Depreciation	45,157,763	56,075,205
	<u>193,119,256</u>	<u>270,765,183</u>

ROUGH TRACKS LIMITED
INCOME TAX COMPUTATION
YEAR OF INCOME 2020

	T.Shs.	T.Shs.
Loss per account	251,983,753	
Depreciation		45,157,763
Donation		1,800,000
Loss on exchange		46,821,282
Bad debt expense		5,272,673
Tax arrears		2,762,562
Wear & tear allowance	73,754,932	
Adjusted Loss	<u>325,738,684</u>	<u>223,924,405</u> <u>325,738,684</u>

WEAR & TEAR SCHEDULE

	CLASS I	CLASS II	CLASS III	TOTAL
W.D.V. 1.1.2020	9,469,645	29,742,033	171,429,732	210,641,410
Additions	-	-	-	-
Disposal	-	-	-	-
	<u>9,469,645</u>	<u>29,742,033</u>	<u>171,429,732</u>	<u>210,641,410</u>
Wear & tear allowance	<u>(3,551,117)</u>	<u>(7,435,508)</u>	<u>(21,428,717)</u>	<u>(32,415,342)</u>
W.D.V. 31.12.2020	<u>5,918,528</u>	<u>22,306,525</u>	<u>150,001,016</u>	<u>178,226,069</u>

WEAR AND TEAR SCHEDULE - BUILDING CLASS VI (5%)

Depreciation Basis 01.01.2020	826,791,804
Additions during the year	-
Depreciation Basis 31.12.2020	<u>826,791,804</u>

Accumulated wear and tear allowance	248,037,540
Wear and tear allowance for the year 2020	<u>41,339,590</u>
	289,377,130

W.D.V 31.12.2020 537,414,674

Depreciation as per Wear & Tear Schedule: 73,754,932

Losses brought forward 01.01.2020	(1,024,180,667)
Loss for the year 2020	<u>(223,924,405)</u>
Losses carried forward 31.12.2020	<u>(1,248,105,072)</u>

**FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31ST DECEMBER, 2021**

**ROUGH TRACKS LIMITED,
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MOSHI.**

 **SOLANI & CO.**

TAX CONSULTANTS & CERTIFIED PUBLIC ACCOUNTANTS IN PUBLIC PRACTICE

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DIRECTORS AND COMPANY INFORMATION

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Mr. Varinder Singh Bhamra
Mr. Sanjay Nathalal Pandit
Mr. Nagesh L.V.S. Dinavahi

REGISTERED OFFICE

Plot No. 34
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Tanzania

SECRETARY

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AUDITORS

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ROUGH TRACKS LIMITED
REPORT OF THE DIRECTORS

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1. PRINCIPAL ACTIVITY

The principal activity of the Company is Tours and Safaris.

2. DIVIDEND

The Directors do not recommend the payment of a dividend for the year.

3. ACCUMULATED LOSSES

The Directors propose to carry forward the balance of Accumulated losses amounting to T.Shs. 873,454,094/-

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks, including credit risk and the effects of changes in foreign currency exchange rates and interest rates. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

The Company has policies in place to ensure that consultancy is made to customers with an appropriate credit history.

5. DIRECTORS

The Directors who served during the year were: -

Mr. Manmohan Singh Bhamra - British


Mr. Varinder Singh Bhamra - British

Mr. Sanjay Nathalal Pandit - Tanzanian

Mr. Nagesh L.V.S. Dinavahi - Indian

6. AUDITORS

The Auditors, Solani & Co., have indicated willingness to continue in office and do so under the terms of Sec.170 of the Companies Act, 2002.


BY ORDER OF THE BOARD

DIRECTOR

28.6.2022

ROUGH TRACKS LIMITED
DIRECTOR'S RESPONSIBILITIES

The Companies Act requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the operating results of the company for that year. It also requires the Directors to ensure the company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the company. They are also responsible for safeguarding the assets of the company.

The Directors accept the responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and in the manner required by the Companies Act. The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and of its operating results. The Directors further accept responsibility for the maintenance of the accounting records which may be relied in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the company will not remain a going concern for at least the next twelve months from the date of this statement.



.....
DIRECTOR

28.6.2022

AUDITORS' REPORT TO THE MEMBERS OF ROUGH TRACKS LIMITED

1 Preamble

We have audited the financial statements on pages 5 to 12 in accordance with International Standards on Auditing. The financial statements, which have been prepared in accordance with the accounting policies set out on Note 1 to the financial statements, are in agreement with the accounting records, and except for the matters mentioned in paragraph 5 below, we have obtained all the information and explanation necessary for the purpose of our audit.

2 Respective responsibilities of directors and auditors

The company's directors are responsible for the preparation of the financial statements and adopting the accounting policies. It is our responsibility to form an independent opinion, based on our audit on those statements and to report our opinion to you.

3 Basis of opinion

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's business, consistently applied and adequately disclosed.

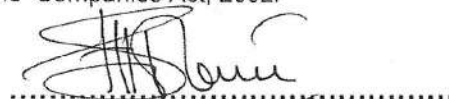
4 We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

5 Matters affecting the opinion

In common with many businesses of similar size and organization, the company's system of internal control as well as financial sustainability is dependent upon the close involvement of the directors. Where independent confirmation of the completeness of accounting records was therefore not available, we have accepted assurances from the directors that all the company's transactions have been reflected in the accounting records and adequately supported by relevant third party documents. Also where independent confirmation of the future financial sustainability of the company is uncertain, we have accepted assurances from the directors that the company will be able to secure financial resources to enable it to continue trading as a going concern in the foreseeable future.

6 Opinion

Except for the matters described in paragraph 5 above, in our opinion the financial statements give a true and fair view of the state of the company's financial affairs as at 31st December, 2021 in accordance with the International Financial Reporting Standards and comply with the Companies Act, 2002.



MR. HITESH H. SOLANI
SOLANI & CO.

CERTIFIED PUBLIC ACCOUNTANT'S IN PUBLIC PRACTICE

Moshi

Date: 28.6.2022


**ROUGH TRACKS LIMITED
DECLARATION OF HEAD OF FINANCE**

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act I No. 2 of 1995, requires financial statements to be accompanied with a Statement of Declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a professional accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of a Company showing true and fair view position of the Company in accordance with International accounting standards and statutory reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors as under Statement of Directors Responsibilities as described on page A4.

I, REENA N. PARMAR being the Financial Consultant of Rough Tracks Limited hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31st December, 2021 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of Rough Tracks Limited as on that date and that they have been prepared based on properly maintained financial records.

Signed by: 

Name: REENA N. PARMAR

Position: **Financial Consultant**

NBAA Membership No: ACPA 3145

DATE: 28/06/2022

ROUGH TRACKS LIMITED
 PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED
 31ST DECEMBER, 2021

	Note	2021 T.Shs.	2020 T.Shs.
TURNOVER	1 (c)	<u>102,224,482</u>	<u>134,712,406</u>
LOSS BEFORE TAXATION		<u>(150,869,425)</u>	<u>(251,983,753)</u>
After Charging:-			
Depreciation		36,740,909	45,157,763
Auditors remuneration		<u>1,200,000</u>	<u>1,200,000</u>
TAXATION	6	<u>-</u>	<u>-</u>
NET LOSS FOR THE YEAR		<u>(150,869,425)</u>	<u>(251,983,753)</u>
STATEMENT OF ACCUMULATED LOSSES			
Loss for the year		(150,869,425)	(251,983,753)
Accumulated losses at the beginning of the year		<u>(722,584,669)</u>	<u>(470,600,916)</u>
Accumulated losses at 31st December, 2021		<u>(873,454,094)</u>	<u>(722,584,669)</u>

ROUGH TRACKS LIMITED
BALANCE SHEET AS AT 31ST DECEMBER, 2021

ASSETS	Note	2021 T.Shs.	2020 T.Shs.
NON CURRENT ASSETS			
Fixed Assets	2	1,013,633,413	1,049,103,135
CURRENT ASSETS			
Inventory		5,574,321	1,361,464
Debtors	3	133,694,289	168,954,452
Directors current accounts		2,031,198	7,431,198
Taxation		6,527,597	6,527,597
Bank balances		10,071,689	14,280,411
Cash in hand		12,038,608	807,890
		<u>169,937,703</u>	<u>199,363,012</u>
TOTAL ASSETS		<u>1,183,571,116</u>	<u>1,248,466,147</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Share capital	4	14,300,000	14,300,000
Accumulated losses		<u>(873,454,094)</u>	<u>(722,584,669)</u>
		(859,154,094)	(708,284,669)
CURRENT LIABILITIES			
Creditors	5	1,929,843,019	1,863,271,567
Bank overdraft		<u>112,882,191</u>	<u>93,479,249</u>
TOTAL LIABILITIES		<u>2,042,725,210</u>	<u>1,956,750,816</u>
TOTAL EQUITY AND LIABILITIES		<u>1,183,571,116</u>	<u>1,248,466,147</u>

These financial statements were approved by the board of directors on 28.6 2022 and were signed on its behalf by:

.....

 DIRECTOR

Report of the Auditors - page A5
 Notes on pages A11 and A12 form part of these financial statements.

ROUGH TRACKS LIMITED
STATEMENT OF CHANGES IN EQUITY
31ST DECEMBER, 2021

	Share Capital T.Shs.	Accumulated Losses T.Shs.	Total T.Shs.
Year ended 31st December, 2020			
At start of year	14,300,000	(470,600,916)	(456,300,916)
Loss for the year	<u>-</u>	<u>(251,983,753)</u>	<u>(251,983,753)</u>
At end of the year	<u>14,300,000</u>	<u>(722,584,669)</u>	<u>(708,284,669)</u>
Year ended 31st December, 2021			
At start of year	14,300,000	(722,584,669)	(708,284,669)
Loss for the year	<u>-</u>	<u>(150,869,425)</u>	<u>(150,869,425)</u>
At end of the year	<u>14,300,000</u>	<u>(873,454,094)</u>	<u>(859,154,094)</u>

ROUGH TRACKS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED
31ST DECEMBER, 2021

	2021	2020
	T.Shs.	T.Shs.
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the year	(150,869,425)	(251,983,753)
Adjustment for:		
Depreciation	<u>36,740,909</u>	<u>45,157,763</u>
Operating loss before working capital change	(114,128,516)	(206,825,990)
DECREASE IN WORKING CAPITAL		
Inventory	(4,212,857)	41,155,160
Debtors	35,260,163	334,118,615
Director's current Account	5,400,000	5,400,000
Creditors	<u>66,571,452</u>	<u>(272,985,641)</u>
Net cash from operations	(11,109,758)	(99,137,856)
Taxation	-	-
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	<u>(1,271,187)</u>	-
Net cash from investing activities	<u>(1,271,187)</u>	-
NET DECREASE IN CASH AND CASH EQUIVALENTS	(12,380,945)	(99,137,856)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>(78,390,946)</u>	<u>20,746,910</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>(90,771,891)</u>	<u>(78,390,946)</u>
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS		
	2021	2020
	T.Shs.	T.Shs.
Cash in hand	12,038,609	807,891
Bank balances	10,071,690	14,280,412
Bank overdraft	<u>(112,882,191)</u>	<u>(93,479,249)</u>
	<u>(90,771,891)</u>	<u>(78,390,946)</u>

ROUGH TRACKS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31ST DECEMBER, 2021

1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

(a) Basis of preparation

The financial statements are prepared in accordance with and comply with International Financial Reporting Standard (IFRS). The financial statements are presented in Tanzania Shillings (T.Shs) and prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the directors best knowledge of current events and actions, actual results may differ from those estimates.

(b) Depreciation

The Company's assets are depreciated on a reducing balance method. The principal annual rates adopted for this purpose are as follows:

Buildings	NIL
Plant	25% p.a.
Motor vehicles	25% p.a.
Furniture and fittings	12½% p.a.
Tents	12½% p.a.
Generator	12½% p.a.

(c) Revenue Recognition

Turnover comprises of revenue derived from Tours and Safaris income excluding value added tax.

(d) Currency

These financial statements are expressed in Tanzania Shillings.

(e) Translation of Foreign Currencies

Translation in foreign currencies during the year are converted into Tanzania Shillings at rates ruling at the translation dates. Assets and liabilities at the balance sheet date which are expressed in foreign currencies are translated in Tanzania Shillings at rates ruling at that date. The resulting differences from conversion and translation are dealt with in the income statement in the year in which they arise.

2. FIXED ASSETS	Net Book Value				Net Book Value
	01.01.2021	Additions	Disposal	Depreciation	31.12.2021
	T.Shs.	T.Shs.	T.Shs.	T.Shs.	T.Shs.
Buildings	826,791,804	-	-	-	826,791,804
Plant	6,273,760	-	-	1,568,440	4,705,320
Motor vehicles	64,070,997	-	-	16,017,749	48,053,248
Furniture and fittings	16,902,046	1,271,187	-	2,271,654	15,901,579
Tents	133,211,029	-	-	16,651,379	116,559,650
Generator	1,853,499	-	-	231,687	1,621,812
	<u>1,049,103,135</u>	<u>1,271,187</u>	<u>-</u>	<u>36,740,909</u>	<u>1,013,633,413</u>

ROUGH TRACKS LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 31ST DECEMBER, 2021

	2021	2020
	T.Shs.	T.Shs.
3. DEBTORS		
Trade debtors	110,974,300	157,014,609
Other debtors	<u>22,719,989</u>	<u>11,939,843</u>
	<u>133,694,289</u>	<u>168,954,452</u>

4. SHARE CAPITAL

Authorised		
1, 000, 000 ordinary shares of T.Shs.1, 000/- each	<u>1,000,000,000</u>	<u>1,000,000,000</u>
Issued and fully paid up		
5,200 'A' ordinary shares of T.Shs.1, 000/- each	5,200,000	5,200,000
<u>9,100</u> 'B' ordinary shares of T.Shs 1, 000/- each	<u>9,100,000</u>	<u>9,100,000</u>
<u>14,300</u> ordinary shares of T.Shs. 1, 000/- each	<u>14,300,000</u>	<u>14,300,000</u>

	2021	2020
	T.Shs.	T.Shs.
5. CREDITORS		
Trade creditors	1,910,784,772	1,814,037,460
Advance from Customers	1,544,114	-
Accrued charges including deposits	<u>17,514,133</u>	<u>49,234,107</u>
	<u>1,929,843,019</u>	<u>1,863,271,567</u>

6. TAXATION

No provision has been made for taxation as the Company has brought forward losses from previous years.

ROUGH TRACKS LIMITED
INCOME STATEMENT FOR THE YEAR ENDED
31ST DECEMBER, 2021

		2021 T.Shs.	2020 T.Shs.
INCOME			
Tours and Safaris		102,224,482	134,712,406
DIRECT EXPENSES			
Motor vehicles running expenses	1	8,243,645	10,951,509
Acommodation costs	2	3,202,916	13,889,909
Park fees		6,906,233	58,290,250
Tourism development levy		1,369,475	828,625
Provision purchases	4	2,460,766	24,434,642
Labour and other charges		9,891,789	1,050,737
Fuel expenses		5,179,295	8,100,618
Guest Food & Beverages	3	14,615,172	28,311,290
Management fees		35,182,352	31,048,949
Staff food Expenses		5,273,943	9,167,893
Guest Flight and Baloon Safaris	5	<u>3,537,321</u>	<u>7,502,480</u>
		<u>95,862,907</u>	<u>193,576,902</u>
GROSS PROFIT/(LOSS)		6,361,575	(58,864,496)
OTHER INCOME			
Other Income		<u>263,507</u>	<u>-</u>
		263,507	-
OVERHEAD EXPENSES (page A14)		<u>157,494,507</u>	<u>193,119,257</u>
NET LOSS FOR THE YEAR		<u>(150,869,425)</u>	<u>(251,983,753)</u>

ROUGH TRACKS LIMITED
OVERHEAD EXPENSES FOR THE YEAR ENDED
31ST DECEMBER, 2021

OVERHEAD EXPENSES	2021 T.Shs.	2020 T.Shs.
Licences	11,102,000	8,996,500
Postage and telephone charges	58,500	25,476
Insurances	10,386,364	11,339,730
Internet charges	1,980,000	3,225,000
Travelling expenses	1,867,900	1,843,000
Water charges	600,000	1,100,000
Salaries and Wages	12,677,004	11,085,248
Tent repairs	13,429,536	-
General Repairs and Maintenance	500,211	-
Professional fees	9,376,000	3,334,000
Workers compensation fund	107,124	110,852
PSSSF Contributions	-	125,000
NSSF Contribution	1,267,698	983,525
NSSF Arrears	-	2,612,842
Market and advertisement expenses	12,310,360	8,721,600
Sales commission	845,254	-
Audit and accountancy fees	1,200,000	1,200,000
Bank charges	5,229,161	5,795,906
Bank Interest	7,678,443	2,540,844
Concession fees	9,400,000	9,400,000
Loss on exchange	1,518,608	46,821,282
Rent	13,848,060	9,009,600
Generator repair	270,550	282,102
Staff welfare expenses	263,000	700,000
Donations	1,800,000	1,800,000
Subscriptions	1,041,750	1,041,750
Serengeti district service levy	306,673	-
Security charges	-	7,400,000
General expenses	144,318	270,985
Printing and stationeries	870,085	161,017
Tax Arrears	-	2,762,562
Fines and Penalties	675,000	-
Bad Debt Expense	-	5,272,673
Depreciation	36,740,909	45,157,763
	<u>157,494,507</u>	<u>193,119,257</u>

ROUGH TRACKS LIMITED
INCOME TAX COMPUTATION
YEAR OF INCOME 2021

	T.Shs.	T.Shs.
Loss per account	150,869,425	
Depreciation		36,740,909
Donation		1,800,000
Loss on exchange		1,518,608
Wear & tear allowance	68,044,695	
Adjusted Loss	218,914,120	178,854,602 218,914,120

WEAR & TEAR SCHEDULE

	CLASS I	CLASS II	CLASS III	TOTAL
W.D.V. 1.1.2021	5,918,528	22,306,525	150,001,016	178,226,069
Additions	-	-	1,271,187	1,271,187
Disposal	-	-	-	-
	5,918,528	22,306,525	151,272,203	179,497,256
Wear & tear allowance	(2,219,448)	(5,576,631)	(18,909,025)	(26,705,105)
W.D.V. 31.12.2021	3,699,080	16,729,894	132,363,178	152,792,151

WEAR AND TEAR SCHEDULE - BUILDING CLASS VI (5%)

Depreciation Basis 01.01.2021		826,791,804
Additions during the year		-
Depreciation Basis 31.12.2021		826,791,804
Accumulated wear and tear allowance		289,377,130
Wear and tear allowance for the year 2021		41,339,590
		330,716,720
W.D.V 31.12.2021		496,075,084
Depreciation as per Wear & Tear Schedule:	68,044,695	
Losses brought forward 01.01.2021		(1,248,105,072)
Loss for the year 2021		(178,854,602)
Losses carried forward 31.12.2021		(1,426,959,674)