

SUNNY ADVENTURE SAFARIS LIMITED

FINANCIAL STATEMENTS & REPORTS

31ST DECEMBER 2020

MWEMA & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS IN PUBLIC PRACTICE

TAX CONSULTANTS

P.O.BOX 891

ARUSHA

SUNNY ADVENTURE SAFARIS LIMITED

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2020

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SUNNY ADVENTURE SAFARIS LIMITED
ARUSHA

Financial Statements for the year ended 31st December, 2020

CORPORATE INFORMATION :

BOARD OF DIRECTORS :

MRS. SHAIROZ AYUB A H. SULEMAN
MR. AYUB A. H. SULEMAN.

REGISTERED OFFICE :

P.O.Box. 972,
ARUSHA.
TANZANIA.

ACCOUNTANTS & AUDITORS :

Mwema & Company
Certified Public Accountants In Public Practice.
P.O.Box 891
ARUSHA
TANZANIA.

BANKERS :

African Banking Corporation Tanzania Limited.
Exim Bank T. Limited.
First National Bank Tanzania
NMB Bank
KCB Bank

SUNNY ADVENTURE SAFARIS LIMITED
ARUSHA.

Financial Statements for the year ended 31st December, 2020

REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their report together with the audited Financial Statements for the year ended 31st December, 2020 which disclose the state of affairs of the Company.

PRINCIPLE ACTIVITIES:

The Principle activities of the Company remain that of Tour Operators.
The company remained dormant due to the **COVID-19 Pandemic**

RESULTS:

The results for the year ended 31st December, 2020 and the appropriation thereof are set out on page 4.

DIVIDEND:

The Directors do not propose the declaration of dividends for the year.

DIRECTORATE:

The present membership of the Board is set out on page 1. In accordance with the Articles of Association, no directors are due for retirement by rotation.

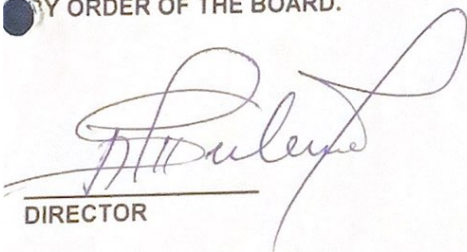
AUDITORS:

The Auditors, Mwema & Company, will continue in office for the subsequent year.

ADMINISTRATIVE EFFICIENCY

- (a) Payment of all statutory dues such as Value Added Tax, Pay As You Earn, NSSF and Skills Development Levy were made on time
- (b) All assets of the company are fully insured against normal business risks
- (c) There have been no court cases against the company or the management during the year.

BY ORDER OF THE BOARD.



DIRECTOR

SUNNY ADVENTURE SAFARIS LIMITEDDIRECTORS 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 that Company keeps proper accounting records which disclose the 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
.....
DIRECTOR

REPORT OF THE AUDITORS**TO THE MEMBERS OF****SUNNY ADVENTURE SAFARIS LIMITED**

We have audited the financial statements on pages 5 to 13 which have been prepared under the historical cost convention and accounting policies set out on page 8.

OPINION

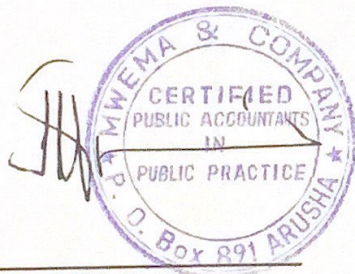
Subject to the foregoing, in our opinion the financial statements present a true and fair view of the state of the Company's affairs as at the 31st December, 2020 and of its results and Cash Flows for the year then ended and comply with International Financial Reporting Standards and the Companies Act.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing. We planned and performed our audit so as to obtain reasonable assurance that the financial statements are free from material misstatement. 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 whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Company's Directors are responsible for the preparation of financial statements which give a true and fair view of the Company's state of affairs and its operating results. Our responsibility is to express an independent opinion on the financial statements based on our audit and to report our opinion to you.



JOHN P. MAJO (FCPA 104)
MWEMA & COMPANY (PF 037)
Certified Public Accountants in Public Practice

ARUSHA: _____

23 FEB 2022

SUNNY ADVENTURE SAFARIS LIMITEDSTATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY AT 31ST DECEMBER, 2020.

| | Share Capital <u>T.SHS.</u> | Retained Earnings <u>T.SHS.</u> | Shareholders Fund <u>T.SHS.</u> | TOTAL <u>T.SHS.</u> |
|----------------------------------------------|-----------------------------------|---------------------------------------|---------------------------------------|------------------------|
| <u>Year Ended 31st December 2019.</u> | | | | |
| At beginning of the year | 500,000,000 | 1,198,906,804 | 428,054,835 | 2,126,961,639 |
| Profit for the year | - | 211,105,422 | - | 211,105,422 |
| At the end of the year | <u>500,000,000</u> | <u>1,410,012,226</u> | <u>428,054,835</u> | <u>2,338,067,061</u> |
| <u>Year Ended 31st December 2020.</u> | | | | |
| At beginning of the year | 500,000,000 | 1,410,012,226 | 428,054,835 | 2,338,067,061 |
| Profit/(Loss) for the year | - | (393,611,987) | - | (393,611,987) |
| At the end of the year | <u>500,000,000</u> | <u>1,016,400,239</u> | <u>428,054,835</u> | <u>1,944,455,074</u> |

SUNNY ADVENTURE SAFARIS LIMITED
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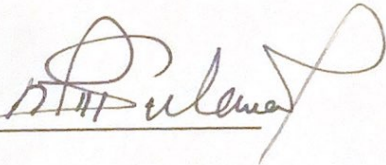
Financial Statements for the Year ended 31st DECEMBER 2020

STATEMENT OF FINANCIAL POSITION
BALANCE SHEET AS AT 31st DECEMBER 2020

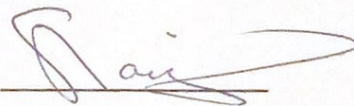
| <u>ASSETS :</u> | NOTES | 2020 <u>TZS</u> | 2019 <u>TZS</u> |
|----------------------------------------------|-------|-----------------------------|-----------------------------|
| Non - Current Assets. | | | |
| Properties, Plant & Equipments: Fixed Assets | 4 | 2,067,183,146 | 2,050,699,532 |
| | | <u>2,067,183,146</u> | <u>2,050,699,532</u> |
| Current Assets | | | |
| Accounts Receivables | 6 | 1,366,856,326 | 1,305,659,097 |
| Directors Current A/cs | | 174,376,905 | 46,735,675 |
| Cash and Cash Equivalents | | 248,990,066 | 83,260,451 |
| | | <u>1,790,223,296</u> | <u>1,435,655,223</u> |
| Total Assets | | <u>3,857,406,442</u> | <u>3,486,354,755</u> |
| Equity attributable to equity holders | | | |
| Share Capital | | 500,000,000 | 500,000,000 |
| Retained Earnings | 5 | 1,016,400,239 | 1,410,012,226 |
| Shareholders Advances Towards Share Capital | | 428,054,834 | 428,054,834 |
| Total Equity. | | <u>1,944,455,073</u> | <u>2,338,067,060</u> |
| LONG TERM LOAN | | <u>1,588,026,957</u> | <u>910,800,000</u> |
| CURRENT LIABILITIES: | | | |
| Accounts Payable | 7 | 318,637,540 | 165,508,323 |
| Current Tax Payable | 3 | 6,286,872 | 71,979,372 |
| Total Current Liabilities | | <u>324,924,412</u> | <u>237,487,695</u> |
| Total Liabilities | | <u>324,924,412</u> | <u>237,487,695</u> |
| Total Equity and Liabilities | | <u>3,857,406,442</u> | <u>3,486,354,755</u> |

These financial statements were approved by the Board of Directors on _____ and were signed on its behalf by:

Director: _____



Director: _____



SUNNY ADVENTURE SAFARIS LIMITED
ARUSHA .

Financial Statements for the year ended 31st December, 2020

| <u>CASH FLOW :</u> | <u>2020</u> | <u>2019</u> |
|-----------------------------------------------------------|---------------------------|----------------------------|
| | <u>TZS</u> | <u>TZS</u> |
| <u>CASH FLOW FROM OPERATING ACTIVITIES</u> | | |
| Profit/(Loss) before Taxation | (393,611,987) | 301,579,174 |
| Adjustment for Depreciation | <u>162,756,208</u> | <u>342,581,081</u> |
| Operating Profit before working capital change | (230,855,779) | 644,160,255 |
| (INCREASE) / DECREASE IN: | | |
| Accounts Receivable | (188,838,458) | 370,477,668 |
| INCREASE / (DECREASE) IN: | | |
| Accounts Payable | <u>153,129,217</u> | <u>(652,350,435)</u> |
| NET CASH FLOW FROM OPERATING ACTIVITIES | (266,565,020) | 362,287,488 |
| TAX PAID | (65,692,500) | (99,125,000) |
| CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchases of Fixed Assets. | (179,239,822) | (562,315,236) |
| Long Term Loan | 677,226,957 | 276,879,076 |
| NET CASH INFLOW / (OUTFLOW) | <u><u>165,729,615</u></u> | <u><u>(22,273,672)</u></u> |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | 83,260,451 | 105,534,123 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 248,990,066 | 83,260,451 |
| NET CASH INFLOW / (OUTFLOW) | <u><u>165,729,615</u></u> | <u><u>(22,273,672)</u></u> |

SUNNY ADVENTURE SAFARIS LIMITED
ARUSHA.

Financial Statements for the year ended 31st December, 2020

NOTES

1. PRINCIPLE ACCOUNTING POLICIES:

(a) Accounting Convention:

The Financial Statements are prepared under the historical cost convention.

(b) Income Recognition:

Income comprises of the invoiced value during the year net off trade discounts and allowances.

(c) Fixed Assets and Depreciation:

Fixed Assets are stated at cost less accumulated depreciation.

Depreciation is calculated on a reducing balance basis, at annual rates estimated to write off the Cost or valuation over estimated useful lives of the assets concerned.

The Rate used are:

| | Rate % Annum |
|--------------------------|---------------------|
| - Motor Vehicles | 25% |
| - Furniture and Fittings | 12.50% |
| - Office Equipments | 12.50% |
| - Generator | 37.50% |
| - Computers & Equipments | |

(d) Taxation:

Taxation is provided on the basis of the results for the year as shown in the Financial Statements. Taxation is based on the adjusted income at the corporation Tax rate of 30%.

SUNNY ADVENTURE SAFARIS LIMITED
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Financial Statements for the Year ended 31st DECEMBER 2020

| NOTES (Continued) | <u>2020</u> <u>TZS</u> | <u>2019</u> <u>TZS</u> |
|--------------------------------------------------------------------------------------|---------------------------|---------------------------|
| 5. RESERVES REVENUE: | | |
| At 1st January 2020 | 1,410,012,226 | 1,198,906,804 |
| Profit/(Loss) Retained for the Year | (393,611,987) | 211,105,422 |
| At 31st DECEMBER 2020 | <u>1,016,400,239</u> | <u>1,410,012,226</u> |
| | | |
| 6. ACCOUNTS RECEIVABLE: | | |
| Prepayments & Deposits | 21,700,032 | 18,368,540 |
| Trade Debtors | <u>1,345,156,294</u> | <u>1,287,290,557</u> |
| | <u>1,366,856,326</u> | <u>1,305,659,097</u> |
| | | |
| 7. ACCOUNTS PAYABLE: | | |
| Trade Creditors | 318,637,540 | 142,758,303 |
| Prepayments from Clients | - | 22,750,020 |
| | <u>318,637,540</u> | <u>165,508,323</u> |
| | | |
| 8. INCORPORATION: | | |
| The company is incorporated in Tanzania under the Companies Ordinance Cap. 212. | | |
| | | |
| SHARE CAPITAL | | |
| 50,000 Ordinary Shares of shs 10,000/ = each fully paid | <u>500,000,000</u> | <u>500,000,000</u> |
| | | |
| 9. CURRENCY: | | |
| The Financial Statements are presented in Tanzania Shillings. | | |
| | | |
| 10. ACCOUNTING Year: | | |
| The Financial Statements are for a twelve months from January 2020 to December 2020. | | |

SUNNY ADVENTURE SAFARIS LIMITED
ARUSHA.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31st DECEMBER 2020

| INCOME | <u>SCHEDULE</u> | 2020 <u>TZS</u> | 2019 <u>TZS</u> |
|---------------------------------------|-----------------|----------------------|----------------------|
| SALES (Tourism Income) | | 763,112,253 | 4,500,560,909 |
| Other Income -Exchange Gain/ (Loss) | | <u>1,772,142</u> | <u>6,823,445</u> |
| | | <u>764,884,395</u> | <u>4,507,384,354</u> |
| | | | |
| COST OF PACKAGE TOURS- SALES | 5 | <u>698,641,862</u> | <u>3,240,343,093</u> |
| GROSS PROFIT | | <u>66,242,533</u> | <u>1,267,041,261</u> |
| LESS: OPERATING EXPENDITURE: | | | |
| Employment | 1 | 95,230,487 | 189,553,866 |
| Establishment | 2 | 63,234,030 | 142,211,798 |
| Administration | 3 | 90,704,306 | 155,717,076 |
| Financial | 4 | 47,929,489 | 135,398,266 |
| Depreciation | 6 | 162,756,208 | 342,581,081 |
| TOTAL OPERATING EXPENDITURE | | <u>459,854,520</u> | <u>965,462,087</u> |
| PROFIT/(LOSS) BEFORE TAXATION | | <u>(393,611,987)</u> | <u>301,579,174</u> |
| | | | |
| PROVISION FOR TAXATION | | - | 90,473,752 |
| NET PROFIT/(LOSS) AFTER TAX | | <u>(393,611,987)</u> | <u>211,105,422</u> |

NB:

The company remained dormant due to the **COVID-19 Pandemic**

SUNNY ADVENTURE SAFARIS LIMITED
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SCHEDULES OF OPERATING EXPENDITURE:

| | 2020 | 2019 |
|--------------------------------------------------|-------------------|--------------------|
| | <u>TZS</u> | <u>TZS</u> |
| 1. EMPLOYMENT: | | |
| Salaries and Wages | 80,408,000 | 156,285,000 |
| Skills Development Levy | 3,312,375 | 6,762,825 |
| N S S.F - Employer's Contribution | 7,427,500 | 14,560,000 |
| Staff Welfare Expenses | 530,460 | 8,039,991 |
| Staff Medical | 2,189,402 | 1,215,050 |
| WCF | 742,750 | 1,456,000 |
| Staff Uniforms | 620,000 | 1,235,000 |
| | <u>95,230,487</u> | <u>189,553,866</u> |
| 2. ESTABLISHMENT: | | |
| Rent & Rates | 31,447,584 | 29,995,235 |
| Electricity & Water | 11,795,463 | 13,620,959 |
| Workshop Repairs and Maintenance | 1,275,551 | 3,658,000 |
| Licenses & Insurances- TALA,TLB,M/V Licenses,etc | 18,695,432 | 94,397,604 |
| Stamp Duty | 20,000 | 540,000 |
| | <u>63,234,030</u> | <u>142,211,798</u> |
| 3. ADMINISTRATION: | | |
| Postages, Telephones and Fax | 1,514,484 | 10,581,955 |
| E-mail & Internet Expenses | 5,179,050 | 1,835,800 |
| Advertisements & Marketing Promotions | 9,160,000 | 6,480,390 |
| Travelling and Transport | 10,525,310 | 20,744,121 |
| Donations | 275,000 | 311,800 |
| Printing and Stationery | 1,978,153 | 6,628,282 |
| Maintenance of Furnitures & Office Equipments | 12,018,964 | 2,894,739 |
| Office Expenses & Maintenance | 6,983,842 | 2,843,030 |
| SDL on Directors fees | - | 2,160,000 |
| Security Charges | 8,470,052 | 15,305,051 |
| Clearing & Forwarding Expenses | 556,231 | 94,288 |
| Subscription to TATO | - | 1,200,000 |
| Directors Fees | - | 48,000,000 |
| Professional Consultancy fees Fees | 30,856,600 | 21,884,100 |
| Service Levy | - | 13,500,020 |
| Bad debt Written off | - | 1,253,500 |
| Valuation Fees | 2,500,000 | |
| Legal Fees | 686,620 | |
| | <u>90,704,306</u> | <u>155,717,076</u> |

SUNNY ADVENTURE SAFARIS LIMITED
ARUSHA.

SCHEDULE OF OPERATING EXPENDITURE (Continued)

| | 2020 | 2019 |
|--------------------------------------------------------------------------------------|--------------------|----------------------|
| | <u>TZS</u> | <u>TZS</u> |
| 4. FINANCIAL COSTS: | | |
| Bank Charges & Commissions. | 15,704,661 | 56,138,045 |
| Bank Interest on Loan | 32,224,828 | 79,260,221 |
| | <u>47,929,489</u> | <u>135,398,266</u> |
| 5. COST OF PACKAGE TOURS:(DIRECT COSTS) | | |
| Hotels, Lodges ,Meals & Accomodation | 176,282,543 | 913,264,490 |
| Park Entrance Fees-Clients,Vehicles, Drivers etc. | 351,105,276 | 1,412,652,335 |
| Drivers' Safari Expenses | 31,724,000 | 182,387,399 |
| Clients' Direct Safari Expenses | 3,804,400 | 90,863,718 |
| Vehicle Hire Charges | 12,334,659 | 1,568,000 |
| Air Tickets & Baloon Safaris . | 14,922,785 | 149,257,786 |
| Shuttle Tickets | 320,000 | 350,000 |
| Mountain Climbing Expenes | 1,518,474 | 3,685,900 |
| Motor Vehicle Running Expenses-Fuel & Lubricants | 73,406,556 | 278,585,052 |
| Motor Vehicle Running Expenses-Maintenance | 33,223,171 | 207,728,413 |
| | <u>698,641,862</u> | <u>3,240,343,093</u> |
| 6. DEPRECIATION : | | |
| Charge for the Year on Motor Vehicles,Equipments & Furnitures,Office Equipments etc. | <u>162,756,208</u> | <u>342,581,081</u> |