



**EBN Hunting Safaris Limited**  
(Registration number 77135)  
**Financial statements**  
**for the year ended 31 December 2021**

# EBN Hunting Safaris Limited

(Registration number 77135)

Financial Statements for the year ended 31 December 2021

## General Information

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<b>Country of incorporation and domicile</b>	United Republic of Tanzania
<b>Nature of business and principal activities</b>	Hunting Safaris and Tourism
<b>Directors</b>	Nicolas Francois Sernin Negre Arnaud Mermet Raymond Mushi
<b>Registered office</b>	Vilima Vitatu Mdori Village, Babati Manyara region, Tanzania
<b>Postal address</b>	P.O Box 16532 Arusha, Tanzania
<b>Bankers</b>	NMB Bank Plc Ngarenaro Branch P.O.Box 15741 Arusha, Tanzania  Exim Bank Tanzania Ltd Mount Meru Branch P.O Box 1431 Arusha, Tanzania
<b>Auditors</b>	Crowe Tanzania Certified Public Accountants in Public Practice Dar es Salaam
<b>Secretary</b>	Charles Nyangi Sylvester
<b>Legal advisors</b>	AfriCorp Attorneys 2nd Floor, Amverton Office Park Plot No. 64, Lugalo Road Dar es Salaam, Tanzania  Prime Attorneys Speron Tower,3rd Floor Plot No.79 Block 86 P.O Box 7379 Dar es Salaam, Tanzania
<b>Company registration number</b>	77135

# EBN Hunting Safaris Limited

(Registration number 77135)

Financial Statements for the year ended 31 December 2021

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# **EBN Hunting Safaris Limited**

(Registration number 77135)

Financial Statements for the year ended 31 December 2021

## **Report by Those Charged with Governance**

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The members charged with governance (directors) have pleasure in submitting their report on the financial statements of EBN Hunting Safaris Limited (the company) for the year ended 31 December 2021.

### **1. Incorporation**

The company is domiciled in the United Republic of Tanzania under the Companies Act 2002 as a private company limited by share.

### **2. Nature of business**

The principal activity of the company is that of hunting safaris and tourism.

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

### **3. Business objectives and strategies**

EBN Hunting Safaris Limited wants to propose to the worldwide market hunting safaris in a protected wildlife environment. The company wants to hand over more valuable Hunting blocks in Tanzania. Meanwhile the company is protecting the Burunge area corridor between Lake Manyara National Park and Tarangire National Park.

### **4. Future prospects**

EBN Hunting Safaris Limited targets all hunters worldwide, by approaching them through trade shows all over the world.

### **5. Review of financial results and activities**

The financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act 2002. The accounting policies have been applied consistently compared to the prior year.

Net loss of the company for the year ended was 31 December 2021 was TZS 474,588,000 (2020: profit TZS 5,307,000), after taxation of TZS (76,611,000) (2020: TZS 3,435,000).

### **6. Going concern**

We draw attention to the fact that as at 31 December 2021, the company had accumulated losses of TZS 1,107,688,000 and on that date, the company's current liabilities exceeded its current assets by TZS 684,944,000 (excluding the unpaid share capital amount of TZS 894,000,000).

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continues to procure funding for the ongoing operations for the company.

The shareholders have confirmed continued financial support to the company so as to ensure that it remains a going concern for the foreseeable future.

The fact that the current liabilities exceed current assets has not hindered the company's ability to pay its debts as they become due in the normal course of business.

The impact of COVID-19 has been taken into consideration in the going concern assessment.

# EBN Hunting Safaris Limited

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## Report by Those Charged with Governance

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### 7. Liquidity

Being a key stakeholder, Ganam Consulting (Sp) will ensure liquidities of EBN Hunting Safaris Limited, in Tanzania.

### 8. Events after the reporting period

In August 2021, Basil Pesambili Mramba passed away and subsequently his directorship was terminated.

On 06 April 2022, the directors made a call for payment to Ernest Saronga Massawe, who had subscribed to 694,000 Ordinary shares of TZS 1,000 each.

On 13 May 2022, the directors made a call for payment to Godfrey Basil Mramba, the administrator of the estate of Basil Pesambili Mramba, who had subscribed to 200,000 Ordinary shares of TZS 1,000 each.

Both calls remained unpaid after the notice period of 14 days from the date of the call and thus directors resolved to forfeit the unpaid shares.

Additionally, on 08 June 2022, the following transfer of issued ordinary shares took place:

- Ernest Saronga Massawe transferred 56,000 ordinary shares to Ganam Consulting.
- Nicolas Francois Sernin Negre transferred 37,280 ordinary shares to Ganam Consulting, 1,060 ordinary shares to Arnaud Mermet and 10,600 ordinary shares to Raymond Mushi.

Apart from the above, the directors are not aware of any other material event which occurred after the reporting date and up to the date of this report which may have a material impact on the financial statements.

### 9. Directors

The directors in office at the date of this report are as follows:

Directors	Designation	Nationality	Changes
Nicolas Francois Sernin Negre	Director	French	
Arnaud Mermet	Director	Spanish	Appointed 8 June 2022
Raymond Mushi	Director	Tanzanian	Appointed 8 June 2022
Ernest Saronga Massawe	Director	Tanzanian	Resigned 8 June 2022
Basil Pesambili Mramba	Director	Tanzanian	Resigned 8 June 2022

In August 2021, Basil Pesambili Mramba passed away and subsequently his directorship was terminated.

### 10. Share capital

Authorised	2021		2020	
Ordinary shares	Number of shares			
			1,000,000	1,000,000
Issued	2021	2020	2021	2020
	TZS '000		Number of shares	
1,000,000 ordinary shares of TZS 1,000/- each	1,000,000	1,000,000	1,000,000	1,000,000

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

# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

## Report by Those Charged with Governance

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### 11. Shareholders of the company

The total number of shareholders during the year are 3 shareholders (previous year: 3 shareholders).

The shares of the company are held as follows:

	Number of shares	
	2021	2020
	Direct	Direct
Ernest Saronga Massawe	750,000	750,000
The estate of the Late Basil Pesambili Mramba	200,000	200,000
Nicolas Francois Sernin Negre	50,000	50,000
	<b>1,000,000</b>	<b>1,000,000</b>

Directors holding shares of the company are as follows:

### 12. Dividends

No dividends were declared or paid to shareholders during the year.

### 13. Secretary

The company secretary is Charles Nyangi Sylvester.

### 14. Employee welfare

#### Management and employees' relationship

There were continued good relation between employees and management for the year 2021. There were no unresolved complaints received by management from the employees during the year. A healthy relationship continues to exist between management and trade union.

The company is an equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribes, religion and disability which does not impair ability to discharge duties.

#### Employee Benefit Plan

The company pays contributions to National Social Security Fund on mandatory basis which qualifies to be a defined contribution plan.

### 15. Corporate governance

The board of directors consists of 3 directors. The board takes overall responsibility for the company, including responsibility for identifying key risk areas, considering and monitoring investment decisions, considering significant financial matters, and reviewing the performance of management business plans and budgets. The board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative, and for compliance with sound corporate governance principles.

The board is required to meet at least four times a year. The board delegates the day to day management of the business to the managing director assisted by senior management. Senior management is invited to attend board meetings and facilitates the effective control of all the company's operational activities, acting as a medium of communication and coordination between all the various business units.

The company is committed to the principles of effective corporate governance. The directors also recognize the importance of integrity, transparency and accountability.

# **EBN Hunting Safaris Limited**

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## **Report by Those Charged with Governance**

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### **16. Environmental, Social and Governance**

A large anti-poaching activity is implemented in all blocks that EBN Hunting Safaris Limited have to protect wildlife and mitigate human-wildlife activity.

### **17. Political and charitable donations**

To support this environmental and social activity, EBN Hunting Safaris Limited is contributing to WMA and support Chem Chem Association in their respective activities.

### **18. Risk management and internal control**

The board accepts final responsibility for the risk management and internal control systems of the company. It is the task of management to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:

- The effectiveness and efficiency of operations;
- The safeguarding of the company's assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and
- Responsible behaviours towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the company system is designed to provide the board with reasonable assurance that the procedures in place are operating effectively.

The board assessed the internal control systems throughout the financial year ended 31 December 2021 and is of the opinion that they met accepted criteria.

### **19. Related parties transactions**

Related party transactions and balances are disclosed in note 20 to these financial statements.

### **20. Responsibility of those charged with governance**

The members charged with governance accept responsibility for preparing these financial statements which show a true and fair view of the Company to the date of approval of the audited financial statements, in accordance with the applicable standards, rules, regulations and legal provisions. The members also confirm compliance with the provisions of the requirements of TFRS 1 and all other statutory legislation relevant to the Company.

### **21. Statement of disclosure to the company's auditors**

With respect to each person who is a director on the day that this report is approved:

- there is, so far as the person is aware, no relevant audit information of which the company's auditors are unaware; and
- the person has taken all the steps that he/she ought to have taken as a director to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

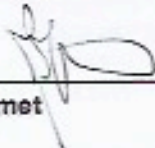
## Report by Those Charged with Governance

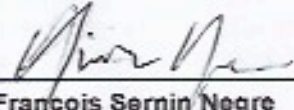
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### 22. Auditors

The auditors, Crowe Tanzania have expressed their willingness to continue in office and will be recommended for re-appointment in accordance with the Companies Act 2002.

The financial statements set out on pages 13 to 42, which have been prepared on the going concern basis, were approved by the directors on the date of this report, and were signed on its behalf by:

  
\_\_\_\_\_  
Arnaud Mermet  
Director

  
\_\_\_\_\_  
Nicolas Francois Sernin Negre  
Director

Date: 01.02.2023

Date: 01/02/2023

## EBN Hunting Safaris Limited

(Registration number 77135)

Financial Statements for the year ended 31 December 2021

### Directors' Responsibilities and Approval

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The directors are required in terms of the Companies Act 2002 to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

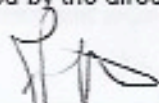
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 December 2022 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

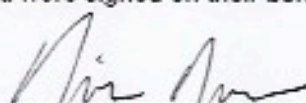
The external auditors are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 10 to 12.

The financial statements set out on pages 13 to 42, which have been prepared on the going concern basis, were approved by the directors on the date of this statement and were signed on their behalf by:



Arnaud Mermet  
Director

Date: 01.02.2023



Nicolas Francois Serrin Negre  
Director

Date: 01/02/2023

## **EBN Hunting Safaris Limited**

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Financial Statements for the year ended 31 December 2021

### **Declaration of Head of Accounting and 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 No. 2 of 1995, requires financial statements to be accompanied with a 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/Governing Body/Management to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors/Governing Body as under Directors Responsibility statement on an earlier page.

I Paulo Loishiye Kitabasi being the Head of Finance/Accounting of EBN Hunting Safaris Limited hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 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 EBN Hunting Safaris Limited as on that date and that they have been prepared based on properly maintained financial records.

Signature:  .....

Signed By : Paulo Loishiye Kitabasi

Position : Accountant

NBAA Membership No.: GA 6107

Date 31 January 2023

## Report of the Independent Auditor

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### To the shareholders of EBN Hunting Safaris Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of EBN Hunting Safaris Limited (the company) set out on pages 13 to 42, which comprise the Statement of Financial Position as at 31 December 2021, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of EBN Hunting Safaris Limited as at 31 December 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act 2002.

#### Basis for opinion

#### Material uncertainty related to going concern

We draw attention to note 25 in the financial statements, which indicates that the company had accumulated loss of TZS 1,107,688,000 as at the year ended 31 December 2021, and as of that date, the company's current liabilities exceeded its current assets by TZS 684,944,000 (excluding the unpaid share capital amount of TZS 894,000,000). As stated in note 25, these events or conditions, along with other matters as set forth in note 25, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### Other information

The directors are responsible for the other information. The other information comprises the Report by Those Charged with Governance as required by the Companies Act 2002 of the United Republic of Tanzania, Directors' Responsibilities and Approval and the Declaration of the Head of Finance and Accounting as required by The National Board of Accountants and Auditors, which we obtained prior to the signing of this report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Report of the Independent Auditor

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### To the shareholders of EBN Hunting Safaris Limited

#### Responsibilities of the directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act 2002, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### 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 misstatement, 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 International Standards on Auditing 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 International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement 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. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 the directors.
- Conclude on the appropriateness of the directors' 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 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 the directors regarding, among 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.

## Report of the Independent Auditor

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To the shareholders of EBN Hunting Safaris Limited

### Report on other legal and regulatory requirements

This report, including opinion, has been prepared for, and only for, the company's members as a body in accordance with the Companies Act 2002 and for no other purposes. As required by the Companies Act 2002, we report to you, based on our audit, that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- In our opinion proper books of accounts have been kept by the company, so far as appears for our examination of the books;
- The company's Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income are in agreement with the books of accounts;
- The Report by Those Charged with Governance is consistent with the financial statements; and
- Information specified by law regarding directors' remuneration and transactions with the company is disclosed.



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**CPA Christopher Msuya**  
**For and on behalf of Crowe Tanzania**  
**Certified Public Accountants in Public Practice**  
**Dar es Salaam**

**Date: 1 February 2023**

# EBN Hunting Safaris Limited

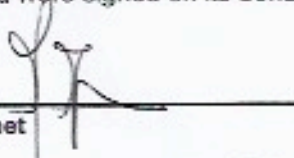
(Registration number 77135)

Financial Statements for the year ended 31 December 2021

## Statement of Financial Position as at 31 December 2021

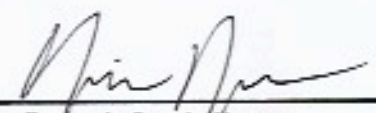
	Note(s)	2021 TZS '000	2020 TZS '000
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	3	284,605	373,187
Deferred tax	4	-	3,607
		<b>284,605</b>	<b>376,794</b>
<b>Current Assets</b>			
Trade and other receivables	5	1,222,246	1,248,010
Current tax receivable	16	118,197	60,984
Cash and cash equivalents	6	163,140	277,566
		<b>1,503,583</b>	<b>1,586,560</b>
<b>Total Assets</b>		<b>1,788,188</b>	<b>1,963,354</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital	7	1,000,000	1,000,000
Accumulated loss	13	(1,107,688)	(633,101)
		(107,688)	366,899
Equity contribution	7	601,349	601,349
		<b>493,661</b>	<b>968,248</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	9	579,596	295,041
Other financial liabilities	8	714,931	700,065
		<b>1,294,527</b>	<b>995,106</b>
<b>Total Equity and Liabilities</b>		<b>1,788,188</b>	<b>1,963,354</b>

The financial statements and the notes on pages 13 to 42, were approved by the directors on the date of this statement and were signed on its behalf by:

  
Arnaud Mermet  
Director

Date:

01.02.2023

  
Nicolas Francois Sernin Negre  
Director

Date:

01/02/2023

The accounting policies on pages 17 to 25 and the notes on pages 26 to 42 form an integral part of the financial statements.

## EBN Hunting Safaris Limited

(Registration number 77135)

Financial Statements for the year ended 31 December 2021

### Statement of Profit or Loss and Other Comprehensive Income

	Note(s)	2021 TZS '000	2020 TZS '000
Revenue	10	2,322,871	1,858,452
Cost of sales	11	(1,480,164)	(1,261,977)
<b>Gross profit</b>		<b>842,707</b>	<b>596,475</b>
Other operating gains (losses)	12	-	7,152
Expenses	22	(1,190,590)	(551,661)
<b>Operating (loss) profit</b>	13	<b>(347,883)</b>	<b>51,966</b>
Finance costs	15	(50,094)	(50,094)
<b>Profit (Loss) before taxation</b>		<b>(397,977)</b>	<b>1,872</b>
Taxation	16	(76,611)	3,435
<b>Total comprehensive (loss) income for the year</b>		<b>(474,588)</b>	<b>5,307</b>

The accounting policies on pages 17 to 25 and the notes on pages 26 to 42 form an integral part of the financial statements.

## EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

### Statement of Changes in Equity

	Share capital TZS '000	Accumulated loss TZS '000	Total TZS '000	Equity contribution TZS '000	Total equity TZS '000
<b>Balance at 1 January 2020</b>	<b>1,000,000</b>	<b>(638,408)</b>	<b>361,592</b>	<b>464,549</b>	<b>826,141</b>
<b>Total comprehensive income for the year</b>	-	<b>5,307</b>	<b>5,307</b>	-	<b>5,307</b>
Transfer to equity loan	-	-	-	136,800	136,800
<b>Balance at 1 January 2021</b>	<b>1,000,000</b>	<b>(633,100)</b>	<b>366,900</b>	<b>601,349</b>	<b>968,249</b>
<b>Total comprehensive Loss for the year</b>	-	<b>(474,588)</b>	<b>(474,588)</b>	-	<b>(474,588)</b>
<b>Balance at 31 December 2021</b>	<b>1,000,000</b>	<b>(1,107,688)</b>	<b>(107,688)</b>	<b>601,349</b>	<b>493,661</b>

Note(s)

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The accounting policies on pages 17 to 25 and the notes on pages 26 to 42 form an integral part of the financial statements.

# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

## Statement of Cash Flows

	Note(s)	2021 TZS '000	2020 TZS '000
<b>Cash flows from operating activities</b>			
Cash generated from/(used in) operations	17	55,159	(19,826)
Tax paid	18	(130,217)	(18,606)
<b>Net cash from operating activities</b>		<b>(75,058)</b>	<b>(38,432)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	3	(4,140)	-
<b>Net cash from investing activities</b>		<b>(4,140)</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Movement in other financial liabilities		14,866	-
Finance costs		(50,094)	(50,094)
Movement in equity contributions		-	145,066
<b>Net cash from financing activities</b>		<b>(35,228)</b>	<b>94,972</b>
<b>Total cash movement for the year</b>		<b>(114,426)</b>	<b>56,540</b>
Cash at the beginning of the year		277,566	221,026
<b>Total cash at end of the year</b>	6	<b>163,140</b>	<b>277,566</b>

The accounting policies on pages 17 to 25 and the notes on pages 26 to 42 form an integral part of the financial statements.

# EBN Hunting Safaris Limited

(Registration number 77135)

Financial Statements for the year ended 31 December 2021

## Accounting Policies

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### 1. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

#### 1.1 Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and the Companies Act 2002.

The financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Tanzanian Shillings, which is the company's functional currency.

These accounting policies are consistent with the previous period.

#### 1.2 Property, plant and equipment

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

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

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

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Item	Depreciation method	Percentage
Tents and constructions	Diminishing balance	12.50%
Plant and machinery	Diminishing balance	12.50%
Firearms	Diminishing balance	12.50%
Motor vehicles	Diminishing balance	37.50%
Communication equipments	Diminishing balance	12.50%
IT equipment	Diminishing balance	37.50%
Antipoaching equipments	Diminishing balance	12.50%

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

## Accounting Policies

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### 1.2 Property, plant and equipment (continued)

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

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

### 1.3 Financial instruments

Financial instruments held by the company are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the company, as applicable, are as follows:

Financial assets which are equity instruments:

- Mandatorily at fair value through profit or loss; or
- Designated as at fair value through other comprehensive income. (This designation is not available to equity instruments which are held for trading or which are contingent consideration in a business combination).

Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Fair value through other comprehensive income. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments); or
- Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or
- Designated at fair value through profit or loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

Derivatives which are not part of a hedging relationship:

- Mandatorily at fair value through profit or loss.

Financial liabilities:

- Amortised cost; or
- Mandatorily at fair value through profit or loss. (This applies to contingent consideration in a business combination or to liabilities which are held for trading); or
- Designated at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit or loss).

Note 24 Financial instruments and risk management presents the financial instruments held by the company based on their specific classifications.

# EBN Hunting Safaris Limited

(Registration number 77135)

Financial Statements for the year ended 31 December 2021

## Accounting Policies

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### 1.3 Financial instruments (continued)

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the company are presented below:

#### Loans receivable at amortised cost

##### Classification

They have been classified in this manner because the contractual terms of these loans give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the company's business model is to collect the contractual cash flows on these loans.

##### Recognition and measurement

Loans receivable are recognised when the company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the loan initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

#### Loans denominated in foreign currencies

When a loan receivable is denominated in a foreign currency, the carrying amount of the loan is determined in the foreign currency. The carrying amount is then translated to the Tanzanian Shilling equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in the other operating gains (losses) (note 12).

#### Trade and other receivables

##### Recognition and measurement

Receivables are recognised when the organization becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any. They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Measurement of expected credit losses (ECL): ECLs are probability weighted estimates of credit losses. IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets, and debt investment at FVOCI, but not to investments in equity instruments. Under IFRS 9 credit losses are recognised earlier than under IAS 39. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instruments, and consequently, more timely information is provided about credit losses.

Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

# **EBN Hunting Safaris Limited**

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Financial Statements for the year ended 31 December 2021

## **Accounting Policies**

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### **1.3 Financial instruments (continued)**

#### **Trade and other payables**

##### **Classification**

Trade and other payables (note 9), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

##### **Recognition and measurement**

They are recognised when the company becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 15).

Trade and other payables expose the company to liquidity risk and possibly to interest rate risk. Refer to note 24 for details of risk exposure and management thereof.

Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

### **1.4 Tax**

#### **Current tax assets and liabilities**

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

## Accounting Policies

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### 1.4 Tax (continued)

#### Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses and unused STC credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused STC credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

#### Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

### 1.5 Impairment of assets

The company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the company also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

## Accounting Policies

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### 1.5 Impairment of assets (continued)

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

### 1.6 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the company in which they are declared.

### 1.7 Employee benefits

#### Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

#### Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the company's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

### 1.8 Provisions and contingencies

Provisions are recognised when:

- the company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

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# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

## Accounting Policies

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### 1.8 Provisions and contingencies (continued)

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
  - the business or part of a business concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for terminating their services;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 19.

### 1.9 Revenue

The company recognises revenue from the following major sources:

- Hunting safaris income and trophy fees.
- Commission of flights and safaris.
- Accommodation and cessation fees.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

### 1.10 Cost of sales

The related cost of providing services recognised as revenue in the current period is included in cost of sales.

Contract costs comprise:

- costs that relate directly to the specific contract;
- costs that are attributable to contract activity in general and can be allocated to the contract; and
- such other costs as are specifically chargeable to the customer under the terms of the contract.

Cost of sales is reduced by the amount recognised in inventory as a "right to returned goods asset" which represents the company right to recover products from customers where customers exercise their right of return under the company returns policy.

# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

## Accounting Policies

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### 1.11 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred, and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

# **EBN Hunting Safaris Limited**

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Financial Statements for the year ended 31 December 2021

## **Accounting Policies**

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### **1.12 Translation of foreign currencies**

#### **Foreign currency transactions**

A foreign currency transaction is recorded, on initial recognition in Tanzanian Shillings, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

In circumstances where the company receives or pays an amount in foreign currency in advance of a transaction, the transaction date for purposes of determining the exchange rate to use on initial recognition of the related asset, income or expense is the date on which the company initially recognised the non-monetary item arising on payment or receipt of the advance consideration.

If there are multiple payments or receipts in advance, company determines a date of transaction for each payment or receipt of advance consideration.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Tanzanian Shillings by applying to the foreign currency amount the exchange rate between the Tanzanian Shilling and the foreign currency at the date of the cash flow.

# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

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2021	2020
TZS '000	TZS '000

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### 2. New Standards and Interpretations

#### 2.1 Standards and interpretations effective and adopted in the current year

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

##### Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 9

When there is a change in the basis for determining the contractual cash flows of a financial asset or financial liability that is required by interest rate benchmark reform then the entity is required to apply paragraph B5.4.5 as a practical expedient. This expedient is only available for such changes in basis of determining contractual cash flows.

Additional temporary exemptions from applying specific hedge accounting requirements as well as additional rules for accounting for qualifying hedging relationships and the designation of risk components have been added to hedge relationships specifically impacted by interest rate benchmark reform.

The effective date of the company is for years beginning on or after 1 January 2021.

The company has adopted the amendment for the first time in the 2021 financial statements.

The impact of the amendment is not material.

##### Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 16

If there is a lease modification as a result of the interest rate benchmark reform, then as a practical expedient the lessee is required to apply paragraph 42 of IFRS 16 to account for the changes by remeasuring the lease liability to reflect the revised lease payment. The amendment only applies to modifications as a result of the interest rate benchmark reform.

The effective date of the company is for years beginning on or after 1 January 2021.

The company has adopted the amendment for the first time in the 2021 financial statements.

The impact of the amendment is not material.

##### COVID-19 - Related Rent Concessions - Amendment to IFRS 16

The COVID-19 pandemic has resulted in an amendment to IFRS 16 Leases. Lessees may elect not to assess whether a rent concession that meets the conditions in paragraph 46B is a lease modification. If this election is applied, then any change in lease payments must be accounted for in the same way as a change would be accounted for it were not a lease modification. This practical expedient only applies to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payment affects only payments originally due on or before 30 June 2022 and
- there is no substantive change to other terms and conditions of the lease.

The effective date of the amendment is for years beginning on or after 1 June 2020.

# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

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### 2. New Standards and Interpretations (continued)

The company has adopted the amendment for the first time in the 2021 financial statements.

The impact of the amendment is not material.

#### 2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 1 January 2022 or later periods:

##### **Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

If a parent loses control of a subsidiary which does not contain a business, as a result of a transaction with an associate or joint venture, then the gain or loss on the loss of control is recognised in the parents' profit or loss only to the extent of the unrelated investors' interest in the associate or joint venture. The remaining gain or loss is eliminated against the carrying amount of the investment in the associate or joint venture. The same treatment is followed for the measurement to fair value of any remaining investment which is itself an associate or joint venture. If the remaining investment is accounted for in terms of IFRS 9, then the measurement to fair value of that interest is recognised in full in the parents' profit or loss.

The effective date of the amendment is to be determined by the IASB.

The company does not envisage the adoption of the amendment until such time as it becomes applicable to the company's operations.

It is unlikely that the amendment will have a material impact on the company's financial statements.

##### **Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12**

The amendment adds an additional requirement for transactions which will not give rise to the recognition of a deferred tax asset or liability on initial recognition. Previously, deferred tax would not be recognised on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting profit or loss. The additional requirement provides that the transaction, at the time of the transaction must not give rise to equal taxable and deductible temporary differences.

The effective date of the amendment is for years beginning on or after 1 January 2023.

The company does not envisage the adoption of the amendment until such time as it becomes applicable to the company's operations.

It is unlikely that the amendment will have a material impact on the company's financial statements.

##### **Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.**

IAS 1 was amended to require that only material accounting policy information shall be disclosed in the financial statements. The amendment will not result in changes to measurement or recognition of financial statement items, but management will undergo a review of accounting policies to ensure that only material accounting policy information is disclosed.

The effective date of the amendment is for years beginning on or after 1 January 2023.

The company does not envisage the adoption of the amendment until such time as it becomes applicable to the company's operations.

# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

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### 2. New Standards and Interpretations (continued)

It is unlikely that the amendment will have a material impact on the company's financial statements.

#### Definition of accounting estimates: Amendments to IAS 8

The definition of accounting estimates was amended so that accounting estimates are now defined as "monetary amounts in financial statements that are subject to measurement uncertainty."

The effective date of the amendment is for years beginning on or after 1 January 2023.

The company does not envisage the adoption of the amendment until such time as it becomes applicable to the company's operations.

It is unlikely that the amendment will have a material impact on the company's financial statements.

#### Classification of Liabilities as Current or Non-Current - Amendment to IAS 1

The amendment changes the requirements to classify a liability as current or non-current. If an entity has the right at the end of the reporting period, to defer settlement of a liability for at least twelve months after the reporting period, then the liability is classified as non-current.

If this right is subject to conditions imposed on the entity, then the right only exists, if, at the end of the reporting period, the entity has complied with those conditions.

In addition, the classification is not affected by the likelihood that the entity will exercise its right to defer settlement. Therefore, if the right exists, the liability is classified as non-current even if management intends or expects to settle the liability within twelve months of the reporting period. Additional disclosures would be required in such circumstances.

The effective date of the amendment is for years beginning on or after 1 January 2023.

The company does not envisage the adoption of the amendment until such time as it becomes applicable to the company's operations.

It is unlikely that the amendment will have a material impact on the company's financial statements.

#### Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1

A subsidiary that uses the cumulative translation differences exemption, may elect in its financial statements, to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary.

The effective date of the company is for years beginning on or after 1 January 2022.

The company does not envisage the adoption of the amendment until such time as it becomes applicable to the company's operations.

It is unlikely that the amendment will have a material impact on the company's financial statements.

# **EBN Hunting Safaris Limited**

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Financial Statements for the year ended 31 December 2021

## **Notes to the Financial Statements**

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### **2. New Standards and Interpretations (continued)**

#### **Reference to the Conceptual Framework: Amendments to IFRS 3**

The amendment makes reference to the Conceptual Framework for Financial Reporting issued in 2018 rather than to the IASC's Framework for the Preparation and Presentation of Financial Statements. The amendment specifically points to the treatment of liabilities and contingent liabilities acquired as part of a business combination, and which are in the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies. It clarifies that the requirements of IAS 37 or IFRIC 21 should be applied to provisions, contingent liabilities or levies to determine if a present obligation exists at the Acquisition date. The amendment further clarifies that contingent assets of acquirees share not be recognised as part of the business combination.

The effective date of the company is for years beginning on or after 1 January 2022.

The company does not envisage the adoption of the amendment until such time as it becomes applicable to the company's operations.

It is unlikely that the amendment will have a material impact on the company's financial statements.

#### **Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9**

The amendment concerns fees in the '10 per cent' test for derecognition of financial liabilities. Accordingly, in determining the relevant fees, only fees paid or received between the borrower and the lender are to be included.

The effective date of the company is for years beginning on or after 1 January 2022.

The company does not envisage the adoption of the amendment until such time as it becomes applicable to the company's operations.

It is unlikely that the amendment will have a material impact on the company's financial statements.

#### **Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16**

The amendment relates to examples of items which are included in the cost of an item of property, plant and equipment. Prior to the amendment, the costs of testing whether the asset is functioning properly were included in the cost of the asset after deducting the net proceeds of selling any items which were produced during the test phase. The amendment now requires that any such proceeds and the cost of those items must be included in profit or loss in accordance with the related standards. Disclosure of such amounts is now specifically required.

The effective date of the company is for years beginning on or after 1 January 2022.

The company does not envisage the adoption of the amendment until such time as it becomes applicable to the company's operations.

It is unlikely that the amendment will have a material impact on the company's financial statements.

#### **Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37**

The amendment defined the costs that are included in the cost of fulfilling a contract when determining the amount recognised as an onerous contract. It specifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. These are both the incremental costs of fulfilling the contract as well as an allocation of other costs that relate directly to fulfilling contracts (for example depreciation allocation).

The effective date of the company is for years beginning on or after 1 January 2022.

## EBN Hunting Safaris Limited

(Registration number 77135)

Financial Statements for the year ended 31 December 2021

### Notes to the Financial Statements

#### 2. New Standards and Interpretations (continued)

The company does not envisage the adoption of the amendment until such time as it becomes applicable to the company's operations.

It is unlikely that the amendment will have a material impact on the company's financial statements.

#### 3. Property, plant and equipment

	2021			2020		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Tents and constructions	267,297	(112,587)	154,710	267,297	(90,486)	176,811
Plant and machinery	30,711	(17,755)	12,956	30,711	(13,436)	17,275
Firearms	11,038	(5,046)	5,992	6,900	(4,190)	2,710
Motor vehicles	525,806	(417,714)	108,092	525,806	(352,860)	172,946
Communication equipments	4,001	(2,347)	1,654	4,001	(2,111)	1,890
IT equipment	3,190	(2,789)	401	3,190	(2,548)	642
Antipoaching equipments	2,036	(1,236)	800	2,036	(1,123)	913
<b>Total</b>	<b>844,079</b>	<b>(559,474)</b>	<b>284,605</b>	<b>839,941</b>	<b>(466,754)</b>	<b>373,187</b>

#### Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Depreciation	Total
Tents and constructions	176,811	-	(22,101)	154,710
Plant and machinery	17,275	-	(4,319)	12,956
Firearms	2,710	4,140	(858)	5,992
Motor vehicles	172,946	-	(64,854)	108,092
Communication equipments	1,890	-	(236)	1,654
IT equipment	642	-	(241)	401
Antipoaching equipments	913	-	(113)	800
	<b>373,187</b>	<b>4,140</b>	<b>(92,722)</b>	<b>284,605</b>

#### Reconciliation of property, plant and equipment - 2020

	Opening balance	Depreciation	Impairment loss	Total
Tents and constructions	202,070	(25,259)	-	176,811
Plant and machinery	23,033	(5,758)	-	17,275
Firearms	3,097	(387)	-	2,710
Motor vehicles	276,713	(103,767)	-	172,946
Communication equipments	8,464	(270)	(6,304)	1,890
IT equipment	1,115	(385)	(88)	642
Antipoaching equipments	1,782	(132)	(737)	913
	<b>516,274</b>	<b>(135,958)</b>	<b>(7,129)</b>	<b>373,187</b>

# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

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### 4. Deferred tax

Deferred tax asset	-	3,607
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#### Reconciliation of deferred tax asset / (liability)

At beginning of year	3,607	-
Increases (decrease) in tax loss available for set off against future taxable income	(1,742)	1,742
Taxable / (deductible) temporary difference movement on tangible fixed assets	(1,865)	1,865
	-	<b>3,607</b>

Deferred tax asset has been derecognised during the year due to unforeseen sufficient taxable profits to utilise the asset in the near future.

### 5. Trade and other receivables

#### Financial instruments:

Trade receivables	185,039	342,548
Directors account	26,643	-
Receivable against share capital	894,000	894,000
Other receivable	46,294	-

#### Non-financial instruments:

Employee costs in advance	70,270	-
Prepayments	-	11,462

#### Total trade and other receivables

<b>1,222,246</b>	<b>1,248,010</b>
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### 6. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	176	1,070
Bank balances	162,964	276,496
	<b>163,140</b>	<b>277,566</b>

### 7. Share capital

#### Authorised

1,000,000 ordinary shares of TZS 1,000 each	1,000,000	1,000,000
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#### Issued

Paid up shares - 106,000 ordinary shares of TZS 1,000 each	106,000	106,000
Unpaid shares - 894,000 ordinary shares of TZS 1,000 each	894,000	894,000
	<b>1,000,000</b>	<b>1,000,000</b>

In the year 2022, the unpaid 894,000 ordinary shares were called for payment. The calls remained unpaid after the notice period of 14 days from the date of the call and thus directors resolved to forfeit the unpaid shares. See note 26 of the financial statements for further details.

# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

	2021 TZS '000	2020 TZS '000
<b>8. Other financial liabilities</b>		
<b>At amortised cost</b>		
Wengert Windrose Safaris Tanzania Ltd The loan attracts an interest at the rate of 7% per annum. The loan is secured by all assets purchased under the Assets Sale Agreement dated November 2018.	163,650	160,253
Tanzania Game Tracker Safaris Limited The loan attracts an interest at the rate of 7% per annum. The loan is secured by all assets purchased under the Assets Sale Agreement dated November 2018.	238,779	233,812
Mwiba Holdings Limited The loan attracts an interest at the rate of 7% per annum. The loan is secured by all motor vehicles purchased under the Motor Vehicle Sales Agreements with registration T 604 AND, T 682 BTP, T 764 BYB and T 174 AYU.	312,502	306,000
	<b>714,931</b>	<b>700,065</b>
<b>Split between non-current and current portions</b>		
Current liabilities	714,931	700,065
<b>9. Trade and other payables</b>		
<b>Financial instruments:</b>		
Trade payables	321,168	72,723
Directors account	-	9,430
Audit fee	11,500	18,359
Other payables	144,029	91,154
<b>Non-financial instruments:</b>		
Amounts received in advance	-	645
VAT	102,899	102,730
	<b>579,596</b>	<b>295,041</b>
<b>10. Revenue</b>		
Safari income	893,615	666,250
Observer fees	817,913	61,851
Hunting and trophy fees	298,316	279,180
Commission on safari	25,082	490,445
Flights	113,883	76,465
Sale of Trophies	27,947	9,475
Client concession fees	141,255	91,939
Hunting trophy fees	4,860	182,847
	<b>2,322,871</b>	<b>1,858,452</b>

# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

	2021 TZS '000	2020 TZS '000
<b>11. Cost of sales</b>		
Hunting expenses	1,030,241	881,848
Concession fees	150,138	100,290
Conservation expenses	12,669	20,047
Flights expenses	91,694	74,840
Government fees	195,422	184,952
	<b>1,480,164</b>	<b>1,261,977</b>
<b>Hunting expenses</b>		
Hunting safari fees	692,097	477,209
Hunting and trophy fees: Licence	268,155	342,362
Hunting and trophy fees: Observer	7,849	16,636
Hunting and trophy fees: Inter company fee	24,703	15,020
Trophy shipments	30,404	21,566
Hunting and trophy fees: Arms licence	7,033	9,055
	<b>1,030,241</b>	<b>881,848</b>
<b>Concession fees</b>		
Administration and management fees received	150,138	100,290
<b>Conservation expenses</b>		
Conservation: Equipments	782	403
Conservation: Meetings WMA and village	2,800	10,704
Conservation: Antipoaching support	9,087	8,940
	<b>12,669</b>	<b>20,047</b>
<b>Government fees</b>		
Government fees: Community development	27,886	11,575
Government fees: Trophy fees	11,817	15
Government fees: Block fees	155,719	173,362
	<b>195,422</b>	<b>184,952</b>
<b>12. Other operating income</b>		
Exceptional income	-	1,448
Exchange gain	-	5,704
	-	<b>7,152</b>
<b>13. Operating profit (loss)</b>		
Operating (loss) profit for the year is stated after charging (crediting) the following, amongst others:		
<b>Auditor's remuneration</b>		
Audit fees	11,500	11,902
<b>Remuneration, other than to employees</b>		

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Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

	2021 TZS '000	2020 TZS '000
<b>13. Operating profit (loss) (continued)</b>		
Consulting and professional services	76,784	59,689
<b>Employee costs</b>		
Salaries, wages and other benefits	466,566	169,632
<b>Depreciation and amortisation</b>		
Depreciation of property, plant and equipment	92,722	135,958
<b>Impairment losses</b>		
Property, plant and equipment	-	7,129
<b>14. Employee costs</b>		
<b>Employee costs</b>		
Salaries	422,489	145,397
Bonus	-	1,552
NSSF contributions	22,670	12,974
Workers compensation fund	1,772	1,297
Skills and development levy	16,888	6,241
National Health Insurance Fund	2,747	2,171
	<b>466,566</b>	<b>169,632</b>
<b>15. Finance costs</b>		
Interest paid	50,094	50,094

# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

	2021 TZS '000	2020 TZS '000
<b>16. Taxation</b>		
<b>Major components of the tax expense</b>		
<b>Current</b>		
Local income tax - current period	11,614	-
Local income tax - recognised in current tax for prior period	61,390	172
	<b>73,004</b>	<b>172</b>
<b>Deferred</b>		
Originating and reversing temporary differences	3,607	(3,607)
	<b>76,611</b>	<b>(3,435)</b>
<b>Reconciliation of the tax expense</b>		
Reconciliation between accounting profit and tax expense.		
Accounting (loss) Profit	(397,977)	1,872
Tax at the applicable tax rate of 30% (2020: 30%)	(119,393)	562
<b>Tax effect of adjustments on taxable income</b>		
Permanent deduction	19,304	6,987
Prior year adjustment	61,390	(10,984)
Alternate minimum tax	11,614	-
Deferred tax movement not recognized	100,089	-
Deferred tax asset derecognized	3,607	-
	<b>76,611</b>	<b>(3,435)</b>

Alternate minimum tax provision of TZS 11,614,000 has been made for the year ended 31 December 2021, based on 0.5% of turnover due to unrelieved tax losses. The estimated tax loss available for set off against future taxable income is TZS - (2020: TZS 5,808,000).

The normal procedure for agreeing final income tax liability in Tanzania involves the company filing its final income tax returns with the Tanzania Revenue Authority (TRA) followed by the TRA performing their own review of the company's submissions and issuing their notice of income tax assessments to the company. The final income tax liability as determined by TRA after their review may differ from the liability determined by the company and procedures are in place for the company to object and appeal against such assessments. It is common that a time frame from the company's own submission of its final tax returns and TRA performing their review and issuing of notice of final tax assessment may take several months or years.

# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

	2021 TZS '000	2020 TZS '000
<b>17. Cash generated from/(used in) operations</b>		
Loss before taxation	(397,977)	1,872
<b>Adjustments for:</b>		
Depreciation and amortisation	92,722	135,958
Finance costs	50,094	50,094
Net impairments and movements in credit loss allowances	-	7,129
<b>Changes in working capital:</b>		
Trade and other receivables	25,762	(305,813)
Trade and other payables	284,558	90,934
	<b>55,159</b>	<b>(19,826)</b>
<b>18. Tax paid</b>		
Balance at beginning of the year	60,984	42,550
Current tax for the year recognised in profit or loss	(73,004)	(172)
Balance at end of the year	(118,197)	(60,984)
	<b>(130,217)</b>	<b>(18,606)</b>
<b>19. Contingencies</b>		
The directors are of the opinion that there are no contingent liabilities as at year end.		
<b>20. Related parties</b>		
Relationships		
Affiliate	Un Lodge en Afrique Limited	
<b>Related party balances</b>		
<b>Amounts included in Trade and other receivable (Trade and other Payable) regarding related parties</b>		
Un Lodge en Afrique Limited	178,627	342,420
Un Lodge en Afrique Limited	(5,695)	(753)
Nicolas Francois Sernin Negre	26,642	-
Arnaud Mermet	25,706	-
<b>Related party transactions</b>		
<b>Purchases from (sales to) related parties</b>		
Un Lodge en Afrique Ltd	(913,302)	(675,755)

# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

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	2021 TZS '000	2020 TZS '000
<b>21. Directors' fees</b>		
<b>2021</b>		
	Allowances	Total
Nicolas Francois Sernin Negre	194,073	194,073
	<b>194,073</b>	<b>194,073</b>
<b>2020</b>		
	Allowances	Total
Nicolas Francois Sernin Negre	16,086	16,086
	<b>16,086</b>	<b>16,086</b>

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# EBN Hunting Safaris Limited

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## Notes to the Financial Statements

	2021 TZS '000	2020 TZS '000
<b>22. Operating expenses</b>		
Accounting fees	66,695	37,857
Auditor's remuneration	11,500	11,902
City service leavy	-	90
Bank charges	4,019	4,574
Consulting and professional fees	10,089	21,832
License	11,462	-
Exchange loss	6,056	-
Depreciation, amortisation and impairments	92,722	143,087
Employee costs	466,566	169,632
Accomodations and meals	8,405	8,025
Tax assessment - penalties and interest	15,071	-
Work permits	24,445	5,980
Operational Costs - Conservation	188,162	-
Import and Export expenses	747	-
Other operational expenses	10,935	-
Operational utilities-water	-	20
Fines and penalties	370	14,228
Insurance	29,793	24,472
Internet charges	387	-
Levies	5,658	4,198
Medical expenses	8,763	2,527
Motor vehicle expenses	102,998	56,135
Water chages	42	-
Packaging	8,432	9,062
Business licence fees	26,062	-
Parking Charges	14,664	-
Postage	172	33
Printing and stationery	2,480	389
Promotions	14,892	27,749
Repairs and maintenance	23,551	303
Staff welfare	5,327	1,238
Telephone and fax	110	101
Staff Training	1,165	1,350
Transport	5,474	684
Office expenditure	23,376	6,193
	<b>1,190,590</b>	<b>551,661</b>
<b>23. Depreciation, amortisation and impairment losses</b>		
<b>Depreciation</b>		
Property, plant and equipment	92,722	135,958
<b>Impairment losses</b>		
Property, plant and equipment	-	7,129

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Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

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	2021 TZS '000	2020 TZS '000
<b>23. Depreciation, amortisation and impairment losses (continued)</b>		
<b>Total depreciation, amortisation and impairment</b>		
Depreciation	92,722	135,958
Impairment losses	-	7,129
	<b>92,722</b>	<b>143,087</b>

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## 24. Financial instruments and risk management

### Categories of financial instruments

### Categories of financial assets

#### 2021

	Note(s)	Amortised cost	Total	Fair value
Trade and other receivables	5	1,151,976	1,151,976	1,151,976
Bank balance	6	162,964	162,964	162,964
		<b>1,314,940</b>	<b>1,314,940</b>	<b>1,314,940</b>

#### 2020

	Note(s)	Amortised cost	Total	Fair value
Trade and other receivables	5	1,236,548	1,236,548	1,236,548
Bank balance	6	276,496	276,496	276,496
		<b>1,513,044</b>	<b>1,513,044</b>	<b>1,513,044</b>

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# EBN Hunting Safaris Limited

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## Notes to the Financial Statements

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	2021	2020
	TZS '000	TZS '000

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### 24. Financial instruments and risk management (continued)

#### Categories of financial liabilities

##### 2021

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	9	476,698	476,698	476,698
Other financial liabilities	8	714,931	714,931	714,931
		<b>1,191,629</b>	<b>1,191,629</b>	<b>1,191,629</b>

##### 2020

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	9	191,664	191,664	191,664
Other financial liabilities	8	700,065	700,065	700,065
		<b>891,729</b>	<b>891,729</b>	<b>891,729</b>

# EBN Hunting Safaris Limited

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Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

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	2021 TZS '000	2020 TZS '000
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### 24. Financial instruments and risk management (continued)

#### Financial risk management

##### Overview

The company is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

##### Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The maximum exposure to credit risk is presented in the table below:

		2021			2020		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Trade and other receivables	5	1,151,976	-	1,151,976	1,236,548	-	1,236,548
Bank balance	6	162,964	-	162,964	276,496	-	276,496
		<b>1,314,940</b>	<b>-</b>	<b>1,314,940</b>	<b>1,513,044</b>	<b>-</b>	<b>1,513,044</b>

##### Liquidity risk

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

##### 2021

		Less than 1 year	Total	Carrying amount
<b>Current liabilities</b>				
Trade and other payables		476,698	476,698	476,698
Other financial liabilities	8	714,931	714,931	714,931

##### 2020

		Less than 1 year	Total	Carrying amount
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##### Current liabilities

# EBN Hunting Safaris Limited

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## Notes to the Financial Statements

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		2021 TZS '000	2020 TZS '000
<b>24. Financial instruments and risk management (continued)</b>			
Trade and other payables	9	191,664	191,664
Other financial liabilities	8	700,065	700,065

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### 25. Going concern

We draw attention to the fact that as at 31 December 2021, the company had accumulated losses of TZS 1,107,688,000 and that on that date, the company's current liabilities exceeded its current assets by TZS 684,944,000 (excluding the unpaid share capital amount of TZS 894,000,000).

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations for the company.

The shareholders have confirmed continued financial support to the company so as to ensure that it remains a going concern for the foreseeable future.

The fact that the current liabilities exceed current assets has not hindered the company's ability to pay its debts as they become due in the normal course of business.

The impact of COVID-19 has been taken into consideration in the going concern assessment.

### 26. Events after the reporting period

On 06 April 2022, the directors made a call for payment to Ernest Saronga Massawe, who had subscribed to 694,000 Ordinary shares of TZS 1,000 each.

On 13 May 2022, the directors made a call for payment to Godfrey Basil Mramba, the administrator of the estate of Basil Pesambili Mramba, who had subscribed to 200,000 Ordinary shares of TZS 1,000 each.

Both calls remained unpaid after the notice period of 14 days from the date of the call and thus directors resolved to forfeit the unpaid shares.

Additionally, on 08 June 2022, the following transfer of issued ordinary shares took place:

- Ernest Saronga Massawe transferred 56,000 ordinary shares to Ganam Consulting.
- Nicolas Francois Sernin Negre transferred 37,280 ordinary shares to Ganam Consulting, 1,060 ordinary shares to Arnaud Mermet and 10,600 ordinary shares to Raymond Mushi.

Apart from the above, the directors are not aware of any other material event which occurred after the reporting date and up to the date of this report which may have a material impact on the financial statements.