

**GVA TZ LIMITED
DIRECTORS REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

GVA TZ LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
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**GVA TZ LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
COMPANY INFORMATION**

Company name GVA TZ LIMITED

Registered office GVA TZ LIMITED.
Commercial Apartment No 105, Plot 5
P.O. Box 2558
Uhuru Street, Makongoroni
Iringa Cbd, Iringa, 51104
Tanzania

Auditors Lilac Associates
Certified Public Accountants
Tanzanite Park 3rd Floor, New Bagamoyo road
PO Box 19149
Dar es Salaam
Email: info@lilac.co.tz
Web: www.lilac.co.tz

**GVA TZ LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
ABBREVIATIONS**

ACPA	Associate Certified Public Accountant
COVID	Corona Virus Disease
IAS	International Accounting Standards
IFRS	International Financial Reporting standards
ISA	International Standards on Auditing
NBAA	National Board of Accounts and Auditors
PPE	Property, Plant and Equipment
TFRS	Tanzania Financial Reporting Standards
TRA	Tanzania Revenue Authority
IASB	International Accounting Standards Board
WHO	World Health Organization

**GVA TZ LIMITED
DIRECTORS REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
DIRECTORS' REPORT**

1. INTRODUCTION

The Directors of GVA TZ LIMITED are pleased to submit their report to the shareholders together with the audited financial statements for the year ended 31 December 2021, which disclose the state of affairs of GVA TZ LIMITED as at that date. This Director's report has been prepared in accordance with the Tanzania Financial Reporting Standards (TFRS) No. 1.

2. INCORPORATION

GVA TZ LIMITED is a limited company incorporated on 21 September 2018 in Tanzania under the Companies Act 2002 by Registrar of Companies. Its office is situated in Iringa.

3. PRINCIPAL ACTIVITIES

The principal activities of the company are agricultural and horticultural business

4. DIVIDENDS

There have been no dividends declared or paid during the year ended 31 December 2021.

5. SOLVENCY

The Company's state of affairs as at 31 December 2021 is set out on page 12 of the financial statements. The Directors believe that the going concern status of the Company for the foreseeable future, largely depends on profitable operations. Accordingly, the financial statements have been prepared on a going concern basis.

6. SHAREHOLDERS OF THE COMPANY

As at 31 December 2021, the Shareholders of the company were as follows:

S/n	Name	Ordinary shares	Nominal value (TZS)	Shareholding percentage
1	GVA NL BV	9,900	9,900,000	99
3	PI HOLDING LIMITED	100	100,000	1%
		10,000	10,000,000	100%

7. MANAGEMENT

Management of the GVA TZ LIMITED is under Managing Director.

8. CORPORATE GOVERNANCE

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 delegates the day-to-day management of the business to the Managing Director assisted by Head of departments. Members of Senior management is invited to attend board meetings and

GVA TZ LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
DIRECTORS' REPORT (Continued)

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. During the year ended 31 December 2021, the Board of Directors of the Company did not have any board sub-committees.

Financial reporting and auditing

The Directors accept final responsibility for the preparation of the annual financial statements which fairly present:

- The financial position of the Company as at the end of the year under review.
- The financial results of operations and the cash flows for that period.

The responsibility for compiling the annual financial statements is vested in the management and the financial audit was carried out independently by an external auditor and the Company complied with the Company and other laws of Tanzania. The external auditors of the Company report on whether the annual financial statements are fairly presented. The Directors are satisfied that during the year under review:

- Adequate accounting records were maintained.
- An effective system of internal control and risk management, monitored by management, was maintained.
- appropriate accounting policies, supported by reasonable and prudent judgments and estimates, were used consistently: and
- The financial statements were compiled in accordance with International Financial Reporting Standards and in the manner required by the Tanzanian Companies Act, 2002.

9. ADMINISTRATIVE MATTERS

The Company is capable of handling all administrative matters.

10. CASH FLOWS

The Directors confirm that applicable accounting standards have been followed and that the financial statements have been prepared on going concern basis. The Board of Directors has reasonable expectation that GVA Tz Limited has adequate resources to continue its operational existence for foreseeable future.

11. RISK MANAGEMENT AND INTERNAL CONTROL

The Board accepts final responsibility for the risk management and internal control system 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
- Responsible behaviours towards all stakeholders.

**GVA TZ LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
DIRECTORS' REPORT (Continued)**

The efficiency of any internal control system is depended 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's 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 year and is of the opinion that they met the accepted criteria.

12. RELATED PARTY TRANSACTIONS AND BALANCES

All related party transactions and balances are disclosed in Note 12, 13 and 16 to financial statements.

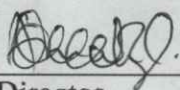
13. ACCOUNTING POLICIES

Results of the Company are sensitive to the accounting policies, assumptions and estimates that underlie the preparation of the financial statements. When preparing the financial statements, it is the Directors' responsibility under the Tanzania Companies Act 2002 to select suitable accounting policies and to make judgments and estimates that are reasonable and prudent. The accounting policies that are deemed critical to our results and financial position, in terms of the materiality of the items to which the policies are applied and the high degree of judgment involved, including the use of assumptions and estimation, are described in Notes 3 to the financial statements.

14. AUDITORS

The auditors, Lilac Associates Certified Public Accountants were appointed during the year as auditors of the Company for the year ended 31 December 2021. They have expressed their willingness to continue and are eligible for reappointment. A resolution proposing the reappointment of Lilac Associates Certified Public Accountants as auditors of the company for the year 2022 will be put to the annual general meeting.

Approved by Board of Director for issue on 27/04/2022 and signed on its behalf by:



Director

**GVA TZ LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
STATEMENT OF DIRECTORS' RESPONSIBILITY**

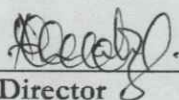
The Tanzania Companies Act No.12 of 2002 requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the operating results of the Company for that year. It also requires the Directors to ensure that the Company keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company. They are also responsible for safeguarding the assets of the Company.

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS). This responsibility includes designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The Board of Directors accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with the relevant accounting policies which have been used and applied consistently. The Board is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and its operating results. The Board further accept responsibility for the maintenance of accounting records, which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Board to indicate that GVA TZ LIMITED will not remain in going concern for at least the next twelve months from the date of this statement.

Approved by Board of Directors for issue in 27th / 04 / 2022 and signed on its behalf by:



Director

**GVA TZ LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
DECLARATION OF THE HEAD OF FINANCE**

The National Board of Accountants and Auditors (NBAA), according to the power conferred under the Auditors and Accountants (Registration) Act. No 33 of 1972, as amended by Act no 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Head of Finance responsible for the preparation of financial statements of the GVA TZ LIMITED.

It is the duty of professional Accountant to assist the Board of Directors of GVA TZ LIMITED to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity's 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 as indicated in the statements of Board of Directors on the earlier page.

Responsibility statement

I Dino Madaraka being the Head of Finance of GVA TZ LIMITED. I hereby, acknowledge my responsibility of ensuring that Financial Statement for the year ended 31st December 2021 have been prepared in compliance with applicable Accounting Standards and Statutory Requirements.

I thus confirm that the Financial Statements give a true and fair view position of the GVA TZ LIMITED as on that date and that they have been prepared based on properly maintained financial records.

Signed by:

Name: Dino Madaraka

Signature: Dinaraka

Position: Accountant

NBAA Directorship No: GA 7216

Date: 27/04/2022

GVA TZ LIMITED.
P.O. Box 112
Uhuru Street, Makongoroni
Iringa Cbd, Iringa, 51104
Tanzania

INDEPENDENT AUDITOR'S REPORT TO SHAREHOLDERS OF GVA TZ LIMITED

Our opinion

In our opinion, the accompanying financial statements present fairly in all material respects, the financial position of GVA TZ LIMITED (the Company) as at 31st December 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

We have audited the financial statements of GVA TZ LIMITED as set out on pages 11 to 30 comprise of statement of Financial Position as at 31st December 2021, statement of profit and loss and other comprehensive income, statement of changes in equity, Statement of Cash Flows for the year then ended 31st December 2021, summary of significant accounting policies as well as other explanatory notes.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of GVA TZ LIMITED in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements of the National Board of Accountants and Auditors (NBAA) that are relevant to our audit of the financial statements in United Republic of Tanzania, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information included in the financial statements

The other information comprises the Director's Report, Statement of Directors' Responsibilities and Declaration of the Head of Finance. The other information does not include the financial statements and our auditor's report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance thereon.

Relating to our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether other information is materially inconsistent with 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.

Responsibilities of the Directors for the financial statements

Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS) and requirements of the Companies Act, 2002, and for such internal control as Directors determines 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, 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 Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We are 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 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 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 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all

relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

In our opinion, proper accounting records have been kept by the Company and the financial statements referred to in the preceding paragraph agree with the accounting records. We have no matter to report.



Zawadia Nanyaro, ACPA- 1233

For and on behalf of;

Lilac Associates

Certified Public Accountants

Dar es Salaam

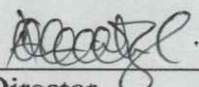


Date 02 MAY 2022

GVA TZ LIMITED
FINANCIAL STATEMENTS
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31st DECEMBER 2021

	Note	2021 TZS	2020 TZS
Revenue	5	170,616,932	36,579,274
Less: Operating Expenses			
Administration Expenses	7	(545,563,253)	(403,762,745)
Depreciation	8	(185,698,006)	(183,643,191)
Amortization	9	<u>(6,608,760)</u>	<u>(6,608,760)</u>
Total Expenditure		(737,870,019)	(594,014,696)
Operating profit/(loss)		(567,253,087)	(557,435,422)
Other income	6	60,793,105	5,795,846
Exchange gain/loss		<u>-</u>	<u>435,167</u>
Other comprehensive Income		(506,459,982)	(551,204,409)
Total comprehensive income/(loss) for the period		<u>(506,459,982)</u>	<u>(551,204,409)</u>

The accompanying notes on pages 15 to 30 form an integral part of these financial statements. The financial statements on pages 11 to 14 were approved by the Board of Directors on.....27th 10th 2022 and were signed on its behalf by:



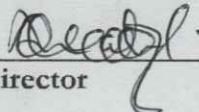
 Director

The independent auditor's report is on pages 8 to 10.

GVA TZ LIMITED
FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL POSITION AS AT 31st DECEMBER 2021

		2021	2020
	Note	TZS	TZS
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	8	451,247,897	608,026,404
Intangible Assets	9	<u>14,173,250</u>	<u>20,782,010</u>
Total Non-current assets		465,421,147	628,808,414
Current Assets			
Other Receivables	10	14,343,785	11,378,986
Cash and Cash Equivalents	11	<u>23,568,233</u>	<u>20,986,012</u>
Total current asset		37,912,018	32,364,998
TOTAL ASSETS		<u>503,333,165</u>	<u>661,173,412</u>
EQUITY & LIABILITIES			
Equity			
Share Capital Account		10,000,000	10,000,000
Retained Earnings		<u>(1,492,766,495)</u>	<u>(986,306,513)</u>
Total equity		(1,482,766,495)	(976,306,513)
Long term liability			
Long term loan	12	958,108,692	-
Current Liabilities			
Intercompany payables	13	996,233,259	1,605,179,516
Trade and Other Payables	14	<u>31,757,709</u>	<u>32,300,409</u>
Total current liabilities		1,027,990,968	1,637,479,925
TOTAL EQUITY & LIABILITIES		<u>503,333,165</u>	<u>661,173,412</u>

The accompanying notes on pages 15 to 30 form an integral part of these financial statements. The financial statements on pages 11 to 14 were approved by the Board of Directors on 27/04/2022 and were signed on its behalf by:



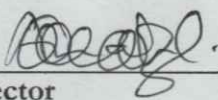
 Director

The independent auditor's report is on pages 8 to 10.

GVA TZ LIMITED
FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31st DECEMBER 2021

	Share Capital TZS	Retained Earnings TZS	Total TZS
Year 31 December 2021			
As at 1 January 2021	10,000,000	(986,306,513)	(976,306,513)
Profit/(Loss) for the period	-	(506,459,982)	(506,459,982)
31 December 2021	<u>10,000,000</u>	<u>(1,492,766,495)</u>	<u>(1,482,766,495)</u>
Year 31 December 2020			
As at 1 January 2020	10,000,000	(435,102,104)	(425,102,104)
Profit/(Loss) for the period	-	(551,204,409)	(551,204,409)
31 December 2020	<u>10,000,000</u>	<u>(986,306,513)</u>	<u>(976,306,513)</u>

The accompanying notes on pages 15 to 30 form an integral part of these financial statements. The financial statements on pages 11 to 14 were approved by the Board of Directors on 27/04/2022 2022 and were signed on its behalf by:



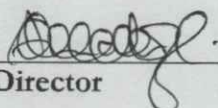
 Director

The independent auditor's report is on pages 8 to 10.

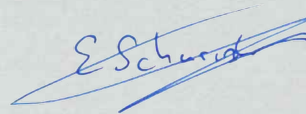
GVA TZ LIMITED
FINANCIAL STATEMENTS
STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	TZS	TZS
Cash flows from operation activities		
Net Profit/(Loss) from operations	(506,459,982)	(551,204,409)
Adjustment for:		
Depreciation	185,698,006	183,643,191
Amortization	<u>6,608,760</u>	<u>6,608,760</u>
Cash flow from operation activities before changes in working capital	(314,153,216)	(360,952,458)
(Increase)/decrease in trade and other receivables	(2,964,799)	(2,328,493)
Increase /(decrease) in trade and other payables	(542,700)	24,836,497
Intercompany payables	<u>(608,946,257)</u>	<u>435,970,506</u>
Net changes in working capital	(612,453,756)	458,478,510
Net cash flows from operating activities	(926,606,972)	97,526,052
Cash flow from investing activities		
Purchase of Assets	<u>(28,919,499)</u>	<u>(166,155,805)</u>
Cash used in investing activities	(28,919,499)	(166,155,805)
Cash flow from financing activities		
Long term loan	<u>958,108,692</u>	-
Cash used in financing activities	958,108,692	-
Net movement in cash and cash equivalents	2,582,221	(68,629,753)
Cash and cash equivalents at beginning of the year	<u>20,986,012</u>	<u>89,615,765</u>
Cash and cash equivalents at end of the year	<u>23,568,233</u>	<u>20,986,012</u>

The accompanying notes on pages 15 to 30 form an integral part of these financial statements. The financial statements on pages 11 to 14 were approved by the Board of Directors on 27/10/2022 and were signed on its behalf by:



 Director



 Director

The independent auditor's report is on pages 8 to 10

**GVA TZ LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS**

1.REPORTING ENTITY

GVA TZ LIMITED is a limited company incorporated on 21st September 2018 in Tanzania under the Companies Act 2002 by Registrar of Companies. Its office is situated in Iringa.

GVA TZ LIMITED.
P.O. Box 2558
Uhuru Street, Makongoroni
Iringa Cbd, Iringa, 51104
Tanzania

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been applied during preparations of these financial statements.

a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and its interpretations adopted by International Accounting Standards Board (IASB). For the Companies Act, 2002 reporting purposes, in these financial statements, the balance sheet is represented by / is equivalent to the statement of financial position and the profit and loss account is presented in the statement of profit or loss and other comprehensive income.

b) Basis of preparation

The financial statements have been prepared under the historical cost convention as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The financial statements are presented in Tanzania Shillings which is a both functional and reporting currency of the Company, except when otherwise indicated. The financial statements comprise a statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, and explanatory notes.

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

GVA TZ LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Changes in Accounting policies and disclosure

i. New and amended IFRS adopted during the year

The company has adopted the following new and amended IFRS during the year;

Standard	Effective date	Summary
IFRIC 23, <i>'Uncertainty over income tax treatments</i>	1 January 2019	IFRIC 23 provides a framework to consider, recognize and measure the accounting impact of tax uncertainties. The Interpretation provides specific guidance in several areas where previously IAS 12 was silent. The Interpretation also explains when to reconsider the accounting for a tax uncertainty. Most entities will have developed a model to account for tax uncertainties in the absence of specific guidance in IAS 12. These models might, in some circumstances, be inconsistent with IFRIC 23 and the impact on tax accounting could be material. Management should assess the existing models against the specific guidance in the Interpretation and consider the impact on income tax accounting.
IAS 12 Income Taxes	1 January 2019	Annual improvements 2015 – 2017 Cycle: Clarification that all income tax consequences of dividends should be recognized in profit or loss, regardless how the tax arises as from 1 January 2019.

ii. Accounting standards and interpretations but not adopted impacting the financial statements

The Company did not adopt any new or revised accounting standards or interpretations in the current year that would have had an impact on the amounts or disclosures reported in these financial statement

Standard	Effective date	Summary
IFRS 16 – Leases	1 January 2019	IFRS 16 requires lessees to account for all leases under a single on-balance sheet model in a similar way to finance leases under IAS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset).
Prepayment Features with Negative	1 January 2019	The amendments to IFRS 9 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the

GVA TZ LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS (Continued)

<p>Compensation <i>-Amendments to IFRS 9</i></p>		<p>contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.</p> <p><i>The amendments must be applied retrospectively; earlier application is permitted. The amendment provides specific transition provisions if it is only applied in 2018 rather than in 2017 with the rest of IFRS 9.</i></p>
<p>Employee Benefits <i>Amendments to IAS 19</i></p>	<p>1 January 2019</p>	<p>The amendments to IAS 19 <i>Employee Benefits</i> address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. A plan amendment, curtailment or settlement may reduce or eliminate a surplus in a defined benefit plan, which may cause the effect of the asset ceiling to change.</p> <p>The amendments clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling.</p>

iii. Standards and interpretations in issue but not yet effective

At the reporting date, the following new and/or revised accounting standards and interpretations were in issue but not yet effective and therefore have not been applied in these financial statements. GVA TZ LIMITED has not yet assessed the impact of these changes on their financial statements when they become effective.

Standard	Effective date	Summary
<p>IFRS 17 Insurance Contracts</p>	<p>1 January 2020</p>	<p>The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:</p> <ul style="list-style-type: none"> • A specific adaptation for contracts with direct participation features (the variable fee approach) • A simplified approach (the premium allocation approach) mainly for short-duration contracts
<p>Amendments to References to Conceptual Framework in IFRS Standards.</p>	<p>1 January 2020</p>	<p>Amendments to References to the Conceptual Framework in IFRS Standards sets out amendments to IFRS Standards (Standards), their accompanying documents and IFRS practice statements to reflect the issue of the revised Conceptual Framework for Financial Reporting in 2018 (2018 Conceptual Framework). Some Standards, their accompanying documents and IFRS practice statements contain references to, or quotations from, the IASC's Framework for the Preparation and Presentation of Financial Statements adopted by the</p>

GVA TZ LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS (Continued)

		Board in 2001 (Framework) or the Conceptual Framework for Financial Reporting issued in 2010.
Definition of a Business (Amendments to IFRS 3)	1 January 2020	In October 2018, the International Accounting Standards Board (IASB or Board) issued amendments to the definition of a business in IFRS 3 Business Combinations. The amendments are intended to assist entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. IFRS 3 continues to adopt a market participant's perspective to determine whether an acquired set of activities and assets is a business. The amendments: clarify the minimum requirements for a business; remove the assessment of whether market participants can replace any missing elements; add guidance to help entities assess whether an acquired process is substantive; narrow the definitions of a business and of outputs; and introduce an optional fair value concentration test.
Definition of Material (Amendments to IAS 1 and IAS 8).	1 January 2020	The International Accounting Standards Board (IASB) has issued 'Definition of Material (Amendments to IAS 1 and IAS 8)' to clarify the definition of 'material' and to align the definition used in the Conceptual Framework and the standards themselves. The changes in Definition of Material (Amendments to IAS 1 and IAS 8) all relate to a revised definition of 'material' which is quoted below from the final amendments: <i>Information is material if omitting, misstating, or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make based on those financial statements, which provide financial information about a specific reporting entity.</i>

d) Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

GVA TZ LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

e) Revenue Recognition

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

The company recognizes revenue when the amount of revenue can be reliably measured. It's probable that the future economic benefits will flow to the entity and when the specific criteria have been met for each of the company's activities as described below.

f) Functional and presentation currency

These financial statements are presented in Tanzanian Shillings, which is the Company's functional currency. Items included in the financial statements of each Transaction that are denominated in foreign currencies during the year are converted into Tanzania Shillings (functional currency) at rates ruling at the transaction dates.

g) Translation of foreign currencies

Transactions in Euro during the year are converted into Tanzania Shillings at exchange rates ruling at the date of the transactions. Assets and liabilities denominated in Euro at the statement of financial position date are translated into Tanzania Shillings at the exchange rates prevailing at that date. Non-monetary assets and liabilities denominated in Tanzania Shillings are recorded at the exchange rate ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated foreign currencies are recognized in statement of comprehensive income.

h) Property and Equipment

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Subsequent costs

The cost of replacing part of an item of property or equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognized in profit or loss as incurred.

GVA TZ LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Depreciation

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant, and equipment.

Newly acquired assets are depreciated on pro-rata basing on their period of use. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in 'other operating expenses' in profit or loss.

De- recognition

Property and equipment are derecognized on disposal or when no future economic benefits are expected from its use. The gain or loss on disposal is determined by comparing proceeds from the disposal with carrying amount of the item of property and equipment. Any gain or loss arising on de-recognition of the asset are recognized net within other income in statement of profit or loss or other comprehensive in the year the asset is derecognized. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included within other income in the statement of profit or loss and other comprehensive income.

i) Trade and Other Receivables

Trade and other receivables are recognized initially at fair value and subsequently measured amortized cost using effective interest method, less provision for impairment. A provision for impairment of the other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the assets carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognized in the profit and loss account.

j) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprises of cash at bank and in hand and other short-term highly liquid investments that are readily convertible to known amount of cash which are subject to an insignificant risk of change in their values and are used by the Company in the management of its short-term commitments with original maturities of three months or less. For the purposes of the statement of cash flows, cash and cash equivalents consists of cash and cash equivalents, net of outstanding bank overdrafts

k) Employee Benefits

Retirement benefit obligations

The Company has a statutory requirement to contribute to National Social Contribution Fund (NSSF). The Company contributes 10% of the required 20% of gross emoluments to the scheme and the contributions are recognized as an expense in the period to which they relate. The remaining 10% is deducted from employee's emoluments.

Other emoluments

Entitlements to annual leave are recognized when they accrue to employee. Outstanding days at year end are forfeited and therefore no provision is made for leave allowance.

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FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee Welfare

The relationship between the management and employees was good there was no unresolved complaints received and management from the employees during the year.

1) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), fair value through profit and loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them. Except for trade receivables that do not contain a significant financing component or for which the company has applied the practical expedient, the company initially measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

For financial asset to be classified and measured at amortized cost or fair value through OCI it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principle amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrumental level. The company's business model for managing financial assets refers to how it manages its financial assets to generate cash flows.

i) Financial assets

The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial asset, or both. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through Other Comprehensive Income
- Financial assets at fair value through profit or loss

Financial assets at amortized costs (debt instruments)

This category is the most relevant to the company. The company measures financial assets at amortized cost if both of the following conditions are met:

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FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Financial assets (continued)

- The financial asset is held within a business model with the objective to hold financial assets to collect contractual cash flows and
- The contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified, or impaired. The company's financial assets at amortized cost includes trade receivables, and loan to holding company.

Derecognition

A financial asset (or, where applicable, a part of financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
The company has transferred its right to receive cash flows from the assets or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the assets, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable transaction costs. The company's financial liabilities include trade and other payables and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classifications, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities upon initial recognition as at fair value through profit or loss, financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The company has not designated any financial liability as at fair value through profit or loss.

GVA TZ LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

ii) Financial liabilities (Continue)

Loans and borrowings

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, loans and receivables are measured at amortised costs using the effective interest rate method, less impairment. Gains and losses are recognized in profit or loss statement when the loans and receivables are derecognised as well as impairment through the amortisation process.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability, the difference in the respective carrying amount is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal rights to offset the recognized amounts and there is an intention to settle on the net basis, or to realize the assets and settle the liabilities simultaneously.

Amortized cost of financial instruments

Amortized cost is computed using the effective interest method less any allowances for impairment and principal repayment or reduction. The calculation considers any premium or discount on acquisition and includes transaction costs and fees that are an integral part of the effective interest rate.

GVA TZ LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the financial statements requires management to make judgements, estimates on assumption that affect the reported amount of revenues, expenses, assets, liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying accounting policies, management has made the following judgement, apart from those involving estimations, which has the most significant effect on the amounts recognized in the financial statements:

Functional currency

The choice of the functional currency of a company has been made based on the factors such as the primary economic development in which the entity operates, the currency that mainly influences sales prices for services and cost of providing services.

Going concern

The company's management has made an assessment of the company ability to continue as going concern and is satisfied that the company has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cause significant doubt upon the company's ability to continue as going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Estimates and Assumptions

The key assumptions concerning the future and the other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The company establishes provisions, based on reasonable estimates, for possible consequences of audits for tax authorities. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and responsible tax authority.

Deferred tax assets are recognized for all unused tax losses to the extent that is probable that taxable profits will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with the future tax planning strategies.

Fair value measurements of financial instruments

When the fair values of financial instruments recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The input to that model is derived from observable market data where possible, but where observable market

GVA TZ LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS (Continued)

data are not available; a degree of judgement is required to establish fair values. The judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

Property, equipment, and intangible assets

Critical estimates are made by the Directors in determining the useful lives of property, equipment, and intangible assets as well as their residual values. The Company reviews the estimated useful lives of property, equipment, and useful lives at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within 'Other (losses)/gains – net in profit or loss. When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

4. FINANCIAL RISK MANAGEMENT

The activities of the Company are exposed to a variety of financial risks; credit risk and liquidity risk. The Company's overall risk management programme seeks to minimise potential adverse effects on the financial performance. Risk management is carried out by the management on behalf of the board Directors.

Credit Risk

The Company takes on exposure to credit risk, which is the risk that the other counter party will not be able to pay amounts in full when due. Exposure to credit risk is managed through regular analysis of the ability of the counter party to pay.

Market Risk

Market risk is the risk that arises from changes in market prices, such as foreign exchange rates, interest rates and related risks that are bound to affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. As the Company operates wholly within Tanzania and its assets and liabilities are reported in local currency, foreign currency risk is managed at an operational level and monitored by the finance department. Exposure to losses is managed through prompt payment of outstanding liabilities. The Company has limited transactional currency exposure on its daily operations as most of its transactions are denominated in Tanzania shillings, the Company's functional and presentation currency

GVA TZ LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2021	2020
	TZS	TZS
5. REVENUE		
Sales	<u>170,616,932</u>	<u>36,579,274</u>
Total	<u>170,616,932</u>	<u>36,579,274</u>

	2021	2020
	TZS	TZS
6. OTHER INCOME		
Passion Fruit	-	905,600
Other income	<u>60,793,105</u>	<u>4,890,246</u>
Total	<u>60,793,105</u>	<u>5,795,846</u>

	2021	2020
	TZS	TZS
7. ADMINISTRATIVE EXPENSES		
Seeds	1,172,838	-
Penalty	388,287	60,000
Clearance Fee for Seeds	21,581,805	5,666,831
Passion Fruit	-	332,000
Packing material	172,500	-
Fertilizer	20,198,500	9,493,208
Crop Protection	16,926,500	21,859,875
Cost for hygiene	12,994,300	1,376,000
Potting Soil	5,378,000	3,685,000
Trays etc.	-	1,300,000
Wages	40,190,177	23,310,345
Food Kitchen Site	9,782,140	8,179,468
Travel Expenses NL	11,636,505	16,013,942
Travel Cost Staff TZ	2,947,000	4,692,590
Other Personnel Costs	10,565,255	943,332
Training Costs	32,797,436	1,401,900
Consultancy	9,480,448	-
Rent Tanzania	7,160,052	29,923,346
Building Materials	114,000	10,000
Greenhouse Current Costs	2,536,563	24,089,266
Device House and Kitchen	2,706,800	2,327,500
House Rent	6,000,000	6,000,000
Owner Charges	9,143,000	2,935,254
Maintenance Machines	1,348,300	1,407,000
Tools	703,500	1,176,277
Generator Fuel	1,078,672	269,007
Tata Repair & Maintenance	-	451,000
Tata Fuel	-	1,402,246
Freight	2,079,622	3,344,000
Car cost and rent car	21,146,000	17,899,000

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FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. ADMINISTRATIVE EXPENSES (Continued)	2021	2020
	TZS	TZS
Car Repair & Maintenance	-	3,000
Office Supply	1,604,058	1,858,488
Electricity	5,200,000	3,100,000
Water Irrigation	-	353,000
Telecommunication Costs	983,000	100,000
Taxes and contribution	500,000	500,000
Work clothes	3,970,971	7,929,431
License and permits	2,617,600	2,950,000
Expenses Equipment	-	241,500
Accountancy	4,278,379	9,967,541
Administration Costs	-	12,847,260
Insurance	2,035,500	2,044,350
Velma Law Fee	47,467,645	2,137,275
Velma Law Third Party	4,526,867	-
Miscellaneous Cost	115,000	70,000
Other Cost Cash Difference	1,164,040	103,569
Bank Cost	2,913,164	3,104,790
Interest	-	11
Suspense account wages	148,389,780	107,181,138
Payment SDL/PAYE	20,068,172	23,955,644
Payment WCF	1,480,271	1,436,753
Payment NSSF	37,800,703	28,735,034
Payment HELSB	3,335,585	2,688,521
Withholding tax expense	<u>6,884,318</u>	<u>2,907,053</u>
Total	<u>545,563,253</u>	<u>403,762,745</u>

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FOR THE YEAR ENDED 31 DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. **PROPERTY PLANT AND EQUIPMENTS.**

	Greenhouse	Other buildings	Other equipment	Farm machinery	Office Inventory	Office Furniture	Total
COST	Tshs	Tshs	Tshs	Tshs	Tshs	Tshs	Tshs
As at 1 Jan, 2021	694,411,249	88,793,798	120,964,437	36,366,828	2,618,048	3,695,500	946,849,860
Additions	<u>15,540,000</u>	<u>2,266,000</u>	<u>9,681,500</u>	<u>78,999</u>	<u>665,000</u>	<u>688,000</u>	<u>28,919,499</u>
As at 31 December, 2021	709,951,249	91,059,798	130,645,937	36,445,827	3,283,048	4,383,500	975,769,359
DEPRECIATION							
As at 1 January, 2021	278,474,983	3,534,685	36,663,965	19,061,749	633,140	454,934	338,823,456
Charge for the year	<u>140,043,523</u>	<u>4,509,740</u>	<u>22,553,243</u>	<u>17,311,661</u>	<u>820,122</u>	<u>459,717</u>	<u>185,698,006</u>
As at 31 December, 2021	<u>418,518,506</u>	<u>8,044,425</u>	<u>59,217,208</u>	<u>36,373,410</u>	<u>1,453,262</u>	<u>914,651</u>	<u>524,521,462</u>
NET BOOK VALUE							
As at 31 December, 2021	<u>291,432,743</u>	<u>83,015,373</u>	<u>71,428,729</u>	<u>72,417</u>	<u>1,829,786</u>	<u>3,468,849</u>	<u>451,247,897</u>
As at 31 December, 2020	<u>415,936,266</u>	<u>85,259,113</u>	<u>84,300,472</u>	<u>17,305,079</u>	<u>1,984,908</u>	<u>3,240,566</u>	<u>608,026,404</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. INTANGIBLE ASSETS

	License	Total
	Tshs	Tshs
COST		
As at 1 Jan, 2021	33,043,800	33,043,800
Additions	<u>-</u>	<u>-</u>
As at 31 December, 2021	<u>33,043,800</u>	<u>33,043,800</u>
 DEPRECIATION		
As at 1 January, 2021	12,261,790	12,261,790
Charge for the year	<u>6,608,760</u>	<u>6,608,760</u>
As at 31 December, 2021	<u>18,870,550</u>	<u>18,870,550</u>
 NET BOOK VALUE		
As at 31 December, 2021	<u>14,173,250</u>	<u>14,173,250</u>
As at 31 December, 2020	<u>20,782,010</u>	<u>20,782,010</u>

	2021	2020
	TZS	TZS
10. TRADE AND OTHER RECEIVABLES		
TRA Corporate Tax	500,000	500,000
TRA-Other taxes	10,878,986	10,878,986
Other debtors	<u>2,964,799</u>	<u>-</u>
Total	<u>14,343,785</u>	<u>11,378,986</u>

	2021	2020
	TZS	TZS
11. CASH AND CASH EQUIVALENT		
Bank TZS	22,711,227	19,943,934
Cash	<u>857,006</u>	<u>1,042,078</u>
Total	<u>23,568,233</u>	<u>20,986,012</u>

	2021	2020
	TZS	TZS
12. LOANS		
Long term loan from GVA NL	<u>958,108,692</u>	<u>-</u>
Total	<u>958,108,692</u>	<u>-</u>

	2021	2020
	TZS	TZS
13. INTERCOMPANY PAYABLES		
Advance from GVA NL to GVA TZ	<u>996,233,259</u>	1,605,179,516
Total	<u>996,233,259</u>	<u>1,605,179,516</u>

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FINANCIAL STATEMENTS
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2021	2020
	TZS	TZS
14. TRADE AND OTHER PAYABLES		
Trade and Other Payables	16,422,805	29,998,134
Refund	<u>15,334,904</u>	<u>2,302,275</u>
Total	<u>31,757,709</u>	<u>32,300,409</u>

15. COMMITMENTS AND CONTINGENT LIABILITIES

The Directors are not aware of any pending or threatened litigation against the business as at the date of this report.

16. RELATED PARTY TRANSACTIONS

During the year the company registered TZS 958,108,692 as loan with Central Bank of Tanzania (BOT) which has reduced the intercompany payable account from TZS 1,954,341,951 to TZS 996,233,259 which has been reflected in the statement of financial position and cashflow statement for the year.

17. COMPARATIVES

Previous year's figures have been re-arranged whenever considered necessary to make them comparable with the current year's figures.