

**LOVEBIRD SAFARIS LIMITED
P. O. BOX 15800
ARUSHA**

TIN: 113-577-231

Audited Financial Statements for the Year Ended 31st December, 2023

PREPARED BY:



**IPS-INSIGHT MANAGEMENT CONSULTANCY
CERTIFIED PUBLIC ACCOUNTANTS
P. O. BOX 32135
DAR ES SALAAM**

LOVEBIRD SAFARIS LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023.

	PAGE
Company Information	1
Directors' Report	2 to 4
Declaration of the Head of Accounting	5
Report of the Independent Auditors	6 to 7
Statement of Profit or Loss and Other Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Statement of Cashflows	11
Notes to the Financial Statements	12 to 16

LOVEBIRD SAFARIS LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023.

	PAGE
Company Information	1
Directors' Report	2 to 4
Declaration of the Head of Accounting	5
Report of the Independent Auditors	6 to 7
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Statement of Financial Position	9
Statement of Changes in Equity	10
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LOVEBIRD SAFARIS LIMITED

COMPANY INFORMATION

The Company is incorporated in Tanzania under the Companies Ordinance, Cap 212 and domicile in Tanzania.

REGISTERED AND PRINCIPAL
PLACE OF OPERATION

Njiro Street, Themti Ward
P.O.Box 15800,
ARUSHA, TANZANIA.

BANKERS

Exim Bank,
EBTL, Arusha Branch,
P. O. BOX 1906,
ARUSHA, TANZANIA.

COMPANY AUDITORS

IPS-INSIGHT MANAGEMENT CONSULTANCY
Certified Public Accountants In Public Practice
Kigamboni
P. O. Box 32135
Dar Es Salaam

LOVEBIRD SAFARIS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2023.

INTRODUCTION

The directors submit their report together with the audited financial statements for the year ended **31st December 2023**.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Companies Act, 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 its operating results for that year. It also requires the directors to ensure the company keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company. They are also responsible for safeguarding the assets of the company.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with generally accepted accounting practice and in the manner required by the Companies Act, 2002. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and of its operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of the financial statements, as well as adequate systems of internal financial control. The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud, errors and other irregularities.

PRINCIPAL ACTIVITIES

The principal activities of the company are;

- (i) Tour operator activities, Main activity
- (ii) Travel agency activities

During the year under review there were no significant changes in the company's activities.

RESULTS

The results for the period are set out on page 8.

LOVEBIRD SAFARIS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2023.

SOLVENCY

The company served all its short and long term commitments satisfactorily and its state of affairs as at **31st December 2023** is set out in page 9 of these financial statements. The board considers the company to be solvent.

LOVEBIRD SAFARIS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2023.

DIRECTORS

The directors who served during the year and to the date of this report were:

Names		Designation		Nationality
Adam Felix Mlay		Director		Tanzanian
Felix Anaeli Mlay		Director		Tanzanian
Amina Felix Mlay		Director		Tanzanian

SHAREHOLDERS OF THE COMPANY

The total number of shares issued and paid during the year

Name			Issued		Paid
Adam Felix Mlay			900		900
Felix Anaeli Mlay			50		50
Amina Felix Mlay			50		50

AUDITORS

The auditors, **IPS - Insight Management Consultancy** have expressed their willingness to continue in office and do so under the Companies Act, 2002.

By Order of the Board



DIRECTOR

Date

LOVEBIRD SAFARIS LIMITED


**DECLARATION OF THE HEAD OF ACCOUNTING
FOR THE YEAR ENDED 31ST DECEMBER 2023.**

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act, No. 33 of 1972, amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration 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 **Musa Wilson** being a Certified Public Accountant engaged by **LOVEBIRD SAFARIS LIMITED** acknowledge my responsibility of ensuring that financial statements for the year ended **31st December 2023** 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 **LOVEBIRD SAFARIS LIMITED** as on that date and that they have been prepared based on properly maintained financial records.

Signed by: 

Position: CERTIFIED PUBLIC ACCOUNTANT

NBAA Membership No. GA 5523

Date:.....

LOVEBIRD SAFARIS LIMITED

REPORT OF THE INDEPENDENT AUDITOR'S to the shareholders of LOVEBIRD SAFARIS LIMITED

OPINION

We have audited the financial statements of **LOVEBIRD SAFARIS LIMITED**, statement of financial position as at **31st December 2023**, and the statement of comprehensive which comprise the income, Statement of financial position 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 the company as at **31st December 2023** and of the results and cash flows for the year then ended in accordance with the International Financial Reporting Standards and comply with the Companies' Act, CAP 212.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibility 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 the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the requirements that are relevant to our audit in Tanzania, and we have fulfilled our other responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors and Those Charged with Governance for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as they 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 has no realistic alternative to do so.

Those charged with governance 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 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 it 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

LOVEBIRD SAFARIS LIMITED

Report on other legal and regulatory requirements

This report, including the opinion, has been prepared for, and only for, the Company's members as a body corporate in accordance with the Tanzanian Companies Act, 2002 and for no other purposes.

As required by the Tanzanian Companies Act, 2002, we report to you, based on our audit, that:

- (i) 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;
- (ii) In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books;
- (iii) The Company's Report is consistent with the financial statements;
- (iv) Information specified by law regarding directors' remuneration and transactions with the Company is disclosed; and
- (v) The Company's Statement of Financial Position and Statement of Comprehensive Income are in agreement with the books of account.



PHILIPINA EUSTACK SWAY (ACPA-PP/3463)
IPS – INSIGHT MANAGEMENT CONSULTANCY
CERTIFIED PUBLIC ACCOUNTANTS, AUDITORS AND TAX CONSULTANTS
P. O. BOX 32135
ARUSHA

_____ 2024

LOVEBIRD SAFARIS LIMITED

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2023.**

	NOTES	2023 SHS.
Sales	2.	65,016,547
Direct expenses	3.	(55,132,260)
Gross profit		9,884,287
Administrative expenses	4.	(26,903,128)
Operating loss		(17,018,841)
Finance costs	5.	(952,168)
Operating loss before income tax		(17,971,009)
Income tax expense	6.	-
Loss for the year		(17,971,009)
Other comprehensive income		-
Total comprehensive loss for the year		(17,971,009)

Auditors' report page 6 and 7

The notes on pages 12 to 16 form part of these financial statements.

LOVEBIRD SAFARIS LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2023.

	NOTES	2023 SHS.
ASSETS		
Fixed assets		
Property, plant and equipment	07.	35,261,875
		<u>35,261,875</u>
Current assets		
Trade and other prepayments	11.	-
Current income tax		1,005,000
Cash and cash equivalents	09.	1,049,833
Total current assets		<u>2,054,833</u>
Total assets		<u>37,316,708</u>
LIABILITY AND EQUITY		
Equity		
Share capital	10.	10,000,000
Shareholders fund (Motor Vehicle)		40,000,000
Retained earnings		(17,971,009)
Total equity		<u>32,028,991</u>
LIABILITIES		
Non-current liabilities		
		<u>-</u>
Current liabilities		
Current income tax		-
Trade and other payables	08.	5,287,717
Total current liabilities		<u>5,287,717</u>
Total liabilities		<u>5,287,717</u>
Total equity and liabilities		<u>37,316,708</u>

The financial statements on pages 8 to 16 were approved by the Board of Directors on and signed on its behalf by:



Managing Director

Auditors' report page 6 and 7

The notes on pages 12 to 16 form part of these financial statements

LOVEBIRD SAFARIS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2023.

	Share Capital SHS.	Shareholders fund (Motor Vehicle)	Retaining Earnings SHS.	Total SHS.
Balance at 1st January 2023	-		-	-
Addition	10,000,000	40,000,000		50,000,000
Loss for the year			(17,971,009)	(17,971,009)
Balance at 31st December 2023	10,000,000	40,000,000	(17,971,009)	32,028,991

LOVEBIRD SAFARIS LIMITED**STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31ST DECEMBER 20**

	2023 SHS.
CASH FLOWS FROM OPERATING ACTIVITIES	
Loss for the year	(17,971,009)
Adjustments;	
Depreciation	20,143,125
Cash flow before changes in working capital	<u>2,172,116</u>
Working capital changes	
(Increase)/Decrease in trade payables	5,287,717
(Increase)/Decrease in trade receivables	-
Net Changes in level of working capital	<u>5,287,717</u>
Tax	<u>(1,005,000)</u>
Cash flows used in operations (A)	<u>6,454,833</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of non current assets	<u>(55,405,000)</u>
Net cash used in investing activities (B)	<u>(55,405,000)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Shareholders fund (Motor Vehicle)	40,000,000
Share capital	10,000,000
Net cash used in financing activities (C)	<u>50,000,000</u>
Net decrease in cash and cash equivalents	<u>1,049,833</u>
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	<u><u>1,049,833</u></u>

LOVEBIRD SAFARIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023.

1 SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The policies set out below have been consistently applied to all the years presented.

The principal accounting policies adopted are set out below:

a) Accounting Convention

The financial statements have been prepared under the historical cost convention.

b) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost or valuation, less accumulated depreciation.

Depreciation is calculated on reducing value basis, to write off the carrying value of the assets over their expected useful lives.

LOVEBIRD SAFARIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023. (CONTINUED)

The annual depreciation rates in use are:	%
Computer	37.5
Furniture & equipment	12.5
Motor vehicles	37.5

c) Foreign currency transactions

Transactions during the year are converted into Tanzania Shillings at rates ruling at the transactions dates. Assets and liabilities at the Statement of Financial Position date which are expressed in foreign currencies are translated into Tanzania Shillings at rates ruling at that date. The resulting differences from conversion and translation are dealt with in the profit and loss account.

d) Accounts receivables

Trade receivables are carried at original invoice amount less a provision for doubtful receivables based on a review of all outstanding amounts at the year-end. Bad debts are written off when identified.

LOVEBIRD SAFARIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023. (CONTINUED)

e) Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at call banks, net of bank . overdraft. In the Statement of Financial Position, bank overdrafts (if any) are included under current liabilities.

f) Provisions

Provisions are made when the company has a present obligation, as a result of past event where 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 for the amount.

g) Borrowing costs

Borrowing costs are recognized as an expense when incurred.

h) Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the company.

i) Impairment of assets

An assessment is made at each Statement of Financial Position date to determine whether there is objective evidence that an asset or a group of assets may be impaired. If such evidence exists, the estimated recoverable amount of that asset is determined and an impairment loss recognized for the difference between the recoverable amount and the carrying amount.

LOVEBIRD SAFARIS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2023. (CONTINUED)**

	2023 TSHS.
2. SAFARI INCOME	<u>65,016,547</u>
3. DIRECT COSTS	
Baloon safari	-
Car hire	38,102,500
Motorvehicle maintenance cost	2,437,356
Flight bookings	-
Clients meals and accommodation	8,161,608
Park fees	-
Concessional fees	-
Safari fuel	6,430,796
	<u><u>55,132,260</u></u>
4. ADMINISTRATIVE EXPENDITURES	
Rent and rates	1,800,000
Office supplies	747,746
Audit fees	500,000
Telephone and internet expenses	194,746
EFD machine	570,000
Medical expenses	631,900
BRELA search fees	22,000
Parking fees	27,127
Vehicle insurance	150,000
Printing & stationery	844,650
Licence and permits	1,219,835
Depreciation	20,143,125
Electricity & water	52,000
	<u><u>26,903,128</u></u>
5. FINANCE COSTS	
Bank service charge	952,168
	<u><u>952,168</u></u>
6. INCOME TAX EXPENSES	
Current income tax expenses	-
	<u><u>-</u></u>

LOVEBIRD SAFARIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2023. (CONTINUED)

07. PROPERTY, PLANT & EQUIPMENTS

	<u>MOTOR VEHICLE</u>	<u>COMPUTER</u>	<u>FURNITURE & EQUIPMENTS</u>	<u>TOTAL</u>
	37.5% SHS	37.5% SHS	12.5% SHS	SHS
COST				
As at 01.01.2023	-	-	-	-
Additions	50,000,000	2,870,000	2,535,000	55,405,000
As at 31.12.2023	50,000,000	2,870,000	2,535,000	55,405,000
Depreciation				
As at 01.01.2023	-	-	-	-
Charge for the year	18,750,000	1,076,250	316,875	20,143,125
As at 31.12.2023	18,750,000	1,076,250	316,875	20,143,125
N. B. V. 31.12.2023	31,250,000	1,793,750	2,218,125	35,261,875
N. B. V. 31.12.2022	-	-	-	-

**2023
TSHS.**

08. TRADE AND OTHER PAYABLES

Various payables	5,287,717
	5,287,717

09. CASH AND CASH EQUIVALENTS

Cash in hand	-
Bank balance	1,049,833
	1,049,833

10. SHARE CAPITAL

Authorised	
1000 Ordinary shares of Tshs 10,000/= Each	10,000,000
Issued and Fully Paid	
1000 Ordinary shares of Tshs 10,000/= Each	10,000,000

11. TRADE AND OTHER RECEIVABLES

Sales tax receivables	-
	-

12. CONTINGENT LIABILITIES

In the opinion of the directors, there were no contingent liabilities at the Statement of Financial Position date .