

TWAVEZA EAST AFRICA

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

TWAVEZA EAST AFRICA

ANNUAL REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

TABLE OF CONTENTS

	Page
Organization information	1
Report by those charged with governance	2 – 6
Statement of Directors' responsibilities	7
Declaration by the Head of Finance	8
Independent auditor's report	9 – 10
Financial statements:	
Statement of financial performance	11
Statement of financial position	12
Statement of changes in net assets	13
Statement of cash flows	14
Notes to the financial statement	15 - 40
Appendix	

TWAVEZA EAST AFRICA

ORGANIZATION INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2022

Principal place of business 15 Uganda Avenue, off Karume Road
Oysterbay
P.O. Box 38342
Dar es Salaam
Tanzania

Principal bankers Stanbic Bank (T) Ltd
P.O. Box 75647
Dar es Salaam
Tanzania

Auditors PricewaterhouseCoopers
Certified Public Accountants (Tanzania)
P. O. Box 45
369 Toure Drive
Oysterbay
Dar es Salaam
Tanzania

Lawyers Victory Attorneys and Consultants
1st Floor, IT Plaza Building
Ohio Street/Garden Avenue
P.O. Box 72015
Dar es Salaam
Tanzania

TWAVEZA EAST AFRICA

REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2022

1. The Directors of Twaweza East Africa submit their report together with the audited financial statements for the year ended 31 December 2022, which disclose the state of affairs of Twaweza East Africa (also referred to as "Twaweza" or "the Organization").

2. **INCORPORATION**

Twaweza East Africa is a registered non-governmental organization with registration number 00NGO/R2/000422. Twaweza East Africa was originally incorporated in Tanzania under the Companies Act, No.12 of 2002 as a company limited by guarantee and not having share capital. Following the amendments to the Companies, Act, 2002 which required all Companies limited by guarantee that are not promoting commerce, trade and investment to register under the NGO Act, 2002, Twaweza East Africa acquired its status as a non-governmental organization on 21 August 2019.

The Organization obtained a certificate of compliance to operate in Kenya and a certificate of registration in Uganda as per the laws of each of those countries and these remain valid beyond the status change from being a company limited by guarantee to a Non-Governmental Organization. Prior to being an independent legal entity, Twaweza was an initiative to promote citizen involvement and public accountability in East Africa which was hosted by Hivos Tanzania Limited up to 31 December 2014. Thereafter, Twaweza signed an oversight and guidance agreement with Hivos Netherlands which authorized them to monitor Twaweza activities until 30 April 2019.

3. **PRINCIPAL ACTIVITIES**

The principal activity of Twaweza East Africa is to enable citizens to exercise agency, promote governments to be more open and responsive, and improve basic learning for children in Tanzania, Kenya and Uganda.

4. **RESULTS FOR THE YEAR**

The financial performance for the year is set out on page 12 of the financial statements.

Performance For the Year

The Organization's performance can be assessed by comparing the prior and current year as seen below;

	2022	2021	Difference
Revenue	4,946,063	5,649,251	(703,188)
Operating costs	4,931,198	5,710,494	(779,296)

The Organization had a drop in revenue during the year 2022 due to reduction of grants income by about USD 700,000 compared to what had been committed. The Operating expenses also reduced due to reduction in revenue.

5. **ORGANISATION GOVERNANCE**

The Board consists of seven directors headed by a Board Chairperson. The Board takes overall responsibility for the Organization, including the responsibility for identifying key risk areas, considering and monitoring decisions, considering significant financial matters and reviewing the performance of management plans and budgets. The Board of Directors is also responsible for ensuring that comprehensive system of internal control policies and procedures is operative and for compliance with sound corporate governance principles.

TWAVEZA EAST AFRICA

REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2022

6. COMPOSITION OF THE MEMBERS

The members are the ultimate owners of the Organization. They are the supreme decision-making organ of the Organization that exercises formal fiduciary (legal and fiscal) oversight following recommendations from the Board of Directors. The members who served during the year are:

Name	Position	Qualification	Nationality	Remarks
Samwel Wangwe	Chairperson	Economist, University lecturer, Policy researcher and Policy analyst, and Economic advisor to the Government of Tanzania	Tanzanian	Appointed 21 August 2019
Elieshi Lema	Member	Chairperson of E & D Limited. A writer, has published over 26 children's books and 8 adult books.	Tanzanian	Appointed 24 September 2019
Rakesh Rajani	Member	Vice President at Co-Impact. Former Director of Civic Engagement and Government at the Ford Foundation, USA from 2015 to 2018. Former Head and Founder of Twaweza East Africa and HakiElimu.	Tanzanian	Appointed 21 August 2019
Rebeca Gyumi	Secretary	Executive Director and Founder of Msichana Initiative.	Tanzanian	Appointed 21 August 2019

7. COMPOSITION OF BOARD OF DIRECTORS

The Directors of Twaweza East Africa at the date of this report, all of whom have served since 1 January 2022 except otherwise stated are:

Name	Position	Qualification	Nationality	Remarks
Elieshi Lema	Chairperson	Chairperson of E & D Limited. A writer, has published over 26 children's books and 8 adult books.	Tanzanian	Appointed on 30 April 2021
Getrude Mugizi	Director	Economist, public service and social accountability expert since 2005.	Tanzanian	Appointed 30 April 2021
Charles Businge	Director	Director of Southern Africa-Sub-Region at Plan International.	Ugandan	Appointed on 1 January 2020
Linda Kasonde	Director	Partner at Mulenga Mundashi Kasonde (MMK), Lawyer and a Civil rights activist.	Zambian	Resigned on 24 January 2022
Rebeca Gyumi	Director	Executive Director and Founder of Msichana Initiative.	Tanzanian	Appointed on 24 September 2019
Wanjiru Kamau-Rutenberg	Director	Director, African Women in Agricultural Research and Development (AWARD).	Kenyan	Appointed on 15 September 2016
Prof. Mussa J. Assad	Director	Deputy Vice Chancellor – Administration & Finance of Muslim University of Tanzania. Former Controller and Auditor General of Tanzania.	Tanzanian	Appointed on 1st September 2022
Bahame Tom Nyanduga	Director	Former Chairperson of the Commission for Human Rights and Good Governance of the United Republic of Tanzania.	Tanzanian	Appointed on 1st September 2022

TWAVEZA EAST AFRICA

REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2022

During the year, the board held three meetings to deliberate on matters related to organization's operations and achievements. The board deliberated further on previous year annual reports, mid-year progress report, midterm budget review and review of annual plan budget for the upcoming period.

8. FUTURE DEVELOPMENT PLANS

The year 2023 marks the final year of our current third strategy. In 2022 we managed to intensify the pace of our work for deeper engagement and impact and re-strategize for the remaining period. In 2023 we will systematically document our stories of impact from over the strategic period, our insights and successes from our data, our animation work and our advocacy. We will share these stories widely. In addition, we will develop a new strategic plan for the next four years, 2024-2027. We do not anticipate making major strategic shifts. High-level contextual review supports maintaining our broad strategic goals and three mission areas i.e., a) demonstrate how citizens can come together to collectively address their systemic problems and make government work better for them, b) enable citizens voice, experiences and interests to be heard and taken seriously in decision-making and c) to promote open civic space which enables citizens to freely assemble, organize, speak and act. Tactical adjustments will be informed by the lessons that emerge from our own implementation over the past four years, and by agile response to the dynamic civic space context. The strategy development process will involve three concurrent processes; a comprehensive evaluation of our current strategy, a systematic assessment of the current and future civic space context and the development of (new) initiatives to better address the identified problems.

9. GOVERNANCE AND MANAGEMENT STRUCTURE

The governance and management structure comprises of the following layers: -

- Twaweza East Africa Members who are the ultimate owners of the Organization and who are the supreme decision makers of the Organization;
- Twaweza East Africa board of directors who oversee the activities of the Organization and make decisions on the strategy, policies, plans, budgets and other operational aspects of the Organization and their implementation. They make recommendations to the Members for major decisions such as the approval of annual reports and financial statements, and the appointment of Directors of the Organization.
- Twaweza East Africa Executive Director who is responsible to lead and manage the day-to-day affairs of the Organization.

10. ENVIRONMENTAL CONSIDERATION

The Organization is considering environment in their daily operations. The Organization has automated most of its business processes in order to minimize the use of paper which can be harmful to the environment. The Organization also engages waste disposal management and recycling specialists to manage hazardous and non-hazardous wastes generated in the course of operations. The Organization plans to continue engaging professional waste management and recycling specialist in disposing all waste materials.

During the year a total of USD 801 (2021: USD 1,313) was spent in waste management.

11. RISK MANAGEMENT AND INTERNAL CONTROL

The Board accepts final responsibility for the risk management and internal control system of the Organization. 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:

TWAVEZA EAST AFRICA

REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2022

11. RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

- The effectiveness and efficiency of operations;
- The stewardship of the Organization's assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse condition; and
- Responsible behaviors 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 Organization 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 2022 and is of the opinion that they met accepted criteria.

COMMERCIAL AND OPERATIONAL RISKS

Risk	Description of risk	Mitigation
Resource Development/Fundraising	Income will be insufficient to carry out the mission and goals. In particular, the risk of not replacing one or more large donors or renewals coming in at lower amounts. There is also a risk of overreliance on restricted sources of funding as funders/donors increasingly look to project-based or restricted funding that does not support the core Twaweza budget and workplan.	Seek out new donors and new grant possibilities with existing donors to expand income base. Active donor and stakeholder engagement on the progress of the organisation. Periodic review of the activities/programmes to ensure that they are aligned to strategic objectives. Ensure strong financial management and accountability systems in place.
Data loss or compromise	The increased dependency on cloud-based technology infrastructure and the intermingling of Twaweza and personal devices for work increases the potential risk of hacking both for Twaweza and the individual staff member. Concern about unintended lapses in security as well as intentional, targeted hacking.	Conduct regular assessment of the Organization's data security and implement recommendations as appropriate. Provide training to staff on data security, policies and guidance on the use of Twaweza devices for personal use. Policies and their enforcement on use of personal technology.

12. ADMINISTRATION POLICIES AND FINANCIAL REGULATIONS

Twaweza has formal Financial and Administration regulations approved by the Board of Directors of Twaweza. These provide a solid basis for accountability and high standards within the Organization.

13. EMPLOYEE WELFARE

Medical Assistance

All members of staff and their dependents are covered with a medical insurance.

Training

Twaweza organizes regular learning sessions aimed at enhancing staff skills and widening the understanding of relevance of Twaweza's work as well as for personal development. In addition, the Organization pays a contribution to school fees for employees' children and dependents.

TWaweza EAST AFRICA

REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2022

13. EMPLOYEE WELFARE (CONTINUED)

Employment opportunities

Twaweza 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, tribe, religion and disability which does not impair the ability to discharge official duties.

Employees Benefit Plan

The Organization pays contributions to publicly administered pension plans on a mandatory basis which qualifies to be a defined contribution plan.

14. GENDER PARITY

The Organization is committed to ensuring gender parity. As at 31 December, 2022, Twaweza had 42 employees as per the table below;

	2022	%	2021	%
Female	23	55	22	54
Male	19	45	19	46
Total	42	100	41	100

15. RELATED PARTY TRANSACTIONS

The details of related party transactions and balances are disclosed in Note 19 of the financial statement.

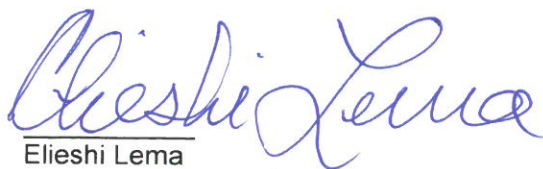
16. AUDITORS

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office and are eligible for re-appointment.

17. RESPONSIBILITY BY 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 Organization 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 legislations relevant to the organization.

By order of the Board of those charged with Governance


Elieshi Lema
Chairperson

11/04/2023

TWAVEZA EAST AFRICA

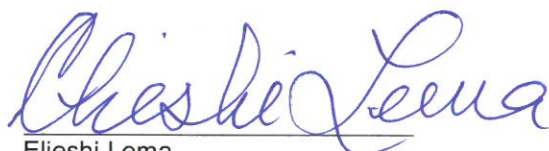
STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2022

The Twaweza East Africa ("the Organization") constitution requires Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Organization as at the end of the financial year and of its net income for the year. It also requires the Directors to ensure that the Organization keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Organization. They are also responsible for safeguarding the assets of the Organization and hence taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

The Directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS). The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial position of the Organization and of its financial performance in accordance with International Public Sector Accounting Standards (IPSAS). The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

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

Signed on behalf of the Board of Directors by:



Elieshi Lema
Chairperson



Aidan Eyakuze
Executive Director

11/04/2023

TWAVEZA EAST AFRICA

DECLARATION BY THE HEAD OF FINANCE FOR THE YEAR ENDED 31 DECEMBER 2022

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 entity concerned.

It is the duty of a Professional Accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity's financial 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 under Directors Responsibility statement on an earlier page.

I, Richard Modest, being the Head of Finance of Twaweza East Africa hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December, 2022 have been prepared in compliance with International Public Sector Accounting Standards (IPSASs)

I thus confirm that the financial statements of Twaweza East Africa for the year ended 31 December 2022 give a true and fair view of the financial position as on that date and that they have been prepared based on properly maintained financial records.

 11/04/2023
Richard Modest
Head of Finance
NBAA Membership No. ACPA 2238

Independent auditor's report

To the Members of Twaweza East Africa

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of Twaweza East Africa (the "Organisation") as at 31 December 2022, and of its financial performance and cash flows for the period then ended in accordance with International Public Sector Accounting Standards (IPSASs).

What we have audited

The financial statements of Twaweza East Africa as set out on pages 11 to 40 comprise:

- the statement of financial position as at 31 December 2022;
- the statement of financial performance for the year then ended;
- the statement of changes in net assets for the year then ended;
- the cash flow statement for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Organisation in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements of the National Board of Accountants and Auditors (NBAA) that are relevant to our audit of the financial statements in Tanzania. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of the NBAA.

Other information

The directors are responsible for the other information. The other information comprises the organization information, the report by those charged with governance, Statement of directors' responsibilities, Declaration by the Head of Finance and appendix but 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 any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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 on the other information, 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.

Independent auditor's report (continued)

To the Members of Twaweza East Africa

Responsibilities of directors for the financial statements

The directors are responsible for the preparation of the financial statements in accordance with International Public Sector Accounting Standards (IPSAS), 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 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 Organisation or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the 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 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 on the basis of these financial statements.

As part of an audit in accordance with ISAs, 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 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 Organisation'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 Organisation 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.

Delvina Libent

Delvina Libent, ACPA-PP

For and on behalf of PricewaterhouseCoopers

Certified Public Accountants

Dar es Salaam.

Date 14-04-2023 | 16:06 EAT

TWaweza East Africa

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF FINANCIAL PERFORMANCE


	Note	<u>2022</u> USD	Restated <u>2021</u> USD
Revenue			
Revenue from non-exchange transactions			
Grants	6	4,898,886	5,615,314
Deferred capital grant released to revenue	16	<u>47,177</u>	<u>33,937</u>
		4,946,063	5,649,251
Other income	7	6,248	78,996
Operating costs	8	<u>(4,931,198)</u>	<u>(5,710,494)</u>
Operating surplus		21,113	17,753
Finance costs – interest expense on lease liability	13(b)	<u>(13,527)</u>	<u>(19,611)</u>
Surplus/(deficit) before income tax		7,586	(1,858)
Income tax expense	10(a)	<u>-</u>	<u>-</u>
Surplus/(deficit) for the year		<u><u>7,586</u></u>	<u><u>(1,858)</u></u>

**TWAVEZA EAST AFRICA
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF FINANCIAL POSITION

	Note	<u>2022</u> USD	Restated <u>2021</u> USD	Restated <u>2020</u> USD
ASSETS				
Non-current assets				
Property and equipment	12	187,510	87,922	49,157
Right-of-use asset	13(a)	148,341	267,421	331,865
		<u>335,851</u>	<u>355,343</u>	<u>381,022</u>
Current assets				
Income tax recoverable	10(b)	39,822	39,681	39,139
Receivables from non-exchange transactions	17	28,789	710,000	-
Other receivables	14	177,355	185,764	197,302
Cash and bank balances	15	1,356,177	596,039	1,382,003
		<u>1,602,143</u>	<u>1,531,484</u>	<u>1,618,444</u>
TOTAL ASSETS		<u>1,937,994</u>	<u>1,886,827</u>	<u>1,999,466</u>
NET ASSETS				
General reserves		<u>565,323</u>	<u>557,737</u>	<u>559,595</u>
LIABILITIES				
Non-current liabilities				
Deferred capital grant	16	187,510	87,922	49,157
Lease liability	13(b)	28,317	126,157	205,172
		<u>215,827</u>	<u>214,079</u>	<u>254,329</u>
Current liabilities				
Payables under exchange transactions	18	667,083	1,006,715	1,046,764
Deferred income grants	17	404,042	-	123,775
Lease liability	13(b)	85,719	108,296	15,003
		<u>1,156,844</u>	<u>1,115,011</u>	<u>1,185,542</u>
TOTAL LIABILITIES		<u>1,372,671</u>	<u>1,329,090</u>	<u>1,439,871</u>
TOTAL RESERVES AND LIABILITIES		<u>1,937,994</u>	<u>1,886,827</u>	<u>1,999,466</u>

The financial statements on page 11 to 40 were approved and authorized for issue by the Board of Directors on 11/04/2023 and signed on its behalf by:


Elieshi Lema
Chairperson


Aidan Eyakuze
Executive Director

**TWaweza East Africa
Report and Financial Statements
for the year ended 31 December 2022**

Statement of Changes in Net Assets

USD

Year ended 31 December 2022

At start of the year:

- As per previous IFRS	557,737
- First time adoption adjustment (Note 23 c)	-
Total surplus for the year	<u>7,586</u>

At the end of year	<u><u>565,323</u></u>
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Year ended 31 December 2021

At start of the year	559,595
Total deficit for the year	<u>(1,858)</u>

At the end of year	<u><u>557,737</u></u>
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**TWaweza East Africa
Report and Financial Statements
for the year ended 31 December 2022**

STATEMENT OF CASH FLOWS

	Note	<u>2022</u> USD	Restated <u>2021</u> USD
Cash flow from operating activities			
Surplus/(deficit) before income tax		7,586	(1,858)
Adjusted for:			
Gain on disposal of assets	7	(1,600)	(66,930)
Deferred capital grant released on disposal of asset	8	1,074	1,555
Depreciation charge – property and equipment	8	46,103	32,382
Depreciation charge – right-of-use assets	8	119,080	121,727
Interest expense on lease liability		13,527	19,611
Exchange gain on lease liability	8	(4,140)	(1,455)
Deferred capital grant released to revenue	16	(47,177)	(33,937)
		<u>134,453</u>	<u>71,095</u>
Changes in working capital:			
(Increase)/ decrease in receivables from non-exchange transactions		681,211	(710,000)
Decrease in other receivables		8,409	11,538
Increase/ (decrease) in deferred income grants		404,042	(123,775)
Decrease in payables under exchange transactions		(339,632)	(40,049)
		<u>888,483</u>	<u>(791,191)</u>
Tax paid	10(b)	(141)	(542)
Cash flows from operating activities		<u>888,342</u>	<u>(791,733)</u>
Cash flows from investing activities:			
Plant and equipment acquired	12	(146,764)	(72,702)
Proceeds from sale of assets		1,600	66,930
Cash flows from investing activities		<u>(145,164)</u>	<u>(5,772)</u>
Cash flows from financing activities:			
Receipt of capital grant	16	146,764	72,702
Office lease paid	13(b)	(129,804)	(61,161)
Cash flows from financing activities		<u>16,960</u>	<u>11,541</u>
Net increase/ (decrease) in cash and bank balances		<u>760,138</u>	<u>(785,964)</u>
Cash and bank balances at the beginning of the year		<u>596,039</u>	<u>1,382,003</u>
Cash and bank balances at the end of the year	15	<u>1,356,177</u>	<u>596,039</u>

TWAVEZA EAST AFRICA

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES

1. ORGANIZATION INFORMATION

Twaweza East Africa is registered under the Non-Governmental Organizations Act, No. 24 of 2002 and issued with registration number 00NGO/R2/000422.

The address of its registered office is described in page 1 of these financial statements.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

First time adoption of IPSAS

The financial statements of Twaweza East Africa have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSASs). The date of adoption of IPSAS is 1 January 2022 and as such, these are the Organization's first IPSAS financial statements prepared in accordance with IPSAS 33 *First-time adoption of Accrual Basis IPSASs*. The Organisation has also applied the requirements of IPSAS retrospectively. The Organization previously prepared its financial statements in accordance with International Financial Reporting Standards ("IFRS") and IFRIC interpretations. Further details, including an explanation of how the transition to IPSAS has affected the previously reported financial position, financial performance and cash flows of the Organization under Previous Local GAAP is provided in note 23.

The financial statements are presented in US Dollars (USD), which is the reporting currency of the Organization. The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared based on historical cost.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared in accordance with International Public Sector Accounting Standards ("IPSAS"). In the absence of an International Public Sector Accounting Standard that specifically applies to a transaction, other event or condition, management uses its judgement in developing and applying an accounting policy that results in information that is relevant to the decision-making needs of users so that the financial statements:

- Represent faithfully the financial position, financial performance and cash flows of the entity;
- Reflect the economic substance of transactions, other events or conditions and not merely the legal form;
- Are neutral, that is free from bias;
- Are prudent; and
- Are complete in all material respects.

TWaweza East Africa

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES (CONTINUED)

(b) Changes in accounting policy and disclosures

New and amended standards adopted by the Organization

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2022 and have been applied in preparing these financial statements.

IPSAS 41, Financial Instruments

IPSAS 41, 'Financial Instruments' was issued by the International Public Sector Accounting Standards Board (IPSASB) in August 2018. The objective of the standard is to establish principles for the financial reporting of financial assets and financial liabilities that present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows. This standard is effective for financial statements beginning on or after 1 January 2022. The adoption of the standard result in immaterial differences from its predecessor IFRS accounting standard.

IPSAS 42, Social Benefits

IPSAS 42, 'Social Benefits' was issued by the International Public Sector Accounting Standards Board (IPSASB) in January 2019. The objective of the standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits as defined in this standard. The information provided help users of the financial statements and general-purpose financial reports to assess the nature of such social benefits provided by the entity; the key features of the operation of those social benefit schemes; and the impact of such social benefits provided on the entity's financial performance, financial position and cash flows. This standard is effective for financial statements beginning on or after 1 January 2022. The adoption of the standard result in immaterial differences from its predecessor IFRS accounting standard.

Standard not yet effective but early adopted by the Organization

IPSAS 43 – Leases

The effective date of this standard is 1 January 2025, but the entity has elected to early adopt the standard in concurrence with the adoption of IPSAS accounting framework. For lessees, this standard introduces a right-of-use model that replaces the risks and rewards incidental to ownership model in IPSAS 13 Leases. For lessors, IPSAS 43 substantially carries forward the risks and rewards incidental to ownership model in IPSAS 13.

The early adoption of this standard result, as was the case under the previous IFRS framework, in the retention of the right-of-use asset and lease liability in the statement of financial position in conjunction with depreciation of right-of-use asset and interest expense on lease liability in the statement of financial performance.

As such, there was no material impact on the financial position and financial performance as a result of this early adoption.

(c) Use of estimates and judgements

The preparation of financial statements in conformity with IPSAS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

TWAVEZA EAST AFRICA

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES (CONTINUED)

(c) Use of estimates and judgements (continued)

The key estimates management has made in preparing these financial statements are disclosed in Note 5.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(d) General reserves

General reserves represents unrestricted funds arising from accumulated other income that are available for use at the discretion of the Directors in furtherance of the objects of the Organization.

(e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Organization are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in United States Dollars which is the Organization's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of financial performance.

(f) Revenue recognition

Revenue comprises grants income from current grants, release of capital grants and other income from Twaweza East Africa staff participating in various technical meetings and forums. Grants are measured at fair value and recognised where there is reasonable assurance that they will be received, and all attaching conditions will be complied with.

When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. When the grant relates to an asset, the fair value is credited to a deferred income account and is released to statement of financial performance to match the depreciation expense on the assets on a straight-line basis.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Funding arrangements

Twaweza East Africa operates a funding arrangement where donor funds are directly received in Twaweza East Africa bank accounts maintained in East Africa.

TWaweza East Africa

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES (CONTINUED)

(g) Expenditure recognition

The organisation's expenditure is recognised on an accrual basis. The effects of expenses are recognised when they occur (and not as cash or its equivalent is paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate.

(h) Property and equipment

Property and equipment are initially recognized at cost. Subsequently, property and equipment are stated at historical cost less depreciation.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Organization and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Assets are depreciated starting in the month they are put into use. Depreciation on assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Asset class	Rate (%)
Motor vehicles	25.0%
Computers and accessories	33.3%
Furniture and fittings	12.5%
Equipment	25.0%
Leasehold improvements	Follows lease term

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. The assets' carrying amount is written down immediately to its recoverable amount if the assets' carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are included in the statement of financial performance within other income.

(i) Financial instruments

Financial instruments are recognised on the Organization's statement of financial position when the organisation becomes a party to the contractual provisions of the instruments. Financial instruments are recognised initially at fair value plus, for instruments not at fair value through surplus or deficit, any directly attributable transaction cost. Subsequent to initial recognition, these are measured at amortised cost using the effective interest rate method, less any impairment losses if any.

Financial assets within the scope of IPSAS 41 *Financial Instruments* are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate.

(i) Classification

Financial assets comprise of receivables; and cash and bank balances.

TWaweza East Africa

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES (CONTINUED)

(i) Classification (continued)

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are classified as current assets except for maturities greater than 12 months, otherwise they are classified as non-current.

(ii) Recognition and measurement

Receivables are initially recognized at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method.

(iii) Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(iv) Impairment

The Organization assesses at the end of each reporting period whether there is objective evidence that a financial asset or Organization's financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or Organization of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the donors or a group of donors is experiencing significant financial difficulty, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicate that there is a measurable decrease in the estimated future cash flows.

For receivable category the amount of the loss is measured as a difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the statement of comprehensive income. If, in subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the reversal of the previously recognized impairment loss is recognized in the statement of comprehensive income.

(j) Other receivables

Other receivables consist of funds deposited to vendors and employees in the normal course of the business. Advances and prepaid expenses are recognized upon payment and derecognized when service has been rendered.

(k) Cash and bank balances

For the purpose of presentation in the statement of cash flows, cash and bank balances include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

TWaweza East Africa

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES (CONTINUED)

(l) Income tax

The current and deferred income tax charge is computed on the basis of reported profit before tax for the year under review and regulations of the United Republic of Tanzania, in which the Organization is registered, using substantively enacted tax rates in Tanzania where the Organization operates and generates taxable income. Income tax comprises current tax and deferred tax.

Current tax charge is the amount of income tax payable on the taxable profit for the year and any adjustments to the tax payables in respect of prior years. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. However, if the deferred income tax arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss, it is not accounted for. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred income tax assets and liabilities are offset when there is legally enforceable right to offset the current tax assets against the current tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

(m) Receivables from non-exchange transactions

Receivables from non-exchange transactions comprise contractual commitments from donors/development partners where the Organization has incurred expenditure as per grant agreement and is yet to be reimbursed by the donor/development partner. This is a change in accounting for this type of receivable which was previously accounted for upon signing of the agreement with donor/development partner.

(n) Deferred capital grants

Donations received to acquire property and equipment are capitalized and credited to deferred capital grant account. Deferred capital grant account is amortized in the statement of comprehensive income over the estimated useful lives of the assets concerned.

(o) Deferred income grants

Deferred income grant represents an obligation to conduct donor funded activities per contractual commitments made between donors/development partners and the Organization.

The deferred income grants amount recorded on the recipient's statement of financial position generally represents the total amount of grants per funding agreements to match with the receivables from non-exchange transactions, less the amount amortized for services performed to date.

TWaweza East Africa

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES (CONTINUED)

(p) Employee benefits - Retirement benefit obligation

The Organization has a defined contribution pension plan for its employees. A defined contribution plan is a pension plan under which the Organization pays fixed contributions into a separate entity. The Organization's contributions to the defined contribution schemes are charged in statement of comprehensive income in the year in which they relate. The Organization has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Organization has no further payment obligations once the contributions have been paid. The Organization and all its employees contribute to the NSSF and Jubilee Insurance which are defined contribution scheme.

(q) Payables under exchange transactions

Payables under exchange transactions are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These are presented as current liabilities unless payment is not due within twelve months after year end. If not, they are presented as non-current liabilities. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. The settlement cost approximates the fair value and amortized cost.

(r) Impairment of non-financial assets

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

(s) Leases

The Organization assesses whether a contract is or contains a lease, at inception of the contract. The Organization recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones).

For these leases, the Organization recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

TWAVEZA EAST AFRICA

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES (CONTINUED)

(s) Leases (continued)

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Organization remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Organization did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Organization incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IPSAS 19. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Organization expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Organization applies IPSAS 21 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in 'Other expenses' in the statement of financial performance..

TWaweza East Africa

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES (CONTINUED)

(s) Leases (continued)

As a practical expedient, IPSAS 21 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Organization has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Organization allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

4 FINANCIAL RISK MANAGEMENT

The Organization's activities expose it to a variety of financial risks, namely: market risk, credit risk and liquidity risk. The Organization's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance. The Organization does not hedge any of its risk exposures.

Financial risk management is carried out by the finance department under policies approved by the Board of Directors. Foreign currency risk is managed by contracting suppliers in local currency so as to protect Organization from the volatility associated with foreign currency depreciation. The Organization also maintains cash balances in US Dollars which has been strong over time and conversion to foreign currencies (i.e., Tanzania Shillings, Kenyan Shillings and Ugandan Shillings) is made on need basis.

(a) Market risk

Foreign exchange risk

The Organization is exposed to foreign exchange risk arising from grants receivable/received, purchases, assets and liabilities denominated in currencies other than the functional currency of the Organization, primarily with respect to Tanzania shillings, Uganda shillings and Kenya shillings.

Organization financial assets and liabilities are denominated in Tanzania shillings, Kenyan shillings and Ugandan shillings. As a result, the Organization is exposed to exchange rate fluctuations that have impact on cash flows. Exposure to foreign currency risk is mitigated by the fact that the Organization maintains certain part of its grants in United States Dollar. The effect of the foreign currency risk is not significant and therefore management does not hedge against foreign currency risk. This exposure does not result in significant risk as foreign currency assets and liabilities are normally recovered and settled within a fairly short time.

As at 31 December 2022, if the US Dollar weakened/strengthened by 10% against the Tanzanian shillings with all other variables held constant, change in net income for the year would have been USD 1,122 (2021: USD 3,433) higher/lower mainly as a result of foreign exchange gains/losses on translation of Tanzania Shillings denominated payables, receivables and cash.

As at 31 December 2022, if the US dollar weakened/strengthened by 10% against the Ugandan shillings with all other variables held constant, change in net income for the year would have been USD 7,683 (2020: USD 1,158) higher/lower mainly as a result of foreign exchange gains/losses on translation of Ugandan Shillings denominated payables, receivables and cash.

As at 31 December 2022, if the US dollar weakened/strengthened by 10% against the Kenyan shillings with all other variables held constant, change in net income for the year would have been USD 5,216 (2021: USD 1,031) higher/lower mainly as a result of foreign exchange gains/losses on translation of Kenyan Shillings denominated payables, receivables and cash.

TWaweza East Africa

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

NOTES (CONTINUED)

(b) Credit risk

Credit risk arises from cash and bank balances and deposits with banks and financial institutions, including outstanding receivables and committed transactions.

The amount that best represents the Organization's maximum exposure to credit risk at 31 December is made up as follows:

	<u>2022</u> USD	<u>2021</u> USD
Cash at bank (note 15)	653,849	595,214
Short term deposit (note 15)	701,435	-
Staff debtors (note 14)	59	681
Other receivables (note 14)	2,253	10,629
Receivables from non-exchange transaction (note 17)	28,789	710,000
	<u>1,386,385</u>	<u>1,316,524</u>

No collateral is held for any of the above assets

(c) Liquidity risk (continued)

Liquidity risk is the risk that the Organization will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from various donors and/ (or) development partners.

The table below analyses the Organization's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows.

	<u>Less than 1 year USD</u>
At 31 December 2022	
- payables under exchange transactions (note 18)	<u>185,491</u>
At 31 December 2021	
- payables under exchange transactions (note 18)	<u>504,174</u>

TWaweza EAST AFRICA

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES (CONTINUED)

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Organization makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Taxation

The Organization is subjected to several taxes and levies by various government and quasi-government regulatory bodies. Generally, the Organization recognizes liabilities with regard to anticipated taxes and levies payable with utmost care and diligence. However, significant judgement is required in the interpretation and application of those taxes and levies. In the event that management assesses that the initially recorded liability was erroneous, the differences are charged to the profit and loss account in the period in which the differences are determined.

Impairment of receivables

Twaweza reviews its receivables from non-exchange transactions and other receivables to assess impairment on an annual basis. In determining whether an impairment loss should be recorded in the statement of financial performance, Twaweza makes judgements using estimates based on historical loss experience for its debtors. It is on this basis that management have determined the risk of recoverability based on days outstanding.

Provisions

A provision is recognized if, as a result of a past event, Twaweza has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Twaweza makes provisions for expenses that are most likely to be incurred based on events that have taken place during the year. Provisions are determined by making a best estimate of the expenditure required to settle the present obligation at the reporting date. These provisions include of accruals for all services which was already delivered as of the reporting date, but they are not billed.

Useful lives and residual values of property and equipment

Twaweza tests annually whether the useful life and residual value estimates were appropriate and in accordance with its accounting policy. Useful lives and residual values of property and equipment have been determined based on previous experience and anticipated disposal values when the assets are disposed.

TWAVEZA EAST AFRICA

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES (CONTINUED)

	<u>2022</u> USD	<u>2021</u> USD
6. INCOME GRANTS		
Amount released from deferred income grants (Note 17)	<u>4,898,886</u>	<u>5,615,314</u>
7. OTHER INCOME		
Contribution from other organizations on Twaweza staff participation/ facilitation in their meetings/ activities	1,808	7,683
Gain on disposal of assets	1,600	66,930
Interest income	<u>2,840</u>	<u>4,383</u>
	<u>6,248</u>	<u>78,996</u>
8. OPERATING COSTS		
Citizen agency	452,540	447,605
Enabling citizen voices	462,136	883,431
Promoting and protecting open civic space	372,940	222,143
Learning, monitoring and evaluation	269,375	349,149
Motivated teachers (incl.Kiufunza)	240,272	881,053
Governance and management*	<u>3,133,935</u>	<u>2,927,113</u>
	<u>4,931,198</u>	<u>5,710,494</u>
*Governance and management costs includes the following:		
Management and strategic support	91,494	42,018
Program staff costs (Note 9a)	1,784,039	1,684,398
Support staff costs (Note 9b)	779,426	739,054
Staff recruitment	86	3,905
Office running costs	148,138	189,584
Value Added Tax on office rent	15,489	25,129
Communications/ Internet/ Utilities	134,447	63,285
Travel and transport	12,879	20,715
Exchange movement on conversion between bank accounts	5,820	4,816
Depreciation of property and equipment	46,103	32,382
Depreciation - right of use asset	119,080	121,727
Deferred capital grant released on disposal of asset	1,074	1,555
Exchange gain on lease liability	<u>(4,140)</u>	<u>(1,455)</u>
	<u>3,133,935</u>	<u>2,927,113</u>

TWaweza East Africa

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

NOTES (CONTINUED)

	<u>2022</u> USD	<u>2021</u> USD
9. EMPLOYEE BENEFIT COSTS		
a) Program employees		
Salaries	1,406,194	1,281,037
Skills and Development Levy	30,274	29,910
Social Security Contributions	144,877	130,536
Other staff benefits	105,542	114,431
Health and group insurance	72,242	66,703
Staff leave	(19,288)	24,716
Workers Compensation Fund	4,464	6,101
Severance pay	39,734	30,964
	<u>1,784,039</u>	<u>1,684,398</u>
b) Support employees		
Salaries	592,962	538,314
Skills and Development Levy	22,363	18,433
Social Security Contributions	61,773	55,682
Health and group insurance	47,476	50,585
Other staff benefits	36,768	50,563
Staff leave	(291)	6,748
Workers Compensation Fund	2,623	3470
Severance pay	15,752	15,259
	<u>779,426</u>	<u>739,054</u>
10. INCOME TAX		
a) Income tax expense		
Income tax charge	-	-
Reconciliation of income tax expense based on surplus/ (deficit)		
Surplus/(deficit) before income tax	7,586	(1,858)
Tax credit calculated at 30%	2,276	(557)
Items not deductible for tax purposes	5,526	3,354
Deferred tax movement not recognized	(7,802)	(2,797)
Income tax expense	-	-
b) Income tax recoverable		
Opening balance of tax recoverable	39,681	39,139
Current tax charge – Note 10(a)	-	-
Tax paid during the year	141	542
	<u>39,822</u>	<u>39,681</u>

TWaweza East Africa

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

NOTES (CONTINUED)

11. DEFERRED INCOME TAX

Deferred income tax is calculated using the enacted income tax rate of 30% (2020: 30%). The movement on the deferred income tax account is as follows:

	<u>2022</u> USD	<u>2021</u> USD
At start of year	-	-
Deferred tax asset	71,724	79,525
Deferred tax not recognized	<u>(71,724)</u>	<u>(79,525)</u>
At end of year	<u>-</u>	<u>-</u>

Deferred tax assets and liabilities are attributable to the following items:

Year ended 31 December 2022

	01.01.2022 USD	Movement USD	31.12.2022
Deferred tax assets			
Plant and equipment	(30,815)	3,215	(27,600)
Other timing differences	6,110	(17,136)	(11,026)
Tax losses carried forward	<u>(54,821)</u>	<u>21,723</u>	<u>(33,098)</u>
Net deferred tax asset	(79,526)	7,802	(71,724)
Deferred tax not recognized	<u>79,526</u>	<u>(7,802)</u>	<u>71,724</u>
Net deferred tax	<u>-</u>	<u>-</u>	<u>-</u>

Year ended 31 December 2021

	1.01.2021 USD	Movement USD	31.12.2021 USD
Deferred tax assets			
Plant and equipment	(35,538)	4,723	(30,815)
Other timing differences	1,436	4,674	6,110
Tax losses carried forward	<u>(48,221)</u>	<u>(6,600)</u>	<u>(54,821)</u>
Net deferred tax asset	(82,323)	2,797	(79,526)
Deferred tax not recognized	<u>82,323</u>	<u>(2,797)</u>	<u>79,526</u>
Net deferred tax	<u>-</u>	<u>-</u>	<u>-</u>

Deferred tax asset has not been recognised in these financial statements to the extent that the realisation of the related tax benefit through future taxable profits is not probable.

TWaweza East Africa

**Financial Statements
for the year ended 31 December 2022**

Notes (Continued)

12. Property and Equipment

	Leasehold improvement USD	Motor vehicles USD	Computer accessories USD	Furniture & fittings USD	Equipment USD	Total USD
At 1 January 2022						
Cost	2,789	-	245,301	62,556	215,351	525,997
Accumulated depreciation	-	-	(189,350)	(59,844)	(188,881)	(438,075)
Net book value	<u>2,789</u>	<u>-</u>	<u>55,951</u>	<u>2,712</u>	<u>26,470</u>	<u>87,922</u>
Year ended 31 December 2022						
At start of the year	2,789	-	55,951	2,712	26,470	87,922
Additions	1,177	90,867	43,143	6,204	5,373	146,764
Depreciation charge	(910)	(5,352)	(28,553)	(1,581)	(9,707)	(46,103)
Disposals	-	-	(45,078)	(7,324)	(31,554)	(83,956)
Accumulated depreciation on disposals	-	-	44,005	7,324	31,554	82,883
Closing net book value	<u>3,056</u>	<u>85,515</u>	<u>69,468</u>	<u>7,335</u>	<u>22,136</u>	<u>187,510</u>
At 31 December 2022						
Cost	3,966	90,867	243,366	61,436	189,170	588,805
Accumulated depreciation	(910)	(5,352)	(173,898)	(54,101)	(167,034)	(401,295)
Net book value	<u>3,056</u>	<u>85,515</u>	<u>69,468</u>	<u>7,335</u>	<u>22,136</u>	<u>187,510</u>

TWaweza East Africa

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

NOTES (CONTINUED)

12. PROPERTY AND EQUIPMENT (CONTINUED)

	WIP - Leasehold improvement USD	Computer accessories USD	Furniture & fittings USD	Equipment USD	Total USD
At 1 January 2021					
Cost	-	215,630	62,082	192,865	470,577
Accumulated depreciation	-	(179,064)	(57,977)	(184,379)	(421,420)
Net book value	-	36,566	4,105	8,486	49,157
Year ended 31 December 2021					
At start of the year	-	36,566	4,105	8,486	49,157
Additions	2,789	43,116	549	26,248	72,702
Depreciation charge	-	(22,203)	(1,942)	(8,237)	(32,382)
Disposals	-	(13,445)	(75)	(3,762)	(17,282)
Accumulated depreciation on disposals	-	11,917	75	3,735	15,727
Closing net book value	2,789	55,951	2,712	26,470	87,922
At 31 December 2021					
Cost	2,789	245,301	62,556	215,351	525,997
Accumulated depreciation	-	(189,350)	(59,844)	(188,881)	(438,075)
Net book value	2,789	55,951	2,712	26,470	87,922

TWaweza East Africa

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

NOTES (CONTINUED)

13. LEASES

(a) Right-of-use assets

	<u>2022</u> USD	<u>2021</u> USD
Cost		
At January	445,650	388,367
Additions	-	57,283
Prepayment	-	-
At 31 December	445,650	445,650
Depreciation		
At January	178,229	56,502
Charge for the year	119,080	121,727
At 31 December	297,309	178,229
Carrying amount		
At 31 December	<u>148,341</u>	<u>267,421</u>
(b) Lease liabilities		
At 1 January	234,453	220,175
Addition	-	57,283
Interest expense to lease liability	13,527	19,611
Exchange gain on lease liabilities	(4,140)	(1,455)
Repayment of lease liability (including interest)	<u>(129,804)</u>	<u>(61,161)</u>
	<u>114,036</u>	<u>234,453</u>
Analyzed as:		
Non-current	28,317	126,157
Current	<u>85,719</u>	<u>108,296</u>
	<u>114,036</u>	<u>234,453</u>
Maturity analysis:		
Year 1	85,719	108,296
Year 2	15,639	97,840
Year 3	12,678	15,639
Year 4	<u>-</u>	<u>12,678</u>
	<u>114,036</u>	<u>234,453</u>

The Organization does not face a significant liquidity risk with regards to its lease liabilities. Lease liabilities are monitored within the Organization's operations function.

TWaweza East Africa Limited

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

NOTES (CONTINUED)

	<u>2022</u> USD	<u>2021</u> USD
(c) Amounts recognized in the statement of financial performance		
Depreciation expense on right-of-use assets (Note 8)	119,080	121,727
Interest expense on lease liabilities	13,527	19,611
Exchange gain on lease liabilities (Note 8)	(4,140)	(1,455)
Income from subleasing right-of-use assets (Note 7)	<u>-</u>	<u>-</u>

(d) The Organization's leasing activities

The Organization has 3 leased office buildings in Tanzania, Kenya and Uganda. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The average lease term is 24 months (2021: 48 months).

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets are not used as security for borrowing purposes. The Organization's obligations are secured by the lessors' title to the leased assets for such leases.

The Organization has no options to purchase the leased assets at the end of the lease term. There are no extension or termination options on the leases.

To determine the incremental borrowing rate, the Organization:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received; and
- makes adjustments specific to the lease, e.g., term, country, currency and security.

	<u>2022</u> USD	<u>2021</u> USD
14. OTHER RECEIVABLES		
Prepayments	175,043	174,454
Deposits	2,253	10,629
Staff debtors	59	681
	<u>177,355</u>	<u>185,764</u>

The carrying amounts of accounts receivable are denominated in the following currencies:

United States dollars	128,833	130,536
Kenyan shillings	17,785	19,584
Ugandan shillings	30,737	30,865
Tanzanian shillings	-	4,779
	<u>177,355</u>	<u>185,764</u>

15. CASH AND BANK BALANCES

Bank balances	653,849	595,214
Short term deposits	701,435	-
Petty cash balances	893	825
	<u>1,356,177</u>	<u>596,039</u>

TWAVEZA EAST AFRICA LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

NOTES (CONTINUED)

	<u>2022</u> USD	<u>2021</u> USD
16. DEFERRED CAPITAL GRANTS		
At start of year	87,922	49,157
Received during the year (note 17)	146,764	72,702
Released to income	<u>(47,177)</u>	<u>(33,937)</u>
At end of year	<u>187,509</u>	<u>87,922</u>

TWaweza East Africa Limited

**Financial Statements
for the year ended 31 December 2022**

Notes (Continued)

**17. RECEIVABLE FROM NON-EXCHANGE TRANSACTIONS
GRANT FUNDS RECEIVABLE/ (DEFERRED INCOME GRANTS)**

	Opening balance USD	Cash received during the year USD	Grant charged USD	Closing balance USD	Grant funds receivable USD	Deferred income grants USD
Year ended 31 December 2022						
Hewlett Foundation	-	(1,000,000)	857,023	(142,977)	-	(142,977)
American Jewish World Service	-	(525,000)	444,086	(80,914)	-	(80,914)
SIDA Tanzania	500,000	(2,065,566)	1,565,566	-	-	-
WPF	-	(1,000,000)	857,023	(142,977)	-	(142,977)
Embassy of Finland	-	(450,337)	450,337	-	-	-
Embassy of Switzerland to Tanzania and Zambia	-	(600,000)	600,000	-	-	-
Ford Foundation	-	(260,000)	222,826	(37,174)	-	(37,174)
Foundation for Open Society	100,000	(100,000)	-	-	-	-
Georgetown University	110,000	(110,000)	-	-	-	-
Uraia Trust	-	(20,000)	20,000	-	-	-
The Hempel Foundation	-	-	28,789	28,789	28,789	-
Total	710,000	(6,130,903)	5,045,650	(375,253)	28,789	(404,042)
Recognised as:						
Capital grant (Note 16)	-	-	146,764	-	-	-
Income grant (Note 6)	-	-	4,898,886	-	-	-
	-	-	5,045,650	-	-	-

TWaweza East Africa Limited

**Financial Statements
for the year ended 31 December 2022**

Notes (Continued)

17. Grant Funds Receivable/ (Deferred Income Grants) (Continued)

	Opening balance USD	Cash received during the year USD	Grant charged USD	Closing balance USD	Grant funds receivable USD	Deferred income grants USD
Year ended 31 December 2021						
FCDO Tanzania	-	(689,923)	689,923	-	-	-
Hewlett Foundation	(5,363)	(1,000,000)	1,005,363	-	-	-
American Jewish World Service	(4,959)	(950,000)	954,959	-	-	-
SIDA Tanzania	(2,165)	-	502,165	500,000	500,000	-
DANIDA Tanzania	(4,449)	(951,196)	955,645	-	-	-
Dejusticia	(39)	-	39	-	-	-
Embassy of Finland	(3,439)	(703,136)	706,575	-	-	-
PAL Network	(33)	-	33	-	-	-
Embassy of Switzerland to Tanzania and Zambia	(2,008)	(300,000)	302,008	-	-	-
Ford Foundation	(1,320)	(259,986)	261,306	-	-	-
Foundation for Open Society	(100,000)	-	200,000	100,000	100,000	-
Georgetown University	-	-	110,000	110,000	110,000	-
Total	(123,775)	(4,854,241)	5,688,016	710,000	710,000	-
Recognised as:						
Capital grant (Note 16)	-	-	72,702	-	-	-
Income grant (Note 6)	-	-	5,615,314	-	-	-
	-	-	5,688,016	-	-	-

TWAVEZA EAST AFRICA LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

NOTES (CONTINUED)

	2022	2021
	USD	USD
18. PAYABLES UNDER EXCHANGE TRANSACTIONS		
Accruals and other payables	185,491	504,174
Statutory liabilities	481,592	502,541
	<u>667,083</u>	<u>1,006,715</u>

19. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party by participating in its financial or operational policy decisions.

Transactions with related parties are consummated on terms substantially equivalent to those that prevail in an arm's length transaction.

Remuneration paid to key management personnel who were on contractual terms is as set out below:

	2022	2021
	USD	USD
Key management remuneration		
Salaries and other short-term benefits	<u>883,344</u>	<u>841,276</u>

Key management personnel are described as those personnel having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly, including any director (whether executive or otherwise) of that entity. The amount was paid to 7 members of the senior management team.

20. EVENTS AFTER REPORTING DATE

The management is not aware of any events that have occurred between the date of financial reporting period and when the financial statements are authorized for issue to be disclosed.

21. COMMITMENTS AND CONTINGENCIES

Contingencies:

There are no contingencies at the year-end.

Commitments:

Twaweza East Africa's general contractual approach is to account and pay after delivery of work and scrutiny of reports. In 2021 a number of payments were not made due to partial delivery or inadequate provision of evidence/reporting. Operating costs do not include contractual commitments made but not paid out because the delivery of work and scrutiny of reports was outstanding as at year-end. The total outstanding value of signed direct program contracts not yet paid on 31 December 2022 was USD 437,651 (2021: USD 200,798).

22. LEGAL STATUS

The Organization is registered as a Non-Governmental Organization and hence the Members of the Organization have the ownership and fiduciary responsibility over the Organization's affairs, assets and liabilities.

TWaweza East Africa Limited

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES (CONTINUED)

23. First-time adoption of IPSAS for the Organisation

As discussed in note 2, these financial statements, for the year ended 31 December 2022, are the first the Organization has prepared in accordance with International Public Sector Accounting Standards Board (IPSAS) as issued by the International Public Sector Accounting Standards Board.

For periods up to and including the year ended 31 December 2021, the Organization prepared its financial statements in accordance with its accounting framework. Accordingly, the Organization has prepared financial statements which comply with IPSAS applicable for periods ending on 31 December 2022. The organisation elected not present comparative information for previous periods as permitted by IPSAS 33, however an opening statement of financial position at the date of adoption of accrual basis IPSAS has been presented.

In preparing these financial statements, the organizations' opening statement of financial position was prepared as at 1 January 2022, the organizations' date of transition to IPSAS. This note explains the principal adjustments made by the Organization in restating its financial statements prepared under the previous framework.

In preparing its opening IPSAS statement of financial position, the Organization has adjusted amounts reported previously in financial statements prepared in accordance with their framework. An explanation of how the transition from this framework to IPSAS has affected the organizations' financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables. The organization did not apply any transitional exemptions and provisions that affect fair presentation and its ability to assert compliance with accrual basis IPSASs.

TWaweza East Africa Limited

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

NOTES (CONTINUED)

(a) Reconciliation of statement of financial position as at 1 January 2022

	Notes	Previous GAAP USD	Effect of transition to IPSAS	1 January 2022 USD
ASSETS				
Non-current assets				
Property and equipment		87,922	-	87,922
Right-of-use asset		267,421	-	267,421
		<u>355,343</u>	-	<u>355,343</u>
Current assets				
Income tax recoverable		39,681	-	39,681
Grant funds receivable		710,000	-	710,000
Other receivables		185,764	-	185,764
Cash and bank balances		596,039	-	596,039
		<u>1,531,484</u>	-	<u>1,531,484</u>
TOTAL ASSETS		<u>1,886,827</u>	-	<u>1,886,827</u>
RESERVES AND LIABILITIES				
RESERVES				
General reserve		557,737	-	557,737
LIABILITIES				
Non-current liabilities				
Deferred capital grant		87,922	-	87,922
Lease liability		126,157	-	126,157
		<u>214,079</u>	-	<u>214,079</u>
Current liabilities				
Payables under exchange transactions		1,006,715	-	1,006,715
Deferred income grants		-	-	-
Lease liability		108,296	-	108,296
		<u>1,115,011</u>	-	<u>1,115,011</u>
TOTAL LIABILITIES		<u>1,329,090</u>	-	<u>1,329,090</u>
TOTAL RESERVES AND LIABILITIES		<u>1,886,827</u>	-	<u>1,886,827</u>

TWAVEZA EAST AFRICA LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

NOTES (CONTINUED)

(b) Reconciliation of statement cash flows for the year ended 31 December 2022

	Notes	Previous GAAP	Effect of transition to IPSAS	Restated 2021 USD'
Cash flow from operating activities				
Deficit before income tax		(1,858)	-	(1,858)
Adjusted for:				
(Gain)/ loss on disposal of assets		(65,375)	-	(65,375)
Depreciation charge – property and equipment		32,382	-	32,382
Depreciation charge – right-of-use assets		121,727	-	121,727
Capital grants released		(33,937)	-	(33,937)
Interest expense on lease liability		19,611	-	19,611
Exchange gain on lease liability		(1,455)	-	(1,455)
		71,095	-	71,095
Changes in working capital:				
(Increase)/ decrease in grants funds receivable		(710,000)	-	(710,000)
Decrease in other receivables		11,538	-	11,538
Decrease in deferred income grants		(123,775)	-	(123,775)
Decrease/ (increase) in payables under exchange transactions		(40,049)	-	(40,049)
		(791,191)	-	(791,191)
Tax paid		(542)	-	(542)
Cash used in operations		(791,733)	-	(791,733)
Cash flows from investing activities:				
Plant and equipment acquired		(72,702)	-	(72,702)
Proceeds from sale of assets		66,930	-	66,930
Cash generated from investing activities		(5,772)	-	(5,772)
Cash flows from financing activities:				
Receipt of capital grant		72,702	-	72,702
Office lease paid		(61,161)	-	(61,161)
Cash used in financing activities		11,541	-	11,541
Net decrease in cash and cash equivalents		(785,964)	-	(785,964)
Cash and cash equivalents at the beginning of the year		1,382,003	-	1,382,003
Cash and cash equivalents at the end of the year		596,039	-	596,039

TWAVEZA EAST AFRICA LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

NOTES (CONTINUED)

Explanation of transition to IPSAS

Twaweza East Africa's accounting policies and treatment under previous IFRS framework mirror the recognition and measurement principles under IPSAS accounting hence no changes in the amounts and balances in the statements of financial performance, financial position and changes in net assets.

TWaweza East Africa

ANALYSIS OF DETAILED BUDGET VERSUS ACTUAL EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2022

	Tanzania	Uganda	Kenya	Regional	Combined	% Variance
Description	Annual Budget Actual Expenditure	Annual Budget Actual Expenditure	Annual Budget Actual Expenditure	Annual Budget Actual Expenditure	Annual Budget (USD) Actual Expenditure (USD)	
Civic Space & Citizen Agency						
Mission O1: Citizen agency	289,250	201,603	-	-	542,638	452,540
Mission O2: Citizen voices	112,700	112,264	361,960	192,209	652,156	462,136
Mission O3: Civic space	371,358	358,022	26,000	-	397,358	372,940
Staff costs - Civic Space & Citizen Agency	205,405	202,440	27,281	25,186	1,219,881	1,158,452
Total Civic Space & Citizen Agency	978,713	874,329	385,241	217,485	2,812,033	2,446,068
Education						87%
KuFunza III	293,319	240,272	-	-	293,319	240,272
Total Education	293,319	240,272	-	-	293,319	240,272
Learning and Strategy						82%
L&S Mission 1: Monitoring	54,256	24,539	19,360	2,516	120,466	55,887
L&S Mission 2: Evaluation	119,550	96,870	7,720	6,259	176,620	143,043
L&S Mission 3: Learning	5,000	3,412	1,000	518	65,000	70,446
Staff costs - L&S	39,404	37,998	27,495	28,303	410,115	406,129
Total L&S	218,210	162,819	55,575	37,596	772,201	675,505
Operations and finance						87%
Ops and Finance	349,892	331,103	102,386	78,606	644,851	593,428
Staff costs - Ops and Fin	130,307	139,462	74,706	71,383	777,220	779,426
Total Ops and Finance	480,199	470,565	177,092	149,989	1,422,071	1,372,854
Governance and Management						97%
G1: Planning and reporting	-	-	-	-	1,000	-
G2 Management and strategic support	-	-	-	-	51,000	52,240
G3: Compliance	-	-	-	-	30,000	33,392
G4: Governance	-	-	-	-	17,000	5,862
Staff costs - GovtMan	65,692	63,464	-	-	175,408	241,100
Total Governance and management	65,692	63,464	-	-	340,100	310,951
Grand total	2,036,133	1,811,449	621,908	1,886,388	5,639,724	5,045,650
Less: Assets purchased during the year						146,764
Office rent payment during the year						129,804
Foreign exchange gain on lease liability						4,140
Add: Depreciation on property and equipment						4,764,942
Depreciation on right of use of asset						46,103
Interest expenses on lease liability						119,080
Net book value of assets written off						13,527
Total expenditure (per financial statements)						1,074
						4,944,725

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