

**COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
(CMSR-TANZANIA)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**



COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
(CMSR-TANZANIA)

ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2023

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COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
(CMSR-TANZANIA)

ORGANISATION INFORMATION  
FOR THE YEAR ENDED 31ST DECEMBER 2023

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**REGISTERED OFFICE:**      **COMMUNITY MOBILISATION FOR RECIPROCAL  
DEVELOPMENT IN TANZANIA (CMSR-TANZANIA)**  
P.O.BOX 181,  
DODOMA,  
TANZANIA.

**AUDITOR:**                      **AUDITMAX FINANCIAL CONSULTANCY**  
**Certified Public Accountants in Public Practice**  
P.O BOX 95921.  
DAR ES SALAAM.  
TANZANIA.

**BANKER(S)**                      **NBC BANK LTD**  
**DODOMA BRANCH,**  
P.O. BOX 1443  
DODOMA, TANZANIA

**NMB BANK LTD**  
**DODOMA BRANCH,**  
P.O. BOX 2591  
DODOMA, Tanzania.

COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
(CMSR-TANZANIA)

REPORT OF THE ORGANISATION  
FOR THE YEAR ENDED 31ST DECEMBER 2023

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<b>CMSR</b>	Community Mobilisation for Reciprocal Development in Tanzania.
<b>IAS</b>	International Accounting Standards
<b>IASB</b>	International Accounting Standards Board
<b>ICT</b>	Information Communication Technology
<b>IFRS</b>	International Financial Reporting Standards
<b>IPSAS</b>	International Public Sector Accounting Standard
<b>ISA</b>	International Standard on Auditing
<b>IT</b>	Information Technology
<b>USD</b>	United States Dollar
<b>TZS</b>	Tanzanian Shilling
<b>NBAA</b>	National Board of Accountants and Auditors
<b>IESBA</b>	International Ethics Standards Board for Accountants

COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
(CMSR-TANZANIA)

REPORT OF THE ORGANIZATION  
FOR THE YEAR ENDED 31 DECEMBER 2023

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### **1.0 INTRODUCTION**

The board members of **COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA (CMSR-TANZANIA)** present their report together with the audited financial statements of the Organisation for the year ended 31st December 2023.

### **2.0 OVERVIEW**

CMSR-Tanzania is a registered non-profit-making organisation registered under the Non-Government Organization Act, 2002 with registration number 00NGO/R1/00411 with main objectives to complement and support the efforts of the Government of Tanzania in the implementation of community development projects targeting more people living in rural areas to alleviate extreme poverty among them. It was registered at Tanzania Revenue Authority (TRA) with Tax Identification Number (TIN) 104-772-242 with effect from 29<sup>th</sup> June 2006.

### **3.0 INCORPORATION**

The organisation is domiciled in Tanzania Mainland where it is registered under Non-Government organisation Act, 2002 in 2012.

### **4.0 MISSION**

The mission of CMSR-Tanzania is to work in partnership and harmony with local and international organisations, the Government and the local target communities towards poverty alleviation.

### **5.0 VISION**

CMSR-Tanzania has a vision to improve quality of life of the Tanzanian population by uniting people against poverty through realization of social and economic development.

### **6.0 PRINCIPAL ACTIVITIES OF THE CMSR TANZANIA**

The core activities are.

- a) To initiate, undertake and coordinate research studies on different issues relating to national and global economic and social development.
- b) To publish and disseminate information related to findings of research and studies undertaken by organisation.
- c) To convene seminars, workshops and conferences with the view of discussing and exchanging views on findings of the research and studies undertaken or sponsored by organisation.
- d) To establish a data bank for the purpose of putting together reports, records and research findings pertaining to various aspect of economic and social development uncovered by different individuals of the organisation.
- e) To initiate and prepare policy research programs and relevant policy studies.
- f) To undertake the task of organizing policy analysis at the request of the Government of the united republic of Tanzania, parastatals, donors and other organisation to enhance the country's economic development.
- g) To identify, fund and manage short- and long-term integrated programmes/projects development throughout the country.

COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
(CMSR-TANZANIA)

REPORT OF THE ORGANISATION  
FOR THE YEAR ENDED 31ST DECEMBER 2023

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### 7.0 BOARD MEMBERS

The members of the board who served during the year and at the time of this report were:

SN	NAME	POSITION	QUALIFICATION	APPOINTED/RE-APPOINTED	NATIONALITY
1	Kyuza Joseph Kitundi	Board Chairman	Masters of Public Administration	04 <sup>th</sup> Jan,2021	Tanzanian
2	Josephine Kihoza Pamilla	Deputy Board Chairperson	Masters of Science in Management of Development	04 <sup>th</sup> Jan,2021	Tanzanian
3	Dr. Jacob A Chembele	Board Member	Masters of Public Health (MPH)	04 <sup>th</sup> Jan,2021	Tanzanian
4	Ms. Blandina A Paul	Board Member	Bachelor Degree in Special Education	04 <sup>th</sup> Jan,2021	Tanzanian
5	Juma Mohamed Mulika	Board Member	Masters in Administration, CPA(T), CIA	04 <sup>th</sup> Jan,2021	Tanzanian
6	Elirehema Y Swai	Board Member	Masters of Soil Science and Land Management	04 <sup>th</sup> Jan,2021	Tanzanian

### 8.0 CORPORATE GOVERNANCE

The Board Members are committed to the principles of good corporate governance and recognize the need to conduct the business in accordance with generally accepted best practice. In so doing the board members therefore confirm that;

- a) The board meets twice a year and whenever there is an extraordinary meeting to discuss organisational matters;
- b) They retain full and effective control over the organisation and monitor executive management;
- c) Board members accepts and exercises responsibility for strategic and policy decisions, the approval of budgets and monitoring of performance; and

They bring skills and experience from their own spheres of expertise to complement the professional experience and skills of management team.

COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
(CMSR-TANZANIA)

REPORT OF THE ORGANISATION  
FOR THE YEAR ENDED 31ST DECEMBER 2023

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**9.0 MANAGEMENT**

The management of the organisation is under board of Board members, which is being assisted by the Executive Director who also is the Board Secretary, supervises day-to-day activities in all organisation departments.

**10.0 SOLVENCY**

The Board members have reviewed the current financial position of the organisation and existing long and short-term borrowings. On the basis of this review, the board members are satisfied that the organisation is a solvent going concern as its short-term liabilities are fully covered by current assets. The Organisation's state of affairs as at 31st December 2023 is set out on page 11 of the financial statements.

**11.0 PERFORMANCE OF THE YEAR**

The results of the operations of the organisation are set out on page 12 of these financial statements.

**12.0 FINANCIAL POSITION**

The organisation financial position is set out on page 11 of these financial statements.

**13.0 RISK MANAGEMENT AND INTERNAL CONTROL**

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

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

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

COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
(CMSR-TANZANIA)

REPORT OF THE ORGANISATION  
FOR THE YEAR ENDED 31ST DECEMBER 2023

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The board assessed the internal control systems throughout the financial year ended 31st December 2023 and is of opinion that they met accepted criteria.

**14.0 POLITICAL AND CHARITABLE DONATIONS**

During the period under review the organisation did not donate anything to political or charitable organisation.

**15.0 EMPLOYEE WELFARE**

**Management/Employees Relationship**

The relationship between employees and management was good. There were no unresolved complaints received by the management from the employees during the reporting period.

**Employees Benefit Plan**

The Organisation pays contributions to a publicly administered pension plan National Social Security Fund (NSSF) on mandatory basis which qualifies to be a defined contribution plan. During the year under review the organisation has eight employee.

**16.0 GENDER PARITY**

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


**17.0 SUBSEQUENT EVENTS**

There is no subsequent event that have occurred which are either to be disclosed or to be adjusted in financial statements that could materially affect the financial statements as at 31st December 2023.

**18.0 AUDITORS**

The Auditors, Auditmax Financial Consultancy has expressed their willingness to continue in office and are eligible for re-appointment. A resolution proposing the re-appointment of Auditmax Financial Consultancy as auditors of the organisation will be put to the annual general meeting.

**BY ORDER OF THE BOARD**



**EXECUTIVE DIRECTOR**

**20.02.2024**



COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
(CMSR-TANZANIA)

STATEMENT OF BOARD MEMBERS RESPONSIBILITIES  
FOR THE YEAR ENDED 31 DECEMBER 2023

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The Non-Governmental Organization Act of 2002 requires the Management Team under the Head of Finance to prepare financial statements for financial year which give true and fair view of the state of affair of the organisations as at the end of financial year and of results of the organisation for that year. It also requires the Board members to ensure that the organisation keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the organisation. They are also responsible for safeguarding the assets of the organisation.

The Management Team are responsible for the preparation of financial statements that give a true and fair view in accordance with International Public Sector Accounting Standards and the requirements of the non-organization act, 2002 and for internal controls as Board members determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Management Team under the Head of Finance 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 International Public Sector Accounting Standards and in the manner required by the establishment act. The team members are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the organisation and of its operating results. The organisation further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

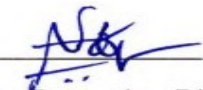
Nothing has come to the attention of the Organisation to indicate that the Organisation will not remain a going concern for at least twelve months from the date of this statement.

**Approval of the financial statements**

The annual financial statements of Community Mobilisation for Reciprocal Development In Tanzania (CMSR-Tanzania), as identified in the first paragraph, were approved by the board on **20.02.2024** and signed on its behalf by;



**Executive Director**



**Deputy Executive Director**



COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
(CMSR-TANZANIA)

DECLARATION OF HEAD OF FINANCE  
FOR THE YEAR ENDED 31 DECEMBER 2023

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

It is the duty of a Professional Accountant to assist the Board of Board members/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 Board members/Governing Body as under Board members Responsibility statement on an earlier page.

I **GEORGE NDEKWA** being the Head of Finance of Community Mobilisation for Reciprocal Development in Tanzania (CMSR-Tanzania) hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31<sup>st</sup> 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 Community Mobilisation for Reciprocal Development in Tanzania (CMSR-Tanzania) as on that date and that they have been prepared based on properly maintained financial records.



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**Signed by:**

**Position: FINANCIAL CONSULTANT**

**NBAA No: GA. 8866**

**Date: 20.02.2024**

## **AUDIT REPORT ON THE FINANCIAL STATEMENTS**

TO THE CHAIRMAN,  
COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA.  
P.O.BOX 181,  
**DODOMA.**

### **Introduction**

We have audited the financial statements of Community Mobilisation For Reciprocal Development In Tanzania (CMSR-Tanzania), which comprise the statement of financial position as at 31<sup>st</sup> December 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

### **Opinion**

In our opinion, the organisation financial statements give a true and fair view of the organisation financial position of the Community Mobilisation for Reciprocal Development in Tanzania (CMSR-Tanzania) as at 31 December 2023, and financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards and the requirements of the Non-government organization Act, 2002

### **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 organisation 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 Ethics Standards Board for Accountants' Code of Ethics for Professional 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 Board members are responsible for the other information. The other information comprises report of Board members but does not include the organisation financial statements and our auditor's report thereon.

Our opinion on the organisation financial statements does not cover the other information and we do not provide any form of assurance conclusion thereon.

In connection with our audit of the organisation 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 organisation 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.

### **Responsibilities of the Board members for the financial statements**

The Board members are responsible for the preparation and fair presentation of the organisation financial statements in accordance with International Public Sector Accounting Standards and the requirements of the Non-government organization Act, 2002, and for such internal control as the Board members determine is necessary to enable the preparation of the organisation financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the organisation financial statements, the Board members are responsible for assessing the Organisation'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 Board members either intend to liquidate the organisation or to cease operations, or have no realistic alternative but to do so. The Board members are responsible for overseeing the organisation's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the organisation 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 organisation financial statements.

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

- Identify and assess the risks of material misstatement of the organisation 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 Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board members.
- Conclude on the appropriateness of the Board members' 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 organisation 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 organisation financial statements, including the disclosures, and whether the organisation financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board members with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board members, we determine those matters that were of most significance in the audit of the organisation financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on other legal and regulatory requirements**

As required by the establishment act, we are also required to report to you if, in our opinion, the Organisation' Report is consistent with the financial statements, if the Organisation has kept proper accounting records, if the financial statements are in agreement with the accounting records, if we have received all the information and explanations we require for our audit, or if information specified by law regarding Organisation' remuneration and transactions with the Organisation is disclosed. In respect of the foregoing requirements, we have no matter to report.

The National Board of Accountants and Auditors (NBAA) is a Tanzanian accountancy professional body established under the Auditors and Accountants (Registration) Act No 33 of 1972, as amended by Act No 2 of 1995. It is an accountancy regulatory professional body, operating under the Ministry of Finance and Economic Affairs of Tanzania (MOFEA). The board has been issuing Technical Pronouncements with a view of improving the implementation of accounting standards in Tanzania as and when necessary. As required by the Technical Pronouncement No. 1 of 2016 all financial statements are supposed to include the Declaration by Head of Finance/Accounting indicating name of the professional accountant, signature, date signed, and the NBAA membership number of the signatory.

With the view of the above the Organisation financial statements include the declaration of the head of finance as required by the technical pronouncement hence compliance to the NBAA pronouncement No. 1 of 2016.



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**Signed by**

**CPA ALEX MAHENGE, ACPA-PP 3450**

**MANAGING PARTNER**

**For on Behalf of AUDITMAX FINANCIAL CONSULTANCY**

P.O. Box 95921

Dar es Salaam

**Date: 11.03.2024**

COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
(CMSR-TANZANIA)

STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 DECEMBER 2023

**STATEMENT OF FINANCIAL PERFORMANCE**

	Notes	2023 TZS	2022 TZS
<b>Revenue From Non- Exchange Transactions</b>			
Grants Used During the year	4	974,176,809	842,219,416
Revenue from Exchange Transactions		-	-
<b>Total Revenue</b>		<b>974,176,809</b>	<b>842,219,416</b>
<b>Expenses</b>			
Project Expenses -Fund Expenditure	5	775,457,015	668,697,666
Volunteers Administration Costs	6	36,732,415	31,419,114
Personnel Expenses	7	100,095,404	82,629,226
Administration and Operating Expenses	8	58,608,391	53,783,600
Financial Expenses	9	1,159,119	2,925,589
Depreciation	3	2,124,464	2,764,221
<b>Total Expenses</b>		<b>974,176,809</b>	<b>842,219,416</b>
<b>Other Gain/(Loss)</b>			
Gain/(loss) on Forex Transactions	10	-	-
Gain/(loss) on Sale of Assets		-	-
<b>Total other Gain/Loss</b>		<b>-</b>	<b>-</b>
<b>Surplus/(Deficit) During the year</b>		<b>-</b>	<b>-</b>

The financial statements on pages 11 to 14 were approved for issue by the board of the Board members on **20.02.2024** and signed on its behalf by:



**EXECUTIVE DIRECTOR**

**Date: 20.02.2024**

The notes on pages 15 to 25 are an integral part of these financial statements.

COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
(CMSR-TANZANIA)

STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023

**STATEMENT OF FINANCIAL POSITION AS 31<sup>ST</sup> DECEMBER 2023**

	NOTES	31.12.2023 TZS	31.12.2022 TZS
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment	3	9,906,208	12,030,672
<b>Current Assets</b>			
Cash and Cash Equivalents	11	90,293,424	121,554,764
		<b>90,293,424</b>	<b>121,554,764</b>
<b>TOTAL ASSETS</b>		<b>100,199,632</b>	<b>133,585,436</b>
<b>EQUITY AND LIABILITIES</b>			
Reserves			
Retained Earning		(390,625)	(390,625)
<b>Total</b>		<b>(390,625)</b>	<b>(390,625)</b>
<b>Current Liabilities</b>			
Creditors & Accruals	12	4,500,000	4,500,000
Differed Donors Grants	4	96,090,257	115,292,461
Third Party funds	13	-	14,183,600
<b>Total</b>		<b>100,590,257</b>	<b>133,976,061</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>100,199,632</b>	<b>133,585,436</b>

The financial statements on pages 11 to 14 were approved for issue by the board of the Organisation on **20.02.2024** and signed on its behalf by:



**EXECUTIVE DIRECTOR**

**Date: 20.02.2024**

The notes on pages 15 to 25 are an integral part of these financial statements.

COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
(CMSR-TANZANIA)

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

**STATEMENT OF CHANGES IN EQUITY**

Details	Reserves Fund	Retained Earnings	Total Accumulated Fund
	TZS	TZS	TZS
Paid up capital 01.01.2023	-	(390,625)	(390,625)
Additional	-	-	-
Profit/(Loss) for the year	-	-	-
As at 31 December 2023	-	(390,625)	(390,625)

The financial statements on pages 11 to 14 were approved for issue by the board of the Organisation on **20.02.2024** and signed on its behalf by:



**EXECUTIVE DIRECTOR**

**Date: 20.02.2024**

The notes on pages 15 to 25 are an integral part of these financial statements.

COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
(CMSR-TANZANIA)

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

**STATEMENT OF CASH FLOWS**

	2023 TZS	2022 TZS
<b>Receipts</b>		
Fund Received From Donors	954,974,605	907,816,709
Fund received From CMSR-Italy	-	-
Third Party fund received	131,406,799	151,299,076
<b>Total Fund Received</b>	<b>1,086,381,404</b>	<b>1,059,115,786</b>
<b>Payments</b>		
Project Expenses -Fund Expenditure	775,457,015	668,697,666
Volunteers Administration Costs	36,732,415	31,419,114
Personnel Expenses	100,095,404	82,629,226
Administration and Operating Expenses	58,608,391	53,783,600
Financial Expenses	1,159,119	2,925,589
Third Part Grant Paid	145,590,399	140,115,476
<b>Total Payments</b>	<b>1,117,642,744</b>	<b>979,570,671</b>
Net cash flows generated from operations	<b>(31,261,340)</b>	<b>79,545,114</b>
<b>Cash Flow From Investing Activities</b>		
Acquisition of Fixed Assets	-	-
<b>Net Cashflow From Investing Activities</b>	<b>-</b>	<b>-</b>
Net Cashflow Generated	<b>(31,261,340)</b>	<b>79,545,114</b>
Cash and Cash equivalents at beginning	121,554,764	42,009,650
effects of Forex Transactions	-	-
Effects of Differed Grants adjusted		
<b>Cash and Cash equivalents at the End</b>	<b>90,293,424</b>	<b>121,554,764</b>

The financial statements on pages 11 to 14 were approved for issue by the board of the Organisation on **20.02.2024** and signed on its behalf by:



**EXECUTIVE DIRECTOR**

**Date: 20.02.2024**

The notes on pages 15 to 25 are an integral part of these financial statements.

COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
(CMSR-TANZANIA)

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

**STATEMENT OF FINANCIAL BUDGET FOR THE YEAR ENDED 31 ST DECEMBER  
2023**

Project Name	Opening Balance	Total Fund Received	Total Funds Available	Total Spending	Total Remaining Budget
	TZS	TZS		TZS	TZS
Construction of Kindergarten classroom and Purchase of Desks at Chikopelo village, Bahi District	-		-		-
Construction of Health Officers' Two in One Staff House at Chinyika Village, Mpwapwa District	-		-		-
AICS - Community - Based TB and HIV Intergration Project at Kondoa District	3,600,000	369,763,246	373,363,246	370,800,319	2,562,927
IMaNHC - Improving Maternal and Neonatal Healthcare (AID 012519/01/1)	-	54,129,400	54,129,400	46,076,016	8,053,384
Promotion of Agriculture First - Kilimo Kwanza Project to Youth at Bahi District, Tanzania	87,329,248	267,427,551	354,756,799	317,670,268	37,086,531
Improvement of water supply at Lukali Village in Bahi District)	-		-		-
Adolescents and Sexual Reproductive Health Project (ASRH) at Kondoa District	-		-		-
Construction of Primary building schools in collaboration with ArchDiocese of Mpanda in Katavi Region	-		-		-
Extension of Water Supply Services For Domestic Use at Mkondai Village	-	43,699,500	43,699,500	25,268,000	18,431,500
School program support for Secondary school students	4,733,476	10,798,197	15,531,673	12,406,673	3,125,000
SWALA project	2,443,050	3,545,739	5,988,789	3,235,739	2,753,050
Civil service for Volunteers from Italy	-	36,912,415	36,912,415	36,732,415	180,000
Third Party Fund	14,183,600	131,406,799	145,590,399	145,590,399	-
Administrative and operating expenses	9,265,336	168,698,556	177,963,892	159,862,860	18,101,032
<b>Total budget</b>	<b>121,554,710</b>	<b>1,086,381,404</b>	<b>1,207,936,114</b>	<b>1,117,642,690</b>	<b>90,293,424</b>

COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
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**NOTES TO FINANCIAL STATEMENT**

**1. GENERAL INFORMATION**

Community Mobilisation for Reciprocal Development in Tanzania (CMSR-Tanzania) was established in 2012 and registered under Non-government organization act, 2002.

**2. BASIS OF PREPARATION**

The financial statements are prepared under the historical cost convention and in accordance with international public sectors Accounting standards, specifically first-time adoption of accrual basis IPSAS

The financial statements have been prepared on the historical cost basis and, incorporate the principal accounting policies as here below. They are presented in Tanzanian shillings.

The accounting policies are consistent with those of the previous year.

**(a) Property Plant and Equipment**

- The cost of an item of property, plant and Equipment is recognized as an asset when it is probable that future economic benefits associated with the item flow to the organisation; and
- The cost of the item can be measured reliably.

Property, Plant and Equipment is initially measured at cost.

Property, Plant and Equipment is stated at cost less accumulated depreciation and accumulated impairment. Depreciation is calculated in the straight-line method to write off the cost of each asset, to their residual value over its estimated useful life as follows.

- Office Equipment 12.5%
- Furniture and Fittings 12.5%
- IT Equipment 37.5%
- Motor Vehicle 25%

**(b) intangible Assets**

An intangible asset is recognized when:

- It is probable that the expected future economic benefits that are attributed to the asset will flow to the entity, and;
- The cost of the asset can be measured reliably.

Intangible assets are initially measured at cost.

The intangible assets are carried at cost less any accumulated amortization and any impairment loss. Amortization is provided to write down the intangible assets, on a straight-line basis, to their residue values as per(a) above on IT Equipment.

**(c) Financial Instruments**

CMSR-Tanzania employees are members of state-owned pension scheme, the National Social Security Fund (NSSF). The organisation contributes to the scheme 10% of gross salary for each employee, and employees contribute 10%. The Organisation's contributions to the fund are charged to the statement of comprehensive income in the year to which the relate.

COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
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**(d) Provisions and Contingencies**

Provisions are recognized when:

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

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

**(e) Revenue**

Project revenue is recognized on an annual basis when the funds are utilized or become due to CMSR-Tanzania.

**(f) Operating Lease-Rented premises**

Lease Agreements that do not transfer substantially all risks and rewards of ownership to the organisation as the lessee are classified as operating leases. CMSR-Tanzania operates in operating lease. Rental payable under operating leases is charged to profit or loss on a straight-line basis over the term of the lease.

**(g) Cash and cash equivalent**

For the purpose of statement of cash flow, cash and cash equivalents comprises cash in hand and cash at bank.

**(h) Impairment of Assets**

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 an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Assets that have indefinite useful life are not subject to amortization and are tested annually for impairment and whenever events or changes in circumstance indicate that

Carrying amount may not be revocable. Assets that are subject to amortization are tested for impairment whenever events or changes in circumstance indicate that the carrying amount may not be revocable.

**(i) Foreign currency Translation**

**a) Functional and presentation**

Items included in the financial statements of the CMSR-TANZANIA are measured using Tanzanian-shillings (TZS), which is the currency of the primary economic environment in which the-Alliance operates.

**b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the standard exchange rate. 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 income and expenditure statement.

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NOTE 3: NON-CURRENT ASSETS

Cost / Valuation	37.5% Computers & Accessories	12.5% Furniture & Fittings	12.5% Tools and Equipment	25% Vehicles	Total
	<u>TZS</u>	<u>TZS</u>	<u>TZS</u>	<u>TZS</u>	<u>TZS</u>
Balance as at 01.01.2023	6,060,000	10,340,000	3,750,000	9,879,415	30,029,415
Additions					-
Disposal / Written off	-	-	-	-	-
Balance as at 31.12.2023	<u>6,060,000</u>	<u>10,340,000</u>	<u>3,750,000</u>	<u>9,879,415</u>	<u>30,029,415</u>
Depreciation					
Balance as at 01.01.2023	4,749,697	4,162,244	1,551,819	7,534,984	17,998,744
Charge for the Year	491,364	772,220	274,773	586,108	2,124,464
Asset Written / Off					-
Balance as at 31.12.2023	<u>5,241,061</u>	<u>4,934,463</u>	<u>1,826,591</u>	<u>8,121,092</u>	<u>20,123,207</u>
Net Book Value					
As at 31.12.2023	<u>818,939</u>	<u>5,405,537</u>	<u>1,923,409</u>	<u>1,758,324</u>	<u>9,906,208</u>
As at 31.12.2022	<u>1,310,303</u>	<u>6,177,756</u>	<u>2,198,181</u>	<u>2,344,432</u>	<u>12,030,672</u>

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**NOTE**

**4**

The Organisation Adopt the Preparation Of Financial Statement on Accrual IPSAS, As requirements of IPSAS we have re-worked and Establish Assets and Liabilities Retrospectively. Through that Effect Differed Grants have reworked as follows: -

	2023 TZS	2022 TZS
<b>At Start</b>	115,292,461	49,695,168
<b>Donor Grants Received During the Year</b>	954,974,605	907,816,709
Donor Grants Used during the Year	974,176,809	842,219,416
<b>At the end</b>	<b>96,090,257</b>	<b>115,292,461</b>
<b>DIFFERED INCOME FROM DONORS' RECONCILIATION</b>		
Differed Income as per accounts	96,090,257	115,292,461
<b>Less: Grants Received but not Allocated</b>		
PPE-Unallocated	9,906,208	12,030,672
Less: Loss on Disposal	390,625	390,625
Rent Prepayment Unallocated	-	-
Third Part Fund Unallocated	-	14,183,600
Unallocated Expenses		
<b>Adjusted Received Grants but Not Allocated</b>	<b>85,793,424</b>	<b>117,054,764</b>
Add: Allocated But not Paid	4,500,000	4,500,000
Cash & cash equivalent at the end	<b>90,293,424</b>	<b>121,554,764</b>

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	2023 TZS	2022 TZS
<b>NOTE 4 CONTINUED</b>		
<b>FUND RECEIVED FROM DONORS</b>		
CMSR -Italy (Administration Costs)	168,698,556	139,644,497
CMSR -Italy (Civil Servant Costs)	36,912,415	25,958,356
CMSR -Italy (Swala Programme)	3,545,739	9,486,053
TUSCANY REGION-Global Health Centre (Adolescents and Sexual Reproductive Health)	-	59,304,553
CEI-ROMA (Construction of Primary School Buildings at Mpanda)	-	340,858,342
GHITA MARAZZATO/ CMSR - Italy (Construction of kindergarten classroom and Purchase of desks at Chikopelo Bwawani)	-	2,229,750
Extension of Water Supply Services For Domestic Use at Mkondai Village	43,699,500	-
Construction of Health Officers' Two in One Staff House at Chinyika Village, Mpwapwa District	-	82,278,680
AICS - Community - Based TB and HIV Integration Project at Kondo District	369,763,246	105,149,201
Promotion of Agriculture First - Kilimo Kwanza Project to Youth at Bahi District, Tanzania	267,427,551	117,554,248
Improvement of water supply at Lukali Village in Bahi District)	-	8,540,000
IMaNHC - Improving Maternal and Neonatal Healthcare (AID 012519/01/1)	54,129,400	-
Private Donation( Supporting Secondary School Students - School fees)	10,798,197	16,813,028
<b>Sub - Total</b>	<b>954,974,605</b>	<b>907,816,709</b>

COMMUNITY MOBILISATION FOR RECIPROCAL DEVELOPMENT IN TANZANIA  
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**NOTE 5**

	2023 TZS	2022 TZS
<b>PROJECT EXPENSES-FUND EXPENDITURE</b>		
CMSR-Italy (SWALA Programme)	3,235,739	9,486,053
CMSR -Italy (Volunteers Costs)		-
TUSCANY REGION-Global Health Centre (Adolescents and Sexual Reproductive Health)	-	59,304,553
CEI - ROMA (Construction of Primary School Buildings at Mpanda)	-	363,004,877
GHITA MARAZZATO/ CMSR - Italy (Construction of kindergarten classroom and Purchase of desks at Chikopelo Bwawani)	-	2,229,750
Extension of Water Supply Services For Domestic Use at Mkondai Village	25,268,000	-
Construction of Health Officers' Two in One Staff House at Chinyika Village, Mpwapwa District	-	82,278,680
AICS - Community - Based TB and HIV Intergration Project at Kondoa District (AID012349 01 2)	370,800,319	101,549,201
Promotion of Agriculture First - Kilimo Kwanza Project to Youth at Bahi District, Tanzania	317,670,268	30,225,000
Improvement of water supply at Lukali Village in Bahi District)	-	8,540,000
Private Donation( Supporting Secondary School Students - School fees)	12,406,673	12,079,552
IMaNHC - Improving Maternal and Neonatal Healthcare (AID 012519/01/1)	46,076,016	-
<b>Sub - Total</b>	<b>775,457,015</b>	<b>668,697,666</b>
<b>6 Civil Servants Services</b>		
Accommodation and meal expenses	3,483,000	6,219,182
Work and Residential permits and Special Permits	32,225,000	19,503,201
Other Civil Servant Costs	1,024,415	5,696,731
	<b>36,732,415</b>	<b>31,419,114</b>
<b>7 Personnel expenses</b>		
Salaries & Wages	91,326,012	74,747,726
Worker's contribution	417,590	406,727
Pension Contribution	8,351,801	7,474,773
	<b>100,095,404</b>	<b>82,629,226</b>

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NOTES	2023 TZS	2022 TZS
<b>8 Administration Expenses</b>		
Office Rent Expenses	16,142,400	14,233,100
Telephone Service Expenses	890,000	628,500
Internet Service Expenses	1,150,000	840,000
Fuel Expenses	5,047,000	4,820,000
Stationaries & Photocopy	4,300,400	4,321,000
Electricity Expenses	1,280,000	1,960,000
Vehicle Maintenance & Services	14,250,000	14,994,000
Insurance	354,000	236,000
Audit Fees	4,500,000	4,500,000
General Expenses	10,694,591	7,251,000
	<b>58,608,391</b>	<b>53,783,600</b>
<b>9 Financial Expenses</b>		
Bank Charges Foreign Currency	147,119	768,091
Bank Charges Local Accounts	1,012,000	2,157,498
	<b>1,159,119</b>	<b>2,925,589</b>
<b>10 Other Gain/(Loss)</b>		
This Include Foreign Current Translation Cost as results from fluctuation of exchange Rate in Forex market, the result of this during the year were as follows		
Gain/(loss) on Forex Transactions	-	-
	<b>-</b>	<b>-</b>
<b>11 CASH AND CASH EQUIVALENTS</b>		
The Balance Includes the Money Held by Organisation as 31st December 2023. Cash and Cash Equivalents at the end of the year were as follows		
NBC Euro Account	813,290	6,291,475
NBC TZS Account	89,443,813	115,254,628
NMB TZS Account	36,321	8,661
Cash in Hand	-	-
<b>Total</b>	<b>90,293,424</b>	<b>121,554,764</b>
	<b>31.12.2023</b>	<b>31.12.2022</b>
	<b>TZS</b>	<b>TZS</b>
<b>NOTE 12 CREDITORS AND ACCRUALS</b>		
Audit Fees Payable	4,500,000	4,500,000
	<b>4,500,000</b>	<b>4,500,000</b>

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**13 THIRD PARTY FUND**

During the Year the Organisation Receive Fund From Doners on behalf of other Parts, The Organisation distribute the same to the concerned Part, the Third Party Funds Transactions and Balance at the end were as follows

Opening Balance	14,183,600	3,000,000
<b>Received During The Year</b>		
Lumuma Health Centre	94,669,134	126,937,381
ST Gemma Hospital	-	3,089,736
Private individuals	19,124,313	17,201,413
Area D House	5,671,817	4,070,547
Kondoa Orphanage Centre	11,941,536	
Total Fund Received	131,406,799	151,299,076
<b>Total Third Party Fund</b>	145,590,399	154,299,076
<b>Distribution During the year</b>		
Lumuma Health Centre	108,852,734	112,753,781
Area D House	5,671,817	4,070,547
ST Gemma Hospital	-	3,089,736
Private individuals	19,124,313	20,201,413
Kondoa Orphanage Centre	11,941,536	
Total Distribution	145,590,399	140,115,476
<b>Third Party Fund at the end</b>	-	14,183,600

**NOTE**

**14 EVENTS AFTER THE REPORTING DATE**

There were no conditions after the reporting date that had material impact to financial statements

**15 COMPARATIVE FIGURES**

Previous year's figures have been grouped where necessary to enhance comparability with current year's figure.

**16 TAXATION**

The organisation is exempt from income tax on its grant. However, the organisation is required to obtain Charitable Certificate and Status from Commissioner General of TRA

**17 COMPARATIVE INFORMATION**

Where necessary, previous year figures have been re-arranged whenever considered necessary in order to make them comparable with current year's presentation.

**18 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**

The Board members confirmed that there were not aware of any commitments by the organisation as at the date of this report