

BRAC MAENDELEO TANZANIA
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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FOR THE YEAR ENDED 31 DECEMBER 2021

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BRAC MAENDELEO TANZANIA

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

GENERAL INFORMATION

Governing Council

| Name | Position | Sex | Nationality | Age | Date of Appointment | Qualification | Status |
|-------------------------|-------------------|------------|--------------------|------------|----------------------------|----------------------|---------------|
| Mr. Shameran Abed | Chairperson | Male | Bangladeshi | 41 | August 2021 | Degree | Active |
| Mr. Syed Abdul Muntakim | Member | Male | Bangladeshi | 46 | Nov 2019 | Degree | Active |
| Ruth Okowa | Member | Female | Kenyan | 51 | Aug 2019 | Masters | Active |
| Susan Bipa | Ex-Officio member | Female | Tanzanian | 45 | Nov 2021 | Masters | Active |

Administrator

Ms. Susan Bipa
Country Director

Company Secretary

Mr. Amadeus Michael

Principal place of business

Plot 17, Natai Plaza
Light Industrial Road
P. O. Box 105213
Dar es Salaam, Tanzania

Registered office

Plot 17, Natai Plaza,
Light Industrial Road
P. O. Box 105213
Dar es Salaam, Tanzania

Auditor

KPMG
Certified Public Accountant
The Luminary
Plot No.574, Haile Selassie Road
TIN:100-144-921
Msasani Peninsula Area
P. O. Box 1160
Dar-es Salaam, Tanzania

Bankers

NBC Limited
Sokoine Drive & Azikiwe Street
P. O. Box 1863
Dar es Salaam, Tanzania

NMB Plc.
NMB House
Azikiwe/Jamhuri Street
P. O. Box 9213
Dar es Salaam, Tanzania

BRAC MAENDELEO TANZANIA
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FOR THE YEAR ENDED 31 DECEMBER 2021

GENERAL INFORMATION (CONTINUED)

Bankers (Continued)

Bank of Africa (Tanzania) Limited
NDC Development House,
Ohio Street/Kivukoni Front
P. O. Box 3054
Dar es Salaam, Tanzania

Standard Chartered Bank
International House Property Branch (IHP)
2nd floor, Shabaan Robert Street, Garden Avenue
Dar es Salaam, Tanzania

CRDB Bank Plc
Azikiwe Street Opposite Posta Mpya
P. O. Box 268
Dar es salaam, Tanzania

BRAC MAENDELEO TANZANIA

REPORT OF THE GOVERNING COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2021

The members of the Governing Council of BRAC Maendeleo Tanzania have pleasure in submitting their report and the audited financial statements for the year ended 31 December 2021, which disclose the state of affairs of BRAC Maendeleo Tanzania ("the Organisation"), as at that date.

1. REGISTRATION

BRAC Maendeleo Tanzania was incorporated as an Organization limited by guarantee on 13 December 2011. The Organisation remained dormant since incorporation until 1 January 2012 when it took over the social development operation of BRAC Tanzania.

BRAC Tanzania which is a related entity was wound up on 3 December 2013 by its members who are also the members of this Organisation.

BRAC Maendeleo Tanzania obtained the status of Non-Governmental Organisation (NGO) on 13 November 2013. It's the Tanzania chapter of the international non-government organisation Stitching BRAC International.

2. VISION

A world free from all forms of exploitation and discrimination where everyone has the opportunity to realise their potential.

3. MISSION

The Organisation's mission is to empower people and communities in situations of poverty, illiteracy, disease and social injustice. Our interventions aim to achieve large scale, positive changes through economic and social programmes that enable men and women to realise their potential.

4. OUR VALUES

Innovation- the Organisation has been an innovator in the creation of opportunities for the poor to lift themselves out of poverty. We value creativity in programme design and strive to display global leadership in ground breaking development initiatives.

Integrity- the Organisation values transparency and accountability in all our professional work, with clear policies and procedures, while displaying the utmost level of honesty in our financial dealings. The Organisation holds these to be the most essential elements of our work ethic.

Inclusiveness- the Organisation is committed to engaging, supporting and recognising the value of all members of society, regardless of race, religion, gender, nationality, ethnicity, age, physical or mental ability, socioeconomic status and geography.

Effectiveness- the Organisation values efficiency and excellence in all our work, constantly challenging ourselves to perform better, to meet and exceed programme targets, and to improve and deepen the impact of our interventions.

5. PRINCIPAL ACTIVITIES

The Organisation provides charitable and welfare activities on a non-profit basis, engages in poverty eradication, promotes women empowerment in rural areas and provides basic education for school dropouts in rural areas in over 18 districts in Tanzania.

6. RESULTS FROM OPERATIONS

The results for the Organisation for the year ended 31 December 2021 are set out on page 15.

BRAC MAENDELEO TANZANIA

REPORT OF THE GOVERNING COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

7. COMPOSITION OF MEMBERS OF THE GOVERNING COUNCIL

The members of the Governing Council who served during the year and up to the date of this report are set out on page 1.

8. CORPORATE GOVERNANCE

The members of the Governing Council are committed to the principles of good corporate governance and recognise the need to conduct operations in accordance with generally accepted best practice. In so doing the members of the Governing Council therefore confirm that:

- The members of the Governing Council met regularly throughout the year;
- They retain full and effective control over the Organisation;
- The members of the Governing Council accept and exercises responsibility for strategic and policy decisions, the approval of budgets and the monitoring of performance; and
- They bring skills and experience from their own spheres of expertise to complement the professional experience and skills of the management team

The members of the Governing Council continued to carry out its role of formulating policies and strategies of the Organisation, reviewing the business plan, ensuring that the accounting system is maintained in accordance with acceptable standards, the books of the Organisation are kept properly, and that accounts are checked by authorised auditor, as well as recruitment and development of key personnel.

9. RISK MANAGEMENT

The members of the Governing Council accept final responsibility for the risk management and internal control system of the Organisation. Management ensures that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:

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

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

10. MANAGEMENT STRUCTURE

The Organisation is under the supervision of the members of the Governing Council and the day to day management is entrusted to the Country Representative who is assisted by the heads of divisions, departments and units. The organisation structure of the Organisation comprises of the following divisions:

- | | |
|---|--|
| • Education empowerment and Livelihood for Adolescents (ELA); | • Monitoring; |
| • Early Childhood Development (ECD) | • IT and MIS; |
| • Adolescents Development Program (ADP); | • Human resources; |
| • Agriculture and livestock program; | • Training; and |
| • Accounts and finance; | • Procurement, logistics and transportation. |
| • Internal audit; | |

BRAC MAENDELEO TANZANIA

REPORT OF THE GOVERNING COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

11. RELATED PARTY TRANSACTIONS

Related party transactions are disclosed in Note 17 to the financial statements.

12. CORPORATE SOCIAL RESPONSIBILITY

BRAC is a development Organisation dedicated to alleviating poverty by empowering the poor to bring about change in their own lives.

13. FUTURE DEVELOPMENT AND OUTLOOK

The Organisation will focus on deployment of Accelerating Impact for Young Women in Africa (AIM) Project, directly targeting 492,500 Youth, 422,500 Adolescent Girls and Young Women (AGYW) 70,000 ABYM, 185,000 Young women(18-35) in Microfinance Groups, 200,000 Microfinance Clients aged above 35 and indirectly reaching 692500 households and 3, 462,500 people.

The Organisation through AIM Project aims to ensure;

Firstly, Social Empowerment: ensuring Adolescent Girls and Young Women have increased agency and voice, that is Adolescent girls and Young women access youth friendly SRHR, psychosocial and protection services and ensuring there is reduced gender based violence and improved gender relations at family and community level.

Secondly, Economic Empowerment: ensuring that Adolescent Girls and Young Women aged 15-35 are economically empowered, overarching employment pathways.

Lastly, evidence based advocacy for enabling environment for Adolescent girls and Young Women to advocate for their rights and influence policy.

14. KEY ACHIEVEMENTS

The following are the key achievements for the year 2021:

SMALLHOLDER COFFEE DEVELOPMENT PROJECT (CODE – P)

During the year, BRAC Maendeleo Tanzania with financial support from European Union (EU) and partly from Sida, continued the implementation of a four-year (2020 – 2024) Smallholder Coffee Development Project (CODE – P) in the Southern Highlands of Tanzania as one of the four Consortium members (ANSAF, Café Africa, TaCRI and BRAC Maendeleo Tanzania) led by Vi Agroforestry. The project covers three regions namely, Mbeya, Songwe and Ruvuma.

This project targets 24,000 smallholder farmers, comprising of 14,400 young women farmers and 9,600 young men farmers between the age of 18-35 years with an overall objective of contributing to an inclusive and sustainable development of the coffee value chain for enhanced incomes and improved nutrition status of smallholder farmers in the three regions.

During the year, the organization implemented key activities which included:

- Training 7,968 (inclusive of 147 Lead Farmers) smallholder coffee farmers in financial literacy, entrepreneurship, business skills, Village Savings and Loan Associations (VSLAs) which also involved the Local Government Officials from ward and district levels in the agriculture, cooperatives and community development portfolios.
- Formation of 144 VSLA groups with 5,433 members was done in project areas, where the groups have created their own savings with a total of TZS. 70,280,000 and loaned out TZS 47,730,000 for more investment along the coffee value chain and business development.

BRAC MAENDELEO TANZANIA

REPORT OF THE GOVERNING COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

15. KEY ACHIEVEMENTS (Continued)

SMALLHOLDER COFFEE DEVELOPMENT PROJECT (CODE – P) (Continued)

- Through BRAC Tanzania Finance Limited (BTFL) in collaboration with the CODE- P team, and technical assistance from BRAC International team, the project accomplished an assessment by SUGECO (Consultants) on the Viability of financing smallholder coffee farmers in the three regions. The final report is in place with farmer friendly recommendations on the loan prototypes to be pretested with 6 AMCOS (Agricultural Marketing Cooperative Societies) before wider service provision in the project areas. The findings were validated by stakeholders including the EU/Technical Assistance Team (TAT), Ministry of Agriculture, Local Government Authorities at regional and district levels from 3 project regions, as well as CODE – P Implementing partners who altogether sharpened the report during the stakeholders' workshop.

EDUCATION, EMPOWERMENT AND LIFE SKILLS FOR ADOLESCENT GIRLS AND YOUNG CHILDREN (EELAY)

During the year, BRAC Maendeleo Tanzania continued the implementation of the Education, Empowerment and Life skills for Adolescent Girls and Young Children (EELAY) project which commenced in June 2018. The project has two main components which are provision of secondary education for out of school girls and Early Childhood Education for children aged 3-6 years.

In 2021, the project was under sustainability specifically ECE Component and the project was able to sustain 30 Play labs (20 in Tanga and 10 in Korogwe town council) with 810 ECE children. 51 adolescent girls joined Advanced level in government and private schools with the projects support and 24 adolescent girls who did not qualify to join A level studies received apprenticeship training from Vocational Education and Training Authority (VETA) in order to gain skills that will assist them with income generating activities.

Summary of achievements:

- 24 Adolescent girls received apprenticeship training and input support to start their income generating activities.
- 51 adolescent girls from the project joined form five (advance level studies)
- 3 adolescent girls joined college for certificate level
- 41 pre-primary government teachers participated in the quarterly refresher training on pre-primary curriculum
- district level workshop conducted in both Tanga and Korogwe
- participated in Annual general meeting of TEN/MET in Iringa
- mainstreaming of 831 young children into pre-primary schools.

SKILLS FOR THEIR FUTURE ROJECT (S4TF).

The project is focused on empowering girls by preparing them with the skills, knowledge and confidence they need for the 4th Industrial revolution and making girls more competent in their work environment, as well as allowing them to explore all the potential opportunities availed in technology.

BRAC Maendeleo Tanzania has been working resiliently with young women and girls in empowering them with digital skills to add a valuable impact in this era where technology provides various opportunities due to industrial revolution 4.0. In 2021 BRAC Maendeleo successfully equipped 44 young girls and 35 teachers at Temeke secondary school with digital skills.

The project succeeded to deliver the following impact to the targeted community:

- 44 young girls aged 14-24 years were equipped with digital skills.
- 40 form three girls were awarded certificates of completion of the training which was conducted for a period of 11 months.
- 35 school teachers from Temeke were equipped with digital skills.
- 25 teachers were awarded certificates of completion of the training which was conducted for a period of 5 months.
- A certificate of appreciation was given to Temeke secondary school management for their support on the project implementation and management.
- Computer department composed by 6 teachers, was formed at Temeke secondary school to oversee the project operation and support.

BRAC MAENDELEO TANZANIA

REPORT OF THE GOVERNING COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

15. KEY ACHIEVEMENTS (Continued)

STEPPING UP BRAC'S REMOTE LEARNING THROUGH PLAY RESPONSE PROJECT

During the year, BRAC Maendeleo Tanzania received funds from Lego Foundation to continue implementing Phase TWO of the COVID 19 RESPONSE project (currently named and termed as Stepping Up BRAC's Remote Learning through Play Response) which commenced in December 2020. The first phase of the project came to an end in April 2021. The project has three main components which are National Child Helpline, Community Awareness (community radio) and Direct assistance to Early Childhood Education/ECD centres in four regions namely Dar es Salaam, Tanga, Dodoma and Mbeya.

IMPORTANT: The project did not commence on time because of unavoidable reasons. Therefore, the implementation commenced from 1st December, 2020.

Summary of achievements:

Partnership/MOU

- A Memorandum of Understanding/Agreement was signed with C-Sema for operation of a National Child helpline call center through a toll-free number 116. The helpline is the community to share their concerns on health, nutrition, child protection, pre-primary, psychosocial, mental health, and early childhood development for support and advice.

Staff recruitment

- Twenty-two staff were recruited and oriented on the project including; one project Manager, one Team Leader, eighteen Counsellors (three Early Childhood Development caregivers, three Pre-primary teachers, three Health, three Nutrition Counsellors, three Mental & Psychosocial support and three Child Protection) one Communication Officer, one Monitoring and Evaluation Officer).

Purchase of materials for ECD centres

- Cleaning materials and stationery items were purchased and disbursed to 11 (eleven) community based ECE centers in Dodoma region and four ECE centers in Dar es Salaam. Cleanliness materials include; toilet cleaning soaps, handwashing soaps, brooms, toilet mugs & brushes, handwashing buckets, buckets for drinking water and sink cleaners. Furthermore, the purchase of stationery includes; staplers, files, counter books, office stamps and rulers to help the children who are enrolled in those centers to enjoy their learning sessions.

Radio programmes

- A one-year contract from 1st December 2021 to 30th November 2022 was signed with The Tanzania Broadcast Corporation (TBC Taifa) for airing project sessions.
- In December 2021, a total of 10 radio sessions were conducted.

National Child Helpline

- Total of 71,049 calls were received: categorized as 867 responsive calls, 18,808 nonresponsive calls, and 51,374 IVRs

Purchase of laptops

- Two laptops were purchased to enable the project manager and the monitoring and evaluation officer to timely produce reports, connect and communicate with other project staff in project related matters.

Learning, Monitoring and research

- Developed monitoring and evaluation framework
- Preparation and review of data collection tools and templates for radio program and call center

BRAC MAENDELEO TANZANIA

REPORT OF THE GOVERNING COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

15. KEY ACHIEVEMENTS (Continued)

YOUTH EMPOWERMENT PROGRAM (ELA, GOAL, PAMOJA TUWAVUSHE)

During the year, Youth Empowerment Program under BRAC Maendeleo Tanzania had three projects which were Goal, Pamoja Tuwavushe and ELA Projects. These projects operated in Ilala and Temeke districts aiming to empower adolescent girls by equipping them with social and economic skills that will enable them to realise and utilise their potential. More than 1,000 girls and 80 boys benefitted from the activities of these projects.

Summary of achievements:

- Increase participation in employment activities to more than 600 adolescent girls. This resulted due to provision of livelihood training to 508 girls and input support to 146 adolescents.
- Reduced rate of early/unwanted pregnancies due to life skill training which has been provided to adolescent girls. Through the life skills curriculum delivered to girls, most of them were equipped with sexual reproductive health skills which led to reducing the rate of early/unwanted pregnancies as throughout the project no girl got pregnant unless for the few married members.
- Girls are aware of gender-based violence and sexual abuse, they know how to say no as well as making their own decisions concerning their sexual need. In the same vein, others have been an ambassador to domestic violence in the community just to ensure all adolescent girls and women not been a victim of violence as well as speaking out when they experience abuse of any kind.
- Behaviour change, through the curriculum delivered, both girl's and boy's attitudes and perception changed as they started to view things in positive way regardless to the circumstance. For instance, in the module of understanding self-girls enabled them to depict who are they, what they like and dislike as well as positive mind.
- Managed to review and revise ELA curriculum through virtual and physical meetings with the government stakeholder through the Ministry of Health, Community Development, Gender, Elderly and Children (MoHCDGEC).
- Managed to formulate a strong partnership with the government and other NGOs such as Bright Jamii Initiative, Niajiri and Jollie Tanzania.
- Distribution of sanitary pads to 600 adolescent girls at Temeke.
- Provision of psychosocial training to more than 300 girls.
- Provision of reusable sanitary pads training to more than 400 girls.
- Equip girls with professional knowledge on netball and football sport.

EDUCATION, EMPOWERMENT AND LIFE SKILLS FOR ADOLESCENT GIRLS AND BOYS (EELAY) PROJECT -JPAL

BRAC Tanzania launched the EELAY Project in June 2018 to support free tutoring for 700 out of school adolescent girls as well as facilitate their learning process by providing basic scholastic necessities thereby assisting them to complete secondary education under Institute of Adult Education (IAE). In 2021, BRAC introduced the second phase of the project under JPAL and this time it includes both boys and girls. The same procedures from previous years were followed before the implementation of the project but this time total number of 206 were registered under different schools' centers in Tanga and Korogwe and BRAC paid for all cost.

Summary of achievements:

- Financial support for all 196 students who had good attendance (TSH 104,500@ student)
- Free camping for all students who sat for the national qualifying test, BRAC paid for all cost at the centers (food and extra cost)
- 117 students passed the exam out of 174 who sat for exam (equivalent to 67.2%) 32 students did not sat for exams for different reasons.

BRAC MAENDELEO TANZANIA

REPORT OF THE GOVERNING COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

15. KEY ACHIEVEMENTS (Continued)

LIFE WITH CORONA PROJECT

The aim of this project is to measure the social, economic and cultural impact of Covid-19 to BRAC beneficiaries in Tanzania. It was a one-year project that was implemented from January to December 2021. The project aimed to reach out to 500 beneficiaries monthly for the interviews and a total 6,000 beneficiaries for the year.

The interviews took 15-20 minutes and were conducted through phone calls. The list of beneficiaries was collected from the Senior Monitoring Officer of Brac Maendeleo Tanzania and other sources.

Summary of achievements:

- We reached the targeted number of 6,000 beneficiaries within a year.
- We obtained an understanding of the impact of Covid-19 to our beneficiaries.

EMPOWERING ADOLESCENTS WITH IMPROVED LIFE SKILLS: A RANDOMIZED EVALUATION OF CHANGES TO BRAC ELA PROGRAM:

The project has two core objectives :

- a) Designing two training modules for developing specific elements of soft skills – viz inter-personal skills and intra-personal skills – and update the generic life-skill training modules.
- b) Comparing the marginal effects of receiving training on these two specific skills against the generic life skill training of ELA.

Besides these two core objectives with the overarching goal of contributing to the evidence generation for optimum intervention design for adolescent empowerment, the project is intended to develop capacity of local staffs in BRAC. Our activities will be designed to build two distinct set of capacities. Programmatic capacity building, where staff members from ELA program will improve their skills on materials development and conducting training of trainers (TOT) on socio- emotional skills (SES) through their work with and dedicated training from a psychologist and SES experts. Research skills development – where two local researchers who will work on this project will be coached by the PIs and two research training sessions will be conducted during the external PI's visit to the country. In addition, the training modules and SES measures developed from this research will be public goods.

Key achievements:

- We conducted baseline training for 4,800 adolescents
- 3,600 adolescents out of 4,800 received training on inter and intrapersonal skills
- 21 trainers received training on Awareness and Management skills direct from PIs
- End-line survey are ongoing for the 4,800 adolescents

16. SOLVENCY

The members of the Governing Council confirm that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis. The member of Governing Council confirm that the Organisation has adequate resources to continue in operational existence for the foreseeable future.

BRAC MAENDELEO TANZANIA

REPORT OF THE GOVERNING COUNCIL
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

17. EMPLOYEES' WELFARE

Management/employee relationship

During the year the relationship between employees and management continued to be good. There were no unresolved complaints received by management from the employees.

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

Training

Training and development of staff capacity is one of the key priorities of the Organisation. During the year, all the Branch Accountants received hands on training for Social Development programs. The Organisation will continue to train, re-train and develop its staff in order to improve service delivery and innovation.

Medical assistance

The Organisation enrolled all employees in medical scheme-NHIF where the employee contributes 3% and employer contribute 3% of the basis salary for medical treatment.

Retirement benefits

All eligible employees are members of the National Social Security Fund (NSSF) which is an approved pension fund. The Organisation contributes 10% of the employees' monthly gross salary.

The NSSF is a defined contribution scheme with BRAC Maendeleo Tanzania having no legal or constructive obligation to pay further top-up contributions.

18. GENDER PARITY

The Organisation had 68 employees in 2021 (24 male and 44 female). In 2020 there were 52 employees (25 male and 27 female).


19. AUDITOR


The Organisation's auditor, KPMG has expressed willingness to continue in office and are eligible for re-appointment. A resolution to reappoint KPMG as the auditor will be put to the Annual General Meeting.

20. STATEMENT OF COMPLIANCE

The report of the governing council has been prepared in full compliance with Tanzania Financial Reporting Standard No. 1 the Report by Those Charged with Governance.

Approved by the council and authorized for issue on 13 April 2022 and signed by:


.....
Susan Bipa
Country Director


.....
Syed Abdul Muntakim
Director

BRAC MAENDELEO TANZANIA

STATEMENT OF GOVERNING COUNCIL'S RESPONSIBILITY FOR THE YEAR ENDED 31 DECEMBER 2021

The members of the Governing Council are responsible for the preparation financial statements that give a true and fair view of BRAC Maendeleo Tanzania comprising the statement of financial position as at 31 December 2021, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information, in accordance with International Financial Reporting Standards and in the manner required by the Non-governmental organisations Act, 2002.

The members of the Governing Council are also responsible for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.


The members of the Governing Council have made an assessment of the ability of the organization to continue as going concern and have no reason to believe that the business will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the financial statements give a true and fair view in accordance with the applicable financial reporting framework.

Approval of financial statements

The financial statements of BRAC Maendeleo Tanzania, as identified in the first paragraph, were approved by the members of the Governing Council on 13 April 2022 and signed by:


.....
Susan Bipa
Country Director


.....
Syed Abdul Muntakim
Director

BRAC MAENDELEO TANZANIA

**DECLARATION OF HEAD OF FINANCE
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

It is the duty of a Professional Accountant to assist the Board of Directors/Governing Body/Management to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors/Governing Body as under Directors Responsibility statement on an earlier page.

I THASIT NDILATOMBA being the Head of Finance of BRAC Maendeleo Tanzania hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2021, have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements of BRAC Maendeleo Tanzania comply with applicable accounting standards and statutory requirements as on that date and that they have been prepared based on properly maintained financial records.

Signed by: 

Position: Head of Finance

NBAA Membership No. ACPA 02477

Date: 13/04/2022



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOVERNING COUNCIL OF BRAC MAENDELEO TANZANIA

Opinion

We have audited the financial statements of BRAC Maendeleo Tanzania ("the Organization"), set out on pages 15 to 36, which comprise the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and statement cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Brac Maendeleo Tanzania ("the Organisation") as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Other Matter

We draw attention to the fact that the supplementary information (memorandum figures) presented in United States Dollars (USD) and segmental information presented as appendices do not form part of the audited financial statements. We have not audited this supplementary information and, accordingly, we do not express an opinion on this supplementary information.

Other Information

The Governing Council is responsible for the other information. The other information comprises the information included in the *Brac Maendeleo Tanzania Report and Financial Statements for the year ended 31 December 2021*, 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Governing Council

The Governing Council is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs and in the manner required by the Companies Act, 2002, and for such internal control as the Governing Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GOVERNING COUNCIL OF BRAC MAENDELEO TANZANIA (CONTINUED)**

Responsibilities of the Governing Council (Continued)

In preparing the financial statements, the Governing Council is 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 Governing Council either intend to liquidate the Organization or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 judgment and maintain professional skepticism 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Organization'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 Organization 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 governing council 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.

KPMG
Certified Public Accountants (T)


Signed by: CPA Vincent Onjala (TACPA 2722)
Dar es Salaam

...14 April 2022

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

| | | 2021 | Memo 2021 | 2020 | Memo 2020 |
|---|-------|--------------------|--------------------|--------------------|--------------------|
| | Notes | TZS '000 | USD | TZS '000 | USD |
| Income | | | | | |
| Grant income utilised | 6(a) | 4,184,986 | 1,805,203 | 3,434,729 | 1,481,418 |
| Other income | 7 | 214,900 | 92,697 | 94,280 | 40,663 |
| Total operating income | | 4,399,886 | 1,897,900 | 3,529,009 | 1,522,081 |
| Expenditure | | | | | |
| Staff costs | 8 | (1,239,416) | (534,625) | (1,940,937) | (837,137) |
| Travelling and transportation expenses | | (414,972) | (178,999) | (273,156) | (117,814) |
| Training, workshop and seminar expenses | | (595,430) | (256,840) | (305,237) | (131,651) |
| Occupancy expenses | 9 | (60,689) | (26,177) | (140,848) | (60,748) |
| Other operating expenses | 10 | (1,574,010) | (678,953) | (1,300,015) | (560,703) |
| Depreciation charge | 14 | (83,458) | (36,000) | (53,203) | (22,947) |
| Total expenditure | | (3,967,975) | (1,711,594) | (4,013,396) | (1,731,000) |
| Surplus/(Deficit) before taxation | | 431,911 | 186,306 | (484,387) | (208,919) |
| Tax charge | 11(a) | (321) | (139) | (3,645) | (1,572) |
| Surplus/(Deficit) for the year | | 431,590 | 186,167 | (488,032) | (210,491) |
| Other comprehensive loss | | | | | |
| Foreign currency translation reserve | | - | (764) | - | 648 |
| Total comprehensive income/(loss) for the year | | 431,590 | 185,403 | (488,032) | (209,843) |

Notes and related statements forming part of the financial statements appear on pages 19 to 36

Report of the auditor is on Page 13 – 14.

BRAC MAENDELEO TANZANIA


STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

| | | 2021 | Memo 2021 | 2020 | Memo 2020 |
|--|-------|------------------|-----------------|------------------|------------------|
| | Notes | TZS '000 | USD | TZS '000 | USD |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property and equipment | 14 | 107,477 | 46,567 | 74,143 | 31,937 |
| Deferred tax asset | 15 | 62,195 | 26,791 | 61,802 | 26,622 |
| | | <u>169,672</u> | <u>73,358</u> | <u>135,945</u> | <u>58,559</u> |
| Current assets | | | | | |
| Cash and bank balances | 12 | 1,737,888 | 752,984 | 2,025,976 | 872,701 |
| Other assets | 13 | 13,798 | 5,979 | 9,366 | 4,035 |
| | | <u>1,751,686</u> | <u>758,963</u> | <u>2,035,342</u> | <u>876,736</u> |
| Total assets | | <u>1,921,358</u> | <u>832,321</u> | <u>2,171,287</u> | <u>935,295</u> |
| LIABILITIES AND CAPITAL FUND | | | | | |
| Liabilities | | | | | |
| Other liabilities | 16 | 217,609 | 94,285 | 219,649 | 94,615 |
| Due to related parties | 17(a) | 917,063 | 397,341 | 1,035,437 | 446,021 |
| Deferred grants | 6(a) | 923,907 | 400,306 | 1,485,726 | 639,985 |
| Corporate tax payable | 11(b) | 1,925 | 834 | 1,211 | 522 |
| Total liabilities | | <u>2,060,504</u> | <u>892,766</u> | <u>2,742,023</u> | <u>1,181,143</u> |
| Capital Fund | | | | | |
| Accumulated deficit | | (139,146) | (59,681) | (570,736) | (246,496) |
| Foreign currency translation reserve | | - | (764) | - | 648 |
| Total capital deficit | | <u>(139,146)</u> | <u>(60,445)</u> | <u>(570,736)</u> | <u>(245,848)</u> |
| Total liabilities and capital deficit | | <u>1,921,358</u> | <u>832,321</u> | <u>2,171,287</u> | <u>935,295</u> |

The financial statements on pages 15 to 36 were approved for issue by the members of the Governing Council on 13/04/2022 and signed by:



Syed Abdul Muntakim
Director



Susan Bipa
Country Director

Notes and related statements forming part of the financial statements appear on pages 19 to 36 .
Report of the auditor is on pages 13 -14.

BRAC MAENDELEO TANZANIA

**STATEMENT OF CHANGE IN CAPITAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2021**

| | Accumulated losses TZS'000 | Memo Total USD |
|---------------------------------------|----------------------------------|----------------------|
| Balance at 1 January 2021 | (570,736) | (245,848) |
| Deficit/Surplus for the year | 431,590 | 186,167 |
| Foreign exchange translation reserve | - | (764) |
| Balance as at 31 December 2021 | <u>(139,146)</u> | <u>(60,445)</u> |
| Balance at 1 January 2020 | (82,704) | (36,005) |
| Deficit/Surplus for the year | (488,032) | (210,491) |
| Foreign exchange translation reserve | - | 648 |
| Balance as at 31 December 2020 | <u>(570,736)</u> | <u>(245,848)</u> |

Notes and related statements forming part of the financial statements appear on pages 19 to 36.
Report of the auditor is on pages 13 – 14.

BRAC MAENDELEO TANZANIA

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

| | | | Memo | | Memo |
|---|-------|------------------|------------------|------------------|------------------|
| | Note | 2021 TZS '000 | 2021 USD | 2020 TZS '000 | 2020 USD |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Surplus/(deficit) before tax | | 431,911 | 186,306 | (484,387) | (208,919) |
| Adjustment for non-cash items: | | | | | |
| Depreciation charge | 14 | 83,458 | 36,000 | 53,203 | 22,947 |
| Loss on disposal | | 9,201 | 4,389 | - | - |
| | | <u>524,570</u> | <u>226,695</u> | <u>(431,184)</u> | <u>(185,972)</u> |
| Changes in: | | | | | |
| Other assets and related party receivables | 13 | (4,432) | (1,944) | (2,019) | (871) |
| Other liabilities | 16 | (2,040) | (330) | 193,373 | 104,441 |
| Related party payables | 17(a) | (118,374) | (48,680) | 292,996 | 105,333 |
| Cash generated from operating activities | | <u>399,724</u> | <u>175,741</u> | <u>53,166</u> | <u>22,931</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Acquisition of property and equipment | 14 | (125,993) | (54,348) | (26,264) | (11,328) |
| Cash utilised in investing activities | | <u>(125,993)</u> | <u>(54,348)</u> | <u>(26,264)</u> | <u>(11,328)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | |
| Movement in deferred grants | 6(a) | (561,819) | (239,679) | 187,830 | 74,946 |
| Cash (utilised in)/generated from financing activities | | <u>(561,819)</u> | <u>(239,679)</u> | <u>187,830</u> | <u>74,946</u> |
| Net (decrease)/increase in cash and cash equivalents | | <u>(288,088)</u> | <u>(118,286)</u> | <u>214,732</u> | <u>86,549</u> |
| Cash and cash equivalents at the beginning of the year | | 2,025,976 | 872,701 | 1,811,244 | 788,526 |
| Foreign exchange translation reserve | | - | (1,431) | - | (2,374) |
| Cash and cash equivalents at the end of the year | 12 | <u>1,737,888</u> | <u>752,984</u> | <u>2,025,976</u> | <u>872,701</u> |

Notes and related statements forming part of the financial statements appear on pages 19 to 36.
Report of the auditor is on pages 13 – 14.

BRAC MAENDELEO TANZANIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 REPORTING ENTITY

BRAC Maendeleo Tanzania ("the Organisation") was incorporated as an Organization limited by guarantee on 13 December 2011. The Organization obtained the status of Non-Governmental Organisation (NGO) on 13 November 2013.

2 BASIS OF PREPARATION

(a) Statement of compliance

These financial statements for the year ended 31 December 2021 have been prepared in accordance with International Financial Reporting Standards (IFRs). Additional information required by the regulatory bodies is included where appropriate. Details of the Organisation's accounting policies are included in Note 3.

(b) Basis of measurement

These financial statements have been prepared under the historical cost basis of accounting except for the financial assets classified as Fair Value Through Profit or Loss (FVTPL) and Fair Value through Other Comprehensive Income (FVOCI).

(c) Functional and presentation currency

The financial statements are presented in thousands of Tanzanian Shillings (TZS'000), which is the Organisation's functional currency.

Memorandum figures

The Memorandum column representing the results in United States Dollars (USD) are for presentation purposes only, and do not form part of the audited financial statements. The exchange rates used to translate the TZS figures to USD Memorandum were as follows:

- Assets and liabilities for each statement of financial position were translated at the closing rate at 31 December 2021 of TZS 2,308 (2020: TZS 2,321.50) to USD 1
- Income and expenses were translated using an average exchange rate for the period up to 31 December 2021 of TZS 2,318.29 (2020: TZS 2,318.54) to USD 1;
- All resulting exchange differences are being recognised in other comprehensive income.

(d) Use of estimates and judgements

In preparing these financial statements, management has made judgements and estimates that affect the application of the Organisation's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The COVID-19 pandemic has had a devastating impact on the global economy and has resulted in significant changes to government actions, economic and market drivers as well as consumer behaviour. Effects of the pandemic have not had a significant impact on the estimates and judgements applied by management. However, due to the uncertainty, There remains a risk that future performance and actual results may differ from the judgements and assumptions used.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in Note 5.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 31 December 2021 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is also included in Note 5.

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

3 SIGNIFICANT ACCOUNTING POLICIES

(a) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the operation at the spot exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into the functional currency at the spot exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the spot exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments which is recognised directly in equity.

(b) Grants

(i) Deferred grants

All grants received are initially recognised as deferred revenue grants at fair value and recorded as liabilities in the Grant Received in Advance for the period.

The portion of the grants that are utilised to purchase property and fixed assets are transferred as deferred income in liabilities and subsequently release to income to match the depreciation for the period and amortisation of the fixed assets as charged to statement of profit or loss and other comprehensive income.

Grants utilised to reimburse program related expenditure are recognised as grant income for the year.

Donor grants received in kind, through the provision of gifts and/or services, are recorded at fair value (excluding situations when the Organisation may receive emergency supplies for onward distribution in the event of a disaster which are not recorded as grants).

Grant income classified as temporarily restricted or unrestricted depending upon the existence of donor imposed restrictions. For completed or phased out projects and programs, any unutilised amounts are dealt with in accordance with consequent donor and management agreements.

For ongoing projects and programs, any expenditures yet to be funded but for which funding has been agreed at the end of the reporting is recognised as revenue grants receivable. For expenditure incurred on projects yet to be funded and no funding has been agreed are reported as BRAC contribution from BRAC International.

(ii) Grant income

Grant income is recognised on a cash basis to the extent that the Organisation fulfils the conditions of the grant. This income is transferred from the deferred grant received from donors and recognised as income in the statement of profit or loss and other comprehensive income. A substantial portion of the Organisation's donor grants are for funding of 'Not-for-Profit' projects and programs, and for these grant, income recognised is matched to the extent of actual expenditures incurred on projects and programs for the period. For donor grants restricted to funding procurement of fixed assets, the grant income is recognised as the amount equivalent to depreciation expenses charged on the fixed assets.

(c) Leases

The Organisation has elected not to recognise right-of-use assets and lease liabilities for its leases because of the below reasons;

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

3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Lease payments made (Continued)

- The leases are of low value and hence considered as insignificant
- The leased premises (offices) are shared with a related entity Brac Finance Tanzania Limited and a substantial area of the premises are occupied by BRAC Finance Tanzania Limited, which has adopted the standard in their financial statement

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

(d) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity.

The Organization has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Organization is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

(e) Financial instruments

(i) Recognition and initial measurement

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Organisation becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

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

3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Financial instruments (Continued)

(ii) Classification and subsequent measurement

The Organisation classifies its financial assets and liabilities into the following categories: financial assets at amortised cost; cash and cash equivalent and trade and other payables. Management determines the classification of its investments at initial recognition by performing an assessment of the objective of the business model in which a financial instrument is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Cash and cash equivalent

Cash and cash equivalents include notes and coins on hand, balance in banks and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Organisation in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

Financial assets at amortised cost

Financial assets at amortised cost are financial assets with fixed or determinable payments that are not quoted in an active market. These are initially recognized at fair value which is the cash consideration to originate or purchase the loan including any transaction costs and measured subsequently at amortised cost using the effective interest rate method, less any impairment losses. The financial assets comprise other receivables/asset and amount due from related parties.

Trade and other payables

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method. Trade and other payables comprise other liabilities, due from related parties and deferred grant income.

(iii) De-recognition

The Organisation derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Any interest in transferred financial assets that is created or retained by the Organisation is recognised as a separate asset or liability. The Organisation derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Organisation enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised from the statement of financial position. Transfers of assets with retention of all or substantially all risks and rewards include, for example, securities lending and repurchase transactions.

In transactions in which the Organisation neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset, it derecognises the asset if it does not retain control over the asset. The rights and obligations retained in the transfer are recognised separately as assets and liabilities as appropriate. In transfers in which control over the asset is retained, Organisation continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

The Organisation derecognises a financial liability when its contractual obligations are discharged or cancelled or expire with the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) recognised in profit or loss.

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

3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Financial instruments (Continued)

(iv) Offsetting

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the organisation has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions such as in the BRAC Maendeleo Tanzania's trading activity.

(v) Amortised cost measurement

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

(vi) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Organisation has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Organisation measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Organisation uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Organisation determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Organisation measures assets and long positions at a bid price and liabilities and short positions at an ask price.

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Organisation on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for a particular risk exposure. Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The Organisation recognizes transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Property and equipment

(i) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

(ii) Subsequent costs

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

(iii) Depreciation

Depreciation is recognised in statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property and equipment.

The estimated useful lives are as stated:

| | |
|------------------------|--------|
| Furniture & fixtures | 10% |
| Computer & peripherals | 33.33% |
| Equipment | 20% |
| Vehicles | 20% |
| Bicycles | 20% |
| Motor cycles | 20% |
| Building | 5% |

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

For assets purchased using grants, depreciation is amortised from deferred income to the statement of profit or loss and other comprehensive income.

(g) Impairment of non-financial assets

The carrying amounts of the Organisation's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in statement of profit or loss and other comprehensive income.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Provisions

A provision is recognised if, as a result of a past event, the Organisation 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. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(i) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in statement of profit or loss and other comprehensive income when they are due.

(ii) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus if the Organisation has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(j) New standards, amendments and interpretations

New and revised standards effective for financial periods from 1 January 2021

- a) COVID-19-Related Rent Concessions (Amendment to IFRS 16).*
- b) Interest Rate Benchmark Reform — Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16).*

The above standards did not have a material impact in the financial statements of the organisation.

Standards and amendments in issue but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted; however, the organisation has not early adopted the new and amended standards in preparing these financial statements.

| New standards or amendments | Effective for annual period beginning or after |
|---|---|
| Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37) | 1 January 2022 |
| Annual Improvements to IFRS Standards 2018-2020 | 1 January 2022 |
| Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) | 1 January 2022 |
| Reference to the Conceptual Framework (Amendments to IFRS 3) | 1 January 2022 |
| Classification of Liabilities as Current or Non-current (Amendments IAS 1) | 1 January 2022 |
| IFRS 17 Insurance contracts | 1 January 2023 |
| Amendments to IFRS 17 | 1 January 2023 |
| Sale or Contribution of Assets between an Investor and its Associate or Company (Amendments to IFRS 10 and IAS 28). | To be determined |

The above standards are not expected to have a significant impact on the organisation's financial statements. All standards and interpretations will be adopted at their effective date (except for those standards and interpretations that are not applicable to the entity).

BRAC MAENDELEO TANZANIA**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)****3. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(k) Classes of financial instruments**

The Organisation classifies the financial instruments into classes that reflects nature of information and take into account the characteristics of those financial instruments:

| Items on the statement of financial position | Class |
|---|-----------------------------|
| Cash and cash equivalents | Amortised cost |
| Other assets | Amortised cost |
| Other payables | Other financial liabilities |
| Due to related parties | Other financial liabilities |
| Deferred grants | Other financial liabilities |

4. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

BRAC Maendeleo Tanzania has exposure to the following risks from its use of financial instruments:

- (a) Credit risk;
- (b) Liquidity risk;
- (c) Market risk; and
- (d) Operational risk

This Note presents information about the Organisation's exposure to each of the above risks, its objectives, policies and processes for measuring and managing the risks.

During the COVID-19 pandemic, the organisation did not experience cash flow challenges arising from disruptions to its operations or higher operating costs. There has not been a significant change in the interest rate risk exposures, market or credit risk as a result of the COVID-19 pandemic.

(a) Credit risk

Credit risk is the risk of financial loss to the Organisation if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Organisation's cash and bank balances.

The following table summarises the carrying amounts of financial assets – similar to their fair values at the reporting date and showing maximum exposure to credit risk, if different from carrying amount.

| | | 2021 | | 2020 |
|------------------------|------------------------------------|--------------------------------|------------------------------------|--------------------------------|
| | | TZS'000 | | TZS'000 |
| | Trade and other receivables | Exposure to credit risk | Trade and other receivables | Exposure to credit risk |
| Cash and bank balances | 1,737,888 | 1,737,888 | 2,025,976 | 872,701 |

(b) Liquidity risk

Liquidity risk is the risk that the Organisation will encounter difficulty in meeting obligations from its financial liabilities.

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

4. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Continued)

(b) Liquidity risk (continued)

Management of liquidity risk

The Organisation's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Organisation's reputation. Residual contractual maturities of financial liabilities.

| | Carrying amount | Contractual cash flows | Within 1 year |
|--|--------------------|---------------------------|------------------|
| 31 December 2021 | TZS'000 | TZS'000 | TZS'000 |
| Other liabilities (excluding tax liabilities)* | 44,609 | 44,609 | 44,609 |
| Due to related parties | 917,063 | 917,063 | 917,063 |
| Deferred grants (excluding investment in fixed assets)** | 917,277 | 917,277 | 917,277 |
| Total Liabilities | 1,878,949 | 1,878,949 | 1,878,949 |
| 31 December 2020 | | | |
| Other liabilities (excluding tax liabilities)* | 46,469 | 46,469 | 46,469 |
| Due to related parties | 1,035,437 | 1,035,437 | 1,035,437 |
| Deferred grants (excluding investment in fixed assets)** | 1,474,594 | 1,474,594 | 1,474,594 |
| Total Liabilities | 2,556,500 | 2,556,500 | 2,556,500 |

The previous table shows the undiscounted cash flows on the Organisation's financial liabilities and on the basis of their earliest possible contractual maturity.

*Tax liabilities amounting to TZS 173 million (2020: 173 million) have been excluded from financial liabilities because they are not financial instruments.

** Donor funds invested in fixed assets amounting to TZS 6.6 million (2020: TZS 11.1 million) have been excluded from financial liabilities because they are not financial instruments.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates etc. will affect Organisation's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Organisation is exposed to currency risk on transactions and balances that are denominated in a currency other than the respective functional currency of the Organisation, the Tanzanian Shilling (TZS). The currencies in which these transactions primarily are denominated are US Dollars (USD).

The Organisation's strategy for managing its foreign currency exposure is through transacting mainly using its functional currency.

As at 31 December 2021 the organisation did not financial assets denominated in foreign currency (2020: Nil).

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

4. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Continued)

(c) Market risk (continued)

Currency risk (continued)

The table below summarises the exposure to foreign currency exchange rate risk at 31 December 2021.

| 31 December 2021 | TZS'000 | Memo USD |
|---|------------------|---------------------|
| Financial liabilities | | |
| Due to related parties | 768,439 | 332,946 |
| Deferred grants (excluding investment in fixed assets) Note 6 (a) | 917,277 | 397,434 |
| Total liabilities | 1,685,716 | 730,380 |
| 31 December 2020 | TZS'000 | Memo USD |
| Financial liabilities | | |
| Due to related parties | 528,324 | 227,579 |
| Deferred grants (excluding investment in fixed assets) Note 6(a) | 1,474,594 | 635,190 |
| Total liabilities | 2,002,918 | 862,769 |

Analysis of the Organisation's sensitivity to changes in market interest and exchange rate

Sensitivity analysis

The rate of exchange as at 31 December 2021 is USD 1 = TZS 2,308 strengthening of USD against TZS by 10% means that the rate of exchange will move to USD 1 = TZS 2,538.80

The rate of exchange as at 31 December 2020 was USD 1 = TZS 2,321.50, strengthening of USD against TZS by 10% means that the rate of exchange would have moved to USD 1 = TZS 2,553.65 The movement in exchange is not expected to have significant impact on the profit or loss as most the transactions and commitments are in local currency.

(d) **Operational risk**

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Organisation's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Organisation's operations and are faced by all business entities.

The Organisation's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Organisation's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity. The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Organisation standards for the management of operational risk in the following areas:

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

4. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Continued)

(d) Operational risk (continued)

- requirements for appropriate segregation of duties, including the independent authorisation of transactions;
- requirements for the reconciliation and monitoring of transactions;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- requirements for the reporting of operational losses and proposed remedial action;
- training and professional development;
- risk mitigation, including insurance where this is effective;
- development of contingency plans and
- compliance with regulatory and other legal requirements;

Compliance with Organisation standards is supported by a programme of periodic reviews undertaken by Internal Audit. The results of the Internal Audit reviews are discussed with the management of the business unit to which they relate and Country Representative.

5. USE OF ESTIMATES AND JUDGEMENTS

Management discussed the development, selection and disclosure of the Organisation's critical accounting policies and estimates, and the application of these policies and estimates. These disclosures supplement the commentary on financial risk management (see Note 4).

Key sources of estimation uncertainty

(a) Fair values of financial instruments

The fair value of financial instruments where no active market exists or where quoted prices are not otherwise available are determined by using valuation techniques. In these cases, the fair values are estimated from observable data in respect of similar financial instruments or using models. Where market observable inputs are not available, they are estimated based on appropriate assumptions. Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of those that sourced them. To the extent practical, models use only observable data; however, areas such as credit risk (both own credit risk and counterparty risk), volatilities and correlations require management to make estimates. The Organisation measures fair values using the fair value hierarchy which reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The following table sets out the fair values of financial instruments not measured at fair value and analyses them by the level in the fair value hierarchy into which each fair value measurement is categorised. The carrying amounts are an approximate of the fair values because they are short term in nature.

BRAC MAENDELEO TANZANIA

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

5. USE OF ESTIMATES AND JUDGEMENTS (Continued)

Key sources of estimation uncertainty (continued)

(a) Fair values of financial instruments (Continued)

| 31 December 2021 | TZS'000 | Memo USD |
|---|-------------------------|-----------------------|
| Financial assets | | |
| Cash and bank balances | <u>1,737,888</u> | <u>752,984</u> |
| Total financial assets | <u>1,737,888</u> | <u>752,984</u> |
| Financial liabilities | | |
| Other liabilities (excluding tax liabilities) | 44,609 | 19,328 |
| Due to related parties | 917,063 | 397,341 |
| Deferred grants (excluding investment in fixed assets) Note 6 (a) | <u>917,277</u> | <u>397,434</u> |
| Total financial liabilities | <u>1,878,949</u> | <u>814,103</u> |

| 31 December 2020 | TZS'000 | Memo USD |
|---|-------------------------|-------------------------|
| Financial assets | | |
| Cash and bank balances | <u>2,025,976</u> | <u>872,701</u> |
| Total financial assets | <u>2,025,976</u> | <u>872,701</u> |
| Financial liabilities | | |
| Other liabilities (excluding tax liabilities) | 46,469 | 20,017 |
| Due to related parties | 1,035,437 | 446,021 |
| Deferred grants (excluding investment in fixed assets) Note 6 (a) | <u>1,474,594</u> | <u>635,190</u> |
| Total financial liabilities | <u>2,556,500</u> | <u>1,101,228</u> |

(b) Property and equipment, leased premises and intangible assets

Critical estimates are made by the members of the Governing Council in determining the useful lives of property and equipment, leased premises refurbishment and intangible assets as well as their residual values.

(c) Taxes

The Organisation is subjected to several taxes and levies by the government and quasi-government regulatory bodies. As a rule of thumb, the Organisation recognizes liabilities for the anticipated tax/levies payable with utmost care and diligence. However, significant judgement is usually required in the interpretation and applicability of those taxes /levies. Should it come to the attention of management, in one way or the other, that the initially recorded liability was erroneous, such differences will impact on the income and liabilities in the period in which such differences are determined.

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

6. DEFERRED GRANTS

a) Composition of deferred grants is as follows:

| | 2021 TZS'000 | Memo 2021 USD | 2020 TZS'000 | Memo 2020 USD |
|---|------------------|---------------------|------------------|---------------------|
| Deferred revenue grants | 917,277 | 397,434 | 1,474,594 | 635,190 |
| Donor fund invested in fixed asset [Note 18] | 6,630 | 2,872 | 11,132 | 4,795 |
| | 923,907 | 400,306 | 1,485,726 | 639,985 |
| Deferred revenue grants movement | | | | |
| Balance as at 1 January | 1,474,593 | 635,190 | 1,257,324 | 563,615 |
| Grant received during the year [Note 6(b)] | 3,544,212 | 1,527,821 | 3,598,796 | 1,553,470 |
| Grant income utilised | (4,101,528) | (1,769,203) | (3,381,526) | (1,458,471) |
| Foreign exchange translation reserve | - | 3,626 | - | (23,424) |
| Balance as at 31 December 2021 | 917,277 | 397,434 | 1,474,594 | 635,190 |
| Grant income utilized | | | | |
| Deferred revenue utilised | 4,101,528 | 1,769,203 | 3,381,526 | 1,458,471 |
| Amortization donor funds invested in fixed assets [Note 18] | 83,458 | 36,000 | 53,203 | 22,947 |
| Total grants utilised | 4,184,986 | 1,805,203 | 3,434,729 | 1,481,418 |

| | 2021 TZS'000 | Memo 2021 USD | 2020 TZS'000 | Memo 2020 USD |
|--|------------------|---------------------|------------------|---------------------|
| b) Grant received during the year | | | | |
| Norwegian Government-EELAY | 422,633 | 181,934 | 707,279 | 306,698 |
| Women win- ELA | - | - | 208,768 | 90,000 |
| ELA -TIE OFF | - | - | 512,933 | 221,647 |
| Their World- ELA | - | - | 22,056 | 9,499 |
| WE SOLVE NMF | 324,362 | 139,631 | 85,120 | 36,880 |
| VITOL | - | - | 23,313 | 10,040 |
| IDRC (Research) | 267,136 | 114,996 | - | - |
| SDP | - | - | 275,187 | 119,907 |
| ECD COVID 19 RESPONSE | - | - | 898,125 | 385,379 |
| YIDAN | 490,134 | 210,992 | 502,016 | 216,200 |
| SCDP | 346,944 | 149,503 | 234,171 | 100,871 |
| Gender Transformation | - | - | 129,828 | 56,349 |
| ECD COVID 19 New(Stepping Up) | 570,143 | 246,442 | - | - |
| Womenwin/ Pamoja Tuwavushe | 315,318 | 136,045 | - | - |
| ELA GOAL | 69,690 | 30,000 | - | - |
| ELA Theirworld New | 364,370 | 157,497 | - | - |
| J-PAL PPE Initiative Round 14 | 269,733 | 116,114 | - | - |
| BRAC UK/ DIG | 45,782 | 19,708 | - | - |
| IERC/Life with Corona | 57,967 | 24,959 | - | - |
| | 3,544,212 | 1,527,821 | 3,598,796 | 1,553,470 |

BRAC MAENDELEO TANZANIA

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

7. OTHER INCOME

| | | | | |
|-----------------------|----------------|---------------|---------------|---------------|
| Training | 220,427 | 95,082 | 72,859 | 31,424 |
| Foreign currency gain | (5,527) | (2,385) | 21,421 | 9,239 |
| | <u>214,900</u> | <u>92,697</u> | <u>94,280</u> | <u>40,663</u> |

8. STAFF COSTS

| | | | | |
|------------|------------------|----------------|------------------|----------------|
| Salaries | 1,119,683 | 482,978 | 1,644,815 | 709,418 |
| Bonus | 63,472 | 27,379 | 25,145 | 10,845 |
| Honorarium | 56,261 | 24,268 | 270,977 | 116,874 |
| | <u>1,239,416</u> | <u>534,625</u> | <u>1,940,937</u> | <u>837,137</u> |

9. OCCUPANCY EXPENSES

| | | | | |
|-----------|---------------|---------------|----------------|---------------|
| Rent | 49,268 | 21,252 | 131,704 | 56,805 |
| Utilities | 11,421 | 4,925 | 9,144 | 3,943 |
| | <u>60,689</u> | <u>26,177</u> | <u>140,848</u> | <u>60,748</u> |

10. OTHER OPERATING EXPENSES

| | 2021 | Memo | 2020 | Memo |
|--------------------------------------|------------------|----------------|------------------|----------------|
| | TZS'000 | 2021 | TZS'000 | 2020 |
| | | USD | | USD |
| Maintenance and general expenses | 74,123 | 31,973 | 133,693 | 57,662 |
| ECD Covid 19 | 244,439 | 105,439 | 569,023 | 245,423 |
| Audit fees | 86,995 | 37,525 | 76,311 | 32,913 |
| Program supplies | 394,044 | 169,972 | 279,473 | 120,538 |
| Research cost | 100,878 | 43,514 | 25,624 | 11,052 |
| Printing and stationery | 48,168 | 20,778 | 32,374 | 13,963 |
| Survey Cost | 22,392 | 9,659 | 200 | 86 |
| Software Maintenance | 72,794 | 31,400 | 3,481 | 1,501 |
| HO logistics and management expenses | 184,103 | 79,413 | 155,200 | 66,938 |
| Construction Materials | 258,191 | 111,371 | | |
| Professional & Consultancy Fees | 66,515 | 28,692 | | |
| Other expenses | 21,368 | 9,217 | 24,636 | 10,627 |
| | <u>1,574,010</u> | <u>678,953</u> | <u>1,300,015</u> | <u>560,703</u> |

BRAC MAENDELEO TANZANIA

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

11. TAXATION

a) Tax expense

| | | | | |
|--------------------------------------|------------|------------|--------------|--------------|
| Corporation tax –charge for the year | 714 | 308 | - | - |
| Deferred tax charge | (393) | (169) | 3,645 | 1,572 |
| | <u>321</u> | <u>139</u> | <u>3,645</u> | <u>1,572</u> |

b) Tax payable

| | | | | |
|-------------------------------|--------------|------------|--------------|------------|
| Balance at 1 January | 1,211 | 522 | 1,211 | 527 |
| Charge for the period | 714 | 308 | - | - |
| Tax paid | - | - | - | - |
| Foreign translation reserve | - | 4 | - | (5) |
| Balance at 31 December | <u>1,925</u> | <u>834</u> | <u>1,211</u> | <u>522</u> |

The members of the Governing Council believe that the Organisation provides charitable and welfare activities on a non-profit basis hence any surplus generated is not subject to corporation tax upon obtaining charitable status. However, the Organisation has not yet obtained the corporation tax exemption status from the Tanzania Revenue Authority (TRA).

12. CASH AND BANK BALANCES

| | 2021 TZS'000 | Memo 2021 USD | 2020 TZS'000 | Memo 2020 USD |
|--------------|------------------|---------------------|------------------|---------------------|
| Cash at bank | <u>1,737,888</u> | <u>752,984</u> | <u>2,025,976</u> | <u>872,701</u> |

13. OTHER ASSETS

| | | | | |
|--------------------------|---------------|--------------|--------------|--------------|
| Advances and prepayments | <u>13,798</u> | <u>5,979</u> | <u>9,366</u> | <u>4,035</u> |
|--------------------------|---------------|--------------|--------------|--------------|

BRAC MAENDELEO TANZANIA

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

14. PROPERTY AND EQUIPMENT

| | Furniture & fixtures TZS'000 | Equipment TZS'000 | Motor vehicle TZS'000 | Building TZS'000 | Total TZS'000 | Memo Total USD |
|---------------------------------|------------------------------------|----------------------|-----------------------------|---------------------|------------------|----------------------|
| Cost | | | | | | |
| At 1 January 2021 | 53,483 | 86,698 | 130,904 | - | 271,085 | 116,772 |
| Additions | 35,340 | 66,212 | - | 24,441 | 125,993 | 54,348 |
| Disposal | (18,611) | (20,149) | (70) | - | (38,830) | (18,436) |
| Translation reserve | - | - | - | - | - | 833 |
| At 31 December 2021 | 70,212 | 132,761 | 130,834 | 24,441 | 358,248 | 153,517 |
| Accumulated depreciation | | | | | | |
| At 1 January 2021 | 37,423 | 68,092 | 91,427 | - | 196,942 | 84,834 |
| Charge for the year | 39,069 | 17,852 | 26,334 | 203 | 83,458 | 36,000 |
| Disposal | (18,611) | (10,948) | (70) | - | (29,629) | (14,067) |
| Translation reserve | - | - | - | - | - | 183 |
| At 31 December 2021 | 57,881 | 74,996 | 117,691 | 203 | 250,771 | 106,950 |
| Net book value | | | | | | |
| At 31 December 2021 | 12,331 | 57,765 | 13,143 | 24,238 | 107,477 | 46,567 |
| Cost | | | | | | |
| At 1 January 2020 | 53,029 | 60,888 | 130,904 | - | 244,821 | 106,584 |
| Additions | 454 | 25,810 | - | - | 26,264 | 11,328 |
| Translation reserve | - | - | - | - | - | (1,140) |
| At 31 December 2020 | 53,483 | 86,698 | 130,904 | - | 271,085 | 116,772 |
| Accumulated depreciation | | | | | | |
| At 1 January 2020 | 32,075 | 46,418 | 65,246 | - | 143,739 | 62,577 |
| Charge for the year | 5,348 | 21,674 | 26,181 | - | 53,203 | 22,947 |
| Translation reserve | - | - | - | - | - | (689) |
| At 31 December 2020 | 37,423 | 68,092 | 91,427 | - | 196,942 | 84,835 |
| Net book value | | | | | | |
| At 31 December 2020 | 16,060 | 18,606 | 39,477 | - | 74,143 | 31,937 |

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

15. DEFERRED TAX ASSET

The movement in the deferred tax asset during the year is as follows:

| | 2021 TZS'000 | Memo 2021 USD | 2020 TZS'000 | Memo 2020 USD |
|------------------------------|-----------------|---------------------|-----------------|---------------------|
| At 1 January | (61,802) | (26,622) | (65,447) | (28,492) |
| Charge for the year | (393) | (169) | 3,645 | 1,572 |
| Foreign exchange translation | - | - | - | 298 |
| At 31 December | (62,195) | (26,791) | (61,802) | (26,622) |

Deferred tax asset arises from temporary-differences on the following items:

| | | | | |
|-----------------------------------|-----------------|-----------------|------------------|-----------------|
| Capital allowances | (62,195) | (26,792) | (61,802) | (26,622) |
| Carried forward losses | - | - | (141,507) | (60,955) |
| Total deferred tax asset | (62,195) | (26,792) | (203,309) | (87,577) |
| Deferred tax asset not recognized | - | - | 141,507 | 60,955 |
| Deferred tax recognized | (62,195) | (26,792) | (61,802) | (26,622) |

The members of the Governing Council believes that the Organisation provides charitable and welfare activities on a non-profit basis hence any surplus generated is not subject to corporation tax upon obtaining charitable status. However, the Organisation has not yet obtained the corporation tax exemption status from the Tanzania Revenue Authority (TRA).

The entity has not recognized deferred tax asset arising from carried forward losses it does not expect future taxable profit from which carried forward losses can be utilized.

16. OTHER LIABILITIES

| | 2021 TZS'000 | Memo 2021 USD | 2020 TZS'000 | Memo 2020 USD |
|----------------|-----------------|---------------------|-----------------|---------------------|
| Other payables | 217,609 | 94,285 | 219,649 | 94,615 |
| | <u>217,609</u> | <u>94,285</u> | <u>219,649</u> | <u>94,615</u> |

Included in other payables are audit fee amounting to TZS 36 million (2020: TZS 25 million), provision for assessed tax payable TZS 173 million (2020: TZS 173 million), Provision for self-insurance Nil (2020: TZS 11 million) and other accruals TZS 9 million (2020: TZS 10 million)

17. RELATED PARTIES

| | 2021 TZS'000 | Memo 2021 USD | 2020 TZS'000 | Memo 2020 USD |
|--|-----------------|---------------------|------------------|---------------------|
| (a) Balances due to related parties | | | | |
| Stichting BRAC International- HO Logistics | 698,540 | 302,661 | 528,324 | 227,579 |
| BRAC IT Services | 69,899 | 30,285 | - | - |
| Payable to Brac Tanzania Finance Limited | 148,624 | 64,395 | 507,113 | 218,442 |
| | <u>917,063</u> | <u>397,341</u> | <u>1,035,437</u> | <u>446,021</u> |

BRAC MAENDELEO TANZANIA

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

17. RELATED PARTIES (Continued)

(b) Transactions with related parties

The following expenses were incurred by Stichting BRAC International on behalf of the Organisation.

| | 2021 | Memo | 2020 | Memo |
|---|----------------|----------------|----------------|----------------|
| | TSZ'000 | 2021 | TSZ'000 | 2020 |
| | | USD | | USD |
| BRAC IT services | 69,899 | 30,285 | - | - |
| Head office logistics and management fees | 698,540 | 302,660 | 528,324 | 227,579 |
| | <u>768,439</u> | <u>332,945</u> | <u>528,324</u> | <u>227,579</u> |

18. DONOR FUND INVESTED IN FIXED ASSET

| | 2021 | Memo | 2020 | Memo |
|--|----------------|--------------|----------------|--------------|
| | TSZ'000 | 2021 | TSZ'000 | 2020 |
| | | USD | | USD |
| Opening balance | 11,132 | 4,795 | 37,272 | 16,226 |
| Transfer from Donor fund received in advance | 78,956 | 34,058 | 23,763 | 10,249 |
| Depreciation charged during the year | (83,458) | (36,000) | (49,903) | (21,523) |
| Translation reserve | - | 19 | - | (157) |
| | <u>6,630</u> | <u>2,872</u> | <u>11,132</u> | <u>4,795</u> |

19. CONTINGENT LIABILITIES

In 2020, Tanzania Revenue Authority (TRA) examined returns and accounts for the years of income 2015 to 2017. From the exercise TRA issued a draft report of findings with a total established tax liability of TZS 522,898,075.55 consisting of principal, interest and penalties. As at the reporting date a final assessment has not been issued by TRA with regards to the established tax liability. Management has made a provision of 1/3 of the established liability (TZS 182 million). This is the amount expected to be paid on objection incase a final assessment is issued by TRA maintaining the full amount of the liability.

Members of the governing council and management believe that the Organization has a strong case against the established liability and can result to a successful closure with the TRA.

20. SUBSEQUENT EVENTS

At the time of signing these accounts members of the Governing Council are not aware of any significant post balance sheet events.

BRAC MAENDELEO TANZANIA

APPENDICES – SEGMENTAL INFORMATION

Appendix I- Statement of profit or loss and other comprehensive income
For the year ended 31 December 2020

Empowerment and livelihood for adolescents (ELA)

| | SDP | Gender | Young Professional | VITOL | Training | ELA Adolescent Girls | Sub Total |
|--|------------------|---------------|--------------------|----------|-----------------|----------------------|------------------|
| | TZS'000 | TZS'000 | TZS'000 | TZS'000 | TZS'000 | TZS'000 | TZS'000 |
| Income | | | | | | | |
| Grant income | 242,755 | 23,747 | - | - | - | - | 266,502 |
| Other income/ (expenses) | 17,172 | - | - | - | 72,859 | - | 90,031 |
| Total income | <u>259,927</u> | <u>23,747</u> | <u>-</u> | <u>-</u> | <u>72,859</u> | <u>-</u> | <u>356,533</u> |
| Expenditure | | | | | | | |
| Staff costs and other benefits | 447,894 | - | - | - | - | - | - |
| Travelling and transportation expenses | 35,572 | 367 | - | - | 89,004 | - | 536,898 |
| Training, workshop and seminar expenses | 45,782 | - | - | - | 18,380 | - | 54,319 |
| Occupancy expenses | (3,482) | - | - | - | 8,074 | - | 53,856 |
| Other general and administration expenses | 119,331 | 9,286 | - | - | 29,887 | - | 35,691 |
| Depreciation charge | 13,590 | 11,550 | - | - | 4,632 | - | 135,513 |
| HO Logistics | - | - | - | - | 8,781 | - | 22,371 |
| Total expenditure | <u>658,687</u> | <u>23,747</u> | <u>-</u> | <u>-</u> | <u>158,758</u> | <u>-</u> | <u>841,192</u> |
| Surplus for the year | <u>(398,760)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(484,659)</u> |
| Tax charge | (3,645) | - | - | - | (85,899) | - | (3,645) |
| Net surplus /(Deficit) for the year | <u>(402,405)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(85,899)</u> | <u>-</u> | <u>(488,304)</u> |

BRAC MAENDELEO TANZANIA

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Appendix I- Statement of profit or loss and other comprehensive income
For the year ended 31 December 2020

| | Play Lab TZS'000 | Research TZS'000 | ECD COVID-19 TZS'000 | We Solve TZS'000 | EELAY TZS'000 | YIDAN PRIZE TZS'000 | ELA TIE OFF TZS'000 | ELA WOMEN WIN TZS'000 | ELA THEIR WORLD TZS'000 | SmallHold er Coffe Dypment TZS'000 | J- PAL TZS'000 | ELA SOFT SKILL PROJEC T(IDRC) TZS'000 | Sub Total TZS'000 | Grand Total TZS'000 |
|--|------------------------|---------------------|----------------------------|------------------------|------------------|---------------------------|---------------------------|--------------------------------|----------------------------------|---|----------------------|--|-------------------------|------------------------|
| Income | | | | | | | | | | | | | | |
| Grant income | 456,207 | 61,244 | 663,272 | 230,628 | 928,744 | 182,744 | 278,030 | 157,574 | 52,412 | 111,624 | 9,784 | 35,964 | 3,168,227 | 3,434,729 |
| Other income/ (expenses) | - | - | - | 4,249 | - | - | - | - | - | - | - | - | 4,249 | 94,280 |
| Total income | 456,207 | 61,244 | 663,272 | 234,877 | 928,744 | 182,744 | 278,030 | 157,574 | 52,412 | 111,624 | 9,784 | 35,964 | 3,172,476 | 3,529,009 |
| Expenditure | | | | | | | | | | | | | | |
| Staff costs and other benefits | 176,588 | 47,285 | 90,199 | 198,445 | 512,285 | 40,327 | 155,091 | 84,912 | 28,220 | 63,723 | - | 6,965 | 1,404,040 | 1,940,937 |
| Travelling and transportation | 17,879 | 1,012 | 45,019 | 29,565 | 54,362 | 8,266 | 16,952 | 5,829 | 477 | 34,233 | 3,099 | 2,145 | 218,838 | 273,156 |
| Training, workshop and seminar expense | 72,259 | 676 | - | 148 | 119,305 | - | 5,576 | 33,583 | 10,806 | 5,392 | 3,640 | - | 251,385 | 305,238 |
| Occupancy expenses | 15,908 | 1,150 | 9,890 | 3,721 | 32,911 | 4,922 | 15,616 | 12,118 | 39 | 5,400 | - | 3,481 | 105,156 | 140,847 |
| Other general and administration ex | 122,451 | 10,344 | 518,080 | 2,438 | 124,512 | 112,616 | 69,663 | 10,823 | 12,870 | 2,854 | 3,045 | 19,605 | 1,009,301 | 1,145,085 |
| Depreciation charge | 2,062 | 777 | 84 | 560 | 26,709 | - | 616 | - | - | 22 | - | - | 30,830 | 53,204 |
| Amortization of capital grants | 49,060 | - | - | - | 58,660 | 16,613 | 14,245 | 10,309 | - | - | - | 3,768 | 152,655 | 154,929 |
| HO logistic | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | 456,207 | 61,244 | 663,272 | 234,877 | 928,744 | 182,744 | 277,759 | 157,574 | 52,412 | 111,624 | 9,784 | 35,964 | 3,172,205 | 4,013,396 |
| Surplus for the year | - | - | - | - | - | - | 271 | - | - | - | - | - | 271 | (484,387) |
| Taxation | | | | | | | | | | | | | | |
| Net surplus /(Deficit) for the year | - | - | - | - | - | - | - | - | - | - | - | - | 271 | (488,032) |

BRAC MAENDELEO TANZANIA

NOTES TO THE FINANCIAL STATEMENTS (Continued)

**Appendix I- Statement of profit or loss and other comprehensive income
For the year ended 31 December 2021**

| | Empowerment and livelihood for adolescents (ELA) | | | | | | | | | | | | | | |
|--|---|---------|--------|--------------------|-------|----------------|----------------------|---------|---------------|-----------------------|-------------------|---------------|----------------|-------------------------|------------------|
| | SDP | | Gender | Young Professional | VITOL | Training | ELA Adolescent Girls | | BRAC UK/ DIG | IERC/Life with Corona | Pamoja Tuwaviushe | ELA GOAL | STEPPING UP | SKILLS FOR THEIR FUTURE | Sub Total |
| | TZS'000 | TZS'000 | | | | | TZS'000 | TZS'000 | | | | | | | |
| Income | | | | | | | | | | | | | | | |
| Grant income | 496,112 | - | - | - | - | - | - | - | 31,467 | 29,158 | 262,131 | 72,501 | 153,066 | 40,240 | 1,084,675 |
| Other income/ (expenses) | (4,882) | - | - | - | - | 220,779 | - | - | - | - | - | - | - | - | 215,896 |
| Total income | 491,230 | - | - | - | - | 220,779 | - | - | 31,467 | 29,158 | 262,131 | 72,501 | 153,066 | 40,240 | 1,300,571 |
| Expenditure | | | | | | | | | | | | | | | |
| Staff costs and other benefits | 6,028 | - | - | - | - | 80,052 | - | - | 80 | - | 68,087 | 31,959 | 23,344 | 19,756 | 229,306 |
| Travelling and transportation expenses | 10,434 | - | - | - | - | 55,288 | - | - | 15,266 | 443 | 6,055 | 2,136 | 1,462 | 152 | 91,236 |
| Training, workshop and seminar expenses | 5,478 | - | - | - | - | 4,560 | - | - | 2,785 | - | 92,270 | 15,841 | 579 | 15,711 | 137,224 |
| Occupancy expenses | (95,228) | - | - | - | - | 30,954 | - | - | - | - | 6,589 | 6,300 | 1,660 | 763 | (48,962) |
| Other general and administration expenses | 93,371 | - | - | - | - | 18,211 | - | - | 13,336 | 28,715 | 70,593 | 14,019 | 116,889 | 1,696 | 356,829 |
| Depreciation charge | 47,026 | - | - | - | - | 4,378 | - | - | - | - | 59 | - | 89 | - | 51,552 |
| HO Logistics | - | - | - | - | - | 19,546 | - | - | - | - | 18,478 | 2,246 | 9,043 | 2,162 | 51,475 |
| Total expenditure | 67,109 | - | - | - | - | 212,989 | - | - | 31,466 | 29,158 | 262,131 | 72,501 | 153,066 | 40,240 | 868,660 |
| Surplus for the year | 424,121 | - | - | - | - | 7,790 | - | - | - | - | - | - | - | - | 431,911 |
| Tax charge | (321) | - | - | - | - | - | - | - | - | - | - | - | - | - | (321) |
| Net surplus /(Deficit) for the year | 423,800 | - | - | - | - | 7,790 | - | - | - | - | - | - | - | - | 431,590 |

BRAC MAENDELEO TANZANIA

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Appendix I- Statement of profit or loss and other comprehensive income

For the year ended 31 December 2021

| | Play Lab TZS'000 | Research | ECD COVID- 19 | We Solve | EELAY | YIDAN PRIZE | ELA TIE OFF | ELA WOMEN WIN | ELA THEIR WORLD | SmallHold er Coffee Dvpmnt | J- PAL | ELA SOFT SKILL PROJEC T(IDRC) | Sub Total | Grand Total |
|---|------------------------|---------------|---------------------|----------------|----------------|----------------|----------------|---------------------|-----------------------|----------------------------------|----------------|---|------------------|------------------|
| | TZS'000 | TZS'000 | TZS'000 | TZS'000 | TZS'000 | TZS'000 | TZS'000 | TZS'000 | TZS'000 | TZS'000 | TZS'000 | TZS'000 | TZS'000 | TZS'000 |
| Income | | | | | | | | | | | | | | |
| Grant income | 13,177 | 71,553 | 296,582 | 170,150 | 561,131 | 693,283 | 167,784 | 73,899 | 3,339 | 378,443 | 175,477 | 495,493 | 3,100,311 | 4,184,987 |
| Other income/ (expenses) | (20) | - | - | (647) | - | - | (330) | - | - | - | - | - | (997) | 214,899 |
| Total income | 13,157 | 71,553 | 296,582 | 169,503 | 561,131 | 693,283 | 167,454 | 73,899 | 3,339 | 378,443 | 175,477 | 495,493 | 3,099,314 | 4,399,886 |
| Expenditure | | | | | | | | | | | | | | |
| Staff costs and other benefits | 3,102 | 48,553 | 52,186 | 117,621 | 263,106 | 226,495 | 72,787 | 25,117 | 3,109 | 132,797 | - | 65,238 | 1,010,111 | 1,239,416 |
| Travelling and transportation | 110 | (13) | 26,023 | 36,962 | 59,002 | 79,535 | 8,438 | 1,433 | 15 | 86,073 | 1,573 | 24,588 | 323,739 | 414,972 |
| Trainings, workshop and seminar expense | - | - | 26,602 | 120 | 67,862 | 7,167 | 58,875 | 20,038 | - | 63,829 | - | 213,713 | 458,206 | 595,430 |
| Occupancy expenses | - | 1,200 | 33,800 | 9,089 | 38,018 | 12,135 | 3,345 | 3,530 | - | 8,534 | - | - | 109,651 | 60,689 |
| Other general and administration ex | 9,606 | 21,398 | 157,329 | 4,740 | 75,659 | 317,869 | 14,544 | 19,997 | 215 | 86,714 | 173,619 | 151,389 | 1,033,079 | 1,389,907 |
| Depreciation charge | 339 | 415 | 642 | 971 | 26,271 | 752 | 1,734 | - | - | 496 | 285 | - | 31,905 | 83,458 |
| Amortization of capital grants | - | - | - | - | 31,213 | 49,330 | 7,731 | 3,784 | - | - | - | 40,565 | 132,623 | 184,103 |
| HO logistic | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | 13,157 | 71,553 | 296,582 | 169,503 | 561,131 | 693,283 | 167,454 | 73,899 | 3,339 | 378,443 | 175,477 | 495,493 | 3,099,314 | 3,967,975 |
| Surplus for the year | | | | | | | | | | | | | | |
| Taxation | - | - | - | - | - | - | - | - | - | - | - | - | - | 431,911 |
| Net surplus /(Deficit) for the year | - | - | - | - | - | - | - | - | - | - | - | - | - | (321) |
| | - | - | - | - | - | - | - | - | - | - | - | - | - | 431,590 |

BRAC MAENDELEO TANZANIA

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Appendix I- Statement of profit or loss and other comprehensive income (in USD)
For the year ended 31 December 2020

Empowerment and livelihood for adolescents (ELA)

| | SDP USD | Gender USD | Young Professional USD | Vitol USD | Training USD | ELA Adolescent Girls USD | Sub Total USD |
|--|------------------|---------------|------------------------------|--------------|-----------------|--------------------------------|------------------|
| Income | | | | | | | |
| Grant income | 104,701 | 10,242 | - | - | - | - | 114,943 |
| Other income/(expenses) | 7,406 | - | - | - | 31,425 | - | 38,831 |
| Total income | 112,107 | 10,242 | - | - | 31,425 | - | 153,774 |
| Expenditure | - | - | - | - | - | - | - |
| Manpower and Compensation | 193,178 | - | - | - | 38,388 | - | 231,566 |
| Travelling and transportation expenses | 15,343 | 158 | - | - | 7,927 | - | 23,428 |
| Training, workshop and seminar expenses | 19,746 | - | - | - | 3,482 | - | 23,228 |
| Occupancy expenses | (1,502) | 4,005 | - | - | 12,890 | - | 15,393 |
| Other general and administration expenses | 51,468 | 4,982 | - | - | 1,998 | - | 58,448 |
| Depreciation charge | 5,862 | - | - | - | 3,788 | - | 9,650 |
| HO Logistics | 1,097 | 1,097 | - | - | - | - | 1,097 |
| Total expenditure | 284,095 | 10,242 | - | - | 68,473 | - | 362,810 |
| Surplus for the year | - | - | - | - | - | - | - |
|)Tax charge | (171,988) | - | - | - | (37,048) | - | (209,036) |
| Net surplus /(Deficit) for the year | (171,988) | - | - | - | (37,048) | - | (209,036) |
| | (173,560) | - | - | - | (37,048) | - | (210,608) |

BRAC MAENDELEO TANZANIA

NOTES TO THE FINANCIAL STATEMENTS (Continued)

**Appendix I- Statement of profit or loss and other comprehensive income (USD)
For the year ended 31 December 2020**

| Income | Play Lab USD | Researc h USD | ECD COVID 19 USD | We Solve USD | EELAY USD | YIDAN PRIZE USD | ELA TIE OFF USD | ELA WOMEN WIN USD | ELA THEIRW ORLD USD | SmallHol der coffee developm ent USD | J-PA USD | ELA SOFT SKILL PROJEC T(IDRC) USD | Sub Total USD | Grand Total USD |
|--|--------------------|---------------------|---------------------------|--------------------|----------------|-----------------------|-----------------------|----------------------------|------------------------------|--|--------------|--|------------------|--------------------|
| Grant income | 196,765 | 26,415 | 286,073 | 99,471 | 400,572 | 78,819 | 119,916 | 67,963 | 22,605 | 48,144 | 4,220 | 15,511 | 1,366,474 | 1,481,417 |
| Other income/ (expenses) | - | - | - | 1,833 | - | - | - | - | - | - | - | - | 1,833 | 40,664 |
| Total income | 196,765 | 26,415 | 286,073 | 101,304 | 400,572 | 78,819 | 119,916 | 67,963 | 22,605 | 48,144 | 4,220 | 15,511 | 1,368,307 | 1,522,081 |
| Expenditure | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Manpower and Compensation | 76,163 | 20,394 | 38,903 | 85,590 | 220,951 | 17,393 | 66,892 | 36,623.09 | 12,172 | 27,484 | - | 3,004 | 605,569.09 | 837,137 |
| Travelling and transportation expenses | 7,711 | 436 | 19,417 | 12,751 | 23,447 | 3,565 | 7,312 | 2,514 | 206 | 14,765 | 1,336 | 925 | 94,385 | 117,814 |
| Training, workshop and seminar exp | 31,166 | 292 | - | 64 | 51,457 | - | 2,404 | 14,484 | 4,660 | 2,325 | 1,570 | - | 108,422 | 131,651 |
| Occupancy expenses | 6,861 | 497 | 4,265 | 1,605 | 14,195 | 2,124 | 6,735 | 5,228 | 15 | 2,329 | - | 1,502 | 45,356 | 60,748 |
| Other general and administration expenses | 52,815 | 4,461 | 223,452 | 1,052 | 53,702 | 48,572 | 30,163 | 4,668 | 5,552 | 1,231 | 1,314 | 8,456 | 435,438 | 493,882 |
| Depreciation charge | 889 | 335 | 36 | 242 | 11,520 | - | 266 | - | - | 10 | - | 1,624 | 14,922 | 22,946 |
| HO logistics and management | 21,160 | - | - | - | 25,300 | 7,165 | 6,027 | 4,446 | - | - | - | - | 64,098 | 66,822 |
| Total | 196,765 | 26,415 | 286,073 | 101,304 | 400,572 | 78,819 | 119,799 | 67,963 | 22,605 | 48,144 | 4,220 | 15,511 | 1,368,190 | 1,731,000 |
| Surplus for the year | - | - | - | - | - | - | 117 | - | - | - | - | - | 117 | (208,919) |
| Tax charge | - | - | - | - | - | - | - | - | - | - | - | - | - | (1,572) |
| Net surplus (/Deficit) for the year | - | - | - | - | - | - | 117 | - | - | - | - | - | 117 | (210,491) |

BRAC MAENDELEO TANZANIA

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Appendix I- Statement of profit or loss and other comprehensive income (in USD) For the year ended 31 December 2021

| | Empowerment and livelihood for adolescents (ELA) | | | | | | | | | | STEPPING UP USD | SKILLS FOR THEIR FUTURE USD | Sub Total USD |
|---|---|------------|------------------------|-----------|--------------|----------------------|------------------|---------------------------|----------------------|--------------|-----------------|-----------------------------|---------------|
| | SDP USD | Gender USD | Young Professional USD | Vitol USD | Training USD | Adolescent Girls USD | BRAC UK/ DIG USD | IERC/Life with Corona USD | Pamoja Tuwawushe USD | ELA GOAL USD | | | |
| Income | | | | | | | | | | | | | |
| Grant income | 213,999 | - | - | - | - | - | 13,573 | 12,577 | 113,071 | 31,273 | 66,025 | 17,358 | 467,876 |
| Other income/ (expenses) | (2,106) | - | - | - | 95,233 | - | - | - | - | - | - | - | 93,127 |
| Total income | 211,893 | - | - | - | 95,233 | - | 13,573 | 12,577 | 113,071 | 31,273 | 66,025 | 17,358 | 561,003 |
| Expenditure | | | | | | | | | | | | | |
| Manpower and Compensation | 2,600 | - | - | - | 34,531 | - | 35 | - | 29,370 | 13,786 | 10,069 | 8,522 | 98,913 |
| Travelling and transportation expenses | 4,501 | - | - | - | 23,849 | - | 6,585 | 191 | 2,612 | 921 | 630 | 66 | 39,355 |
| Training, workshop and seminar expenses | 2,363 | - | - | - | 1,967 | - | 1,201 | - | 39,801 | 6,833 | 250 | 6,777 | 59,192 |
| Occupancy expenses | (41,077) | - | - | - | 13,352 | - | - | - | 2,842 | 2,718 | 716 | 329 | (21,120) |
| Other general and administration expenses | 40,276 | - | - | - | 7,855 | - | 5,752 | 12,386 | 30,450 | 6,047 | 50,420 | 732 | 153,918 |
| Depreciation charge | 20,284 | - | - | - | 1,888 | - | - | - | 25 | - | 38 | - | 22,235 |
| HO Logistics | - | - | - | - | 8,431 | - | - | - | 7,971 | 968 | 3,902 | 932 | 22,204 |
| Total expenditure | 28,947 | - | - | - | 91,873 | - | 13,573 | 12,577 | 113,071 | 31,273 | 66,025 | 17,358 | 374,697 |
| Surplus for the year | 182,946 | - | - | - | 3,360 | - | - | - | - | - | - | - | 186,306 |
|)Tax charge (139) | (139) | - | - | - | - | - | - | - | - | - | - | - | (139) |
| Net surplus/(Deficit) for the year | 182,807 | - | - | - | 3,360 | - | - | - | - | - | - | - | 186,167 |

BRAC MAENDELEO TANZANIA

NOTES TO THE FINANCIAL STATEMENTS (Continued)

**Appendix I- Statement of profit or loss and other comprehensive income (USD)
For the year ended 31 December 2021**

| | Play Lab USD | Research USD | ECD COVID 19 USD | We Solve USD | EELAY USD | YIDAN PRIZE USD | ELA TIE OFF USD | ELA WOMEN WIN USD | ELA THEIRW ORLD USD | SmallHold er coffee developme nt USD | J-PAL USD | ELA SOFT SKILL PROJECT (IDRC) USD | Sub Total USD | Grand Total USD |
|--|--------------------|-----------------|---------------------------|--------------------|----------------|-----------------------|--------------------------|----------------------------|------------------------------|--|---------------|--|------------------|--------------------|
| Income | | | | | | | | | | | | | | |
| Grant income | 5,684 | 30,864 | 127,931 | 73,394 | 242,045 | 299,049 | 72,374 | 31,877 | 1,440 | 163,242 | 75,692 | 213,733 | 1,337,325 | 1,805,201 |
| Other income/ (expenses) | (9) | (0) | - | (279) | - | - | (142) | - | - | - | - | - | (430) | 92,697 |
| Total income | 5,675 | 30,864 | 127,931 | 73,115 | 242,045 | 299,049 | 72,232 | 31,877 | 1,440 | 163,242 | 75,692 | 213,733 | 1,336,895 | 1,897,898 |
| Expenditure | | | | | | | | | | | | | | |
| Manpower and Compensation | 1,338 | 20,943 | 22,511 | 50,736 | 113,491 | 97,699 | 31,397 | 10,834 | 1,341 | 57,282 | - | 28,141 | 435,713 | 534,626 |
| Travelling and transportation expenses | 47 | (6) | 11,225 | 15,943 | 25,450 | 34,307 | 3,640 | 618 | 6 | 37,128 | 679 | 10,606 | 139,643 | 178,998 |
| Training, workshop and seminar exp | - | - | 11,475 | 52 | 29,273 | 3,092 | 25,396 | 8,643 | - | 27,533 | - | 92,185 | 197,649 | 256,841 |
| Occupancy expenses | - | 518 | 14,580 | 3,921 | 16,399 | 5,235 | 1,443 | 1,523 | - | 3,681 | - | - | 47,300 | 26,180 |
| Other general and administration expenses | 4,144 | 9,230 | 67,864 | 2,045 | 32,636 | 137,113 | 6,273 | 8,626 | 93 | 37,404 | 74,891 | 65,302 | 445,621 | 599,539 |
| Depreciation charge | 146 | 179 | 276 | 418 | 11,332 | 324 | 748 | - | - | 214 | 122 | - | 13,759 | 35,995 |
| HO logistics and management | - | - | - | - | 13,464 | 21,279 | 3,335 | 1,633 | - | - | - | 17,499 | 57,210 | 79,413 |
| Amortisation of capital grants | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total expenditure | 5,675 | 30,864 | 127,931 | 73,115 | 242,045 | 299,049 | 72,232 | 31,877 | 1,440 | 163,242 | 75,692 | 213,733 | 1,336,895 | 1,711,592 |
| Surplus for the year | - | - | - | - | - | - | - | - | - | - | - | - | - | 186,306 |
| Tax charge | - | - | - | - | - | - | - | - | - | - | - | - | - | (139) |
| Net surplus /(Deficit) for the year | - | - | - | - | - | - | - | - | - | - | - | - | - | 186,167 |

BRAC MAENDELEO TANZANIA

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Appendix II-Statement of Financial Position as at 31 December 2020

| | Agriculture , poultry & livestock | | Empowerment and livelihood for adolescents (ELA) | | Pre- primary School TZS'000 | | Training TZS'000 | ALPG - NORAD TZS'000 | Sub Total TZS'000 |
|---|--------------------------------------|-------------------|---|------------------|--------------------------------------|---|---------------------|----------------------------|----------------------|
| ASSETS | SDP TZS'000 | Gender TZS'000 | Young Professional TZS'000 | VITOL TZS'000 | GEC TZS'000 | | | | |
| Cash and cash equivalent | 1,595,951 | - | - | - | - | - | - | - | 1,595,951 |
| Other assets | 2,744 | - | - | - | - | - | - | - | 2,744 |
| Property and equipment | 31,598 | - | - | - | - | - | 16,205 | - | 47,803 |
| Deferred tax asset | 61,802 | - | - | - | - | - | - | - | 61,802 |
| Total assets | - | - | - | - | - | - | 16,205 | - | - |
| | 1,692,095 | | | | | | | | 1,708,300 |
| LIABILITIES AND CAPITAL FUND | | | | | | | | | |
| Liabilities | | | | | | | | | |
| Other liabilities | 215,202 | - | - | - | - | - | (545) | - | 214,657 |
| Due to related parties | 2,106,318 | (106,081) | - | - | - | - | 34,374 | - | 2,034,611 |
| Deferred grants | 22,201 | 106,081 | - | - | - | - | - | - | 128,282 |
| Corporate tax payable | 1,211 | - | - | - | - | - | - | - | 1,211 |
| Total liabilities | 2,344,932 | - | - | - | - | - | 33,829 | - | 2,378,761 |
| Capital fund/(deficit) | - | - | - | - | - | - | - | - | - |
| Accumulated losses | (479,877) | - | - | - | - | - | (17,624) | - | (497,501) |
| Total liabilities and capital fund | 1,865,056 | - | - | - | - | - | 16,205 | - | 1,881,261 |
| | - | - | - | - | - | - | - | - | - |

BRAC MAENDELEO TANZANIA

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Appendix II-Statement of Financial Position as at 31 December 2020

| | Play Lab TZS'000 | ECD Covid 19 TZS'000 | EELAY TZS'000 | Research TZS'000 | SOLVE NON MF TZS'000 | ELA TIE OFF TZS'000 | YIDAN PRIZEI TZS'000 | WOMENWI N TZS'000 | Smallholder coffee TZS'000 | THEIRW ORLD TZS'000 | SCENT GIRLS TZS'000 | ELA Soft (IDRC) TZS'000 | J-PAL TZS'000 | Sub Total TZS'000 | Grand Total TZS'000 |
|-------------------------------------|---------------------|----------------------------|------------------|---------------------|----------------------------|---------------------------|----------------------------|-------------------------|----------------------------------|---------------------------|---------------------------|-------------------------------|------------------|----------------------|------------------------|
| ASSETS | | | | | | | | | | | | | | | |
| Cash and cash equivalent | - | - | - | - | 278,466 | - | - | - | 151,558 | - | - | - | - | 430,024 | 2,025,976 |
| Other assets | - | - | - | - | - | 2,342 | - | 3,880 | 400 | - | - | - | - | 6,622 | 9,366 |
| Property | 8,091 | 4,961 | 3,830 | 388 | 1,514 | 6,222 | - | - | 1,334 | - | - | - | - | 26340 | 74,143 |
| and equipment | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 61,802 |
| Deferred | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| tax asset | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Related party | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| receivable | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total assets | 8,091 | 4,961 | 3,830 | 388 | 279,980 | 8,564 | - | 3,880 | 153,292 | -- | - | - | -- | 462,986 | 2,171,287 |
| LIABILITIES AND CAPITAL FUND | | | | | | | | | | | | | | | |
| Liabilities | | | | | | | | | | | | | | | |
| Other liabilities | 2,791 | - | - | - | (1,070) | 2,813 | 458 | - | - | - | - | - | - | 4,992 | 219,649 |
| Due to related parties | 63,901 | (229,890) | (169,650) | (76,585) | 114,522 | (245,214) | (319,730) | (97,021) | 30,745 | (4,526) | (74) | (75,437) | 9,784 | (999,175) | 1,035,437 |
| Deferred grants | 14,886 | 234,851 | 173,499 | 76,972 | 166,528 | 250,694 | 136,527 | 100,901 | 122,547 | 4,526 | 74 | 75,437 | - | 1,357,443 | 1,485,726 |
| Corporate tax payable | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,211 |
| Total liabilities | 81,578 | 4,961 | 3,849 | 388 | 279,980 | 8,293 | (182,745) | 3,880 | 153,292 | - | - | - | 9,784 | 363,260 | 2,742,023 |
| Capital fund/ (deficit) | | | | | | | | | | | | | | | |
| Accumulated | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| losses | (73,487) | - | (19) | - | - | 271 | - | - | - | - | - | - | - | (73,235) | (570,736) |
| Total liabilities and capital fund | 8,091 | 4,961 | 3,830 | 388 | 279,980 | 8,564 | (182,745) | 3,880 | 153,292 | - | - | - | 9,784 | 290,025 | 2,171,287 |

BRAC MAENDELEO TANZANIA

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Appendix II-Statement of Financial Position as at 31 December 2021

Agriculture , poultry & livestock

| | SDP TZS'000 | Gender TZS'000 | Young Professional TZS'000 | Vital TZS'000 | Training TZS'000 | ELA Adolescent Girls TZS'000 | BRAC UK/ DIG TZS'000 | IERC/Life with Corona TZS'000 | Pamoja Tuvavusha TZS'000 | ELA GOAL TZS'000 | STEPPING UP TZS'000 | SKILLS FOR THEIR FUTURE TZS'000 | Sub Total TZS'000 |
|---|------------------|-------------------|----------------------------------|------------------|---------------------|---------------------------------------|----------------------------|-------------------------------------|--------------------------------|---------------------|---------------------------|--|----------------------|
| ASSETS | | | | | | | | | | | | | |
| Cash and cash equivalent | 1,356,273 | - | - | - | - | - | - | - | - | - | - | - | 1,356,273 |
| Other assets | 2,827 | - | - | - | - | - | - | - | 4,480 | - | - | - | 7,307 |
| Property and equipment | 47,099 | - | - | - | 9,490 | - | - | - | 3,481 | - | 5,222 | - | 65,292 |
| Deferred tax asset | 62,195 | - | - | - | - | - | - | - | - | - | - | - | 62,195 |
| Total assets | 1,468,394 | - | - | - | 9,490 | - | - | - | 7,961 | - | 5,222 | - | 1,491,067 |
| LIABILITIES AND CAPITAL FUND | | | | | | | | | | | | | |
| Liabilities | | | | | | | | | | | | | |
| Other liabilities | 236,697 | - | - | - | (546) | - | - | - | - | - | - | - | 236,151 |
| Due to related parties | 1,713,167 | (106,081) | - | - | 110,875 | (74) | (14,315) | (28,810) | (45,226) | 2,811 | (411,855) | (324,129) | 896,363 |
| Deferred grants | 22,201 | 106,081 | - | - | - | 121 | 14,315 | 28,810 | 53,187 | (2,811) | 417,077 | 324,129 | 963,110 |
| Corporate tax payable | 1,925 | - | - | - | - | - | - | - | - | - | - | - | 1,925 |
| Total liabilities | 1,973,990 | - | - | - | 110,329 | 47 | - | - | 7,961 | - | 5,222 | - | 2,097,549 |
| Capital fund/(deficit) | | | | | | | | | | | | | |
| Accumulated losses | (505,596) | - | - | - | (100,839) | (47) | - | - | - | - | - | - | (606,482) |
| Total liabilities and capital fund | 1,468,394 | - | - | - | 9,490 | - | - | - | 7,961 | - | 5,222 | - | 1,491,067 |
| | (505,596) | - | - | - | (100,839) | (47) | - | - | - | - | - | - | (606,482) |

BRAC MAENDELEO TANZANIA

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Appendix II-Statement of Financial Position as at 31 December 2021

| | Play Lab TZS'000 | ECD Covid 19 TZS'000 | EELAV TZS'000 | Research TZS'000 | SOLVE NON MF TZS'000 | ELA TIE OFF TZS'000 | YIDAN PRIZE TZS'000 | WOMENWI N TZS'000 | Smallholder coffee TZS'000 | THEIRW ORLD TZS'000 | ELA ADOLE SCENT GIRLS TZS'000 | ELA Soft Skill Project (IDRC) TZS'000 | J-PAL TZS'000 | Sub Total TZS'000 | Grand Total TZS'000 |
|---|---------------------|----------------------------|------------------|---------------------|----------------------------|---------------------------|---------------------------|-------------------------|----------------------------------|---------------------------|--|--|------------------|----------------------|------------------------|
| ASSETS | | | | | | | | | | | | | | | |
| Cash and cash equivalent | - | - | - | - | 240,213 | 1,150 | - | - | 141,402 | - | - | - | - | 382,765 | 1,737,888 |
| Other assets | - | - | - | - | 46 | 5,095 | 350 | - | 1,000 | - | - | - | - | 6,491 | 13,798 |
| Property and equipment | - | - | 27,257 | 1,163 | 4,025 | - | 1,537 | - | 1,638 | - | - | - | 5,415 | 41,035 | 107,477 |
| Deferred tax asset | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 62,195 |
| Related party receivable | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total assets | - | - | 27,257 | 1,163 | 244,283 | 6,245 | 1,537 | 350 | 144,040 | - | - | - | 5,415 | 430,290 | 1,921,358 |
| LIABILITIES AND CAPITAL FUND | | | | | | | | | | | | | | | |
| Liabilities | | | | | | | | | | | | | | | |
| Due to related parties | 138,015 | 61,731 | (133,872) | 231,912 | (186,168) | 39,995 | (109,630) | (26,652) | 39,562 | (1,186) | (74) | 27,500 | (60,504) | 20,629 | 917,063 |
| Deferred grants | (554,418) | (61,731) | 37,287 | 176 | 287,711 | 6,583 | 109,781 | 51,392 | 91,049 | 20,201 | 121 | (102,937) | 75,703 | (39,082) | 923,907 |
| Corporate tax payable | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,925 |
| Total liabilities | (416,403) | - | (105,893) | 232,088 | 77,493 | 46,578 | 1,537 | 24,740 | 144,040 | 19,014 | 47 | (75,437) | 15,199 | (36,996) | 2,060,504 |
| Capital fund/(deficit) | | | | | | | | | | | | | | | |
| Accumulated losses | 416,403 | - | 133,150 | (230,924) | 166,790 | (40,333) | - | (24,390) | - | (19,014) | (47) | 75,437 | (9,784) | 467,289 | (139,146) |
| Total liabilities and capital fund | - | - | 27,257 | 1,163 | 244,283 | 6,245 | 1,537 | 350 | 144,040 | - | - | - | 5,415 | 430,290 | 1,921,358 |

BRAC MAENDELEO TANZANIA

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Appendix II-Statement of Financial Position as at 31 December 2020 (USD)

| | Agriculture, poultry & livestock Empowerment and livelihood for adolescents (ELA) | | | | | | |
|-------------------------------------|--|---------------|------------------------------|--------------|------------|----------------------------------|------------------------|
| | SDP USD | Gender USD | Young Professional USD | VITOL USD | GEC USD | Pre- primary School USD | Training USD |
| | | | | | | | ALPG - NORAD USD |
| ASSETS | | | | | | | Sub Total USD |
| Cash and cash equivalent | 687,465 | - | - | - | - | - | 687,465 |
| Other assets | 1,182 | - | - | - | - | - | 1,182 |
| Property and equipment | 13,611 | - | - | - | - | - | 20,592 |
| Deferred tax asset | 26,622 | - | - | - | - | - | 26,622 |
| Total assets | 728,880 | - | - | - | - | - | 735,861 |
| LIABILITIES AND CAPITAL FUND | | | | | | | |
| Liabilities | | | | | | | |
| Other liabilities | 92,700 | - | - | - | - | - | 92,465 |
| Due to related parties | 907,309 | (45,695) | - | - | - | - | 876,421 |
| Deferred grants | 9,563 | 45,695 | - | - | - | - | 55,258 |
| Corporate tax payable | 522 | - | - | - | - | - | 522 |
| Total liabilities | 1,010,094 | - | - | - | - | - | 1,024,666 |
| Capital fund/(deficit) | - | - | - | - | - | - | - |
| Accumulated losses | (206,710) | - | - | - | - | - | (214,302) |
| Total liabilities and capital fund | 803,384 | - | - | - | - | - | 810,365 |

BRAC MAENDELEO TANZANIA

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Appendix II-Statement of Financial Position as at 31 December 2020 (USD)

| | Play Lab | ECD | EELAY | Research | WE SOLVE | ELA TIE | YIDAN | ELA | Smallholder | THEIRWOR | ELA | ELA | ELA Soft | J-PAL | Sub Total | Grand Total |
|---|---------------|--------------|--------------|------------|----------------|--------------|-----------------|--------------|---------------|----------|----------|----------|--------------|--------------|----------------|------------------|
| | USD | COVID 19 | USD | USD | NON MF | USD | PRIZR | WOMEN | r coffee | LD | ADOLE | Soft | USD | USD | USD | USD |
| ASSETS | | | | | | | | | | | | | | | | |
| Cash and cash equivalent | - | - | - | - | 119,951 | - | - | - | 65,285 | - | - | - | - | - | 185,236 | 872,701 |
| Other assets | - | - | - | - | - | 1,009 | - | 1,671 | 172 | - | - | - | - | - | 2,852 | 4,035 |
| Property | 3,485 | 2,137 | 1,650 | 167 | 652 | 2,680 | - | - | 575 | - | - | - | - | - | 11,346 | 31,937 |
| and equipment | | | | | | | | | | | | | | | | |
| Deferred tax asset | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 26,622 |
| Total assets | 3,485 | 2,137 | 1,650 | 167 | 120,603 | 3,689 | - | 1,671 | 66,032 | - | - | - | - | -- | 199,434 | 935,295 |
| LIABILITIES AND CAPITAL FUND | | | | | | | | | | | | | | | | |
| Liabilities | | | | | | | | | | | | | | | | |
| Other liabilities | 1,202 | - | - | - | (461) | 1,212 | 197 | - | - | - | - | - | - | - | 2,150 | 94,615 |
| Due to related parties | 27,526 | (99,027) | (73,078) | (32,989) | 49,331 | (105,627) | (137,725) | (41,793) | 13,244 | (1,949) | (32) | (32,495) | 4,214 | | (430,400) | 446,021 |
| Deferred grants | 6,412 | 101,164 | 74,736 | 33,156 | 71,733 | 107,987 | 58,810 | 43,464 | 52,788 | 1,949 | 32 | 32,495 | - | | 584,726 | 639,985 |
| Corporate tax payable | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 522 |
| Total liabilities | 35,140 | 2,137 | 1,658 | 167 | 120,603 | 3,572 | (78,718) | 1,671 | 66,032 | - | - | - | 4,214 | - | 156,476 | 1,181,143 |
| Accumulated losses | (31,655) | - | (8) | - | - | 117 | - | - | - | - | - | - | - | - | (31,546) | (245,848) |
| Total liabilities and capital fund | 3,485 | 2,137 | 1,650 | 167 | 120,603 | 3,689 | (78,718) | 1,671 | 66,032 | - | - | - | - | 4,214 | 124,930 | 935,295 |

BRAC MAENDELEO TANZANIA

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Appendix II-Statement of Financial Position as at 31 December 2021 (USD)

| | Agriculture , poultry | | & livestock | | ELA Adolescent Girls | | BRAC UK/ DIG | | IERC/Life with Corona | | Pamoja Tuwavyushe | | ELA GOAL | | STEPPING UP | | SKILLS FOR THEIR FUTURE | | Sub Total USD |
|------------------------------------|-----------------------|------------|------------------------|-----------|----------------------|----------------------|------------------|---------------------------|-----------------------|--------------|-------------------|-----------------------------|----------|---|-------------|---|-------------------------|---|---------------|
| ASSETS | SDP USD | Gender USD | Young Professional USD | Vitol USD | Training USD | Adolescent Girls USD | BRAC UK/ DIG USD | IERC/Life with Corona USD | Pamoja Tuwavyushe USD | ELA GOAL USD | STEPPING UP USD | SKILLS FOR THEIR FUTURE USD | | | | | | | |
| Cash and cash equivalent | 587,640 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 587,640 |
| Other assets | 1,225 | - | - | - | - | - | - | - | 1,941 | - | - | - | - | - | - | - | - | - | 3,166 |
| Property and equipment | 20,407 | - | - | - | 4,112 | - | - | - | 1,509 | - | 2,262 | - | - | - | 2,262 | - | - | - | 28,290 |
| Deferred tax asset | 26,948 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 26,948 |
| Total assets | 636,220 | - | - | - | 4,112 | - | - | - | 3,450 | - | 2,262 | - | - | - | 2,262 | - | - | - | 646,044 |
| LIABILITIES AND CAPITAL FUND | | | | | | | | | | | | | | | | | | | |
| Liabilities | 102,555 | - | - | - | (236) | - | - | - | - | - | - | - | - | - | - | - | - | - | 102,319 |
| Due to related parties | 742,273 | (45,962) | - | - | 48,040 | (32) | (6,202) | (12,483) | (19,595) | 1,218 | (178,447) | (140,437) | - | - | (180,709) | - | - | - | 388,373 |
| Deferred grants | 9,619 | 45,962 | - | - | - | 52 | 6,202 | 12,483 | 23,045 | (1,218) | 180,709 | 140,437 | - | - | - | - | - | - | 417,291 |
| Corporate tax payable | 834 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 834 |
| Total liabilities | 855,281 | - | - | - | 47,804 | 20 | - | - | 3,450 | - | 2,262 | - | - | - | 2,262 | - | - | - | 908,817 |
| Capital fund/(deficit) | | | | | | | | | | | | | | | | | | | |
| Accumulated losses | (219,062) | - | - | - | (43,692) | (20) | - | - | - | - | - | - | - | - | - | - | - | - | (262,774) |
| Total liabilities and capital fund | 636,220 | - | - | - | 4,112 | - | - | - | 3,450 | - | 2,262 | - | - | - | 2,262 | - | - | - | 646,044 |

BRAC MAENDELEO TANZANIA

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Appendix II-Statement of Financial Position as at 31 December 2021 (USD)

| | Play Lab USD | ECD COVID 19 USD | EELAY USD | Research USD | WE SOLVE NON MF USD | ELA TIE OFF USD | YIDAN PRIZR USD | ELA WOMENWIN USD | ELA Smallholder coffee USD | ELA ADOLESC THEIRWORL D USD | ELA Soft ENT Skill Project (IDRC) USD | J-PAL USD | Sub Total USD | Grand Total USD |
|---|------------------|------------------------|-----------------|-----------------|---------------------------|-----------------------|-----------------------|---------------------|----------------------------------|--------------------------------------|--|--------------|------------------|--------------------|
| ASSETS | | | | | | | | | | | | | | |
| Cash and cash equivalent | - | - | - | - | 104,078 | - | - | - | 61,266 | - | - | - | 165,344 | 752,984 |
| Other assets | - | - | - | - | 20 | 2,208 | - | 152 | 433 | - | - | - | 2,813 | 5,978 |
| Property | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| and equipment | - | - | 11,810 | 504 | 1,744 | 498 | 666 | - | 710 | - | - | 2,346 | 18,278 | 46,567 |
| Deferred tax asset | - | - | - | - | - | - | - | - | - | - | - | - | - | 26,948 |
| Total assets | - | - | 11,810 | 504 | 105,842 | 2,706 | 666 | 152 | 62,409 | - | - | 2,346 | 186,435 | 832,477 |
| LIABILITIES AND CAPITAL FUND | | | | | | | | | | | | | | |
| Liabilities | | | | | | | | | | | | | | |
| Other liabilities | - | - | (4,033) | - | (10,420) | - | 601 | - | 5,818 | - | - | - | (8,034) | 94,285 |
| Due to related parties | 59,799 | 26,746 | (58,004) | 100,482 | (80,662) | 17,329 | (47,500) | (11,548) | 17,141 | (514) | 11,915 | (26,215) | 8,937 | 397,341 |
| Deferred grants | (240,216) | (26,746) | 16,155 | 76 | 124,658 | 2,852 | 47,565 | 22,267 | 39,449 | 8,752 | (44,600) | 32,800 | (16,936) | 400,306 |
| Corporate tax payable | - | - | - | - | - | - | - | - | - | - | - | - | - | 834 |
| Total liabilities | (180,417) | (0) | (45,882) | 100,558 | 33,576 | 20,181 | 666 | 10,719 | 62,408 | 8,238 | (32,685) | 6,585 | (16,033) | 892,766 |
| Accumulated losses | 180,417 | (0) | 57,691 | (100,054) | 72,266 | (17,475) | - | (10,567) | - | (8,238) | 32,685 | (4,239) | 202,466 | (60,289) |
| Total liabilities and capital fund | - | (0) | 11,810 | 504 | 105,842 | 2,706 | 666 | 152 | 62,409 | - | - | 2,346 | 186,435 | 832,477 |