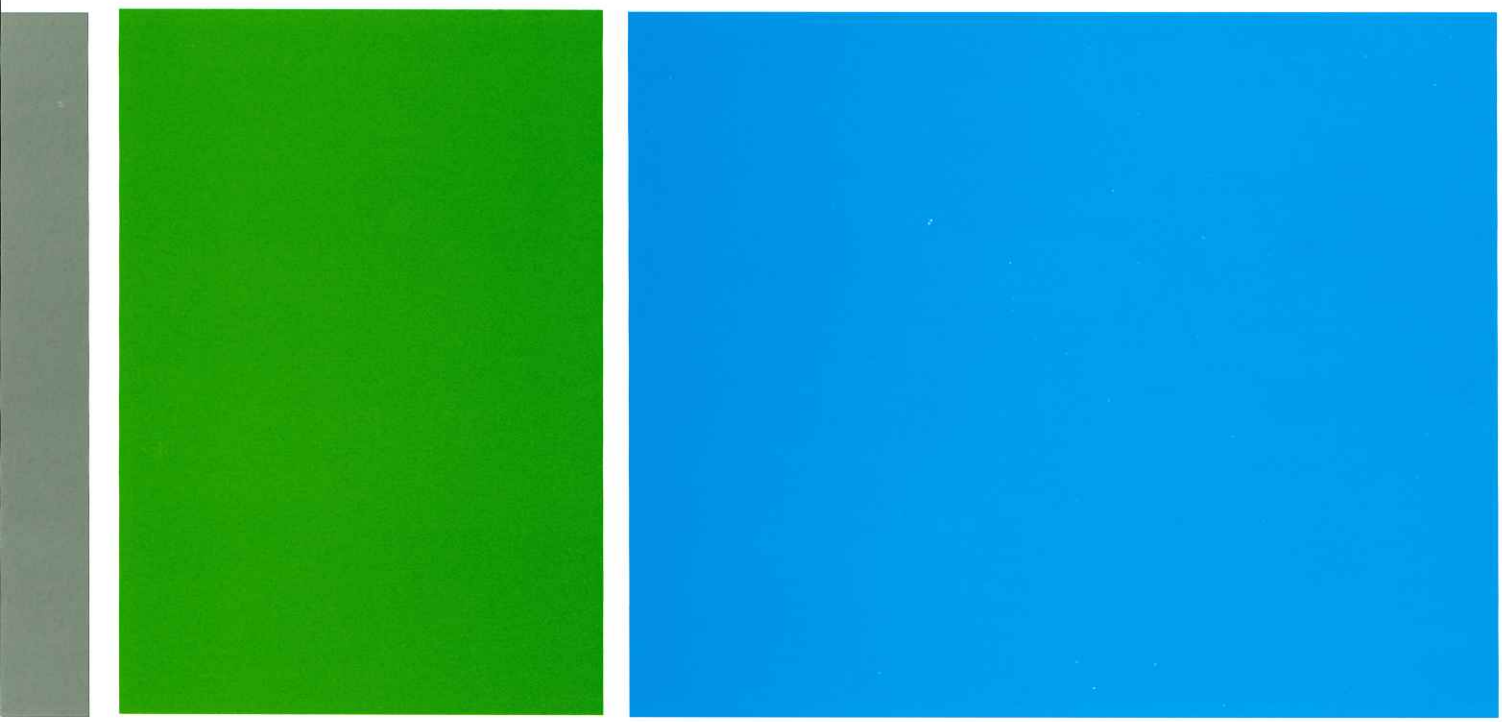

POLICY FORUM

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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POLICY FORUM

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

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POLICY FORUM

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

ORGANIZATION INFORMATION

COUNTRY OF REGISTRATION	Tanzania
DATE OF REGISTRATION	11 July 2019
CERTIFICATE OF REGISTRATION NUMBER	00NGO/R2/00015
PRINCIPAL PLACE OF OPERATION AND REGISTERED OFFICE	P.O Box 38486 Ndovu Street, Plot 379 House No. 7, Off Rose Garden Road Mikocheni Dar es Salaam, Tanzania.
BANKERS	ABSA Bank Limited Ohio Branch P.O Box 5137 Dar es Salaam, Tanzania.
AUDITORS	RSM Eastern Africa Certified Public Accountants P.O. Box 79586, 1st Floor, Plot 1040, Haile Selassie Road, Masaki, Dar es Salaam, Tanzania.

LIST OF ABBREVIATIONS

DRM	Domestic Resource Mobilisation
DTA	Double Taxation Agreement
HRMIS	Human Resource Management Information System
IASB	International Accounting Standards Board
IESBA	International Ethics Standards Board for Accountants
IFRS	International Financial Reporting Standards
LG	Local Government
MIS	Management Information System
MP	Member of Parliament
NB	National Budget
NSSF	National Social Security Fund
OSHA	Occupational Safety and Health Authority
PF	Policy Forum
SAM	Social Accountability Monitoring
SDG	Sustainable Development Goals
SP	Strategic Plan
TZS	Tanzania shillings
USD	United States Dollar

POLICY FORUM

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

REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report together with the audited financial statements for the year ended 31 December 2021 which discloses the state of affairs of Policy Forum here in referred to as the "organization."

1. Incorporation

Policy Forum was incorporated in the United Republic of Tanzania on 12 September 2006 under the Companies Act 2002 as a Private Company Limited by guarantee and not having a share capital. Prior to that, HakiElimu was requested by the then steering committee and agreed to act as a trustee of Policy Forum Limited and this role ended on 31 December 2006. Following change of laws in July 2019, Policy Forum was reincorporated as Non-Government Organisation (NGO) under section 11(1) and 17(2) of NGO act number 24 of 2002, obtaining certificate number 00NGO/R2/00015 on 11TH July 2019.

2. Principal activities

The main objective of Policy Forum is to seek enhanced transparent and accountable governance and improved quality of life of the Tanzanian people. This includes effective protection of human rights through the strengthened ability of civil society to constructively influence key policy decisions relating to poverty reduction, equity, democratisation and other key policy issues. These objectives are achieved through the following outcomes.

i. Enhancing Policy Forum members' influence in equitable use of public resources and inclusive governance through applied knowledge and adaptation.
ii. Strengthening efficient government engagement for inclusive decision-making that enhance equitable and accountable use of public resources.
iii. Cultivating participatory learning and adaptation that promotes partnership for evidence-based advocacy to improve inclusive governance.
iv. Augmenting Policy Forum institutional capacity to improve governance and management of resources.

3. Vision and mission statement

Vision

Policy Forum envisions improved quality of life for the Tanzanian people.

Mission

To influence and monitor the implementation of policies for enhanced governance and accountable use of public resources.

4. Review of activities

The financial statements have been prepared in accordance with International Financial Reporting Standards. The accounting policies have been applied consistently compared to the prior year. Full details of the financial position, results of operations and cash flows of the organisation are set out in these financial statements.

In 2021 Policy Forum started to implement Strategic Plan 2021-2024. Further in the implementation of 2021 Annual Plan, Policy Forum has worked on several areas that are fulfilling the expected goals of the strategic plan, in the advocacy areas under tax justice advocacy, domestic resource mobilization, social accountability and budget. Policy Forum has continued to provide spaces and platforms and conduct trainings on analysis to its members. Other than PF MIS, Policy Forum has engaged in documenting success stories from results of current SP implementation.

5. Impact of Corona Virus 19 Pandemic in 2021

The advent of the Coronavirus pandemic disease of 2020 (COVID-19) in Tanzania and announcement of reduction of social and economic activities and eventual opening up has affected Policy Forum especially in its operations including increase in some expenses such as mobile money operator fees.

REPORT BY THOSE CHARGED WITH GOVERNANCE (CONTINUED)

PF has continued to implement some of the strategies and measures throughout 2021 including remote working and monitoring of activities with minimum interruption. Meetings were conducted through physically and virtually, digital platforms such as YouTube, Twitter and Zoom helped to keep people engaged.

6. Funding and expenditure

Being the first year of implementing new strategic plan 2021, marked a challenging start for the new SP. Both 2021 Annual Plan and its 2021 Annual Budget was approved by the Board of Directors in February 2021. Support from Open Society Institute of East Africa (OSIEA), Swiss Development Corporation (SDC), DANIDA, European Union through Save the Children and Wellspring Philanthropic Fund were important to make implementation possible during the year. Challenge remains on funding of entire strategic plan due to COVID-19 and change in funding horizon in the medium term despite presence of membership fees. Where funds remain unused as at the year ended 31 December 2021, they are deferred for use in approved programs during the subsequent year or returned to donors for the completed contracts.

Expenditure is managed in accordance with approved budgets, with Policy Forum's member organizations and Secretariat being largely responsible for the implementation of program activities. The Board of Directors, the secretariat and convener of the two working groups reviewed and formulated the 2021 annual plan during the annual retreat held in Mwanza in December 2020 and were endorsed by the Annual General Meeting of Policy Forum in April 2021.

7. Solvency

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future activities and operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of activities. The ability of the organisation to continue as a going concern is dependent on several factors. The most significant of these is that the directors continue to procure funding for the ongoing activities of Policy Forum. The board of directors has reasonable expectation that Policy Forum has adequate resources to continue in operational existence for the foreseeable future.

8. Directorate

The directors of Policy Forum at the date of this report are as follows:

Name:	Age	Designation	Organization	Nationality	Appointed
Christina Kamili Ruhinda	36	Current Chairperson	TANLAP	Tanzanian	Apr ‘21
Donati Senzia	48	Former Chairperson	PELUM Tanzania	Tanzanian	Replaced
Jovina Nawenzake	50	Current Vice Chairperson	ActionAid Tanzania	Tanzanian	Aug ‘20
Angela Makota	51	Former Vice Chairperson	Save the Children	Tanzanian	Replaced
Ikunyigulila Lazaro	41	Current Treasurer	Shule Direct	Tanzanian	Aug ‘21
Fatma Said	32	Former Treasure	Shule Direct	Tanzanian	Replaced
Peter Matonyi	64	Board Member	CADA	Tanzanian	Aug ‘20
Dominic Ndunguru	43	Board Member	Open Mind Tanzania	Tanzanian	Apr ‘21
Moses Kimaro	41	Board Member	WAJIBU	Tanzanian	Replaced
Anna Henga	43	Board Member	LHRC	Tanzanian	Replaced
Badru Juma Rajabu	30	Board Member	Restless Development	Tanzanian	Apr ‘21

The Secretary as of 31 December 2021 was Mr. Semkae Kilonzo.

REPORT BY THOSE CHARGED WITH GOVERNANCE (CONTINUED)

Directors are elected by the Board during Annual General Meeting whereby half of the board resigns and is replaced by the similar number as per constitution. The Annual General meeting was held on 14th April 2021. The directors are not aware of any material event which occurred after the reporting date and up to the date of this report which may have a material impact on the financial statements.

Outlined below is the attendance of the members at the quarterly board meetings, held during the year

	Q1 held on 15 Feb 2021.	***Q2 held on 12 April 2021.***	***Q3 held on 29 July 2021.***	***Q3 held on 24 Sept 2021.***	***Q4 held on 8 Dec 2021***
Total members	*7*	*7*	*6*	*6*	*6*
Attended Members	5	5	6	5	6
Percentage Attended	71%	71%	100%	83%	100%

9. Corporate governance

The Board takes overall responsibility for organisation, including responsibility for identifying key risk areas, considering significant financial matters, and reviewing the performance of management, strategic plans and budgets. The Board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative, and for compliance with sound corporate governance principles. The Board meets up to four times a year to review the organisation short and long-term strategy.

Following adaptation of board charter, board filled committee position during its September meeting. There are three board subcommittee including, The Finance, Risk and Audit Committee, The Public Engagement and Stakeholder Committee and The Governance Committee.

Board Committee	**Number of Meetings**	**Member**	**Designation**	**Organization**	**Qualifications**
The Governance Committee	Nil Meeting 1 Circular	Christina Ruhinda	Chairperson	TANLAP	Lawyer
		Semkae Kilonzo	Ex Official	PF Secretariat	Journalist
The Finance, Risk and Audit Committee	1	Jovina Nawenzake	Vice Chairperson	ActionAid Tanzania	Development Practitioner
		Iku Lazaro	Treasurer	Shule Direct	Project Management
		Gibons Mwabukusi	Ex Official	PF Secretariat	Professional Accountant
The Public Engagement and Stakeholder Committee	1	Dominic Ndunguru	Board Member	Open Mind Tanzania	Advocate
		Badru Juma Rajabu	Board Member	Restless Development	Policy Analyst
		Prisca Kowa	Ex Official	PF Secretariat	Development Practitioner

The Board delegates the day-to-day management of the organisation to the Executive Director assisted by the managers. Members of the senior management team may be invited to attend board meetings and facilitate the effective control of the organisation's operational activities. The organisation is committed to the principles of effective corporate governance. The Directors also recognize the importance of integrity, transparency, and accountability.

The day-to-day management of the organisation is handled by various departments as outlined below:

REPORT BY THOSE CHARGED WITH GOVERNANCE (CONTINUED)

Departments	Department Head	Responsibility/Function	No. of team members
Finance & Administration	CPA Gibons Mwabukusi	Finance & procurement	3
Local Governance	Richard Angelo	Local Government & member coordination	1
Policy Analysis	Nicholas Lekule	Policy and budget analysis	2
Advocacy & Engagement	Elinami John	Communications, advocacy and engagement	2

10. Risk management and internal control

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

- The effectiveness and efficiency of operations;
- The safeguarding of the entity's assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Operational sustainability under normal as well as adverse conditions; and
- Responsible behavior 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 controls can provide absolute assurance against misstatement or losses, the entity's systems are designed to provide the board with reasonable assurance that the procedures in place are operating effectively.

The secretariat and the board assessed the internal control systems throughout the financial year ended 31 December 2021 and are of the opinion that they met accepted criteria.

11. Employees' welfare

The organisation's employment terms are reviewed annually to ensure that they meet statutory and market conditions.

Relationship between the board and secretariat

The relation between the board and secretariat continued to be cordial during the year. There were no unresolved complaints received by the board from the employees during the year.

Medical facilities

Policy Forum provides medical aid to the staff through private medical insurance scheme.

Training facilities

In order to improve the motivation of employees, the organisation provides training and holds regular meetings with employees to discuss workplace development.

Disabled persons

It remains Policy Forum's policy to accept disabled persons for employment for those vacancies that they are able to fill. The policies and procedures of the organisation provide for alternative measures to accommodate employees with disabilities.

REPORT BY THOSE CHARGED WITH GOVERNANCE (CONTINUED)

12. Gender parity

Policy Forum 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. During the year ended 31 December 2021, PF had 11 employees, out of which 4 were female and 7 were male (2020:11 employees, out of which 4 were female and 7 were male).

As a part of new strategic direction that was reflected within the internal processes and stakeholders' inputs, Policy Forum started to work on overall Gender Equality and Social Inclusion (GESI) as one of the core building blocks of the new drafted strategic plan.

13. Auditors

During the 2021 Annual General Meeting, RSM Eastern Africa were appointed to audit Policy Forum's financial statements for the year ended 31 December 2021 and has expressed its willingness to continue in office.

14. Responsibility by those charged with governance

The members charged with governance accept responsibility for preparing these financial statements which show a true and fair view of the Organization to the date of approval of the audited financial statements, in accordance with the applicable standards, rules, regulations and legal provisions. The members also confirm compliance with the provisions of the requirements of TFRS 1 and all other statutory legislations relevant to the Organization.

15. Approval of the Financial Statements

The financial statements of Policy Forum, as indicated below, were approved by Policy Forum board of directors on **29th March 2022** and are signed on its behalf by:

Chairperson, Christina Kamili Ruhinda

Executive Director, *Semkae Gad Kilonzo*

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The NGO Act, 2002 requires the Board to prepare financial statements for each financial year that give a true and fair view of the financial position of the Organization as at the end of the financial year and of its income and expenditure. It also requires the directors to ensure that the Organization keeps proper accounting records that: (a) show and explain the transactions of the Organization; (b) disclose, with reasonable accuracy, the financial position of the Organization; and (c) enable the directors to ensure that every financial statement required to be prepared complies with the requirements of the International Financial Reporting Standards and the NGO Act, 2002.

The directors accept responsibility for the preparation and presentation of these financial statements in accordance with International Financial Reporting Standards. They also accept responsibility for:

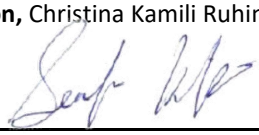
i) designing, implementing and maintaining such internal control as they determine necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error;
ii) selecting suitable accounting policies and applying them consistently; and
iii) making accounting estimates and judgements that are reasonable in the circumstances.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the board of directors and signed on its behalf by:

29th March, 2022

Chairperson, Christina Kamili Ruhinda



29th March, 2022

Executive Director, *Semkae Gad Kilonzo*

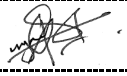
DECLARATION OF THE HEAD OF FINANCE OF POLICY FORUM

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

It is the duty of a Professional Accountant to assist Policy Forum and Management to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the organisation position and performance in accordance with the International Financial Reporting Standards and Tanzanian Non- Governmental Organization Act, 2002. Full legal responsibility for the preparation of financial statements rests with the directors as under Directors' Responsibility statement on the page 6.

I, ***GIBONS A. MWABUKUSI*** being the Head of Finance of Policy Forum here by acknowledges my responsibility of ensuring that financial statements for the year ended 31 December 2021 have been prepared in compliance with International Financial Reporting Standards and Tanzanian Non- Governmental Organization Act, 2002.

I thus confirm that the financial statements present a true and fair view position of Policy Forum on that date and that they have been prepared based on properly maintained financial records.

Name:	CPA. Gibons A. Mwabukusi
Signature:	
Position:	Finance & Administration Manager
NBAA Membership No:	ACPA 3703
Date:	29th March, 2022

Opinion

We have audited the accompanying financial statements of Policy Forum, set out on pages 10 to 29, which comprise the statement of financial position as at 31 December 2021, the statement of income and expenditure, changes in net assets and of cash flows for the year then ended, and notes, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the organization as at 31 December 2021 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the NGO Act, 2002 and requirements of Tanzanian Non-Governmental Organization Act, 2002.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Tanzania, and we have fulfilled our 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 audit opinion.

Other information

The Directors are responsible for the other information. Other information comprises the information included in the Annual Report, 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.

Directors' responsibility for the financial statements

The directors of Policy Forum are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and Tanzanian Non- Governmental Organization Act, 2002 for such internal controls as directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate or cease operations, or have no realistic alternative but to do so.

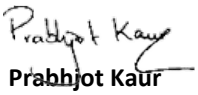
Auditor's responsibilities for the audit of the financial statements

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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 the 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 those charged with governance 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.



Prabhjot Kaur
FCPA 1619
For and on behalf RSM Eastern Africa
Certified Public Accountants

29 March **2022**

Dar es Salaam

Ref No: 028/2022

POLICY FORUM
STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2021

	NOTE	2021 TZS'000	2020 TZS'000
INCOME			
Revenue Grants	**3**	2,184,841	2,256,847
Capital Grant Released to income	**8**	30,032	34,078
Total Income		**2,214,873**	**2,290,925**
EXPENDITURE			
Operating expenses	**4**	2,184,841	2,256,847
Depreciation expense	**5**	30,032	34,078
Total Expenditure		**2,214,873**	**2,290,925**
Surplus/(Deficit) for the year		**-**	**-**

The Statement of income and expenditure is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 10 to 29.

POLICY FORUM

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	NOTE	2021 TZS'000	2020 TZS'000
ASSETS			
Non-current Assets			
Property and Equipment	**5**	91,740	84,756
		91,740	**84,756**
Current Assets			
Receivables	**6**	59,940	189,219
Cash and Cash Equivalents	**7**	1,184,940	788,855
		1,244,880	**978,074**
Total Assets		**1,336,620**	**1,062,830**
LIABILITIES			
Non-current Liabilities			
Deferred capital grant	**8**	91,739	84,755
		91,739	**84,755**
Current Liabilities			
Payables	**9**	868,321	939,829
Deferred Revenue Grants	**10**	376,560	38,246
		1,244,881	**978,075**
Total Liabilities		**1,336,620**	**1,062,830**
Net Asset		**-**	**-**

The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 10 to 29.

29th March, 2022

Chairperson, Christina Kamili Ruhinda

29th March, 2022

Coordinator, *Semkae Gad Kilonzo*

POLICY FORUM

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 DECEMBER 2021

	Accumulated Funds	Total
	TZS'000	TZS'000
Balance as at 1 January 2021	-	-
Surplus/(deficit) for the year	-	-
Balance as at 31 December 2021	-	-
Balance at 1 January 2020	-	-
Surplus/(deficit) for the year	-	-
Prior year adjustment	-	-
Balance at 31 December 2020	**-**	**-**

The Statement of Changes in Net Asset is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 10 to 29.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	NOTES	2021 TZS'000	2020 TZS'000
CASH FLOW FROM OPERATING ACTIVITIES			
Net Surplus/ (Deficit) for the year		-	-
Adjustments for non-cash expenses			
Depreciation	5	30,032	34,078
Deferred capital released	8	(30,032)	(34,078)
Grants released to statement of income and expenditure	**3**	(2,184,841)	(2,256,847)
Changes in Working Capital			
Decrease/(increase) in receivables		129,279	(7,381)
(Decrease)/increase in payables		(71,508)	16,905
Net Cash Flow used in Operating Activities		**(2,127,070)**	**(2,247,323)**
Cash Flows from Investing Activities			
Purchase of property and equipment	5	(37,016)	(23,581)
Net Cash Flow used in Investing Activities		**(37,016)**	**(23,581)**
CASH FLOW FROM FINANCING ACTIVITIES			
Receipts of grants during the year	10	2,727,347	2,081,292
Net movement of prior year grant	10	(150,308)	188,990
Refund to donors	10	(16,868)	-
Net Cash Flow from Financing Activities		**2,560,171**	**2,270,282**
Net Increase/(decrease) in cash and cash equivalents		**396,085**	**(622)**
Cash and bank at 1 January		788,855	789,477
CASH AND BANK AT THE END OF THE YEAR		**1,184,940**	**788,855**

The Statement of cash flows is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 10 to 29.

1. GENERAL INFORMATION

Policy Forum used to be a private limited company incorporated and domiciled in the United Republic of Tanzania. Following change of laws in July 2019 Policy Forum was reincorporated as Non-Government Organisation (NGO) under section 11(1) and 17(2) of act number 24 of 2002, obtaining certificate number 00NGO/R2/00015 on 11TH July 2019.

2. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the organisation's financial statements.

2.1. Basis of Preparation

The financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these financial statements and the NGO Act 2002. The financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Tanzanian Shillings (TZS) rounded to the nearest thousand, which is the organisation functional currency. The organisation pursues charitable objectives and its constitution requires that the income and property of the organisation shall be applied solely towards promotion of all objects of the organisation as set forth in its Constitution and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, gift, division, bonus or otherwise by way of profit to the members of the organisation. Presently, Policy Forum largely relies on grants to pursue its activities. These accounting policies are consistent with the previous period.

Fair values are categorised into three levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfers between levels of the fair value hierarchy are recognised by the organisation at the end of the reporting period during which the change occurred.

2.2. Property and equipment

Property and equipment are tangible assets which organization holds for its own use and which are expected to be used for more than one year.

An item of property and equipment is recognized as an asset when it is probable that future economic benefits associated with the item will flow to the organization and the cost of the item can be measured reliably.

Property and equipment are initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalization of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property and equipment are capitalized if it is probable that future economic benefits associated with the expenditure will flow to the organization and the cost can be measured reliably. Day to day servicing costs are included in statement of income and expenditure in the year in which they are incurred.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the organization Leased assets are depreciated in

a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognized. The useful lives of items of property and equipment have been assessed as follows:

Item	Depreciation method	Percentage
Furniture and fixtures	Straight line	12.5%
Motor vehicle	Straight line	20%
IT equipment	Straight line	33.3%
Office equipment	Straight line	25%
Generator	Straight line	25%

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognized in statement of income and expenditure unless it is included in the carrying amount of another asset.

Impairment tests are performed on property and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognized immediately in statement of income and expenditure to bring the carrying amount in line with the recoverable amount.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in statement of income and expenditure when the item is derecognized.

2.3. Financial instruments

Initial recognition and measurement
Financial instruments are recognized initially when the organization becomes a party to the contractual provisions of the instruments.

Policy Forum classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

For financial instruments which are not at fair value through statement of income and expenditure, transaction costs are included in the initial measurement of the instrument.

Regular way purchases of financial assets are accounted for at trade date.

Receivables
Receivables are measured at initial recognition at fair value and are subsequently measured at amortized cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognized in statement of

income and expenditure when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the receivable is impaired. The allowance recognized is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognized in Statement of income and expenditure within operating expenses. When a receivable is uncollectable, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in statement of income and expenditure.

Receivables are classified as loans and receivables.

Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Payables
Payables are initially measured at fair value, and are subsequently measured at amortized cost, using the effective interest rate method.

Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

2.4. Leases

Leases under which the Organization is the lessee

On the commencement date of each lease (excluding leases with a term, on commencement, of 12 months or less and leases for which the underlying asset is of low value) the Organization recognizes a right-of-use asset and a lease liability.
The lease liability is measured at the present value of the lease payments that are not paid on that date. The lease payments include fixed payments, variable payments that depend on an index or a rate, amounts expected to be payable under residual value guarantees, and the exercise price of a purchase option if the Organization is reasonably certain to exercise that option. The lease payments are discounted at the interest rate implicit in the lease. If that rate cannot be readily determined, the Organization's incremental borrowing rate is used.
The right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability, any lease payments made on or before the commencement date, any initial direct costs incurred, and an estimate of the costs of restoring the underlying asset to the condition required under the terms of the lease.
Subsequently the lease liability is measured at amortized cost, subject to remeasurement to reflect any reassessment, lease modifications, or revised fixed lease payments.
For leases with a term, on commencement, of 12 months or less and leases for which the underlying asset is of low value, the total lease payments are recognized on a straight-line basis over the lease period.

Leases under which the Organization is the lessor

Leases that transfer substantially all the risks and rewards of ownership of the underlying asset to the lessee are classified as finance leases. All other leases are classified as operating leases. Payments received under operating leases are recognized as income in the profit and loss account on a straight-line basis over the lease term. The Organization has not entered into any finance leases.

2.5. Impairment of assets

The organization assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the organization estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the Policy Forum also:

- Tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.

- Tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortization is recognized immediately in statement of income and expenditure. Any impairment loss of a revalued asset is treated as a revaluation decrease

Policy Forum assesses at each reporting date whether there is any indication that an impairment loss recognized in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortization other than goodwill is recognized immediately in statement of income and expenditure. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

2.6. Employee benefits

Short-term employee benefits
The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognized in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognized as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognized as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans
Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the organization obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

2.7. Provisions and contingencies

Provisions are recognized when the Organization has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

2.8. Grants and contributions

Grants revenue is recognized once the facility is approved by the donor and all conditions for receiving them have been fulfilled. The revenue received is recorded as deferred revenue in the liability section of the statement of financial position. The deferred revenue is released and recognized in the statement of income and expenditure over the period necessary to match them with the related expenditure.

Member's contributions are accounted for in the year in which they are received.

Income from other sources is recognized when received.

Capital grants

Capital grants represent the grant income received for purposes of capital expenditure. These are included in noncurrent liabilities and released and recognized in the statement of income and expenditure on a straight-line basis over the expected useful lives of the related assets.

2.9. Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Tanzanian Shillings, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in statement of income and expenditure in the period in which they arise.

When a gain or loss on a non-monetary item is recognized to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognized to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognized in statement of income and expenditure, any exchange component of that gain or loss is recognized in statement of income and expenditure.

Cash flows arising from transactions in a foreign currency are recorded in Tanzanian Shillings by applying to the foreign currency amount the exchange rate between the Tanzanian Shilling and the foreign currency at the date of the cash flow.

2.10. Improvements to IFRSs

a) Adoption of new and revised standards

Four Amendments to standards became effective for the first time in the financial year beginning 1st January 2021 and have been adopted by the organisation. Neither of the Amendments has had an effect on the organisation 's financial statements.

b) New and revised standards that have been issued but are not yet effective

The Organisation has not applied any other of the new or revised Standards and Interpretations that have been published but are not yet effective for the year beginning 1 January 2021, and the Directors do not plan to apply any of them until they become effective. Below is a list of all such new or revised standards and interpretations, with their effective dates, none of which is expected to have a significant impact on the Organization's financial statements in the period of initial application

Name of standard	Details of the changes
Amendments to IAS 37	Onerous Contracts - Cost of Fulfilling a Contract (issued in May 2020) The amendments clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. They are effective for contracts for which an entity has not yet fulfilled all its obligations on or after 1 January 2022.
Amendments to IAS 16	Property, Plant and Equipment: Proceeds before Intended Use (issued in May 2020) The amendments, applicable to annual periods beginning on or after 1 January 2022, prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing an asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in statement of income and expenditure.
Amendment to IFRS 9	Fees in the '10 per cent' Test for Derecognition of Financial Liabilities (issued in May 2020 as part of the Annual Improvements to IFRS Standards 2018-2020) The amendment, applicable to annual periods beginning on or after 1 January 2022, to IFRS 9 clarifies the fees that a company includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.

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Name of standard	Changes made to the standard
Amendments to IAS 1	Classification of Liabilities as Current or Non-current (issued in January 2020) The amendments, applicable to annual periods beginning on or after 1 January 2023, clarify a criterion in IAS 1 for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.
Amendments to IAS 8	Definition of Accounting Estimates (issued in February 2021) The amendments, applicable to annual periods beginning on or after 1st January 2023, introduce a definition of 'accounting estimates' and include other amendments to IAS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates.
Amendments to IAS 1	Disclosure of Accounting Policies (issued in February 2021) The amendments, applicable to annual periods beginning on or after 1st January 2023, require entities to disclose their material accounting policy information rather than their significant accounting policies.
Amendments to IFRS 16	Covid-19-Related Rent Concessions Beyond 30th June 2021 (issued in March 2021) The previous amendment to IFRS 16 permitted the practical expedient to be applied only to reductions in lease payments that did not extend beyond 30th June 2021. This amendment, applicable to annual periods beginning on or after 1st April 2021 allows the practical expedient to be applied to reductions in lease payments that do not extend beyond 30th June 2022.

3. GRANTS AND CONTRIBUTIONS MOVEMENT

2021	Deferred Rev Grant/ (Receivable)	Refund to Donors /Members	Grant Received for Current Year	Transfer to Capital Grants	Released Grant to Income	Grant (Receivable) Payable
	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000
Wellspring Philanthropic Fund	-	-	705,000	(13,160)	(613,978)	77,861
Swiss Development Corp.	-	-	229,900	(196)	(200,218)	29,486
DANIDA	(185,761)	-	1,453,217	(23,660)	(1,103,815)	139,980
Foundation for Open Society Institute (FOSI)	5,137	(5,137)	114,624	-	(14,884)	99,740
Save the Children	(3,230)	-	190,998	-	(226,452)	(38,684)
Released Grant from (Donors/Partners)	**(183,856)**	**(5,137)**	**2,693,739**	**(37,016)**	**(2,159,347)**	**308,383**
PF Member's Project Contributions	11,732	(11,732)	6,464	-	(6,464)	-
PF Membership fees	21,378	-	8,115	-	-	29,493
Other Operating income	-	-	19,029	-	(19,029)	-
Total	**(150,745)**	**(16,869)**	**2,727,347**	**(37,016)**	**(2,184,841)**	**337,877**

2020	Deferred Rev, Grant/ (Receivable)	Return to Funders	Grant Received for Current Year	Transfer to Capital Grants	Released Grant to Income	Grant (Receivable) Payable
	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000
Wellspring Philanthropic Fund	8,309	-	678,973	(5,028)	(682,255)	-
Swiss Development Corp.	-	-	561,645	(4,022)	(557,623)	-
DANIDA	-	-	551,236	(5,315)	(731,682)	(185,761)
Foundation for Open Society Institute (FOSI)	12,993		114,374	-	(122,230)	5,137
Save the Children	-	-	157,716	(9,216)	(151,730)	(3,230)
Released Grant from (Donors/Partners)	**21,302**	**-**	**2,063,945**	**(23,581)**	**(2,245,520)**	**(183,855)**
PF Member's Project Contributions	11,732	-	-	-	-	11,732
PF Membership fees	15,358	-	6,020	-	-	21,378
Other Operating income	-	-	11,327	-	(11,327)	-
Total	**48,391**	**-**	**2,081,292**	**(23,581)**	**(2,256,847)**	**(150,745)**

4. A. OPERATING EXPENDITURE

	BUDGET	EXPENSES	VARIANCE
Output 1.1: Equipped PF members are adaptively applying knowledge to influence policies and processes	**TZS'000'**	**TZS'000'**	**%**
Identifying potential PF members and orient them on areas of analysis on equitable use of public resources	8,152	8,994	110%
Capacity enhancement to members on Government processes and systems	39,152	37,240	95%
Production of IEC Materials by members to influence policies and processes (policy briefs and position papers)	70,090	68,257	97%
Conduct National level capacity building workshops with CSOs, academia and research institutions on evidence-based policy advocacy	27,930	24,964	89%
Hold PF working groups meetings for planning and assessing implementations to improve the interventions	10,590	10,806	102%
For Program Personnel Payroll & Other expense for Output 1.1	112,200	104,215	93%
Subtotal	**268,114**	**254,477**	**95%**
Output 1.2: Policy Forum members have access to and use tools, platforms, and open spaces to effectively engage on budget and policy issues			
Strategic use of media to inform the public on current policies and processes relating to public resources	117,180	103,995	89%
Disseminate IEC materials to members and stakeholders	13,496	12,400	92%
Simplified versions of relevant policies and guidelines produced	39,640	27,073	68%
Conduct monthly breakfast debate on public policy policies and equitable use of public resources	70,083	67,129	96%
Developing Social Accountability Learning Module that will be used by PF Members to Enhance Councillors Oversight Capacities	42,320	21,192	50%
For Program Personnel Payroll & Other expense for Output 1.2	224,400	208,430	93%
Subtotal	**507,119**	**440,219**	**87%**
Output 2.1: Enhanced coalitions building for supportive stakeholders and committed champions working together to advocate for inclusive decision-making			
Conduct SDGs orientation and training to the Parliamentary Group on Sustainable Development (PGSP) and parliamentary Committees	22,140	23,128	104%
Support the PGSD & parliamentary committees with tools necessary for follow up and monitor of Sustainable Development implementation progress in Tanzania	11,550	7,716	67%
Conduct a workshop with CSOs, academia, research institutions and Ministry of Finance and Planning to conduct national level budget analysis	8,260	6,081	74%
Conduct meetings with the government to provide inputs on the simplified versions of citizens budget	10,320	8,491	82%
To hold both formal and informal meetings with technocrats of the Parliamentary office, MDAs and LGAs to strategically discuss systemic issues	9,100	10,405	114%
Conduct national dialogues on budget process and allocation	8,400	8,934	106%
Sustaining International networking to enhance partnerships	5,902	5,455	92%
For Program Personnel Payroll & Other expense for Output 2.1	103,560	96,198	93%
Subtotal	**179,232**	**166,408**	**93%**

Output 2.2: Enhanced Opened Spaces that interest policy makers to collaborate on improved DRM and equitable and accountable use of public resources	**TZS'000'**	**TZS'000'**	**%**
Conduct campaign on open extractive contracts to improve transparency in the DRM	8,588	8,990	105%
Engage policy makers both national and local on the tax and revenues from the extractives findings	31,106	10,504	34%
Strengthened participation of PF in the existing multi stakeholders' platforms to improve accountability and equitable use of public resources	20,925	16,326	78%
Advocate for improvement of acquisition, provision and repayment of LGAs loans targeting women, youth and people with disability	21,620	22,662	105%
Increased transparency in revenue management in extractives		-	
Conduct national dialogues on taxation issues	10,976	11,307	103%
For Program Personnel Payroll & Other expense for Output 2.2	77,670	72,149	93%
Subtotal	**170,885**	**141,938**	**83%**
Output 2.3: Policy makers support partnerships' agenda that enhance equitable and accountable use of public resources			
Mainstream SDGs in LGAs plans	13,830	0	0%
Enhanced transparency, public participation, and budget oversight through advocacy use of OBS findings	4,400	3,000	68%
Enhanced skills and knowledge of councillors for improved oversight functioning	43,950	30,835	70%
Augmented inclusive implementation of the African Mining Vision (Cluster 5 - Mineral Sector Governance)	31,964	23,250	73%
For Program Personnel Payroll & Other expense for Output 2.3	77,670	72,149	93%
Subtotal	**171,814**	**129,233**	**76%**
Output 3.1: Strengthened internal learning capacity and organizational culture			
Conduct baseline study for 2021-2024 SP	35,122	30,140	86%
Conduct internal quarterly reflection sessions with staff	5,280	5,791	110%
Conduct semi and annual reviews with Staff Board members and conveners	79,058	68,497	87%
Conduct WGs evaluations	14,080	14,657	104%
Conduct BD evaluation	9,780	9,500	97%
Conduct Community radio evaluation	23,730	26,648	112%
Internship and volunteer programs	3,780	3,158	84%
For Program Personnel Payroll & Other expense for Output 3.1	77,670	72,149	93%
Subtotal	**248,500**	**230,540**	**93%**
Output 3.2: Improved participatory collecting evidence, learning and adaptation with partners to advance sustainable reforms for inclusive governance	**TZS'000'**	**TZS'000'**	**%**
Documentation and dissemination of lesson learned and success stories	17,708	4,372	25%
Developing a PMEL strategy	9,576	9,196	96%
Orientation on Gender and Social inclusion strategy			
Conduct a Study on Equitable use of public resources and gender inclusion			
For Program Personnel Payroll & Other expense for Output 3.2	51,780	48,099	93%
Subtotal	**79,064**	**61,667**	**78%**

Output 3.3: Increased use of community of practice spaces to exchange lessons learned on successful policy reform strategies	**TZS'000'**	**TZS'000'**	**%**
Conduct Zonal reflection meeting	37,236	20,184	64%
Holding Annual Learning Events	43,404	38,086	88%
Participate in community of practice spaces to enhance learning			
For Program Personnel Payroll & Other expense for Output 3.3	51,780	48,099	93%
Subtotal	**132,420**	**110,003**	**83%**
Output 4.1: Policy Forum governance strengthened			
Enhanced administration of policy and financial management systems	16,000	13,512	84%
Updated Fundraising Strategy			
Organize semi annual joint donor meetings	1,760	780	44%
Organisation Development, Training and Career Enhancement plan and Review of Staff Performance	8,520	9,254	109%
For Program Personnel Payroll & Other expense for Output 4.1	17,268	16,033	93%
Subtotals	**43,548**	**39,580**	**91%**
Output 4.2: Policy Forum effectively and efficiently manages its resources for sustainability			
Annual General Meetings conducted	29,050	33,390	115%
Board Meetings organised	7,720	8,786	114%
Facilitate an Internal Audit function and Annual External Audit Exercise	16,000	18,334	115%
Board Members Orientations and Board Performance Review for effective policy decision making and board governance	8,208	7,256	88%
Conduct visits to members to strengthen PF network	3,300	650	20%
For Program Personnel Payroll & Other expense for Output 4.2	34,560	32,066	93%
Subtotal	**98,838**	**100,483**	**102%**
Output 4.3: Strengthening PF secretariat and members compliance within regulatory framework.			
Enhance Membership Database and compliance	7,000	4,000	57%
Develop a CSO Guideline to compliance against relevant regulatory bodies	22,500	17,423	77%
To conduct a multi stakeholder workshop with relevant regulatory bodies	16,480	3,360	20%
For Program Personnel Payroll & Other expense for Output 4.3	34,560	32,066	93%
Subtotal	**80,540**	**56,849**	**71%**
Secretariat Expenses			
Salaries/Benefits for admin staff and organization/staff development			
Finance & administration manager	119,448	123,148	103%
Admin assistant	49,680	44,105	89%
Logistics Officer	46,128	42,523	92%
Subtotal	**215,256**	**211,608**	**99%**
Running Costs			
Office premises renting, maintenance, and security	105,044	93,498	89%
PPE, MIS, Apps, Website Subscription and Maintenance	45,400	49,662	109%
Office Utilities	27,120	26,712	98%
Data, Voice, Postal communication, and Data software & security	25,900	25,780	100%

	TZS'000	TZS'000	%
Office Stationeries & Supplies	15,480	17,123	111%
Transportation	21,800	16,129	74%
Legal, Insurance, Finance & Administrative Fees	12,900	14,766	114%
Subtotal	**253,644**	**243,669**	**96%**
Total Operating Expenses	**2,448,974**	**2,184,841**	**89%**
Depreciation Expense		**30,032**	
Total Operating Expenses		**2,214,873**	**89%**
Property & Equipment Acquisitions	**TZS'000'**	**TZS'000'**	**%**
Computer, laptops, UPS & Accessories	10,300	3,999	39%
Furniture, fixtures	23,200	26,183	113%
Equipment Tools	6,700	6,834	102%
Subtotal	**40,200**	**37,016**	**92%**
Total Approved Expenditure	**2,489,174**	**2,251,889**	**89%**

4B Expenditure Summary		**2021 TZS'000'**	**2020 TZS'000'**
Operating Expenses	**4a**	2,184,841	2,256,847
Depreciation Expenses	**5**	30,032	34,078
Total Operating Expenses		**2,214,873**	**2,290,925**
Additions to Property & Equipment	**5**	37,016	23,581
Total Approved Expenditure		**2,251,889**	**2,314,506**

5. PROPERTY AND EQUIPMENT

	Furniture & Fixtures	Motor Vehicle	IT Equipment	Office Equipment	Generator	Land	Total
Cost:	**TZS'000**	**TZS'000**	**TZS'000**	**TZS'000**	**TZS'000**	**TZS'000**	**TZS'000**
As at 1 January 2020	18,679	163,486	91,821	45,231	23,700	8,622	351,539
Additions	-	-	14,423	9,158	-	-	23,581
As at 31 December 2020	**18,679**	**163,486**	**106,244**	**54,389**	**23,700**	**8,622**	**375,120**
Accumulated Depreciation							
Balance as 1 January 2020	(14,219)	(110,885)	(76,543)	(30,938)	(23,700)	-	(256,286)
Charge for the year	(923)	(13,694)	(12,502)	(6,959)	-	-	(34,078)
Balance as 31 December 2020	**(15,142)**	**(124,579)**	**(89,045)**	**(37,897)**	**(23,700)**	**-**	**(290,364)**
NET BOOK VALUE							
As at 31 December 2020	**3,538**	**38,907**	**17,199**	**13,853**	**-**	**8,622**	**84,756**

5.PROPERTY AND EQUIPMENT (Continued)

	Furniture & Fixtures	Motor Vehicle	IT Equipment	Office Equipment	Generator	Land	Total
Cost:	**TZS'000**	**TZS'000**	**TZS'000**	**TZS'000**	**TZS'000**	**TZS'000**	**TZS'000**
As at 1 January 2021	18,679	163,486	106,244	54,389	23,700	8,622	375,120
Additions	26,183	-	7,231	3,602	-	-	37,016
As at 31 December 2021	**44,862**	**163,486**	**113,475**	**57,991**	**23,700**	**8,622**	**412,136**
Accumulated Depreciation							
Balance as 1 January 2021	(15,142)	(124,580)	(89,046)	(37,897)	(23,700)	-	(290,364)
Charge for the year	(2,212)	(13,694)	(7,885)	(6,241)	-	-	(30,032)
Balance as 31 December 2021	**(17,354)**	**(138,274)**	**(96,931)**	**(44,138)**	**(23,700)**	**-**	**(320,396)**
NET BOOK VALUE							
As at 31 December 2021	**27,508**	**25,212**	**16,544**	**13,853**	**-**	**8,622**	**91,740**

6. RECEIVABLES

	2021 TZS'000	2020 TZS'000
Grants Funds Receivable	39,452	188,991
Prepayments	18,838	228
Salary advance	1,650	-
Total	**59,940**	**189,219**

7. CASH AND CASH EQUIVALENTS

Barclays Bank-USD	1,138,518	773,712
Barclays Bank Tanzania Ltd-TZS	45,801	15,143
Cash in hand	621	-
Total	**1,184,940**	**788,855**

8. DEFERRED CAPITAL GRANTS

Opening balances	84,755	95,252
Additions during the year	37,016	23,581
Amortization of deferred capital grant	(30,032)	(34,078)
Total	**91,739**	**84,755**

9. PAYABLES

Accrued expenses	114,098	234,015
Grants received in advance (WPF)	688,500	705,000
Prepaid Membership Fees	210	510
Sundry Accruals	65,513	304
Total	**868,321**	**939,829**

10. DEFERRED REVENUE GRANT

Balance as at 1 January 2021	38,246	48,391
Grant Receivable as at 1 January 2021	(188,991)	-
Grants and contributions Received in the period	2,727,347	2,081,292
Grant Fund Receivable	38,684	188,991
Refund to donor	(16,869)	-
Allocation to capital grant	(37,016)	(23,581)
Grant released to Income ***(Note 3)***	(2,184,841)	(2,256,847)
Total	**376,560**	**38,246**

11. OTHER OPERATING INCOME

Miscellaneous Income	10,101	10,575
Foreign Exchange Gains	8,928	752
Total	**19,029**	**11,327**

12. COMMITMENTS AND CONTINGENCIES

Capital commitments

At 31 December 2021, policy forum had no contractual approved or unapproved commitments.

Contingencies

The directors are of the opinion that there are no contingent liabilities as at 31 December 2021.

13. RELATED PARTY TRANSACTIONS

Unless otherwise disclosed, all transactions with related parties are on an arm's length basis at market related prices. The organisation has a related party relationship with its executive management.

Transactions with key management personnel

	2021 TZS'000	2020 TZS'000
Salaries and short-term benefits	677,585	681,555

14. COMPARATIVE FIGURES

Previous year's figures have been regrouped whenever necessary in order to make them comparable with the current year figures.

THE POWER OF BEING UNDERSTOOD

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