

**POLICY FORUM**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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*Policy Forum*  
*Annual report and financial statements*  
*For the year ended 31 December 2023*

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**ORGANISATION INFORMATION**

<b>Country of registration</b>	Tanzania
<b>Date of registration</b>	11th July 2019
<b>Certificate of registration number</b>	00NGO/R2/00015
<b>Principal place of operation and registered office</b>	P.O Box 38486 Ndovu Street, Plot 379 House No. 7, Off Rose Garden Road Mikocheni Dar es Salaam, Tanzania.
<b>Bankers</b>	ABSA Bank Limited Ohio Branch P.O Box 5137 Dar es Salaam, Tanzania.
<b>Auditors</b>	RSM Eastern Africa PF Number 197 Certified Public Accountants P.O. Box 79586, 1st Floor, Plot 1040, Haile Selassie Road, Masaki, Dar es Salaam, Tanzania.
<b>Directors</b>	Outlined on page 4

**LIST OF ABBREVIATIONS**

CSO	Civil Society Organisation
DANIDA	Danish International Development Agency
DRM	Domestic Resource Mobilisation
DTA	Double Taxation Agreement
FAWEMA	Forum for African Women Educationalist in Malawi
FRAC	Finance, Risk and Audit Committee
GC	Governance Committee
GPE	Global Partnership for Education
IASB	International Accounting Standards Board
IESBA	International Ethics Standards Board for Accountants
IFRS	International Financial Reporting Standards
IPSAS	International Public Sector Accounting Standards
LG	Local Government
MIS	Management Information System
MP	Member of Parliament
NB	National Budget
NSSF	National Social Security Fund
OSHA	Occupational Health and Safety Act
PBO	Parliament Budgetary Office
PCCB	Prevention and Combating of Corruption Bureau
PESC	Public Engagement and Stakeholder Committee
PF	Policy Forum
PO-RALG	President's Office - Regional Administration and Local Government
PSAM	Public Service Accountability Monitor
SAM	Social Accountability Monitoring
SDC	Swiss Development Cooperation
SDG	Sustainable Development Goals
SP	Strategic Plan
TSDP	Tanzania Sustainable Development Platform
TZS	Tanzania Shillings
USD	United States Dollar
WPF	Wellspring Philanthropic Fund
YDP	Yearly Development Plan

**Policy Forum**  
**Report by those charged with governance**  
**For the year ended 31 December 2023**

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**1. Introduction**

The directors present their report together with the audited financial statements for the year ended 31 December 2023 which discloses the state of affairs of Policy Forum herein referred to as the “organisation.”

**2. Incorporation**

Policy Forum was incorporated in the United Republic of Tanzania on 12 September 2006 under the Tanzanian 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 Organization (NGO) under section 11(1) and 17(2) of Act number 24 of 2002, obtaining certificate number 00NGO/R2/00015 on 11th July 2019.

**3. 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, democratization 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.

**4. 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.

**5. Review of activities**

The financial position, results of operations and cash flows of the organisation are set out in these financial statements on pages 13 to 16.

Financial Year 2023 is the third year of implementing Strategic Plan 2021-2024. Further, in the implementation of the 2023 Annual Plan, Policy Forum has worked on several areas that are fulfilling the expected goals of the strategic plan, including advocacy areas under tax justice advocacy, domestic resource mobilization, social accountability and budget. Policy Forum has continued to provide spaces and platforms and conduct training on analysis to its members.

Policy Forum utilized 93% of the annual budget (2022: 92% level achieved).

## **Policy Forum**

### **Report by those charged with governance (Continued)**

**For the year ended 31 December 2023**

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#### **6. 2023 Implementation results**

In the dynamic landscape of 2023, Policy Forum (PF), has navigated through a year marked by impactful collaborations. This annual report reflects on our achievements and contributions from efforts to address Illicit Financial Flows (IFFs) to engaging in collaborative projects with esteemed partners. This report delves into the detailed accounts of our activities towards shaping a more just and sustainable future for Tanzania.

Against the backdrop of a series of strategic sessions, Policy Forum, in collaboration with Tax Justice Network Africa, spearheaded efforts in Tanzania to officially launch the African Parliamentary Network against Illicit Financial Flows and Taxation (APNIFFT) country caucus on September 7, 2023. This marked a significant milestone. Attended by parliamentarians, the event under the theme "MP's Leadership in Combating Illicit Financial Flows," aimed to spotlight the importance of the Tanzanian caucus in addressing Illicit Financial Flows, tax injustices, and Domestic Resource Mobilization. Deputy Speaker Hon. Mussa Azzan Zungu expressed optimism that the caucus would combat economic injustices, address challenges of resource smuggling and promote collaborative efforts with other nations. The launch incorporated an orientation session, providing MPs with insights into APNIFFT's objectives and ongoing advocacy efforts against Illicit Financial Flows in Africa.

Another notable capacity-building achievement of Policy Forum and its national implementing partners in the Education Out Loud Project is the significant progress made in mobilizing and building advocacy capacities for Rural Youth Collectives (RYCs). As a result, RYCs demonstrated substantial improvement in developing advocacy messages, engaging with decision-makers at district, national, and transnational levels, and actively addressing identified issues. Transnational spaces RYCs participated includes Global Week for Education, SADC Parliamentary Forum and International Quality Education Conference. Their participation in such spaces allows them to amplify their voices on matters affecting their well-being and contributing to the transformation of education for inclusive and equitable outcomes.

Despite facing funding challenges in 2023, Policy Forum (PF) managed to cultivate partnerships with both members and non-members, such as HakiRasilimali, Elizabeth Glaser Pediatric Aids Foundation (EGPAF), Wajibu Institute of Public Accountability, HakiElimu, and the United Nations Association of Tanzania. These collaborations ensured the successful implementation of the monthly Policy Forum Breakfast Debates (BDs) served as a robust platform to raise awareness, disseminate knowledge, and discuss critical systemic issues, fostering inclusive decision-making, transparency, and accountability. The debates stand as a testament to PF's commitment to fostering informed public discourse and driving positive societal change.

With backing from its development partners including the Swiss Development Cooperation (SDC), Denmark's Development Cooperation (DANIDA), the Wellspring Philanthropic Fund (WPF), Tax Justice Network Africa (TJNA), the Global Partnership for Education (GPE), and the Open Society Foundations (OSF), PF was able to disseminate its advocacy efforts and the milestones.

Key areas that Policy Forum had focused in 2023 included:

Curbing Illicit Financial Flows (IFFs):

- *Advocated for a just tax system through workshops, training, and policy briefs*
- *Elevated public awareness of IFFs through public dialogues and social media engagement*
- *Contributed to the establishment of the Tanzanian chapter of APNIFFT*

Promoting Budget Transparency and Citizen Participation:

- *Analyzed the national budget and published a position statement with recommendations*
- *Advocated for the timely publication of the Citizens' Budget*
- *Organized public dialogues to facilitate discussions on budget issues*

Amplifying Public Dialogues for Inclusive Decision-Making:

- *Conducted breakfast debates and community radio programs on various topics*
- *Empowered communities affected by extractives through capacity-building programs*
- *Advocated for a review of local content legislation in the extractive sector*

## **Policy Forum**

**Report by those charged with governance (continued)**

**For the year ended 31 December 2023**

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### **6. 2023 Implementation results (Continued)**

Driving Change towards Inclusive Education:

- Equipped rural youth with advocacy skills to address education challenges
- Facilitated their participation in national and transnational advocacy efforts

Forging Collaborations for Inclusive Decision-Making:

- Partnered with CSOs to present recommendations on tax policy to the Parliamentary Budget Committee
- Engaged with East African legislators on tax harmonization and domestic resource mobilization

Key Achievements during the year:

#### Curbing illicit Financial Flows

- 21 participants attended a workshop on tax justice, equipping them with knowledge and tools for advocacy. Pre and post-tests showed a significant increase in their confidence regarding using these tools.
- 353 listeners engaged in a Twitter space dialogue on IFFs, highlighting the potential for social media in raising public awareness on this critical issue.
- 1,100 people reached through Policy Forum's breakfast debates, fostering public discourse on various governance topics.

#### Promoting Budget Transparency and Citizen Participation:

- 1 online statement published regarding the 2023/24 national budget, offering recommendations for improved transparency and service delivery.
- 1 translated report - The "Tax Justice, Climate Finance and the Climate Crisis in Tanzania" report was translated into Swahili, increasing accessibility and potential impact.
- 24,465,118 impressions generated through social media promotion of the aforementioned report, demonstrating its reach beyond immediate stakeholders.

#### Empowering Communities and Driving Change:

- 5 regions covered by community radio programs, empowering local journalists and amplifying community voices on issues like local content policies in the extractives sector.
- 854 residents promised compensation for land acquisition after a radio program exposed their grievances, showcasing the potential of media in holding authorities accountable.
- 3.7 billion Tanzanian Shillings disbursed as part of the ongoing compensation process, highlighting the tangible impact of advocacy efforts on communities.

### **7. Impact of Changing Financial Landscape**

The dynamics of the donor funding landscape have been changing for the last few years. The aftermath of the Pandemic and the recent war in Ukraine, influence the attention of major funding countries in the west. With this in mind, Policy Forum has been increasing effort in attracting new funding from new and old partners.

The past year has seen a rise in prices of major services, products and the cost of engaging government officials in areas of per diems. PF has continued to implement some of the cost-saving strategies and measures throughout 2023 including cost sharing and virtual meetings, use of digital platforms such as YouTube, Twitter, Facebook and Zoom helped to keep people engaged.

### **8. Funding and expenditure**

Being the third year of implementing the strategic plan 2021-2024, both 2023 Annual Plan and its 2023 Annual Budget were approved by the Board of Directors in February 2023. Where funds remain unused as at the year end, they are deferred for use in approved programs during the subsequent year or returned to funders once the projects are completed.

Expenditure is managed in accordance with approved budgets, donor and funders agreements with Policy Forum's member organizations and Secretariat being largely responsible for the implementation of program activities. The Board of Directors, the secretariat and the convener of the two working groups reviewed and formulated the 2023 annual plan during the annual retreat held in Zanzibar in December 2022 and were endorsed at the Annual General Meeting of Policy Forum in April 2023.

## Policy Forum

### Report by those charged with governance (continued)

For the year ended 31 December 2023

#### 9. Solvency and Going Concern

The financial statements have been prepared based on accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future activities and operations and that the realization of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of activities. The ability of the organization 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 the Policy Forum. The board of directors has reasonable expectation that Policy Forum has adequate resources to continue in operational existence for the foreseeable future.

#### 10. Directorate

The directors of Policy Forum who are all Tanzanians, at the date of this report are as follows:

Name	Designation	Organization	Appointed/Resigned
Christina Kamili Ruhinda	Chairperson	TANLAP	Apr '21
Jovina Nawenzake	Vice Chairperson	ActionAid Tanzania	Apr '22
Iku Lazaro	Treasurer	Shule Direct	Apr '21
Israel Ilunde	Board Member	Youth Partnership Countrywide	Apr '22
Adv. Dominic Ndunguru*	Board Member	Open Mind Tanzania	Apr '21
Gwamaka Mwakyanjala	Board Member	Norwegian Church Aid	Apr '22
Badru Juma Rajabu	Board Member	Restless Development	Apr '21
CPA Jackson Mmary	Board Member	WAJIBU	April '23

The Executive Director and the Secretary to the Board was Mr. Semkae Kilonzo.

Directors are elected by the Board during Annual General Meeting as per the constitution. 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.

\*Adv. Domonic Ndunguru resigned and was replaced by CPA Jackson Mmari.

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

	Q1 held on Feb 2023.	Q2 held on April 2023.	Q3 held on July 2023.
Total members	7	7	7
Attended Members	6	6	7
Percentage Attended	86%	86%	100%

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.



**Policy Forum  
Report by those charged with governance (continued)  
For the year ended 31 December 2023**

**11. Corporate governance**

The Board takes overall responsibility for the organization, 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 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 organization's short and long-term strategy. There are three board subcommittees including: (a) The Finance, Risk and Audit Committee, (b) The Public Engagement and Stakeholder Committee and (c) The Governance Committee.

Board Committee	Number of Meetings held in 2023	% Attended	Member	Designation	Organization	Profession
The Governance Committee	0	0%	Christina Ruhinda	Chairperson	TANLAP	Lawyer
		0%	Israel Ilunde	Board Member	Youth Partnership Countrywide	Leadership & Governance
		0%	Semkac Kilongo	Ex Official	PF Secretariat	Journalist
The Finance, Risk and Audit Committee	3	100%	Jovina Nawenzake	Vice Chairperson	ActionAid Tanzania	Development Practitioner
		100%	Iku Lazaro	Treasurer	Shule Direct	Project Management
		0%	CPA Jackson Mmary	Board Member	WAJIBU	Professional Accountant
The Public Engagement and Stakeholder Committee	1	100%	Gwamaka Mwakyanjala	Board Member	Norwegian Church Aid	Social Economy
		100%	Badru Juma Rajabu	Board Member	Restless Development	Policy Analyst
		0%	Israel Ilunde	Board Member	Youth Partnership Countrywide	Leadership & Governance
		100%	Prisca Kowa	Ex-Official	PF Secretariat	Development Practitioner

The roles of these committees are as follows: The Finance, Risk and Audit Committee ('FRAC') helps the Board ensure that the Policy Forum operates within a sound ongoing financial situation and effectively manages risk. The Public Engagement and Stakeholder Committee ('PESC') helps the Board engage with and mobilize existing and new supporters to ensure an ongoing, active and effective supporter base. The Governance Committee (GC) helps the Board to improve its own structure, composition and functioning.

The PESC & GC had challenges for carrying out committee meeting in both first and second quarter due to lack of pressing issues that might prompt meeting. The new board members could not start new committee assignments before the last board meeting which was held in July 2023.

**12. Management Team**

The Board delegates the day-to-day management of the entity to the Executive Director who is responsible for governance, fundraising and leadership assisted by the managers. Members of the senior management team may be invited to attend board meetings and facilitate the effective control of all the entity operational activities. The organization 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 while the Executive Director supervises functions of Monitoring Evaluation & Learning and Stakeholders Relations.

Departments	Department Head	Responsibility/Function
Finance & Administration	CPA Gibons Mwabukusi	Finance, Admin & procurement
Local Governance	Richard Angelo	Local Government & member coordination
Policy Analysis	Hellen Massawe	Policy and budget analysis
Advocacy & Engagement	Elinami John	Communications and Engagement

**13. Risk management and internal control**

The board accepts final responsibility for the risk management and internal control systems of the organization. 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 behaviour 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 2023 and are of the opinion that they met the accepted criteria.

**14. Employees' welfare**

The organization'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 entity 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 organization provide for alternative measures to accommodate employees with disabilities.

**15. 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 the ability to discharge duties. During the year ended 31 December 2023, PF had 10 employees, out of which 4 were female and 6 were male (2022:11 employees, out of which 4 were female and 7 were male).

As a part of new strategic plan reflecting on internal processes and stakeholders inputs, Policy Forum has a Gender Equality and Social Inclusion (GESI) as one of the core building block of the new strategic plan.

## **Policy Forum**

**Report by those charged with governance (continued)**

**For the year ended 31 December 2023**

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### **16. Performance evaluation and reward**

Policy Forum is committed to fostering a culture of continuous improvement and staff motivation. We utilize a performance evaluation system that assesses staff contributions towards achieving our strategic goals. Based on these evaluations, we offer a competitive rewards package that recognizes both individual performance and adherence to our core values.

### **17. Stakeholders needs and interests**

We prioritize the needs of all our stakeholders: **employees** (fair work environment), **beneficiaries** (effective programs), **donors** (transparency, impact & responsible use of funds), ethical partnerships, regulatory compliance, and advocacy that benefits both society and the NGO sector itself.

### **18. Stakeholder engagement**

Policy Forum prioritizes open communication and collaboration with a diverse range of stakeholders. This includes regular dialogue with **government officials, Civil Society Organizations (CSOs), development partners, and the public**. We achieve this through various channels, including workshops, policy dialogues, and social media engagement. By actively engaging stakeholders, Policy Forum fosters a shared understanding of policy issues, gathers valuable insights, and builds consensus for effective policy solutions that benefit Tanzanian citizens.

### **19. Organisation's social responsibilities**

Policy Forum recognizes its responsibility to contribute to a more informed and equitable Tanzanian society. We are committed to conducting our research and analysis with integrity and objectivity, promoting open dialogue on critical policy issues, and advocating for solutions that address the needs of all citizens. Through our work, we aim to empower Tanzanians with the knowledge and tools necessary to participate actively in shaping a brighter future for the nation.

### **20. Political and charitable donations**

The Policy Forum does not accept political donations to ensure our work remains objective and impartial. We rely solely on the generous support of individual donors, foundation grants, and corporate contributions. These charitable donations directly fund our mission *"To influence and monitor the implementation of policies for enhanced governance and accountable use of public resources."*

### **21. Financial performance and position, and accounting policies**

Our annual financial statements provide a transparent view of Policy Forum's financial health. They detail our financial performance, including revenue, expenses, and overall financial position. The statements are prepared in accordance with established accounting policies, ensuring consistency and reliability in our financial reporting. This transparency allows stakeholders to assess our financial stewardship and effectiveness in achieving our mission.

### **22. Ethical behaviour**

Policy Forum operates with the highest ethical standards. This means unwavering commitment to integrity in research, transparency in our processes, and neutrality in our policy analysis. We foster a culture of open communication and accountability to ensure public trust and the credibility of our work in shaping Tanzania's future.

### **23. Statement of compliance**

The Policy Forum is committed to upholding the highest standards of transparency and accountability. We strive to comply with all relevant regulations and donor requirements. This includes adhering to financial reporting guidelines, maintaining ethical fundraising practices, and ensuring the responsible use of donated resources to achieve our mission.

### **24. Auditors**

RSM Eastern Africa were re-appointed to audit Policy Forum financial statements for the year ended 31 December 2023 during 2023 Annual General Meeting.

**Policy Forum**

**Report by those charged with governance (continued)**

**For the year ended 31 December 2023**

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**25. 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 Tanzania Financial Reporting Standard No. 1 (TFRS 1), NGO Act 2002, and regulations and all other statutory legislations relevant to the Organization.

**26. APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statements of Policy Forum, as indicated below, were approved by Policy Forum board of directors on 3<sup>rd</sup> April 2024 and are signed on its behalf by:



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**Christina Kamili**  
Chairperson



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**Semkae Gad Kilonzo**  
Executive Director

**Policy Forum**  
**Statement of Director's responsibilities**  
**For the year ended 31 December 2023**

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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 financial performance. 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 Public Sector Accounting Standards and the NGO Act, 2002.

The directors accept responsibility for the preparation and presentation of these financial statements in accordance with International Public Sector Accounting Standards (IPSAS) and in the manner required by the Tanzanian Non-Governmental Act, 2002. 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.

Having made an assessment of the Organization's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the Organization's ability to continue as a going concern.

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

Approved by the board of directors on 3<sup>rd</sup> of April 2024 and signed on its behalf by:



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**Christina Kamili**  
**Chairperson**



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**Semkae Gad Kilonzo**  
**Executive Director**

**Policy Forum**

**Declaration of the Head of Finance of Policy Forum**

**For the year ended 31 December 2023**

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

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 Public Sector Accounting Standards and the manner required by NGO's Act 2002 as revised in 2019. Full legal responsibility for the preparation of financial statements rests with the Board of Directors as stated on the statement of Directors' responsibility on page 9.

I, Gibons A. Mwabukusi being the Head of Finance of Policy Forum hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2023 have been prepared in compliance with International Public Sector Accounting Standards and the requirement of Tanzania Financial Reporting Standards and Tanzanian Non- Governmental Organization Act, 2002.

I thus confirm that the financial statements of Policy Forum as at 31 December 2023 have been prepared based on properly maintained financial records.

**Name:**

CPA. Gibons A. Mwabukusi

**Signature:**

  
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**Position:**

Finance & Administration Manager

**NBAA Membership No:**

ACPA 3703

**Date:**

3rd April 2024

**Policy Forum**  
**Report of the Independent Auditor to the members of Policy Forum**  
**For the year ended 31 December 2023**

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**Opinion**

We have audited the accompanying financial statements of Policy Forum ("the Organization"), set out on pages 13 to 32, which comprise the statement of financial position as at 31 December 2023, the statement of financial performance, changes in net assets and of cash flows for the year then 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 2023 and of its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) and the 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.

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 are responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting 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.

**Policy Forum**

**Report of the Independent Auditor to the members of Policy Forum (Continued)**

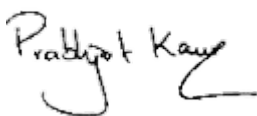
**For the year ended 31 December 2023**

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As part of an audit in accordance with ISAs, we exercise professional judgement 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 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 No. 1619**

**For and on behalf of RSM Eastern Africa**

**Certified Public Accountants**



**RSM**

.....03 April 2024

**Dar es Salaam**

**Ref: 019/2024**



**Policy Forum**  
**Financial Statements**  
**For the year ended 31 December 2023**

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2023**

	NOTE	2023 TZS	2022 TZS
<b>Revenue</b>			
Revenue from non-exchange transactions	5	1,483,973,384	1,846,056,646
Revenue from exchange transactions	6	73,095,147	19,693,446
		<u>1,557,068,531</u>	<u>1,865,750,092</u>
<b>Expenses</b>			
Project implementation costs	7	432,448,587	654,688,408
General and administrative expenses	8	154,549,032	178,347,546
Wages, salaries and employees benefits	9	908,384,632	984,067,141
Supplies and materials used	10	29,744,867	13,998,806
Depreciation cost	11	31,941,413	34,648,192
<b>Total expenses</b>		<u>1,557,068,531</u>	<u>1,865,750,092</u>
<b>Surplus/(deficit) for the period</b>		<u>-</u>	<u>-</u>


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STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	NOTE	2023 TZS	2022 TZS
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	12	379,238,530	1,241,201,529
Receivables from non exchange transactions	13	80,759,915	-
Other receivables	14	22,670,539	21,803,164
		<u>482,668,984</u>	<u>1,263,004,693</u>
<b>Non-current assets</b>			
Property, plant and equipment	22	43,155,113	70,736,426
<b>Total assets</b>		<u>525,824,097</u>	<u>1,333,741,119</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Other payables	15	102,771,424	59,761,637
Deferred income	17	379,897,560	1,203,243,056
		<u>482,668,984</u>	<u>1,263,004,693</u>
<b>Non-current liabilities</b>			
Deferred capital grant	16	43,155,113	70,736,426
<b>Total liabilities</b>		<u>525,824,097</u>	<u>1,333,741,119</u>

The financial statements on pages 13 to 32 were approved by the Board of Policy Forum for issue on ..... April 2024 and were signed on their behalf by:

  
 .....  
 Christina Kamili  
 Chairperson

*3rd*  
  
 .....  
 Semkae Gad Kilonzo  
 Executive Director

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**STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>CAPITAL FUND TZS</b>	<b>ACCUMULATED SURPLUS/(DEFICIT)</b>	<b>TOTAL NET ASSETS</b>
Balance as at 01.01.2022	-	-	-
Surplus/(deficit) for the year	-	-	-
<b>Balance as at 31.12.2022</b>	<b>-</b>	<b>-</b>	<b>-</b>
Balance as at 01.01.2023	-	-	-
Surplus/(deficit) for the year	-	-	-
<b>Balance as at 31.12.2023</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023**

	NOTE	2023 TZS	2022 TZS
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>RECEIPTS</b>			
Cash received from restricted donors	19.1	625,634,811	2,021,614,424
Cash received from unrestricted donors	19.2	-	-
		<u>625,634,811</u>	<u>2,021,614,424</u>
<b>PAYMENTS</b>			
Cash paid for project implementation	19.2	432,238,587	654,688,408
General and administrative expenses	19.3	172,332,314	233,380,344
Wages,salaries and employees benefits	19.4	848,458,938	1,049,641,069
Supplies and materials used	10	29,744,867	13,998,806
Refund to donor	18	463,003	-
		<u>1,483,237,710</u>	<u>1,951,708,626</u>
<b>NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES (A)</b>		<b>(857,602,899)</b>	<b>69,905,798</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of Property, Plant and Equipment	22	<u>(4,360,100)</u>	<u>(13,644,340)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>		<b>(4,360,100)</b>	<b>(13,644,340)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES ( C )</b>			
		<u>-</u>	<u>-</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>(861,962,999)</b>	<b>56,261,458</b>
<b>CASH AND CASH EQUIVALENTS:BEGINNING OF THE YEAR</b>		<u>1,241,201,529</u>	<u>1,184,940,071</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	12	<u><u>379,238,530</u></u>	<u><u>1,241,201,529</u></u>

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**STATEMENT OF BUDGET VS ACTUAL**

Description	Budget (TZS)	Actual (TZS)	Over/(Under) variance (TZS)	Variance (%)
<b>Outcome 1:</b> Enhanced PF members' influence in equitable use of public resources and inclusive governance through applied knowledge and adaptation	703,253,058	608,553,955	(94,699,103)	-13%
<b>Outcome 2:</b> Strengthened efficient government engagement for inclusive decision-making that enhance equitable and accountable use of public resources	296,255,548	293,244,347	(3,011,201)	-1%
<b>Outcome 3:</b> Cultivated participatory learning and adaptation that promotes partnership for evidence-based advocacy to improve inclusive governance	145,995,632	137,727,186	(8,268,446)	-6%
<b>Outcome 4:</b> Augmented PF institutional capacity to improve governance and management of resources	127,124,632	134,350,867	7,226,235	6%
<b>Support:</b> Operations/admin budget for supporting Programme activities	373,129,388	355,610,864	(17,518,524)	-5%
Depreciation for the period	31,941,413	31,941,413	-	0%
	<b>1,677,699,671</b>	<b>1,561,428,631</b>	<b>(116,271,040)</b>	<b>-7%</b>
Less: Plant, Property & Equipment (PPE) Acquisitions	8,600,000	4,360,100	4,239,900	97%
<b>Total Expenses</b>	<b>1,669,099,671</b>	<b>1,557,068,531</b>	<b>112,031,140</b>	<b>7%</b>

Variances are outlined in Appendix 1.

**NOTES**

**1. GENERAL INFORMATION**

Policy Forum used to be a private limited company incorporated and domiciled in the United Republic of Tanzania. Following a 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 11<sup>th</sup> July 2019.

The address of its registered office is:

P.O Box 38486  
Ndovu Street, Plot 379  
House No. 7, Off Rose Garden Road  
Mikocheni

**2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION**

The financial statements of Policy Forum (“the Organisation”) have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS).

The financial statements are presented in Tanzanian Shilling (TZS), which is the functional and reporting currency of the Organisation. The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**(a) Basis of preparation**

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

Reflect the economic substance of transactions, other events or conditions and not merely the legal form;

Are neutral, that is free from bias;

Are prudent; and

Are complete in all material respects.

**(b) Changes in accounting policy and disclosures**

**(i) New and amended standards adopted by the Organisation**

All IPSAS which are relevant to the organization with effective date on or before 1st January 2023 were adopted and the impact analysis on the first-time adoption have been explained in the basis of preparations paragraph.

**IPSAS 41, Financial Instruments**

In August 2018, IPSASB released IPSAS 41. This standard establishes new requirements for classifying, recognizing and measuring financial instruments replacing IPSAS 29, Financial Instruments: Recognition and measurement. The objective of this standard is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing, and uncertainty of an entity’s future cash flows. The key difference between IPSAS 29 and IPSAS 41 is that IPSAS 29 lacks classification of financial assets and financial liabilities. On the other hand, IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:

- Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held.

**NOTES (Continued)**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(b) Changes in accounting policy and disclosures (Continued)**

***IPSAS 41, Financial Instruments (Continued)***

- Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and
- Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.

The effective date of IPSAS 41 was January 1, 2023. IPSAS 41 is applied retrospectively in accordance with IPSAS 3, Accounting Policies, Change in Accounting Estimates and Errors unless specific conditions are met. The standard has been adopted by the organisation in the current year and the impact in the financial report is very remote as the organisation do not have financial instruments which fulfill the definition of these instrument as per IPSASs 41.

***IPSAS 42, Social Benefits***

IPSAS 42, Social Benefits, provides guidance on accounting for social benefits expenditure. It defines social benefits as cash transfers paid to specific individuals and/or households to mitigate the effect of social risk. Specific examples include state retirement benefits, disability benefits, income support and unemployment benefits. The new standard requires an entity to recognize an expense and a liability for the next social benefit payment.

IPSAS 42 seeks to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. To accomplish this, IPSAS 42 establishes principles and requirements for:

- Recognizing expenses and liabilities for social benefits;
- Measuring expenses and liabilities for social benefits;
- Presenting information about social benefits in the financial statements; and
- Determining what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the social benefits provided by the reporting entity.

The effective date of IPSAS 42 was January 1, 2023, with earlier adoption encouraged. The IPSASB selected this effective date in part because it expects to be able to finalize the proposed amendments included in ED 67, Collective and Individual Services and Emergency Relief (Amendments to IPSAS 19) in time for those amendments to have the same effective date. The standard was early adopted by the organization during the accounting period. The expected impact of this standards to the organization's financial reports is currently remote because the organization has no policy relating to social benefits other than the defined post-employment benefit plans.

***(ii) New standards that are not yet effective and have not been early adopted by the organization***

***IPSAS 43, Leases***

The International Public Sector Accounting Standards Board (IPSASB) has issued a new International Public Sector Accounting Standard 43 which replaces IPSAS 13 on issues related to leases.

IPSAS 43 is a final product of phase one dealing with lease accounting model (s) for both lessees and lessors on the same definition of a lease as in IFRS 16.

Now, IPSAS 43 requires the lease to recognize: -

- (a) A right-of- use asset because they control the right to use the underlying compared with IPSAS 13 where the lease recognizes the underlying asset when the lease is classified as a finance lease but not when it is classified as an operating lease.
- (b) A lease liability because they have a present obligation to make future lease payments in accordance with the lease contract (once the underlying asset has been made available and the lessee has the right to use it). Under IPSAS 13, a lease liability is not recognized when the lease classifies the lease as an operating lease.

Effective for annual periods beginning on or after 1st January 2025. Earlier application is permitted for entities that apply IPSAS 41 at or before the date of initial application of this standard.

**NOTES (Continued)**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(b) Changes in accounting policy and disclosures (Continued)**

***IPSAS 45, Property, Plant and Equipment***

The International Public Sector Accounting Standards Board (IPSASB) has issued a new International Public Sector Accounting Standard 45 Property, Plant and Equipment.

IPSAS 45 intends at updating principles drawn from IPSAS 17, Property, Plant, and Equipment by adding new guidance for heritage assets, infrastructure assets, and measurement of property, plant, and equipment

This is after considering responses to the Consultation Paper (CP), Financial Reporting for Heritage in the Public Sector, and constituents' feedback on infrastructure assets the IPSASB concluded that:

- (a) IPSAS 17 should fully apply to heritage assets that are property, plant, and equipment; and
- (b) Additional authoritative and non-authoritative guidance should be included in IPSAS 45 to clarify its application to heritage and infrastructure assets.

Effective for annual periods beginning on or after 1st January 2025. Earlier application is permitted for entities that apply IPSAS 43, IPSAS 44, and IPSAS 46 at or before the date of initial application of the Standard.

***IPSAS 47, Revenue***

The International Public Sector Accounting Standards Board (IPSASB) has issued a new International Public Sector Accounting Standard 47 Revenue.

The objective of IPSAS 47 is to:

- (a) Present revenue guidance in a single standard by replacing IPSAS 9, Revenue from Exchange Transactions, IPSAS 11, Construction Contracts, and IPSAS 23, Revenue from Non- Exchange Transactions (Taxes and Transfers);
- (b) Clarify and refine the accounting principles and concepts to account for revenue transactions in the public sector; and
- (c) Provide non-authoritative guidance to help preparers use professional judgment in applying the accounting principles consistently.

Effective for annual periods beginning on or after 1 January 2026. Earlier application is permitted, if an entity applies this Standard earlier, it shall disclose that fact.

**Conceptual Framework Updates, Chapter 7: Measurement of assets and liabilities in the financial statement**

The International Public Sector Accounting Standards Board (IPSASB) has issued an updated version of chapter 7 on measurement of assets and liabilities in the financial statement.

The objective of the updated version of chapter 7 is to improve measurement guidance across IPSAS by:

- (a) Providing further detailed guidance on the implementation of commonly used measurement bases, and the circumstances under which they should be used;
- (b) Clarifying transaction costs guidance to enhance consistency across IPSAS; and
- (c) Amending, where appropriate, guidance across IPSAS related to measurement at recognition, subsequent measurement, and measurement-related disclosures.

**Final Pronouncement: Improvements to IPSAS, 2021**

The International Public Sector Accounting Standards Board (IPSASB) has issued a final pronouncement on Improvements to IPSAS, 2021.

The pronouncement deals with non-substantial changes to IPSAS through a collection of amendments that are unrelated, it categorizes the improvements to IPSAS into two parts: -

**Part I: General Improvements to IPSAS**

Relates to amendments arise from comments received from stakeholders.

**Part II: IFRS alignment improvements to IPSAS**

Relates to amendments arise through consideration of the annual improvements and narrow scope amendments to projects of the IASB.

Effective dates are as per the final pronouncements of each individual amended standard.



**NOTES (Continued)**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(d) Foreign currency translation**

***Functional and presentation currency***

Items included in the financial statements of the Organisation are measured using the currency of the primary economic environment in which the Organisation operates (“the functional currency”). The financial statements are presented in Tanzanian Shilling (TZS), which is the Organisation’s functional and presentation currency.

***Transactions and balances***

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

**(e) Revenue recognition**

***Revenue from non-exchange transactions***

Revenue arises from non-exchange transactions such as grants from various donors. Grants and donations are measured at fair value and recognised where there is reasonable assurance that they will be received, and all attaching conditions will be complied with. When the grant or donation relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Where the grant or donation relates to an asset, the fair value is credited to a deferred income account and is released to the income and expenditure statement over the expected useful life of the relevant asset by equal annual instalments.

***Other Revenue***

Other Revenue arises from gain on foreign exchange transactions.

**(f) Expenditure recognition**

The organisation’s expenditure is recognised on an accrual basis. The effects of expenses are recognised when they occur (and not as cash or its equivalent is paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate. For sub grantee costs, disbursements to sub grantees are recognised as receivables and expensed when the sub grantees retire their advances.

**(g) Property and equipment**

***Property***

Property, which in this case relates to the Organisation's land and other properties, is recognised when it is probable that future economic benefits or service potential will flow to the Organisation and the cost or fair value can be reliably measured. Initial recognition is at cost unless the asset is acquired through a non-exchange transaction, then its cost shall be measured at its fair value as at the date of acquisition.

***Equipment***

Equipment is recognised when it is probable that future economic benefits or service potential will flow to the Organisation. Items of equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Costs include expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES (Continued)**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Property and equipment (Continued)**

**Equipment**

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the organisation and the cost of the item can be measured reliably. The carrying amount of a replaced part is derecognised. The costs of day-to-day maintenance, repair and servicing expenditures incurred on property and equipment is charged to the statement of financial performance during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to write down their cost to their residual values. The estimated useful lives for the current and comparative periods are as follows:

<b>Item</b>	<b>Depreciation method</b>	<b>Rate</b>
Furniture and fixtures	Straight line	12.50%
Motor vehicle	Straight line	20%
IT equipment	Straight line	33.30%
Office equipment	Straight line	25%
Generator	Straight line	25%

At the end of each reporting period, there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

Gains and losses on disposal of property and equipment are determined by comparing proceeds from disposal with the carrying amounts of property and equipment and are recognised in the statement of financial performance.

The Organization assesses annually whether there is any indication that an asset may be impaired. An asset's carrying amount is written down immediately to its recoverable amount or recoverable service amount if the asset's carrying amount is greater than its estimated recoverable amount or recoverable service amount.

**(h) Employee benefits including post-employment benefits**

Short-term employment benefits such as salaries, social security contributions, and leave travel assistance are recognized in the statement of financial performance in which the employee renders the related service.

**Post-retirement benefits**

Policy Forum operates a defined contribution plan whereby the Organisation contributes 15% of each employee gross salary into a National Social Security Fund. The Organisation has no further responsibilities after making these contributions. The contributions are charged to the statement of financial performance in the year to which they relate.

**Other employee benefits**

Policy Forum provides free medical treatment to staff and their dependants through a medical scheme.

**(i) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

**NOTES (Continued)**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(j) Receivables**

Receivables comprise prepayments, advances and imprest to staff. Staff advances outstanding as at the end of the reporting period are treated as receivables in the statement of financial position. Receivables are recognised when they arise and cancelled when payment is made. A provision for impairment of receivables is established when there is objective evidence that the organisation will not be able to collect all amounts due according to the original terms of the receivables.

**(k) Financial instruments**

Financial instruments are recognised on the organisation's statement of financial position when the organisation becomes a party to the contractual provisions of the instruments. Financial instruments are recognised initially at Fair value plus, for instruments not at fair value through surplus or deficit, any directly attributable.

Transaction cost. Subsequent to initial recognition, these are measured at amortised cost using the effective interest rate method, less any impairment losses if any.

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Organisation determines the classification of its financial assets at initial recognition.

The organization's financial assets include; cash and cash equivalents and receivables.

**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 or impairment.

**Impairment of financial assets**

The Organisation assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- Debtors or a group of debtors are experiencing significant financial difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

**(l) Deferred income**

Deferred income represents an obligation to conduct donor funded activities per contractual commitments made between donors/development partners and the Organisation/the recipient, where funds have been transferred from both basket and non-basket funders for implementation of activities, but such activities have not yet occurred. When donor funds are utilised for purchase of assets, the value of these assets is transferred to capital grants and amortised amortized in the statement of financial performance over the estimated useful lives of the assets concerned.

**(m) Accounts payable and accruals**

Accounts payable are obligations to pay for goods and services provided to the Organisation in the ordinary course of business from suppliers. The obligations are unsecured and are usually paid within 30 days of recognition. Accounts payable are presented as current liabilities unless payment is not due within 12 months after year end.

**NOTES (Continued)**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(m) Accounts payable and accruals (Continued)**

Accruals are recognised mainly when there are constructive or legal obligations arising from the services rendered and/or goods delivered but not yet invoiced as well as when firm commitments have been made for the purchase of goods and /or services but such goods have not yet been delivered or services rendered as at period end.

**(n) Capital grants**

Grants utilised to acquire property and equipment are capitalized and credited to capital grant account. Capital grants are amortized in the statement of financial performance over the estimated useful lives of the assets concerned.

**4. FINANCIAL RISK MANAGEMENT**

The Organisation seeks to minimise its exposure to financial risk. It uses only non-derivative financial instruments as part of its normal operations. These financial instruments include bank accounts, accounts receivable and accounts payable.

The management regularly reviews its risk management policies to reflect changes in the market conditions and the service offered.

The Organization aims to develop a disciplined and constructive control environment in which all employees and stakeholders understand their roles and obligations. The most important types of risks are:

- Credit risk
- Liquidity risk
- Market risk which is mainly due to foreign exchange risk.

A description of the significant risk factors is given below together with the risk management policies applicable.

The Board of Directors has overall responsibility for the establishment and oversight of the Organization's risk management framework. The Board of Directors is responsible for developing and monitoring the Organization's risk management policies in their specified areas.

**Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the 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.

**Credit risk**

Credit risk is the risk of financial loss to the Organization if customers or counterparties to financial instruments fail to meet their contractual obligations, and it arises principally from the organizations' investments, receivables, and cash and cash equivalents. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at 31 December was;

	31.12.2023	31.12.2022
	TZS	TZS
Staff Salary Advances	604,600	1,500,000
Receivables from non exchange transactions	80,759,915	-
Cash at Bank	379,238,530	1,241,201,529
	<u>460,603,045</u>	<u>1,242,701,529</u>

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**NOTES (Continued)**

**4. FINANCIAL RISK MANAGEMENT (Continued)**

**Credit risk (Continued)**

In the normal course of business, Policy Forum incurs credit risk from accounts receivable and transactions with banking institutions. Policy Forum manages its exposure to credit risk by:

- Holding bank balances with Tanzanian credible banks; and
- Maintaining credit control procedures over accounts receivable.

The maximum exposure as at 31 December 2023 was equal to the total amount of bank balances and receivables disclosed in the statement of financial position.

Policy Forum does not require any collateral or security to support financial instruments and other receivables it holds due to low risk associated with the realisation of these instruments.

**Liquidity risk**

Liquidity risk is the risk that the organisation will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management includes maintaining sufficient cash balances. Management performs cash flow forecasting and monitors rolling forecasts of the organisation's liquidity requirements to ensure it has sufficient cash to meet its operational needs.

	<b>Less than one month TZS'000</b>	<b>Between 1-12 months TZS'000</b>	<b>Total TZS'000</b>
<b>Year ended 31 December 2023</b>			
Deferred income	-	379,897,560	379,897,560
Other payables	65,254,454	37,516,970	102,771,424
	<u>65,254,454</u>	<u>417,414,530</u>	<u>482,668,984</u>
<b>Year ended 31 December 2022</b>			
Deferred income	-	1,203,243,056	1,203,243,056
Other payables	47,601,059	12,160,578	59,761,637
	<u>47,601,059</u>	<u>1,215,403,635</u>	<u>1,263,004,694</u>

**Foreign currency exchange risk**

The organisation's exposure to currency risk is significant on cash balances in foreign currencies where Policy Forum has bank accounts in United States Dollars (USD) and on receivables in currencies other than the functional currency which is not significant. Foreign exchange gains and losses resulting from settlement, or translation of year end monetary balances denominated in foreign currencies are recognised in the statement of financial performance.

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**NOTES (Continued)**

**NOTE 5: REVENUE FROM NON-EXCHANGE TRANSACTIONS**

	2023	2022
	TZS	TZS
Grant release	1,038,356,750	1,419,387,265
Project/Partner income contribution	355,992,980	365,158,487
Reimbursable Expenses	57,682,241	26,862,702
Release of capital grant	31,941,413	34,648,192
	<u>1,483,973,384</u>	<u>1,846,056,646</u>

**NOTE 6: OTHER INCOME**

Exchange Gain or Loss	71,110,112	19,693,446
Miscellaneous Income	1,985,035	-
<b>Total</b>	<u>73,095,147</u>	<u>19,693,446</u>

**NOTE 7: PROJECT IMPLEMENTATION COSTS**

Conference package & Accommodation Expenses	140,327,214	122,955,590
Consultancy fees	88,481,605	208,404,674
Daily Stipend Allowance & travel expenses	104,631,206	129,842,750
Fuel expenses	8,505,465	13,283,990
On Transit Allowance	5,880,000	6,540,000
Print, Electronic Media & Advertising	11,161,400	52,488,898
Publications Designing & Printing Expenses	6,904,400	40,495,980
Transport Expenses	45,616,197	69,231,525
Travel expenses	20,941,100	11,445,000
	<u>432,448,587</u>	<u>654,688,408</u>

**NOTE 8: GENERAL AND ADMINISTRATIVE EXPENSES**

Associations	250,000	-
Bank Fees/Interest	2,360,014	3,102,796
Communications	16,746,387	35,241,250
Government Taxes	1,343,878	1,400,000
Insurance Premium	7,863,828	9,250,918
IT Platform Access / Hosting	556,330	1,406,137
Lunch Expenses (On Premise)	16,997,500	18,837,000
Other fees	1,089,260	266,000
Repairs & maintenance	27,454,354	16,492,400
Staff & Organisation Development	832,000	730,000
Subscription Fees	-	1,803,330
Utilities	79,055,481	89,817,716
	<u>154,549,032</u>	<u>178,347,546</u>

*Policy Forum*  
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*For the year ended 31 December 2023*

**NOTES (Continued)**

**NOTE 9: WAGES, SALARIES AND EMPLOYEE BENEFITS**

	<b>2023</b>	<b>2022</b>
	<b>TZS</b>	<b>TZS</b>
Basic salaries	619,876,986	677,359,491
Health Insurance	69,750,881	66,818,932
Pension Contributions	130,305,345	142,537,972
Skills & Development Levy	24,482,578	28,507,594
Staff Gratuity	60,711,208	64,930,048
Workers Compensation Contribution	3,257,634	3,913,103
	<u><b>908,384,632</b></u>	<u><b>984,067,141</b></u>

**NOTE 10: SUPPLIES AND MATERIALS USED**

Branding consumables	16,222,600	778,000
Newspapers Subscription	1,618,050	2,070,000
Office & Staff Welfare supplies	2,499,500	3,411,330
Printing & stationeries	6,018,128	2,786,490
Software Supplies	3,386,589	4,952,986
	<u><b>29,744,867</b></u>	<u><b>13,998,806</b></u>

**NOTE 11: DEPRECIATION**

Depreciation expense	31,941,413	34,648,192
	<u><b>31,941,413</b></u>	<u><b>34,648,192</b></u>

**NOTE 12: CASH AND CASH EQUIVALENTS**

Cash at Bank	379,238,530	1,241,201,529
Cash on hand	-	-
	<u><b>379,238,530</b></u>	<u><b>1,241,201,529</b></u>

**NOTE 13: RECEIVABLES FROM NON EXCHANGE TRANSACTIONS**

Tax Justice Network	32,449,707	-
Global Integrity	8,057,918	-
International Budget Partnership	7,754,291	-
Public Service Accountability Monitor	32,498,000	-
Total	<u><b>80,759,915</b></u>	<u><b>-</b></u>

**Policy Forum**  
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**For the year ended 31 December 2023**

**NOTES (Continued)**

**NOTE 14: OTHER RECEIVABLES**

	2023	2022
	TZS	TZS
Staff Imprest	604,600	-
Staff Salary Advances	-	1,500,000
Prepaid Rent	9,765,693	9,770,750
Other Prepaid Expenses	12,300,247	10,532,414
<b>Total</b>	<b><u>22,670,539</u></b>	<b><u>21,803,164</u></b>

**NOTE 15: OTHER PAYABLES**

Gratuity Payable	58,726,173	-
NSSF payable	304,122	304,122
Sundry Accruals	202,716	1,130,924
Professional fees accruals	42,812,413	58,326,592
Staff Imprest (Payable)	726,000	-
<b>Total</b>	<b><u>102,771,424</u></b>	<b><u>59,761,637</u></b>

**NOTE 16: DEFERRED CAPITAL GRANT**

<b>Balance as at 1 January</b>	70,736,426	91,740,278
Additions for the year	4,360,100	37,016,000
<b>Release of depreciation on Capital Grant:</b>		
Amortization of capital grants	(31,941,413)	(58,019,852)
<b>Balance as at 31 December</b>	<b><u>43,155,113</u></b>	<b><u>70,736,426</u></b>



**Policy Forum  
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For the year ended 31 December 2023**

**NOTES (Continued)**

**NOTE 17: DEFERRED INCOME**

DEFERRED INCOME 2023	DANIDA	Swiss Development Corporation	Wellsprings Philanthropic Fund	Membership Fees	Save the Children	Reimbursable	Foundation for Open Society Institute	Tax Justice Network - Africa	Global Integrity	Other Projects	TOTAL
As at 01.01.2023											
Prepaid membership fee	173,479,479	-	962,856,181	33,693,000	-	-	6,719,513	463,004	26,031,879	-	1,203,243,056
Funds received from donors	-	-	-	210,000	-	-	-	-	-	-	210,000
Total funds available	173,479,479	-	249,960,750	2,415,000	-	17,429,950	6,719,513	178,337,500	104,396,464	73,095,147	625,634,811
Expenditure for the year	(173,479,479)	-	(864,877,271)	-	-	(57,682,241)	(6,719,513)	(210,787,207)	(138,486,260)	(73,095,147)	(1,525,127,119)
Refund to Donor	-	-	-	-	-	-	-	(463,004)	-	-	(463,004)
Procurement of assets	-	-	(4,360,100)	-	-	-	-	-	-	-	(4,360,100)
Grant Receivable (Refer Note 13)	-	-	-	-	-	40,252,291	-	32,449,707	8,057,918	-	80,759,915
As at 31.12.2023	-	-	343,579,560	36,318,000	-	-	-	-	-	-	379,897,560

DEFERRED INCOME 2022	DANIDA	Swiss Development Corporation	Wellsprings Philanthropic Fund	Membership Fees	Save the Children	Reimbursable	Foundation for Open Society Institute	Tax Justice Network - Africa	Global Integrity	Other Projects	TOTAL
As at 01.01.2022											
Funds received from donors	139,979,980	29,486,314	766,359,658	29,493,000	(38,683,709)	-	99,739,629	-	183,296,750	-	1,026,374,872
Total funds available	642,441,313	299,000,000	692,100,000	4,200,000	38,683,709	-	114,873,500	54,551,689	183,296,750	19,693,446	2,048,840,407
Grant Receivable	782,421,293	328,486,314	1,458,459,658	33,693,000	-	-	214,613,129	54,551,689	183,296,750	19,693,446	3,075,215,279
Expenditure for the year	(603,565,944)	(325,975,755)	(489,845,566)	-	-	-	(207,893,616)	(26,862,702)	(157,264,871)	(19,693,446)	(1,831,101,900)
Procurement of assets	(5,375,870)	(2,510,559)	(5,757,911)	-	-	-	-	-	-	-	(13,644,340)
Unearned Expenses	-	-	-	-	-	-	-	(27,225,982)	-	-	(27,225,982)
As at 31.12.2022	173,479,479	-	962,856,181	33,693,000	-	-	6,719,513	463,004	26,031,879	-	1,203,243,056

**Policy Forum**  
**Financial Statements**  
**For the year ended 31 December 2023**

**NOTES (Continued)**

**NOTE 18: 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.

	2023	2022
	TZS	TZS
Management Remuneration	<u>561,910,351</u>	<u>669,389,000</u>

**NOTE 19: NOTES TO CASH FLOWS**

19.1 Cash received from restricted donors		
Deferred income at the end of the year (SFP)	379,897,560	1,203,243,056
Deferred Capital Grant at the end of year	43,155,113	70,736,426
Receivables from donors at the beginning of the year	-	38,683,709
Add: Grant revenue (SP)	1,525,127,118	1,831,101,900
Release of capital grant	31,941,413	34,648,192
Payable to donor	463,004	
Less: Deferred income at the beginning of the year	(1,203,243,056)	(1,065,058,581)
Deferred Capital grant at beginning	(70,736,426)	(91,740,278)
Receivables from donors at the end of the year	(80,759,915)	-
Prepaid membership fee	(210,000)	-
<b>Cash received from restricted donors</b>	<u><b>625,634,811</b></u>	<u><b>2,021,614,424</b></u>
19.2 Cash paid for project implementation		
Other payables at the beginning of the year	(210,000)	-
Other receivables at the End year	-	-
Subgrantee receivables at the beginning	-	-
Project implementation cost	432,448,587	654,688,408
Less:		
Other payables at the end of the year	-	-
Other receivables at the beginning of the year	-	-
Subgrantee receivables at end	-	-
Cash paid for project implementation	<u>432,238,587</u>	<u>654,688,408</u>
19.3 Cash paid for general and administrative expenses		
Accounts payable from exchange transaction at the beginning	59,761,637	114,097,615
Prepayment at end	21,532,939	18,741,286
General and administrative expenses for the year	154,549,031	178,347,546
Accounts payable from exchange transaction at the end	(43,741,130)	(59,761,637)
prepayment at beginning	(18,741,286)	(19,606,344)
Cash paid for administrative expenses	<u>173,361,192</u>	<u>231,818,466</u>
19.4 Cash paid for wages, salaries and employees benefits		
Payroll payables at the beginning	-	65,723,928
Wages, salaries and employees benefits	908,384,632	984,067,141
Staff advances at end	604,600	1,500,000
Payroll payables at the end	(59,030,294)	-
Staff advances at beginning	(1,500,000)	(1,650,000)
Cash paid for wages, salaries and employee benefits	<u>848,458,938</u>	<u>1,049,641,069</u>

**Policy Forum**  
**Financial Statements**  
**For the year ended 31 December 2023**

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**NOTES (Continued)**

**NOTE 19: NOTES TO CASH FLOWS (Continued)**

	<b>2023</b>	<b>2022</b>
	<b>TZS</b>	<b>TZS</b>
19.5 Cash paid for purchase of property, plant and equipment		
Property, plant and equipment @cost at end (A)	430,140,899	425,780,799
Property, plant and equipment @cost at the beginning (B)	425,780,799	412,136,459
Less: Property, plant and equipment disposal ( C)	-	-
Property, plant and equipment @ end less disposal (B - C)	425,780,799	412,136,459
<b>Cash paid to acquire PPE (A - (B-C))</b>	<u><u>4,360,100</u></u>	<u><u>13,644,340</u></u>

**NOTE 20: CONTINGENT LIABILITIES**

There are no contingent liabilities.

**NOTE 21: EVENTS AFTER THE REPORTING DATE**

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

**Policy Forum**  
**Financial Statements**  
**For the year ended 31 December 2023**

**NOTES (Continued)**

**NOTE 22: PROPERTY, PLANT AND EQUIPMENT**

	Land*	Motor Vehicles	Computers	Furniture & Fixtures	Office Equipments	TOTAL
	TZS	TZS	TZS	TZS	TZS	TZS
<b>Cost</b>						
As at 01.01.2023	8,622,000	163,486,209	126,924,785	44,862,260	81,885,545	425,780,799
Additions during the Year	-	-	4,360,100	-	-	4,360,100
<b>As at 31.12.2023</b>	<b>8,622,000</b>	<b>163,486,209</b>	<b>131,284,885</b>	<b>44,862,260</b>	<b>81,885,545</b>	<b>430,140,899</b>
<b>Accumulated Depreciation:</b>						
As at 01.01.2023	-	151,968,072	107,538,887	21,152,009	74,385,405	355,044,373
Depreciation Charge for the Year	-	11,518,137	12,276,627	3,797,875	4,348,774	31,941,413
<b>As at 31.12.2023</b>	<b>-</b>	<b>163,486,209</b>	<b>119,815,514</b>	<b>24,949,884</b>	<b>78,734,179</b>	<b>386,985,786</b>
<b>Net Book Value</b>						
As at 31.12.2023	8,622,000	-	11,469,370	19,912,376	3,151,367	43,155,113
<b>Cost</b>						
As at 01.01.2022	8,622,000	163,486,209	113,475,145	44,862,260	81,690,845	412,136,459
Additions during the Year	-	-	13,449,640	-	194,700	13,644,340
<b>As at 31.12.2022</b>	<b>8,622,000</b>	<b>163,486,209</b>	<b>126,924,785</b>	<b>44,862,260</b>	<b>81,885,545</b>	<b>425,780,799</b>
<b>Accumulated Depreciation:</b>						
As at 01.01.2022	-	138,273,870	96,930,126	17,354,134	67,838,052	320,396,181
Depreciation Charge for the Year	-	13,694,202	10,608,762	3,797,875	6,547,353	34,648,192
<b>As at 31.12.2022</b>	<b>-</b>	<b>151,968,072</b>	<b>107,538,887</b>	<b>21,152,009</b>	<b>74,385,405</b>	<b>355,044,373</b>
<b>Net Book Value</b>						
As at 31.12.2022	8,622,000	11,518,137	19,385,897	23,710,251	7,500,141	70,736,426

\*The right of occupancy for land in Dodoma is yet to be obtained from authorities.

**Policy Forum**  
**Appendix 1. Description of Output of Activities**  
**For the year ended 31 December 2023**

**Appendix 1. Description of Output of Activities**

**Outcome 1: Enhanced PF members' influence in equitable use of public resources and inclusive governance through applied knowledge and adaptation**

Outputs	Actual (TZS)	Budget (TZS)	Variance (TZS)	Variance (%) Over(Under)
1.1 Equipped PF members are adaptively applying knowledge to influence policies and processes (See output 1.1)	379,095,040	460,684,304	(81,589,264)	-18%
1.2 Policy Forum members have access to and use tools, platforms, and open spaces to effectively engage on budget and policy issues (See output 1.2)	229,458,915	242,568,754	(13,109,839)	-5%
	<u>608,553,955</u>	<u>703,253,058</u>	<u>(94,699,103)</u>	<u>-13%</u>

**Outcome 2: Strengthened efficient government engagement for inclusive decision-making that enhance equitable and accountable use of public resources**

2.1 Enhanced coalitions building for supportive stakeholders and committed champions working together to advocate for inclusive decision-making (See output 2.1)	128,081,801	131,370,524	(3,288,723)	-3%
2.2 Enhanced Opened Spaces that interest policy makers to collaborate on improved DRM and equitable and accountable use of public resources (See output 2.2)	156,428,667	157,115,888	(687,221)	0%
2.3 Policy makers support partnerships' agenda that enhance equitable and accountable use of public resources (See output 2.3)	8,733,878	7,769,136	964,742	12%
	<u>293,244,347</u>	<u>296,255,548</u>	<u>(3,011,201)</u>	<u>-1%</u>

**Outcome 3: Cultivated participatory learning and adaptation that promotes partnership for evidence-based advocacy to improve inclusive governance**

3.1 Strengthened internal learning capacity and organizational culture (See output 3.1)	79,538,115	83,658,804	(4,120,689)	-5%
3.2 Improved participatory collecting evidence, learning and adaptation with partners to advance sustainable reforms for inclusive governance (See output 3.2)	12,787,583	11,832,852	954,731	8%
3.3 Increased use of community of practice spaces to exchange lessons learned on successful policy reform strategies (See output 3.3)	45,401,489	50,503,976	(5,102,487)	-10%
	<u>137,727,186</u>	<u>145,995,632</u>	<u>(8,268,446)</u>	<u>-6%</u>

**Outcome 4: Augmented PF institutional capacity to improve governance and management of resources**

4.1 Policy Forum governance strengthened (See output 4.1)	36,654,525	36,153,260	501,265	1%
4.2 Policy Forum effectively and efficiently manages its resources for sustainability (See output 4.2)	97,696,342	90,971,372	6,724,970	7%
	<u>134,350,867</u>	<u>127,124,632</u>	<u>7,226,235</u>	<u>6%</u>

**Policy Forum**

**Appendix 1. Description of Output of Activities**

*For the year ended 31 December 2023*

**Appendix 1. Description of Output of Activities (Continued)**  
**Operations/Admin budget for supporting programme activities**

	Actual (TZS)	Budget (TZS)	Variance (TZS)	Variance (%) Over/(Under)
1.0 Admin Staff Payroll Cost	207,456,467	220,187,788	(12,731,321)	-6%
2.0 Plant, Property & Equipment (PPE) Acquisitions: Procurement of assets	4,360,100	8,600,000	(4,239,900)	-49%
3.0 Running Cost: Organisational overheads	143,794,296	144,341,600	(547,304)	0%
	<b>355,610,864</b>	<b>373,129,388</b>	<b>(17,518,524)</b>	<b>-5%</b>

**Output 1.1: Equipped PF members are adaptively applying knowledge to influence policies and processes**

1.1.01 Identifying potential PF members and orient them on areas of analysis on equitable use of public resources	7,726,165	7,880,000	(153,835)	-2%
1.1.02 Capacity enhancement to members on Government processes and systems	40,012,524	39,030,000	982,524	3%
1.1.03 Production of IEC Materials by members to influence policies and processes (policy briefs and position papers)	52,694,988	102,398,000	(49,703,013)	-49%
1.1.04 Conduct National level capacity building workshops with CSOs, academia and research institutions on evidence-based policy advocacy	19,551,500	42,088,000	(22,536,500)	-54%
1.1.05 Hold PF working groups meetings for planning and assessing implementations to improve the interventions	286,000	900,000	(614,000)	-68%
1.1.99 For Program Personnel Payroll & Other expense for Output 1.1	258,823,863	268,388,304	(9,564,441)	-4%
	<b>379,095,040</b>	<b>460,684,304</b>	<b>(81,589,264)</b>	<b>-18%</b>

**Comments on Variance on output 1.1**

*Actual expenditure up to 15% is within the acceptable range as per PF policy while under-expenditure was mainly due to fewer planned activities as a result of delayed funding from donor.*

**Output 1.2: Policy Forum members have access to and use tools, platforms, and open spaces to effectively engage on budget and policy issues**

1.2.01 Strategic use of media to inform the public on current policies and processes relating to public resources	26,263,251	32,925,000	(6,661,749)	-20%
1.2.02 Disseminate IEC materials to members and stakeholders	12,750,000	13,224,750	(474,750)	-4%
1.2.04 Conduct monthly breakfast debate on public policy policies and equitable use of public resources	45,630,804	55,162,000	(9,531,196)	-17%
1.2.99 For Program Personnel Payroll & Other expense for Output 1.2	144,814,860	141,257,004	3,557,856	3%
	<b>229,458,915</b>	<b>242,568,754</b>	<b>(13,109,839)</b>	<b>-5%</b>

**Comments on Variance on output 1.2**

*Actual expenditure up to 15% is within the acceptable range as per PF policy while under-expenditure was mainly due to cost-sharing measures through a cost-sharing arrangements with PF partners.*

**Output 2.1: Enhanced coalitions building for supportive stakeholders and committed champions working together to advocate for inclusive decision-making**

2.1.04 Conduct meetings with the government to provide inputs on the simplified versions of citizens budget	1,000,000	1,000,000	-	0%
2.1.05 To hold both formal and informal meetings with technocrats of the Parliamentary office, MDAs and LGAs to	16,649,600	20,785,000	(4,135,400)	-20%
2.1.07 Sustaining International networking to enhance partnerships	7,176,288	6,801,540	374,748	6%
2.1.08 Rural Youth Collectives engage in network building with local, National and Transnational Actors	54,756,640	54,756,600	40	0%
2.1.99 For Program Personnel Payroll & Other expense for Output 2.1	48,499,274	48,027,384	471,890	1%
	<b>128,081,801</b>	<b>131,370,524</b>	<b>(3,288,723)</b>	<b>-3%</b>

**Policy Forum**

**Appendix 1. Description of Output of Activities**

**For the year ended 31 December 2023**

**Appendix 1. Description of Output of Activities (Continued)**

**Comments on Variance on output**

*Actual expenditure up to 15% is within the acceptable range as per PF policy while under-expenditure due to limited on-demand activities and engagements.*

**Output 2.2: Enhanced Opened Spaces that interest policy makers to collaborate on improved DRM and equitable and accountable use of public resources**

	Actual (TZS)	Budget (TZS)	Variance (TZS)	Variance (%) Over/(Under)
2.2.02 Engage policy makers both national and local on the tax and revenues from the extractives findings	3,889,653	4,440,000	(550,347)	-12%
2.2.03 Strengthened participation of PF in the existing multi stakeholders' platforms to improve accountability and	12,240,950	13,230,000	(989,050)	-7%
2.2.04 Advocate for improvement of acquisition, provision and repayment of LGAs loans targeting women, youth and	0	5,980,000	(5,980,000)	-100%
2.2.05 Increased transparency in revenue management in extractives	0	4,370,000	(4,370,000)	-100%
2.2.06 Conduct national dialogues on taxation issues	41,458,245	38,375,960	3,082,285	8%
2.2.07 Establishment of APNIFT for equitable taxation to stop IFFs	16,671,550	16,560,000	111,550	1%
2.2.99 For Program Personnel Payroll & Other expense for Output 2.2	82,168,269	74,159,928	8,008,341	11%
	<b>156,428,667</b>	<b>157,115,888</b>	<b>(687,221)</b>	<b>0%</b>

**Comments on Variance on output**

*Actual expenditure up to 15% is within the acceptable range as per PF policy.*

**Output 2.3: Policy makers support partnerships' agenda that enhance equitable and accountable use of public resources**

2.3.99 For Program Personnel Payroll & Other expense for Output 2.3	8,733,878	7,769,136	964,742	12%
	<b>8,733,878</b>	<b>7,769,136</b>	<b>964,742</b>	<b>12%</b>

**Comments on Variance on output**

*Actual expenditure up to 15% is within the acceptable range as per PF policy.*

**Output 3.1: Strengthened internal learning capacity and organizational culture**

3.1.03 Conduct semi and annual reviews with with Staff Board members and conveners	26,504,999	32,100,000	(5,595,001)	-17%
3.1.99 For Program Personnel Payroll & Other expense for Output 3.1	53,033,115	51,558,804	1,474,311	3%
	<b>79,538,115</b>	<b>83,658,804</b>	<b>(4,120,689)</b>	<b>-5%</b>

**Comments on Variance on output**

*Actual expenditure up to 15% is within the acceptable range as per PF policy while under-expenditure was result of savings on those activities*

**Output 3.2: Improved participatory collecting evidence, learning and adaptation with partners to advance sustainable reforms for inclusive governance**

3.2.02 Developing a PMEL strategy	5,300,000	4,770,000	530,000	11%
3.2.99 For Program Personnel Payroll & Other expense for Output 3.2	7,487,582	7,062,852	424,730	6%
	<b>12,787,583</b>	<b>11,832,852</b>	<b>954,731</b>	<b>8%</b>

**Comments on Variance on output**

*Budget estimate was less than actual for such activity due to increased number of beneficiaries, although it is within the 15% acceptable range by PF policies.*

**Policy Forum**  
**Appendix 1. Description of Output of Activities**  
**For the year ended 31 December 2023**

**Appendix 1. Description of Output of Activities (Continued)**  
**Output 3.3: Increased use of community of practice spaces to exchange lessons learned on successful policy reform strategies**

	Actual (TZS)	Budget (TZS)	Variance (TZS)	Variance (%) Over/(Under)
3.3.02 Holding Annual Learning Events	14,941,000	20,840,000	(5,899,000)	-28%
3.3.99 For Program Personnel Payroll & Other expense for Output 3.3	30,460,489	29,663,976	796,513	3%
	<u>45,401,489</u>	<u>50,503,976</u>	<u>(5,102,487)</u>	<u>-10%</u>

**Comments on Variance on output**  
*Budget estimate allocation and actual are within the acceptable range of 15% over expenditure for the year while under-expenditure was due to savings made during the related activities.*

**Output 4.1: Policy Forum governance strengthened**

4.1.02 Updated Fundraising Strategy	7,241,960	6,890,000	351,960	5%
4.1.04 Organisation Development, Training and Career Enhancement plan and Review of Staff Performance	4,257,743	3,837,000	420,743	11%
4.1.99 For Program Personnel Payroll & Other expense for Output 4.1	25,154,822	25,426,260	(271,438)	-1%
	<u>36,654,525</u>	<u>36,153,260</u>	<u>501,265</u>	<u>1%</u>

**Comments on Variance on output**

*Overall Actual expenditure up to 15% is within the acceptable range as per PF policy.*

**Output 4.2: Policy Forum effectively and efficiently manages its resources for sustainability**

4.2.01 Annual General Meetings conducted	15,755,400	15,800,000	(44,600)	0%
4.2.02 Board Meetings organised	3,110,000	3,400,000	(290,000)	-9%
4.2.03 Facilitate an Internal Audit function and Annual External Audit Exercise	19,325,533	17,000,000	2,325,533	14%
4.2.05 Conduct visits to members to strengthen PF network	150,000	1,800,000	(1,650,000)	-92%
4.2.99 For Program Personnel Payroll & Other expense for Output 4.2	59,355,389	52,971,372	6,384,017	12%
	<u>97,696,342</u>	<u>90,971,372</u>	<u>6,724,970</u>	<u>7%</u>

**Comments on Variance on output**

*Actual expenditure up to 15% is within the acceptable range as per PF policy while under-expenditure was mainly due to the use of virtual meeting instead of physical ones, thereby creating savings. Exchange rate played a role on the overexpenditure of other activities*

**Support Expense 1: Admin Staff Staff Payroll Cost**

1.01 Finance and Administration Manager	117,871,219	122,011,479	(4,140,260)	-3%
1.03 Admin Assistant	46,339,826	52,040,191	(5,700,365)	-11%
1.04 Driver	43,245,423	46,136,118	(2,890,695)	-6%
	<u>207,456,467</u>	<u>220,187,788</u>	<u>(12,731,321)</u>	<u>-6%</u>

**Comments on Variance on output**

*Budget estimate allocation and actual are within acceptable range for the year.*



**Policy Forum**

**Appendix 1. Description of Output of Activities**

**For the year ended 31 December 2023**

**Appendix 1. Description of Output of Activities (Continued)**  
**Support Expense 2: Plant, Property & Equipment (PPE) Acquisitions: Procurement of assets**

2.01 To Procure Office Computer, Laptops, UPS & its peripherals

	Actual (TZS)	Budget (TZS)	Variance (TZS)	Variance (%) Over/(Under)
	4,360,100	8,600,000	(4,239,900)	-49%
<b>Comments on Variance on output</b>				
<i>Utilization is within 15% as per policy, with under expenditure was due to deferred purchase of laptop.</i>				
<b>Support Expense 3: Running Cost: Organisational overheads</b>				
3.01 To Cover Office Premises Renting, Maintenance & Security	63,586,512	60,721,600	2,864,912	5%
3.02 For Maintenance and Repairs of PPE, MIS, Applications and Its Subscriptions Including Software and Upgrades.	19,582,633	17,600,000	1,982,633	11%
3.03 For Office Utilities	17,818,299	17,700,000	118,299	1%
3.04 For Communications through access to Data, Voice calls, Postal Communication and Website Subscriptions	16,767,718	19,300,000	(2,532,282)	-13%
3.05 For Office Supplies including Stationery	7,609,369	10,320,000	(2,710,631)	-26%
3.06 For Transportation for the Office	7,593,284	7,000,000	593,284	8%
3.07 For Legal, Insurance, Administrative & Finance Matters	10,836,483	11,700,000	(863,517)	-7%
	<b>143,794,296</b>	<b>144,341,600</b>	<b>(547,304)</b>	<b>-0.4%</b>

**Comments on Variance on output**

*Budget estimate allocation and actual are within acceptable range for the year while under expenditure were due to Reduction in photocopy and printing for engagements created savings on ink and plain papers and Savings on the cost of internet services*

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