

C - SEMA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Silas & Associates

P. O. Box 80302

Dar es Salaam



C - SEMA

Annual Report and Financial Statements

For the year ended 31 December 2019

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COMPANY INFORMATION:

Annual Report and Financial Statements for the year ended 31 December 2019

C - SEMA: C - SEMA is an NGO registered under the NGOs Act # 24 of 2002 as amended in 2005 and 2019.

MANAGEMENT: Mr. Kiiya, CEO

REGISTERED OFFICE: Posta House, 8th Office # 101 New Post Office Area
P. O. Box 75267, Dar es Salaam, Tanzania.

INDEPENDENT AUDITOR: Silas & Associates

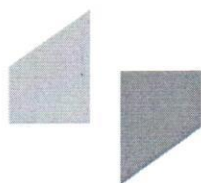
P. O. Box 80302, Dar es Salaam

Tel: 0752 778 122; 0658 778 133

e-mail: silas@silasassociates.co.tz



REPORT OF THE INDEPENDENT AUDITORS



Silas & Associates

Certified Public Accountants

Tabata Chang'ombe; Plot # SG/UG/0452; P. O. Box 80302; Dar es Salaam

Website: <https://www.silasassociates.co.tz>

To the Owners of: C - SEMA

P. O. Box 75267

Dar es Salaam, Tanzania

Report of the Auditors on Accounts for the Year ending 31 December 2019

We have audited the financial statements of **C - SEMA** which comprise of the statement of financial position as at 31 December 2019 and the statement of comprehensive income, statement of changes in owner's equity and statement of cash flows for the year ended 31 December 2019 and a summary of significant accounting policies and other explanatory notes as set out on pages 10 to 18.

Respective Responsibilities of Directors and Auditors

The directors are responsible for the preparation of financial statements. Our responsibility is to form an independent opinion, based on our audit, on those statements and report our opinion to you.

Basis of Opinion



We conducted our audit in accordance with **International Standards on Auditing**. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Matters Affecting Our Opinion

In common with many businesses of similar size and organisation, the company's system of internal control and financial sustainability is dependent upon close involvement of the Directors. Where independent confirmation of the completeness of accounting records was therefore not available, we have accepted assurances from the Director that all the company's transactions have been reflected in the accounting records and adequately supported by relevant third party documents.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of C - SEMA as at 31 December 2019, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium sized Entities (IFRS for SMEs) and comply with the Tanzanian NGOs Act of # 24 of 2002.

 08/06/2020

Silas A.H. Mwakibinga - CP 11/029; ACPA (T)-PP

Engagement Partner



C -SEMA LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 (TZS)	2018 (TZS)
REVENUE			
Grants	2	527,509,794	340,249,303
Released Differed Capital Grant	2	6,319,500	0
Total Revenue		533,829,294	340,249,303
EXPENSES			
Operating Expenses	3	478,739,536	335,641,782
Financial Expenses	4	1,400,634	2,697,521
Audit Fees		1,910,000	1,910,000
Depreciation	5	58,450,060	37,889,480
Total Expenditures		540,500,230	378,138,783
Surplus/(Deficit) Before TAX		(6,670,936)	(37,889,480)
Provision for Corporate Tax		0	0
Net Surplus/(Deficit) After Tax		(6,670,936)	(37,889,480)

Director: 

CEO: 

Date: 09-06-2020

Date: 09-06-2020



C - SEMA LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Notes	2019 (TZS)	2018 (TZS)
ASSETS			
Non-Current Assets			
Plant, Property and Equipment	5	81,033,695	71,278,355
		65,687,291	84,276,888
Current Assets			
Cash & Bank		61,687,291	82,510,088
Debtors		4,000,000	0
Taxation		0	1,766,800
TOTAL ASSETS		146,720,986	155,555,243
EQUITY & LIABILITIES			
Funds and Reserves		141,309,770	138,433,089
General Funds		79,449,200	79,449,200
Accumulated Fund		(49,206,012)	(42,535,076)
Capital Grants		12,830,500	0
Deferred Grants/Income	6	98,236,082	101,518,965
Current Liabilities		5,411,216	17,122,154
Creditors & Accruals		3,501,216	15,212,154
Provision for Audit Fees		1,910,000	1,910,000
TOTAL EQUITY & LIABILITIES		146,720,986	155,555,243

Director: 

CEO: 

Date: 09/06/2020

Date: 09.06.2020



C-SEMA LIMITED
STATEMENT OF CHANGES IN OWNER'S EQUITY
FOR THE YEAR ENDED 31.12.2019

	General Funds	Accumulated Fund	TOTALS
As at 01.01. 2019	79,449,200	(42,535,076)	36,914,124
Additions	0	(6,670,936)	(6,670,936)
Drawings	0	0	0
As at 31.12.2019	<u>79,449,200</u>	<u>(49,206,012)</u>	<u>30,243,188</u>
As at 01.01. 2018	79,449,200	(4,545,596)	74,903,604
Additions	0	(37,889,480)	(37,889,480)
Prior Year Adjustments	0	(100,000)	(100,000)
As at 31.12.2018	<u>79,449,200</u>	<u>(42,535,076)</u>	<u>36,914,124</u>

Director:

CEO:


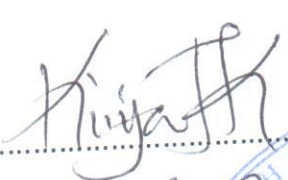
Date 09/6/2020

Date 09.06.2020



C-SEMA LIMITED
STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED 31.DECEMBER.2019

	2019 (TZS)	2018 (TZS)
Cash flow from Operations	(6,670,936)	(37,889,480)
Surplus/(Deficit)	(302,941,134)	37,889,480
Adjusted for Non-Cash items	58,450,060	37,889,480
Depreciation	(361,391,195)	0
Deferred Grant	(309,612,071)	0
Cash flows before working capital changes	(19,212,154)	(16,793,899)
Changes in Working Capital items	(4,000,000)	0
Decrease(Increase) in Receivables	(15,212,154)	(16,793,899)
Increase/(Decrease) in Creditors & Accruals		
Tax paid	(19,212,154)	(16,793,899)
Net Cash Flow from Operations	(328,824,225)	(16,793,899)
Net Cash flow from Operating activities	375,708,828	101,418,965
Cash flow from Financing Activities	375,708,828	0
Proceeds from Grant	0	101,418,965
Deferred Income	375,708,828	101,418,965
Net Cash flow from financing activities		
Cash flow from Investing activities	(67,707,400)	(41,446,099)
Acquisition	(67,707,400)	(41,446,099)
Disposal	0	0
Net Cash flow from Investing Activities	(67,707,400)	(41,446,099)
Net decrease in cash & cash Equivalents	(20,822,797)	43,178,967
Cash & Cash Equivalent at beginning of year	82,510,088	39,331,121
Cash and Cash Equivalent at end of year	61,687,291	82,510,088

Director:  CEO: 
Date: 29/6/2020 Date: 09.06.2020



NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out hereunder:

a) Basis of opinion

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS).

Going concern

The financial performance of the company is set out in the director's report and in the Statement of Comprehensive Income. The financial position of the company is set out in the Statement of Financial Position.

Based on the financial performance and position of the company, the directors are of the opinion that the company is well placed to continue in business for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

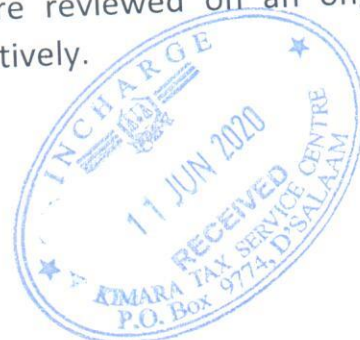
These financial statements comply with the requirements of the Tanzanian Companies Act 2002. The Statement of Comprehensive Income represents the Profit and Loss account referred to in the Act. The Statement of Financial Position represent the Balance Sheet referred to in the Act.

New and amended standards adopted by the company

There are no IFRSs of IFRIC interpretations that are effective or adopted in advance for the first time.

b) Key sources of estimation uncertainty

In the application of accounting policies, the directors are required to make judgments, estimates and assumptions about carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Such estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.



The directors have made the following assumptions that have a significant risk of resulting in a material adjustment in the carrying amounts of assets and liabilities within the next financial year.

Useful lives of equipment- Management reviews the useful lives and residual values of the items or equipment on a regular basis. During the financial year, the directors determined no significant changes in the useful lives and residual values.

c) Critical accounting judgments

In the process of applying the company's accounting policies, the company's management makes certain judgments that are continuously assessed based on prior experience and including expectations or future events, that, under the circumstances are deemed to be reasonable as described below:

(i) Equipment and intangible assets: Critical estimates are made by the management in determining depreciation rates and useful lives.

(ii) Operating lease commitments: Rental contracts for office rent are observed

(iii) Revenue recognition: In making their judgments, the directors considered the detailed criteria for the recognition of revenue from the performance of services set out in IAS 18.

d) Foreign Currency transactions

(i) Functional and presentation currency: Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'), which is Tanzanian Shillings.

(ii) Transactions and balances: Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and liabilities denominated in foreign currencies are recognised in the comprehensive income.

e) Revenue recognition

Revenue mainly comprises of donations from partner organisations. The revenue is recognised on an accruals basis.

The company recognizes revenue when the amount of revenue can be reliably measured, and it is probable that future economic benefits will flow to the entity. The amount of revenue is not considered to be reliably measured until The Company recognizes revenue when the amount of revenue can be reliably measured, and it is probable that future economic benefits will flow to the entity. The amount of revenue is not considered to be reliably measured until all contingencies relating to the transaction have been resolved. The company bases its estimates on historical results, taking into consideration the type of transaction and specifics of each arrangement.

f) Cash & cash equivalents

Cash and cash equivalents includes cash in hand and deposits held at call with banks and Tigo-Pesa Account.

g) Equipment

All property, plants and equipment is initially recorded at cost and thereafter stated at historical cost less depreciation. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use. 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 company and the cost can be reliably measured. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of comprehensive income during the financial year in which they are incurred.

Depreciation is calculated on a straight line basis, to write down the cost of each asset, to its residual value over its estimated useful life using the following annual rates:

Office equipment.....	12.5%
Office furniture	12.5%



Motor vehicle.....	25.0%
Computers.....	30.0%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining profit before tax.

h) Financial instruments

Financial liabilities (continued): Borrowings are initially recognised at fair value, net of transaction costs incurred and are subsequently stated at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest expense in the statement of comprehensive income under finance costs.

Fees associated with the acquisition of borrowing facilities are recognised as transaction costs of the borrowing to the extent that it is probable that some or all of the facilities will be acquired. In this case the fees are deferred until the drawn down occurs. If it is not probable that some or all of the facilities will be acquired the fees are accounted for as prepayments under trade and other receivables and amortized over the period of the facility.

All financial liabilities are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

Financial liabilities are derecognized when, and only when, the company's obligations are discharged, cancelled or expired.

Offsetting financial instruments: Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the amounts and there is an

intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

i) Retirement benefits obligation

The company and its employees are members of NSSF, a statutory defined contribution schemes registered under the Social Security Regulatory Authority Act (SSRA) of 2008. The company's contributions to any of those social security schemes are charged to the statement of comprehensive income in the year to which they relate.

NOTE 5: PROPERTY, PLANT & EQUIPMENT

	ICT & Office Equipment TZS	Computers TZS	Furniture & Fittings TZS	Leasehold Improvements TZS	TOTAL TZS
COSTS					
As at 01.01.2019	151,566,440	18,023,102	9,044,547	3,984,000	182,618,089
Additions	12,137,400	54,570,000	1,000,000	0	67,707,400
As at 31.12.2019	<u>163,703,840</u>	<u>72,593,102</u>	<u>10,044,547</u>	<u>3,984,000</u>	<u>250,325,489</u>
Depreciation					
As at 1.1.2019	88,958,077	16,548,247	3,343,410	1,992,000	110,841,734
Charge for the Year	32,740,768	23,955,724	1,255,568	498,000	58,450,060
Net Book Value as at 31.12.2019	<u>42,004,995</u>	<u>32,089,131</u>	<u>5,445,569</u>	<u>1,494,000</u>	<u>81,033,695</u>
Net Book Value as at 31.12.2018	62,608,363	1,474,854	5,701,137	1,494,000	71,278,354



notes to the financial statements.....

NOTE 2: REVENUE

	2019 (TZS)	2018 (TZS)
OAK Foundation grant	157,834,600	187,921,825
UNICEF	190,229,290	0
OAK Foundation -In kind contribution	0	60,150,000
COUNSENUTH	40,743,120	0
SEGAL Family Foundation	16,304,200	0
UNFPA grant	0	52,482,780
Girls not brides grant	0	4,550,000
BRIS	12,144,000	0
The Delegation of the EU	3,663,000	2,700,000
UNFPA in kind contribution	46,354,000	0
RC	60,237,584	0
Population Council -USA Grant	0	45,033,663
Children's Dignity Forum	0	2,000,000
Sponsored trips-local & International	0	75,580,000
Christian Social Service Centre	0	2,250,000
ASAS Milk in-kind contribution	0	6,000,000
Flaviana Matata Foundation in-kind contribution	0	3,000,000
	527,509,794	441,668,268
Deferred Grant-UNICEF in kind	19,150,000	
Deferred Grant	6,319,500	0
Released Deferred Income		

NOTE 3: GENERAL & ADMINISTRATIVE EXPENSES

Workshops and Seminars	40,473,000	7,910,000
Travel & Accommodations	37,163,700	7,594,500

Volunteer allowances Zanzibar	2,400,000	0
Training	29,680,000	570,000
Salaries & Wages	99,459,000	111,520,000
Office Rent	32,678,400	25,159,482
Telephone & Communication	1,270,000	518,000
stationaries	298,500	7,717,750
Transport happy and sad initiative	1,300,000	0
Staff breakfast	2,740,400	2,576,900
Volunteer allowances-Focal Persons	0	6,000,000
Repairs and Maintenance	0	33,000
Postal box rentals	0	35,400
Office Cleaning	1,740,000	1,421,500
Office Renovation	3,740,000	0
Transport - local	4,970,850	641,000
Consultancy	9,350,000	7,200,000
Office expenses	37,249,265	1,644,550
Garbage collection	692,000	0
General publicity	8,270,550	17,273,000
Internet	1,656,748	0
NSSF	0	8,184,000
International Day of Girl Child	0	4,550,000
Partner sponsored trips	0	75,580,000
Board meeting	200,000	0
Input Vat	261,293	0
Day of African Child (DAC)	43,569,767	27,170,000
Insurance	3,022,400	0
NGO fee	50,000	50,000
Malezi survey Zanzibar	1,900,000	5,446,000
Postage	80,000	70,700
Bank charges	4,165,129	0
Staff benefit	20,491,534	16,776,000
translation fee	7,700,000	0
RC	70,000,000	0
	478,739,536	335,641,782



NOTE 4: FINANCIAL COSTS

Bank charges

1,400,634	2,697,521
<u>1,400,634</u>	<u>2,697,521</u>

NOTE 6: DEFERRED GRANT

UNFPA Grant

Other Grants

92,907,000	0
5,329,082	0
<u>98,236,082</u>	<u>0</u>