



C-SEMA

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

Silas & Associates

P. O. Box 2829;

0752-778-122; 0658-778-133

Dodoma

C-SEMA

Annual Report and Financial Statements

For the year ended 31 December 2021

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C-SEMA

Annual Report and Financial Statements for the year ended 31 December 2021

COMPANY INFORMATION: NGO

MANAGEMENT: Mr. Michael Kihango Marwa

REGISTERED OFFICE: Suite # 403, Jangid House, Ally Hassan Mwinyi Rd, Dar es Salaam

P. O. Box 787; Dar es Salaam

CONTACTS: +255-222-9265

E-mail: info@sematanzania.org

TIN: 113-953-411

BANKER: Standard Chartered Bank; Azania Bank

INDEPENDENT AUDITOR: Silas & Associates

P. O. Box 2829, Dodoma

Tel: 0693-022- 282; 0737- 916 -995

e-mail: info@silasassociates.co.tz

REPORT OF THE INDEPENDENT AUDITORS



Third Floor, CCT Church House, Hospital Road, P. O. Box 2829, Dodoma 0; 752-778-122; 0658-778-133; www.silasassociates.co.tz

To the Owners of C-SEMA

P. O. Box 787

DAR ES SALAAM, Tanzania

Report of the Auditors on Accounts for the Year ending 31 December 2021

We have audited the financial statements of **C-SEMA** which comprise of the statement of financial position as at 31 December 2021 and the statement of comprehensive income, statement of changes in owner's equity and statement of cash flows for the year ended 31 December 2021 and a summary of significant accounting policies and other explanatory notes as set out on pages 6 to 20.

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 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 Directors 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 2021, 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 Companies Act of 2002**.



Date: 21/06/2022



Silas A.H. Mwakibinga - ACPA (T) - PP No. 1578

Engagement Partner; Dodoma

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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 (TZS)	2020 (TZS)
REVENUE			
Grants	3	931,661,847	900,044,035
Other Income	4	76,017,995	98,236,082
Total Revenue		1,007,679,842	998,280,117
EXPENSES			
General & Administrative Expenses	5	895,443,173	1,134,554,458
Financial Expenses	6	6,831,751	5,840,938
Audit Fees		1,910,000	1,910,000
Depreciation	2	71,749,080	59,787,814
Total Expenditures		975,934,004	1,202,093,210
Surplus/(Deficit) for the Year		31,745,838	(203,813,093)
Less: Deferred Grant to 2022		(31,745,838)	0
Net Surplus/(Deficit) for the Year		0	(203,813,093)

Director: CEO:

Date:21-06-2022..... Date:21-06-2022.....

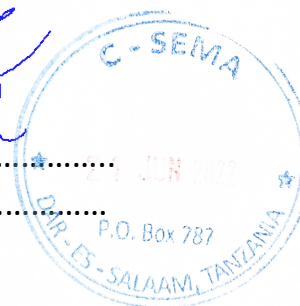


C - SEMA**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021**

ASSETS	Notes	2021 (TZS)	2020 (TZS)
Non-Current Assets			
Plant, Property and Equipment	2	134,824,949	190,077,782
Current Assets		97,073,413	102,536,389
Cash & Bank	8	31,745,838	70,778,852
Debtors	9	65,327,575	31,757,537
Taxation	11	0	0
TOTAL ASSETS		231,898,362	292,614,171
EQUITY & LIABILITIES			
Funds and Reserves		166,102,198	236,881,050
General Funds		394,000,645	394,000,645
Accumulated Fund		(240,728,947)	(240,728,947)
Capital Grants		12,830,500	12,830,500
Deferred Grants/Income	7	31,745,838	70,778,852
Current Liabilities		34,050,326	55,733,120
Creditors & Accruals		32,140,326	53,823,120
Provision for Audit Fees	10	1,910,000	1,910,000
TOTAL EQUITY & LIABILITIES		231,898,362	292,614,170

Director:
Date: 21-06-2022

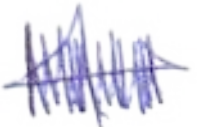
CEO:
Date: 21-06-2022




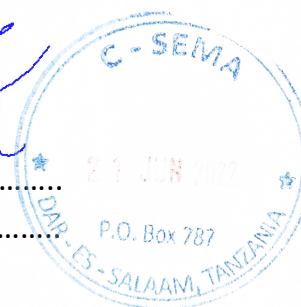
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**STATEMENT OF CHANGES IN OWNER'S EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	General Funds	Capital Grants	Accumulated Fund	TOTALS
As at 01.01.2021	394,000,645	12,830,500	(240,728,947)	166,102,198
Additions	0	0	0	0
Deductions	0	0	0	0
As at 31.12.2021	<u>394,000,645</u>	<u>12,830,500</u>	<u>(240,728,947)</u>	<u>166,102,198</u>
As at 01.01.2020	79,449,200	12,830,500	(200,203,716)	(107,924,016)
Additions	314,551,445	0	(40,525,231)	274,026,214
Deductions	0	0	0	0
As at 31.12.2020	<u>394,000,645</u>	<u>12,830,500</u>	<u>(240,728,947)</u>	<u>166,102,198</u>

Director: 
Date 21-06-2022

CEO: 
Date 21-06-2022

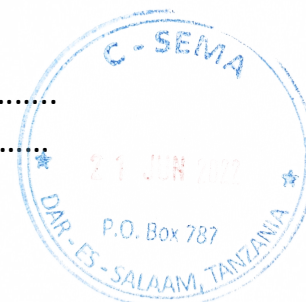


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CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2021

Surplus/(Deficit) for the Year	0	(40,525,231)
Adjustment for Non-Cash items	71,749,080	58,623,930
Depreciation	71,749,080	59,787,814
Prior Year Items	0	(1,163,884)
Cash flows before working capital changes	71,749,080	18,098,699
Changes in Working Capital items	(94,285,846)	22,564,367
Decrease(Increase) in Receivables	(33,570,038)	(27,757,537)
Increase/(Decrease) in Creditors & Accruals	(60,715,808)	50,321,904
Net Cash flow from Operating activities	(22,536,766)	40,663,066
Cash flow from Financing Activities		
Net cash flow from Financing Activities	0	200,000,000
Cash flow from Investing activities		
Net Cash flow from Investing Activities	(16,496,248)	(80,573,802)
Net changes in Cash & Cash Equivalents	(39,033,014)	160,089,265
Cash & Cash Equivalents at 01.January	70,778,852	(89,310,413)
Cash and Cash Equivalent s at 31. December	31,745,838	70,778,852

Director: CEO:
Date: 21-06-2022 Date: 21-06-2022



C - SEMA

NOTES TO THE ACCOUNTS:

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 or 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: Not applicable - as the company is operating over its own buildings.

(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 the sales of finished products. 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 financial assets.

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 reducing balance basis, to write down the cost of each asset, to its residual value over its estimated useful life using the following annual rates:

Buildings.....	'05.0%
Office equipment.....	12.5%
Furniture & Fittings.....	12.5%
Motor vehicle.....	25.0%
Computers.....	37.5%

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) Current & deferred income tax

The tax expense for the year comprises of current and deferred tax. Tax is recognized in statement of comprehensive income, except that it relates to items recognised in equity. In this case, the tax is also recognised in equity.

Current tax: Current tax is provided on the results for the year, adjusted in accordance with tax legislation.

Deferred tax: Deferred tax is provided using the liability method for all temporary timing differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax. Deferred tax assets are

recognised only to the extent that it is probable that future taxable profits will be available against which temporary timing differences can be utilized.

j) Leases - The company as a lessee

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of comprehensive income on a straight-line basis over the period of the lease.

k) Retirement benefits obligation

The company and its employees contributed to the National Social Security Fund (PPF), a statutory defined contribution scheme that was registered under the Social Security Regulatory Authority Act (SSRA) of 2008. The company's contributions to this defined contribution scheme are charged to the statement of comprehensive income in the year to which they relate (through General Expenses).

NOTE 5: PROPERTY, PLANT & EQUIPMENT

COSTS	Office Equipment TZS	Computers TZS	Furniture & Fittings TZS	Leasehold Improvements TZS	TOTAL TZS
As at 01.01.2021	201,251,892	107,223,102	18,440,297	3,984,000	330,899,291
Additions	9,225,600	7,270,648	0	0	16,496,248
As at 31.12.2021	<u>210,477,492</u>	<u>114,493,750</u>	<u>18,440,297</u>	<u>3,984,000</u>	<u>347,395,539</u>
Depreciation					
As at 1.1.2021	67,161,482	64,256,062	7,750,606	1,653,360	140,821,510
Charge for the Year	26,309,687	42,935,156	2,305,037	199,200	71,749,080
As at 31.12.2021	<u>93,471,169</u>	<u>107,191,218</u>	<u>10,055,643</u>	<u>1,852,560</u>	<u>212,570,590</u>
Net Book Value as at 31.12.2021	<u>117,006,324</u>	<u>7,302,532</u>	<u>8,384,654</u>	<u>2,131,440</u>	<u>134,824,949</u>
Net Book Value as at 31.12.2020	134,090,411	42,967,040	10,689,691	2,330,640	190,077,782

... notes to the financial statements...

NOTE 3: GRANTS RECEIVED	2021 (TZS)	2020 (TZS)
UNICEF	15,605,601	153,808,009
SEGAL Family Foundation	119,765,092	5,752,050
UNFPA grant	348,398,072	342,836,875
BRIS	52,698,258	42,055,052
BRAC Maendeleo	88,971,841	57,105,664
Ministry of Health Zanzibar	42,635,000	26,520,000
CARE International	13,025,000	20,520,000
ICMEC	532,910	45,696,950
ECPAT	1,153,000	5,749,435
British High Commission	9,545,040	0
Porticus	137,980,500	0
Save the Children (DGC)	1,000,000	0
Pathfinder International	94,777,533	0
Elimika Weekend	5,574,000	0
BRAC Maendeleo In Kind Contribution	0	200,000,000
OAK Foundation grant	0	163,287,862
	<u>931,661,847</u>	<u>900,044,035</u>

NOTE 4: OTHER INCOME

Released Deferred Income	70,778,852	98,236,082
Refund from NHIF	516,000	0
Partner s' Support Fund	3,163,504	0
Gain in Foreign Currency Transactions	1,559,639	0
	<u>76,017,995</u>	<u>98,236,082</u>

NOTE 5: GENERAL & ADMINISTRATIVE EXPENSES

Workshops and Seminars	185,457,468	171,508,450
Travel & Accommodation	27,121,940	25,399,900
Volunteer allowances Zanzibar	1,440,000	2,400,000
Training	25,512,800	23,887,000
Salaries & Wages	48,600,000	119,660,000
SDL Expense	0	5,079,300
NSSF Expense	4,860,000	11,966,000
Office Rent	52,712,540	60,113,293
Telephone & Communications	454,000	462,500
Stationery	494,000	1,132,000
Staff breakfast	13,329,800	5,901,600
Volunteer allowances-Focal Persons	46,697,200	33,360,000
Repairs and Maintenance	355,000	627,000
Office Cleaning	1,972,000	1,877,000
Office Renovation	58,773,915	65,050,653
Transport - local	4,890,000	682,000
Office expenses	133,985,254	100,291,785
General publicity & Campaign material	224,114,800	365,637,486
Internet	9,825,101	10,390,684
Board meetings	8,604,000	1,600,000
Input Vat	9,488,255	0
Groceries	595,000	0
Staff benefits	31,535,800	22,975,800
Breakfast for counselors	3,154,300	0
Drinking Water	1,470,000	0
Postage	0	90,000
RC	0	920,000
Insurance	0	372,807
NGO fee	0	50,000
International Day of Girl Child	0	84,247,200
Annual Staff Retreat	0	18,872,000

	<u>895,443,173</u>	<u>1,134,554,458</u>
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NOTE 6: FINANCIAL COSTS

Bank charges	6,831,751	5,840,938
	<u>6,831,751</u>	<u>5,840,938</u>

NOTE 7: DEFERRED GRANT

UNICEF	0	15,605,601
SEGAL Family Foundation	8,239,427	46,011,482
BRIS	4,227,213	9,161,769
ECPAT	1,153,003	0
BRAC Maendeleo	18,126,195	0
	<u>31,745,838</u>	<u>70,778,852</u>

NOTE 8: CASH & BANK

Bank account -Azania	4,227,213	9,161,769
Bank Account-Standard Chartered (Local)	18,126,195	15,605,601
Bank Account-Standard Chartered (Foreign)	9,392,430	46,011,482
	<u>31,745,838</u>	<u>70,778,852</u>

NOTE 9: RECEIVABLES

Elimika Wikiendi Limited	7,000,000	1,000,000
Prepaid Rent	31,423,255	30,757,537
Salary Advance - Joel Kiiya	6,719,170	0
Jamii Designs	20,185,150	0
	<u>65,327,575</u>	<u>31,757,537</u>

NOTE 10: PAYABLES

Audit Fee Payable	1,910,000	1,910,000
Other Payables	32,140,326	0
	<u>34,050,326</u>	<u>1,910,000</u>

Note 11: TAXATION ACCOUNT

Surplus / (Deficit) Before taxation	31,745,838	(203,813,093)
Add Back: Depreciation	<u>71,749,080</u>	<u>59,787,814</u>
	103,494,918	(144,025,279)
Less: Wear & Tear Allowances	<u>71,749,080</u>	<u>59,787,814</u>
Adjusted Taxable Income	31,745,838	(203,813,093)
Taxation During the period	<u>0</u>	<u>0</u>
Less: Balance Brought Forward	<u>0</u>	<u>0</u>
Tax Paid during the period	<u>0</u>	<u>0</u>
Balance Carried Forward	<u><u>0</u></u>	<u><u>0</u></u>