

**NETWORK AGAINST FEMALE**  
**GENITAL MUTILATION**  
**(NAFGEM)**

**FINANCIAL STATEMENTS**  
**31ST DECEMBER, 2019**

**NDAMALLYA & COMPANY**  
*Certified Accountants & Authorised Auditors*  
P.O BOX 348  
**MOSHI**  
**TANZANIA**

**NETWORK AGAINST FEMALE GENITAL  
MUTILATION (NAFGEM)  
FINANCIAL STATEMENTS  
31ST DECEMBER, 2019**



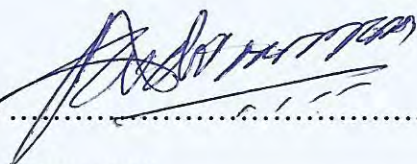
**DECLARATION OF THE ACCOUNTANT OF NETWORK AGAINST FEMALE  
GENITAL MUTILATION (NAFGEM)**

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

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

I **Naiman Mchomvu** being the Accountant of Network Against Female Genital Mutilation (NAFGEM) , hereby acknowledge my responsibility of ensuring that financial statements for the year ended December 2018 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of Network Against Female Genital Mutilation(NAFGEM) as on that date and that they have been prepared based on properly maintained financial records.

Signed by  .....

Position: Accountant

NBAA Membership Na. ACPA 1887



# **NETWORK AGAINST FEMALE GENITAL MUTILATION (NAFGEM)**

## **AUDITORS REPORT TO THE EXECUTIVE COMMITTEE**

### **REPORT ON THE FINANCIAL STATEMENTS**

We have audited the financial statement NAFGEM, which comprise the statements of financial position as at 31 December 2019, Statement of funds accountability, cash flow statement, and statement of changes in grants and reserves for the period then ended and the accompanying notes to the financial statements which include a summary of significant accounting policies and other explanatory notes.

### **DIRECTOR'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The company's Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs), Tanzania Financial Reporting Standards (TFRSs) and the Tanzania Company Act No. 12 of 2002. These responsibility includes; Designing, implementing and maintain an effective and efficient internal controls relevant to preparation and fair presentation of the financial statements that are free from material misstatement , whether due to fraud or error and other irregularities by selecting and applying appropriate accounting policies ; and making accounting estimates that are reasonable in the circumstance.

### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We conduct our audit in accordance with International Standards of Auditing (ISAs). 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 involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatements, whether due to fraud or error and other irregularities. In making those risk assessment, the auditor consider the internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide our audit opinion.

### **OPINION**

In our opinion, the financial statements give a true and fair view of affairs of NAFGEM as at 31<sup>st</sup> December 2019 and its financial performance and cash flow for the period then ended in accordance with International Financial Reporting Standards (IFRSs) and have properly prepared in accordance with the Tanzania Companies Act, No.12, of 2002



**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

In our opinion, proper accounting records have been kept by the company and the financial statements referred to in the preceding paragraph are in agreement with accounting records.



**18.0 EXTERNAL AUDITOR**

NDAMALLYA & CO. is the external auditor for the financial year 2019, elected under article 15 of the NAFGEM Tanzania constitution. The external auditor has shown the interest to continue in the office.

**NETWORK AGAINST FEMALE GENITAL MUTILATION  
(NAFGEM)  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2019**

| ASSETS                              | NOTES | 2019<br>TZS        | 2018<br>TZS        |
|-------------------------------------|-------|--------------------|--------------------|
| <b>NON - CURRENT ASSETS</b>         |       |                    |                    |
| Property, Plant and Equipment       | 10    | 406,274,925        | 418,698,826        |
| <b>Current Assets</b>               |       |                    |                    |
| Project Debtor                      | 5     | 19,617,710         | 37,942,674         |
| Staff Debtors                       | 7     | 23,757,260         | 438,210            |
| Cash & Bank                         | 6     | 139,160,019        | 94,679,570         |
| <b>Total Assets</b>                 |       | <b>588,809,913</b> | <b>551,759,280</b> |
| <b>EQUITY &amp; LIABILITIES</b>     |       |                    |                    |
| <b>Liabilities</b>                  |       |                    |                    |
| Deferred Grant Income               | 5     | 293,167,637        | 204,173,699        |
| Trade & Creditors                   |       | 1,000,000          | 1,700,000          |
| Accumulated depreciation            |       |                    |                    |
| <b>Equity</b>                       |       |                    |                    |
| Capital Grants                      |       | 278,385,406        | 322,102,654        |
| Accumulated surplus/(Deficit)       |       | 16,256,871         | 23,782,927         |
| <b>Total Equity &amp; Liability</b> |       | <b>588,809,913</b> | <b>551,759,280</b> |

*Chimene*  
.....  
Chairperson



*[Signature]*  
.....  
Executive Coordinator



NAFGEM's Financial Statements for the year ended 31<sup>st</sup> Dec. 2019  
**NETWORK AGAINST FEMALE GENITAL MUTILATION**

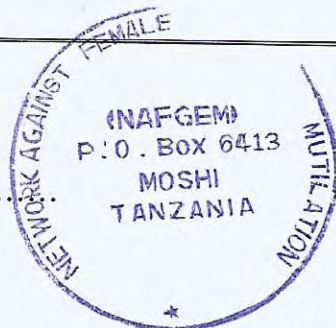
**NETWORK AGAINST FEMALE GENITAL MUTILATION**

**ACCOUNTABILITY STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

| <b>INCOME</b>                    | <b>Notes</b> | <b>2019<br/>Tzs</b>  | <b>2018<br/>Tzs</b>  |
|----------------------------------|--------------|----------------------|----------------------|
| Grant Income                     | 9            | 955,488,605          | 1,343,060,198        |
| Amortization of capital grant    | 11           | 44,237,246           | 211,648,326          |
| Ex-Rate Gain                     |              | -                    | -                    |
| <b>Total Income</b>              |              | <b>999,725,851</b>   | <b>1,554,708,524</b> |
| <b>EXPENDITURE</b>               |              |                      |                      |
| Personnel expenses               | 10           | 218,324,444          | 193,230,084          |
| Administration Expenses          | 10           | 19,130,811           | 39,187,033           |
| Audit Fees                       | 10           | 1,000,000            | 1,700,000            |
| Depreciation                     | 11           | 44,237,246           | 211,648,326          |
| Bracelets & Bags production      | 10           | 57,137,811           | 79,119,650           |
| Students Fees & related Expenses | 10           | 141,898,627          | 85,969,800           |
| Field Expenses                   | 10           | 517,896,912          | 943,853,632          |
| Exchange - loss                  | 8            | 7,526,055            | 2,122,670            |
| <b>Total Expenses</b>            |              | <b>1,007,151,906</b> | <b>1,556,831,195</b> |
| <b>Surplus(Deficit)</b>          |              | <b>(7,426,055)</b>   | <b>(2,122,671)</b>   |

*G. Mence*  
 Chairperson



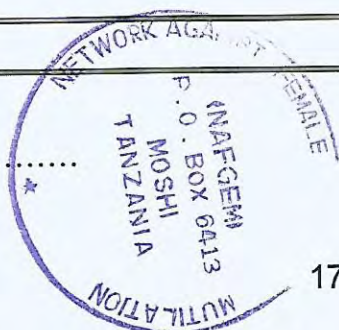
*[Signature]*  
 Executive Coordinator



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DEC 2019**

|  | 2019<br>Tzs          | 2018<br>Tzs          |
|--|----------------------|----------------------|
| <b>Cash flow from operating Activities</b>                   |                      |                      |
| Cash collection  | 1,062,807,506        | 1,298,972,595        |
|  | 1,062,807,506        | 1,298,972,595        |
| Revenue from bank interest                                   |                      |                      |
| <b>Total receipts</b>  | <b>1,062,807,506</b> | <b>1,298,972,595</b> |
| Less: payments   |                      |                      |
| direct expenses  | 954,488,605          | 1,342,649,565        |
| Other payments   | 32,545,106           | -                    |
| <b>Net Cash from operating activities</b>                    | <b>75,773,795</b>    | <b>(43,676,970)</b>  |
| <b>Cash from Investment activities</b>                       |                      |                      |
| Purchase of motor vehicle                                    | (20,280,000)         | (32,000,000)         |
| Purchase of equipment  | (11,013,346)         | -                    |
| Purchase of furniture  | -                    | (1,350,000)          |
| Construction   | -                    | (15,929,800)         |
| <b>Net cash from Investment</b>                              | <b>(31,293,346)</b>  | <b>(49,279,800)</b>  |
| <b>Cash flow from financing activities</b>                   |                      |                      |
| Capital Grants   | -                    | 25,701,960           |
| <b>Net cash from financing activities</b>                    | <b>-</b>             | <b>25,701,960</b>    |
| <b>Cash and cash equivalent at the beginning of the year</b> | <b>94,679,570</b>    | <b>161,934,380</b>   |
| <b>Cash and cash equivalent at the end of the year</b>       | <b>139,160,019</b>   | <b>94,679,570</b>    |

*Finance*  
Chairperson



*[Signature]*  
Executive Coordinator



**NETWORK AGAINST FEMALE GENITAL MUTILATION  
STATEMENT OF CHANGES IN THE MOVEMENT OF GRANTS AND  
RESERVES FOR THE FINANCIAL YEAR ENDED 31th Dec, 2019**

|                                     | Capital Grants<br>Tzs | Accumulated<br>Surplus/(Deficit)<br>Tzs | Total<br>Tzs       |
|-------------------------------------|-----------------------|---|--------------------|
| Balance as at Jan 1st, 2018         | 508,049,020           | 25,905,596                              | 533,954,616        |
| Prior year adjustment               |                       |   | -                  |
| Amortization of Capital Grants      | (211,648,326)         |   | (211,648,326)      |
| Additions during the year           | 25,701,960            |   | 25,701,960         |
| Operating profit for the year       |                       | (2,122,670)                             | (2,122,670)        |
| <b>Balance as at Dec31th, 2018</b>  | <b>322,102,654</b>    | <b>23,782,926</b>                       | <b>345,885,580</b> |
| Balance as at Jan 1st, 2019         | 322,102,654           | 23,782,926                              | 345,885,580        |
| Prior year adjustment               | 519,998               |   | 519,998            |
| Amortization of Capital Grants      | (44,237,246)          |   | (44,237,246)       |
| Additions during the year           |                       |   | -                  |
| Revaluation surplus                 |                       |   | -                  |
| Operating gain/(Loss) for the year  |                       | (7,526,055)                             | (6,526,055)        |
| <b>Balance as at Dec 31th, 2019</b> | <b>278,385,406</b>    | <b>16,256,871</b>                       | <b>294,642,277</b> |

*C. Manana*  
Chairperson



*[Signature]*  
Executive Coordinator