

TANZANIA PRISONERS HOPE FOUNDATION
ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

CONTENTS	PAGE
Organisation's information	1
Report of the Board Members	2 - 3
Statement of the board members' responsibilities	4
Declaration of the head of finance	5
Independent Practitioner's Report	6
Financial statements:	
Statement of Income and Expenditure	7
Statement of financial position	8
Statement of accumulated fund	9
Statement of cash flows	10
Significant accounting policy	11 - 13
Notes to these financial statements	14 - 16
Tax computation	17

ORGANISATION'S INFORMATION

Board members	Names	Position
	Odemari Nitunga Rushita	Chairperson
	Lucas Abrahamani Mwimo	Executive secretary
	Mohamed Majengo Athuman	Member
	Gloria Athumani Kitiku	Member
	Nuruben Lameck Mtema	Member
	Shida Athumani Kitiku	Member
	Joseph Kijeruda	Member
	Justine Lucas Mwimo	Member
Principal banker	CRDB BANK PLC Kinyerezi Branch Dar es salaam Tanzania	
Independent practitioner	Laghe Consult Certified Public Accountant P. O Box 33031 Dar es Salaam, Tanzania	
Registered office	Kanga street, House no. 30 nearby, Kinyerezi ward Ilala District P. O BOX 20950	

REPORT OF THE BOARD MEMBERS

The Board submits their annual report together with the financial statements for the year ended 31 December 2023 which disclose the state of affairs of the organization.

PRINCIPAL ACTIVITY

The principal activity of the organization is to transform the prisoners' and ex-prisoners lives, socially, morally, and materially for their self-reliance.

In Tanzania, prisoners are facing a number of challenges including inadequate health care services, spiritual immorality, inadequate counseling services, limited clothing materials, inadequate legal aid while the ex-prisoners' challenges are mainly related to lack of capital for re-establishing their businesses and reintegrate them with the society and family members. The Government alone cannot solve all these challenges without involvement of individuals, community, NGOs and other actors. The TANZANIA PRISONERS HOPE FOUNDATION (TPHF) was established and registered in 19th April 2022, with registration number ooNGO/R/3102 to fill this gap, by mobilizing funds and materials from individuals, private and public agencies within and outside Tanzania. Since its establishment, TPHF implemented six service oriented projects to prisoners and ex-prisoners in Dar es Salaam region consistent with its objectives, vision and mission. Our vision, mission and objectives are as follows

VISION

To be an organization that endeavors to transform the prisoners' and ex-prisoners' lives, socially, morally and materially for their self-reliance.

MISSION

To Promote and Rehabilitate the Welfare of prisoners and ex-prisoners in Tanzania.

OBJECTIVES

- (i) To conduct counseling services to prisoners and ex-prisoners to be good citizens
- (ii) To distribute spiritual and other reading materials for knowledge change.
- (iii) To provide health care and sanitation services to complement government's efforts in providing prisons' welfare services.
- (iv) To establish and promote the library services in some prisons
- (v) To assist the reintegration of the ex-prisoners into the society particularly providing them with small capital for establishment of small scale enterprises such as farming, bricks making, gardening, carpentry, building, etc. depending on the knowledge gained while in prisons.
- (vi) To facilitate the prisoners with the necessary body clothing materials, tooth paste, mattresses and other necessary requirements.
- (vii) To provide justice and legal assistance particularly to children, women and people with special needs.
- (viii) To design and implement projects that will enable prisoners and ex-prisoners to improve their living standards.
- (ix) To facilitate resources mobilization to support prisoners and ex-prisoners
- (x) To liaise with other organizations and foundations in promoting and effecting the objectives of the Foundations.

COMPOSITION OF THE BOARD MEMBERS

The board members who held office during the year and at the date of this report are shown on page 1.

REPORT OF THE BOARD MEMBERS (CONTINUED)

BOARD MEMBERS' RESPONSIBILITIES

The Board Members accepts responsibility for the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. They also accept responsibilities for:

- i) Designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements;
- ii) Selecting and applying appropriate accounting policies; and
- iii) Making accounting estimates and judgements that are reasonable in the circumstances.

The Board Members are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the organization as at 31 December 2023 and of its surplus and cash flows for the year then ended.

RESULTS

	2023 <u>T.SHS</u>	2022 <u>T.SHS</u>
Surplus	<u>(413,966)</u>	<u>901,443</u>

SOLVENCY

The board members confirm that applicable accounting standards have been followed and that the financial statements have been prepared on a going-concern basis. The board members have a reasonable expectation that Tanzania Prisoners Hope Foundation has adequate resources to continue in operational existence for the foreseeable future.

RELATED PARTY BALANCES

As of 31 December 2023 the organization has no transactions with related parties.

EMPLOYEES' WELFARE

Management and employees' relationship

There was continued good relationship between employees and management for the year ended 31 December 2023. There were no unresolved complaints received by Management from the employees during the year. A healthy relationship continues to exist between management and employees.

The organization gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribes, religion and disability which does not impair ability to discharge duties.

INDEPENDENT PRACTITIONER

The organization's Independent practitioner, Lagho Consult have expressed their willingness to continue in office in accordance with the requirement of the Non-Governmental Organization Act, 2002, and are eligible for re-appointment.

BY ORDER OF THE BOARD



Chairman

01/02/2024



Executive secretary

01/02/2024

STATEMENT OF THE BOARD MEMBERS' RESPONSIBILITIES

Tanzania Prisoners Hope Foundation's Constitution and Non-Governmental Organization Act, 2002 requires the Board Members to prepare financial statements for each financial period which give a true and fair view of the state of affairs of Tanzania Prisoners Hope Foundation as at the end of the financial period and of its surplus or deficit for that period. It also requires the board members to ensure that the society keeps proper accounting records that are sufficient to show and explain the transactions of the society; that disclose, with reasonable accuracy, the financial position of the organization and that enable them to prepare financial statements of the organization that comply with the IPSAS (International Public Sector Accounting Standards) and the requirements of the Non-Governmental Organization Act, 2002. The board members' reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements are prepared in accordance with the IPSAS (International Public Sector Accounting Standards) and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

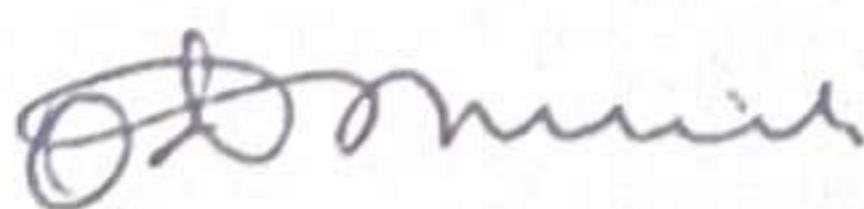
The board members acknowledge that they are ultimately responsible for the system of internal financial control established by the organization and place considerable importance on maintaining a strong control environment. To enable the board to meet these responsibilities, the board members set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include proper delegation of responsibilities within a clearly defined framework, effective accounting procedures, and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the organization and all employees are required to maintain the highest ethical standards in ensuring the organization's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the organization is on identifying, assessing, managing and monitoring all known forms of risk across the organization. While operating risk cannot be fully eliminated, the organization endeavors to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The board members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable and not absolute assurance against material misstatement or loss.

The board members have reviewed the organization's cash flow forecast for the year ended 31 December 2023 and in the light of this review and the current financial position, they are satisfied that the organization has or has access to adequate resources to continue in operational existence for the foreseeable future.

The board members are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the organization as of 31 December 2023 and of its surplus and cash flows for the period then ended in accordance with the IPSAS (International Public Sector Accounting Standards) and the requirements of the Non-Governmental Organization Act, 2002.

Approved by the board members and signed on its behalf by:


.....
Chairperson

01/02/2024
.....
Date

Tanzania Prisoners Hope Foundation
Annual reports and financial statements
For the year ended 31 December 2023


DECLARATION OF THE HEAD OF ACCOUNTING OF TANZANIA PRISONERS HOPE FOUNDATION

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 Board Members to discharge the responsibility of preparing financial statements of an entity showing a true and fair view of the entity's 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 Board members under Board Members Responsibility statement on an earlier page.

I AEPA MARIAGOREH JOSEPH N being the Head of Accounting of Tanzania Prisoners Hope Foundation hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2023 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 Tanzania Prisoners Hope Foundation as on that date and that they have been prepared based on properly maintained financial records.

Signed by:  1/02/2024
Position: CHIEF ACCOUNTANT
NBAA Membership No: AEPA 3717



PRACTITIONER COMPILATION REPORT TO THE MANAGEMENT OF TANZANIA PRISONERS HOPE FOUNDATION

We have compiled the annual financial statements of TANZANIA PRISONERS HOPE FOUNDATION, as set out on page 7-16, based on information you have provided. These annual financial statements comprise the statement of financial position of TANZANIA PRISONERS HOPE FOUNDATION as at 31 December 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These annual financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these annual financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

We have obtained information and explanation which were necessary for the purpose of our compilation. However, where adequate third party documentation were not available, and where accuracy and completeness of the accounting records were not obtainable, we have accepted assurances from the management that the Company's transactions have been reflected correctly in the records provided to us.



LAGHE CONSULT
Certified Public Accountants & Auditors
P. O. Box 33031 DAR ES SALAAM
P.O. Box 783 IRINGA
TANZANIA


Leopold Bulondo-ACPA 898-PP
Engagement Consultant

26th January, 2024

STATEMENT OF INCOME AND EXPENDITURE

	<u>Notes</u>	<u>2023 T.SHS.</u>	<u>2022 T.SHS.</u>
Incomes	1	11,017,001	6,608,500
Expenditures	2	<u>(11,430,967)</u>	<u>(5,7 6,857)</u>
Surplus of Incomes Over Expenditures		<u><u>(413,966)</u></u>	<u><u>901,643</u></u>

	Note	2023 T.SHS.	2022 T.SHS.
ASSETS			
Non-Current Assets			
Equipment	4	574,901	634,375
		<u>574,901</u>	<u>634,375</u>
Current Assets			
Cash and cash equivalents	5	412,776	767,268
		<u>412,776</u>	<u>767,268</u>
Current Liabilities			
Accruals	6	500,000	500,000
		<u>(87,224)</u>	<u>267,268</u>
NET ASSETS		<u><u>487,677</u></u>	<u><u>901,643</u></u>
ACCUMULATED FUNDS			
Accumulated fund brought forward		901,643	-
Surplus of incomes over expenditures		(413,966)	9 1,643
TOTAL ACCUMULATED FUNDS		<u><u>487,677</u></u>	<u><u>901,643</u></u>

We approve these accounts and confirm that we have made available relevant records, information and explanation for their preparation.

Chairman

Edson Mwa - 1/2/2024

Executive secretary

[Signature] - 1/2/2024

STATEMENT OF ACCUMULATED FUND

	Accumulated Fund <u>T.SHS.</u>	Total <u>T.SHS.</u>
Year ended 31 December 2023		
As start of year	901,643	901,643
Excess of income over expenditure	<u>(413,966)</u>	<u>(413,966)</u>
At end of year	<u>487,677</u>	<u>487,677</u>
Year ended 31 December 2022		
As start of year	-	-
Excess of income over expenditure	<u>901,643</u>	<u>901,643</u>
At end of year	<u>901,643</u>	<u>901,643</u>

STATEMENT OF CASH FLOWS

	<u>Notes</u>	<u>2023</u> <u>T.SHS</u>	<u>2022</u> <u>T.SHS</u>
Cash flows from operating activities			
Surplus for the year		(413,966)	901,643
Adjustment for:			
Depreciation	4	<u>59,474</u>	<u>65,625</u>
Surplus before changes in working capital		(354,492)	967,268
Changes in working capital			
Trade and other payable		<u>-</u>	<u>500,000</u>
Cash generated from operations		(354,492)	1,417,268
Tax paid for current year		<u>-</u>	<u>-</u>
Net cash generated from operating activities		<u>(354,492)</u>	<u>1,467,268</u>
Cash flows from investing activities			
Cash paid for purchase of equipment	4	<u>-</u>	<u>(700,000)</u>
Net cash used in investing activities		<u>-</u>	<u>(700,000)</u>
Cash flows from financing activities			
Proceed from members		<u>-</u>	<u>-</u>
Net cash generated from investing activities		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		(354,492)	767,268
Cash and cash equivalents at start of year		<u>767,268</u>	<u>-</u>
Cash and cash equivalents at end of year	5	<u><u>412,776</u></u>	<u><u>717,268</u></u>

SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below.

1a) Basis of preparation

These financial statements have been prepared in accordance with IPSAS (International Public Sector Accounting Standards) and the requirements of the Non-Governmental Organization Act, 2002. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. These financial statements are presented in Tanzanian Shillings.

1b) Income recognition

Income comprises of donation received from various members and are recognised when they are received.

1c) Equipment

Equipment are tangible items that:

- i) Are held for use in the supply of services and for administrative purpose.
- ii) Are expected to be used for more than one year.

Items of equipment are initially recognized at cost. Costs include all costs incurred to bring the asset to the condition necessary for it to be capable of operating in the manner intended by management.

Subsequent costs are included in the asset's carrying value only when it is probable that future economic benefits associated with the item will flow to the organization and the cost of the item can be measured reliably. Repairs and maintenance is charged to the statement of income and expenditure in the year to which it relates.

Items of equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided using the reducing balance method to write down the cost less estimated residual value over the useful life of the equipment. The following annual rates are used for the depreciation of equipment.

Assets	Rate
Furniture, fittings and equipment	12.5%

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

Gains and losses on disposal of equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

1d) Impairment of asset

At each reporting date, the company assesses whether there is any indication that any asset (or group of related assets) may be impaired. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit or loss.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1d) Impairment of asset (continued)

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit, this does not apply to impairment losses allocated to goodwill, the reversal of which is prohibited by the standard.

1e) Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (this includes transaction cost except in the initial measurement of financial assets and liabilities that will be measured at fair value through profit or loss). If however the arrangement constitutes a financing transaction it is then measured at the present value of the future payments, discounted at a market related interest rate.

Trade and other receivables

Most sales are made on the basis of normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortized cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognized immediately in surplus or deficit.

Trade and other payables

Trade and other payables are obligations on the basis of normal credit terms and do not bear interest. Trade and other payables denominated in a foreign currency are translated into functional currency using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income or other expenditures.

1f) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

1g) Employee benefits

Short term employee benefits

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

Defined contribution plans

Payments to defined contribution plans are expensed as they fall due. The organization and its employees contribute to National Social Security Fund (NSSF) a statutory defined contribution scheme registered under the NSSF Act.

1h) Provisions and contingencies

Provisions are recognized when the organization has an obligation at the reporting date as a result of a past event, it is probable that the organization will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably.

Contingent assets and contingent liabilities are not recognised.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1i) Deferred income

It relates to income received in the current period for the events taking place in the subsequent years. The amount will be recognized as revenue when the religious activities will occur.

2) Key sources of estimation uncertainty

In the application of the accounting policies, the management committee is required to make judgements, estimates and assumptions about the 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 management committee have made the following assumptions that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next

(i) Equipment

Critical estimates are made by the management committee in determining depreciation rates for equipment. The depreciation rates used are set out in the respective accounting policy under equipment.

NOTES TO THE FINANCIAL STATEMENTS

	2023	2022
	<u>T.SHS.</u>	<u>T.SHS.</u>
1 Incomes		
Members Annual fees and contributions	3,867,001	-
Contributions from stakeholders	150,000	6,608,500
Grant from WFT-T	-	-
	<u>7,000,000</u>	<u>-</u>
	<u>11,017,001</u>	<u>6,608,500</u>
2 Operating Expenditures		
Accountancy fees	740,000	675,000
Prison project supplies	2,122,000	2,744,500
Ex-prisoners Women Empowerment Project in Dar es Salaam Region	7,000,000	-
Empowerment of male ex-prisoners	750,000	-
Office expenses	-	485,000
Depreciation	59,474	65,625
Printing and stationery	255,000	95,000
Members allowance	-	50,000
Telephone and internet	-	260,000
Board meeting expenses	360,000	159,000
Media cost	-	450,000
Registration and exam fees	50,000	615,000
Bank charges	94,493	52,732
Travelling and transportation	-	55,000
	<u>-</u>	<u>55,000</u>
	<u>11,430,967</u>	<u>5,706,857</u>

3 Taxation

In accordance with the provision of Section 64 of the Income Tax Act, no provision for taxation has been made by the Tanzania Prisoners Hope Foundation - Social Development Program as the organization is for the purpose of transforming the prisoners' and ex-prisoners lives, socially, morally, and materially for their self-reliance.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Equipment

	Furnitures, fittings equipment <u>T.SHS</u>	Total <u>T.SHS</u>
Year ended 31 December 2023		
Cost		
At start of year	700,000	700,000
Additions	-	-
At end of year	<u>700,000</u>	<u>700,000</u>
Depreciation		
At start of year	65,625	65,625
Charge for the year	59,474	59,474
At end of year	<u>125,099</u>	<u>125,099</u>
Net book value	<u>574,901</u>	<u>574,901</u>
Year ended 31 December 2022		
Cost		
At start of year	-	-
Additions	700,000	700,000
At end of year	<u>700,000</u>	<u>700,000</u>
Depreciation		
At start of year	-	-
Charge for the year	65,625	65,625
At end of year	<u>65,625</u>	<u>65,625</u>
Net book value	<u>634,375</u>	<u>634,375</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	<u>2022</u> <u>T.SHS</u>	<u>2022</u> <u>T.SHS</u>
5 Cash and cash equivalents		
Cash at bank	412,776	767,268
	<u>412,776</u>	<u>767,268</u>
6 Other payables		
Accruals	500,000	500,000
	<u>500,000</u>	<u>500,000</u>
7 Commitments		
Capital commitments		
As at 31 December 2023, the Organization had no capital expenditure contracted or accrued.		
8 Subsequent events		
There were no subsequent events after the year end, which requires adjustments or disclosures in the financial statements.		
9 Contingent liability		
As at 31 December 2023, the Company had no litigations.		

Tanzania Prisoners Hope Foundation
 Financial statements
 For the year ended 31 December 2023

	2022 T.SHS
Income Tax Computation	
Surplus before tax as per accounts	(413,966)
<u>Add: Non-allowable expenses</u>	
Depreciation	59,474
	<u>59,474</u>
<u>Less: Allowable deductions</u>	
Wear and tear allowance	(59,473)
Income not subjected for tax	
	<u>(59,473)</u>
Adjusted surplus for the year	<u><u>(413,965)</u></u>
<u>POSITION OF TAXATION</u>	
Balance brought forward	-
Less: Corporation tax at 30%	-
	<u>-</u>
Less: Provisional tax paid for the year	-
Less: Withholding Tax paid for the year	-
Tax repayable	<u><u>-</u></u>

DEPRECIATION ALLOWANCES SCHEDULE FOR THE YEAR 2023

	CLASS I 37.5% T.SHS	CLASS III 12.5% T.SHS	TOTAL T.SHS
WDV as at 01.01.2023	-	634,375	634,375
Additions	-	-	-
Disposal	-	634,375	634,375
Wear & Tear allowances	-	634,375	634,375
WDV as at 31.12.2023	-	(59,473)	(59,473)
	-	574,902	574,902