

(Registration number 57653)
Financial statements
for the year ended 31 December 2015

(Registration number 57653)
Financial Statements for the year ended 31 December 2015

General Information

Country of incorporation and domicile

United Republic of Tanzania

Directors

Nancy Kaizilege Paul Daniels UNA - Tanzania Care International

Jimmy Luhende

ADLG

Abel Dugange

WaterAid Tanzania

Aichi Kitalyi

TAWLAE

Charles Meshack

TFCG

Donati Senzia

PELUM Tanzania

Registered office

Plot 14 House No. 752

Sembeti Road Mikocheni B P. O. Box 38486 Dar es Salaam Tanzania

Bankers

Barclays Bank Tanzania Limited

Mikocheni Branch P. O. Box 5137 Dar es Salaam Tanzania

Auditors

Horwath Tanzania

Certified Public Accountants in Public Practice

Dar es Salaam

Secretary

Semkae Kilonzo

Company registration number

57653

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The reports and statements set out below comprise the financial statements presented to the members:

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Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act 2002 to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the 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 company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors 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 directors have reviewed the company's cash flow forecast for the year to 31 December 2016 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 4 to 5.

The financial statements set out on pages 10 to 32, which have been prepared on the going concern basis, were approved by the board of directors on the date of this statement and were signed on its behalf by:

Nancy Kaizilege Chairperson

Date: 17/03/2016

Semkae Kilonzo Coordinator

Date:



Horwath Tanzania

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Report of the Independent Auditors

To the members of Policy Forum Limited

Report on the Financial Statements

We have audited the financial statements of Policy Forum Limited, which comprise the statement of financial position as at 31 December 2015, and the statement of profit or loss and other comprehensive income, statement of changes in accumulated funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 10 to 32.

Directors' 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 and requirements of the Companies Act 2002 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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 circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Policy Forum Limited as at 31 December 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and requirements of the Companies Act 2002.



Report of the Independent Auditors

To the members of Policy Forum Limited

Report on Other Legal and Regulatory Requirements

This report, including the opinion, has been prepared for, and only for, the company's members as a body in accordance with the Companies Act 2002 and for no other purposes.

As required by the Companies Act 2002 we report to you, based on our audit, that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- in our opinion proper books of account have been kept by the company, so far as appears from our examination of those books;
- the company's statement of financial position and the statement of profit or loss and other comprehensive income are in agreement with the books of account;
- · the directors' report is consistent with the financial statements; and
- information specified by law regarding directors' remuneration and transactions with the company is disclosed.

Christopher Msuya ACRA-PP

For and on behalf of Horwath Tanzania

Certified Public Accountants in Public Practice

Dar es Salaam

17 March 2016

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Directors' Report

The directors present their report and the audited financial statements for the year ended 31 December 2015, which disclose the state of affairs of the company.

1. Incorporation

The company is incorporated in the United Republic of Tanzania under the Companies Act 2002 as a private company limited by guarantee and not having a share capital.

2. Background

Policy Forum Limited obtained registration as a company limited by guarantee and not having a share capital on 12 September 2006. 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. With effect from 01 January 2007, Policy Forum Limited has been operating as an independent legal entity.

3. Review of activities

Principal activities

The main objective of Policy Forum Limited 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 and democratisation and other key policy issues.

The operating results and state of affairs of the company are fully set out in the attached financial statements and do not in our opinion require any further comment.

4. Vision and mission statement

Vision

A future where policy processes are participatory and involve the broad base of civil society, in an accountable, empowered, informed and informing manner, at all stages in the policy process and at all levels of society.

Mission

As a network, Policy Forum Limited will encourage NGOs to work together to open up and influence policy processes to improve the lives of all people in Tanzania, especially the socially disadvantaged and impoverished, and to empower them to self organize and join together in a social movement for change.

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Directors' Report

5. Funding and expenditure

The year 2015 marks the second year of the three (3) year strategic plan which ends in December 2016. As part of fundraising strategy during the year, Policy Forum arranged a field visit in the third quarter of the year. Also, the Secretariat has done a number of meetings with potential new donors for coming years. In 2015, for the first time, Policy Forum received financial support from Foundation for Open Society Institute (FOSI).

During the year 2015, Policy Forum received funds from American Jewish World Service, Inc. (AJWS), The Foundation for Open Society (FOSI), Swiss Development Corporation (SDC) and Foundation For Civil Society (FSC). The budget was additionally funded through membership fees and contributions from members such as PELUM Tanzania and ANSAF and partners like TEITI and Mama Misitu Campaign under TNRF. Funds unused as at the year end are carried forward for use in approved programs during the subsequent year.

Expenditure is managed in accordance with approved budgets with Policy Forum's member organizations being largely responsible for the implementation of program activities.

The Board of Directors and the secretariat reviewed and formulated the 2015 annual plan during the annual retreat held in Mwanza in December 2014 and during the board meeting held in January 2015. The annual budget for the year 2015 was approved and was endorsed by the Annual General Meeting of Policy Forum in May 2015.

In 2016, Policy Forum is expecting to review the implementation of the current strategic plan and formulate the new strategic plan for the year 2017 to 2019.

6. Solvency

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future activities and operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of activities.

The ability of the company to continue as a going concern is dependant on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing activities of the company.

The board of directors has reasonable expectation that Policy Forum Limited has adequate resources to continue in operational existence for the foreseeable future.

7. Events after the reporting period

The directors are not aware of any matter or circumstance arising since the end of the financial year.

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Directors' Report

8. Directors

The directors of the company who held office during the year and to the date of this report, unless where otherwise stated, are as follows:

Name Nancy Kaizilege	Position Chairperson	Nationality Tanzanian	Organization United Nations Association - UNA Tanzania
Paul Daniels	Vice Chairperson	Dutch	Care International
Jimmy Luhende	Member	Tanzanian	Action for Democracy and Local Governance - ADLG
Abel Dugange	Member	Tanzanian	WaterAid Tanzania
Aichi Kitalyi	Member	Tanzanian	Tanzania Association of Women Leaders in Agriculture and Environment - TAWLAE
Charles Meshack	Member	Tanzanian	Tanzania Forest Conservation Group - TFCG
Donati Senzia	Member	Tanzanian	PELUM Tanzania

9. Secretary

The secretary of the company is Semkae Kilonzo.

10. Corporate governance

Policy Forum Limited has established formal administration policies and financial regulations. These documents provide a solid basis for strengthened accountability and high standards within the company. The Board of Directors has delegated the day to day running of the company's activities to the secretariat led by the coordinator.

The company is committed to the principles of effective corporate governance. The directors and secretariat also recognize the importance of integrity, transparency and accountability.

11. Risk management and internal control

The board accepts final responsibility for the risk management and internal control systems of the company. It is the task of management 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 company's assets;

Compliance with applicable laws and regulations;

The reliability of accounting records;

Operational sustainability under normal as well as adverse conditions; and

Responsible behaviours 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 company system is 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 2015 and are of the opinion that they met accepted criteria.

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Directors' Report

12. Employees' welfare

The company'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

The company provides medical aid to the staff through private medical insurance scheme.

Training facilities

In order to improve the motivation of employees, the company provides training and holds regular meetings with employees to discuss workplace development.

Disabled persons

It remains the company's policy to accept disabled persons for employment for those vacancies that they are able to fill. The policies and procedures of the company provide for alternative measures to accommodate employees with disabilities.

13. Gender parity

The company 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 ability to discharge duties.

During the year ended 31 December 2015, the company had 10 employees, out of which 03 were female and 07 were male (2014: 10 employees, out of which 03 were female and 07 were male).

14. Related party transactions

All related party transactions and balances are disclosed in note 17 to these financial statements.

15. Auditors

The auditors, Horwath Tanzania have expressed their willingness to continue in office and will be recommended for re-appointment in accordance with the Companies Act 2002.

The financial statements set out on pages 10 to 32, which have been prepared on the going concern basis, were approved by the directors on the date of this report, and were signed on its behalf by:

Nancy Kaizilege Chairperson

Date: 17/03/2016

Semkae Kilonzo

Coordinator

Date: 17/3/1

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Statement of Financial Position as at 31 December 2015

	Note(s)	2015 TZS '000	2014 TZS '000
Assets			
Non-Current Assets			
Property, plant and equipment	3	21,912	25,948
Current Assets			
Trade and other receivables	5	19,328	7,317
Cash and cash equivalents	6	742,248	434,316
		761,576	441,633
Total Assets		783,488	467,581
Equity and Liabilities			
Equity			
Accumulated funds		68,596	68,596
Liabilities			
Non-Current Liabilities			
Deferred capital grants	8	21,912	25,948
Current Liabilities			
Trade and other payables	9	480,302	347,491
Deferred revenue grants	7	212,678	25,546
		692,980	373,037
Total Liabilities		714,892	398,985
Total Equity and Liabilities		783,488	467,581

The financial statements and the notes on pages 10 to 32, were approved by the board of directors on the date of this statement and were signed on its behalf by:

Nancy Kaizilege

Date: 17/03/2016

Semkae Kilonzo
Coordinator
Date: 17/3/16

The accounting policies on pages 14 to 19 and the notes on pages 20 to 32 form an integral part of the financial statements.

Statement of Profit or Loss and Other Comprehensive Income

	Note(s)	2015 TZS '000	2014 TZS '000
Grants and contributions	11	1,318,756	1,160,658
Other income	12	162,836	50,946
Total expenditure	13	(1,481,592)	(1,211,604)
Surplus for the year		-	

The accounting policies on pages 14 to 19 and the notes on pages 20 to 32 form an integral part of the financial statements.

Statement of Changes in Accumulated Funds

	Accumulated funds	Total equity
	TZS '000	TZS '000
Balance at 1 January 2014	68,596	68,596
Balance at 1 January 2015	68,596	68,596
Balance at 31 December 2015	68,596	68,596
Note(s)		

The accounting policies on pages 14 to 19 and the notes on pages 20 to 32 form an integral part of the financial

Statement of Cash Flows

	Note(s)	2015 TZS '000	2014 TZS '000
Cash flows from operating activities			
Cash generated from operations	15	324,064	(302,492)
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(12,096)	(1,079)
Cash flows from financing activities			
Movement in deferred capital grants		(4,036)	(17,776)
Total cash movement for the year		307,932	(321,347)
Cash at the beginning of the year		434,316	755,663
Total cash at end of the year	6	742,248	434,316

The accounting policies on pages 14 to 19 and the notes on pages 20 to 32 form an integral part of the financial statements.

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Financial Statements for the year ended 31 December 2015

Accounting Policies

1. Presentation of financial statements

The financial statements have been prepared in accordance with International Financial Reporting Standards and the Companies Act 2002. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in Tanzanian Shillings (TZS) rounded to the nearest thousand.

The company pursues charitable objectives and its constitution requires that the income and property of the company shall be applied solely towards promotion of all objects of the company as set forth in the Memorandum of Association and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, gift, division, bonus or otherwise by way of profit to the members of the company.

Presently, the company largely relies on grants to pursue its activities.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Percentage	
Furniture and fixtures	Straight line	12.5%	-
Motor vehicles	Straight line	20%	
IT equipment	Straight line	33.3%	
Office equipment	Straight line	25%	
Generator	Straight line	25%	

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

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Accounting Policies

1.1 Property, plant and equipment (continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.2 Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables.

Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

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Accounting Policies

1.3 Tax

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit/ (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit/ (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses and unused WHT credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused WHT credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.4 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

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Accounting Policies

1.5 Impairment of assets

The company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the company also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.6 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 paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the company's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

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Accounting Policies

1.7 Provisions and contingencies

Provisions are recognised when:

- the company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
 - the business or part of a business concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for terminating their services;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- · the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 16.

1.8 Grants and contributions

Grants revenue are recognized once the facility is approved by the donor and all conditions for receiving them have been fulfilled. The revenue received is recorded as deferred revenue in the liability section of the statement of financial position. The deferred revenue is released and recognized in the statement of profit or loss and other comprehensive income over the period necessary to match them with the related expenditure.

Members contributions are accounted for in the year in which they are received.

Income from other sources is recognized when received.

1.9 Capital grants

Capital grants represent the grant income received for purposes of capital expenditure. These are included in non current liabilities and released and recognized in the statement of profit or loss and other comprehensive income on a straight line basis over the expected useful lives of the related assets.

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Accounting Policies

1.10 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Tanzanian Shillings, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

· foreign currency monetary items are translated using the closing rate;

 non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and

 non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Tanzanian Shillings by applying to the foreign currency amount the exchange rate between the Tanzanian Shilling and the foreign currency at the date of the cash flow.

(Registration number 57653)
Financial Statements for the year ended 31 December 2015

Notes to the Financial Statements

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Amendment to IAS 19: Defined Benefit Plans: Employee Contributions

The amendment relates to contributions received from employees or third parties for defined benefit plans. These contributions could either be discretionary or set out in the formal terms of the plan. If they are discretionary then they reduce the service cost. Those which are set out in the formal terms of the plan are either linked to service or not. When they are not linked to service then the contributions affect the remeasurement. When they are linked to service and to the number of years of service, they reduce the service cost by being attributed to the periods of service. If they are linked to service but not to the number of years' service then they either reduce the service cost by being attributed to the periods of service or they reduce the service cost in the period in which the related service is rendered.

The effective date of the amendment is for years beginning on or after 1 July 2014.

The company has adopted the amendment for the first time in the 2015 financial statements.

The impact of the amendment is not material.

Amendment to IFRS 13: Fair Value Measurement: Annual improvements project

The amendment clarifies that references to financial assets and financial liabilities in paragraphs 48–51 and 53–56 should be read as applying to all contracts within the scope of, and accounted for in accordance with, IAS 39 or IFRS 9, regardless of whether they meet the definitions of financial assets or financial liabilities in IAS 32 Financial Instruments: Presentation.

The effective date of the amendment is for years beginning on or after 1 July 2014.

The company has adopted the amendment for the first time in the 2015 financial statements.

The impact of the amendment is not material.

Amendment to IAS 38: Intangible Assets: Annual improvements project

The amendment adjusts the option to proportionately restate accumulated amortisation when an intangible asset is revalued. Instead, the gross carrying amount is to be adjusted in a manner consistent with the revaluation of the carrying amount. The accumulated amortisation is then adjusted as the difference between the gross and net carrying amount.

The effective date of the amendment is for years beginning on or after 1 July 2014.

The company has adopted the amendment for the first time in the 2015 financial statements.

The impact of the amendment is not material.

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Financial Statements for the year ended 31 December 2015

Notes to the Financial Statements

2. New Standards and Interpretations (continued)

Amendment to IAS 24: Related Party Disclosures: Annual improvements project

The definition of a related party has been amended to include an entity, or any member of a group of which it is a part, which provides key management personnel services to the reporting entity or to the parent of the reporting entity ("management entity"). Disclosure is required of payments made to the management entity for these services but not of payments made by the management entity to its directors or employees.

The effective date of the amendment is for years beginning on or after 1 July 2014.

The company has adopted the amendment for the first time in the 2015 financial statements.

The impact of the amendment is not material.

Amendment to IAS 16: Property, Plant and Equipment: Annual improvements project

The amendment adjusts the option to proportionately restate accumulated depreciation when an item of property, plant and equipment is revalued. Instead, the gross carrying amount is to be adjusted in a manner consistent with the revaluation of the carrying amount. The accumulated depreciation is then adjusted as the difference between the gross and net carrying amount.

The effective date of the amendment is for years beginning on or after 1 July 2014.

The company has adopted the amendment for the first time in the 2015 financial statements.

The impact of the amendment is not material.

2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 1 January 2016 or later periods:

Amendment to IFRS 5: Non-current Assets Held for Sale and Discontinued Operations: Annual Improvements project

The amendment clarifies that non-current assets held for distribution to owners should be treated consistently with non-current assets held for sale. It further specifies that if a non-current asset held for sale is reclassified as a non-current asset held for distribution to owners or visa versa, that the change is considered a continuation of the original plan of disposal.

The effective date of the amendment is for years beginning on or after 1 January 2016.

The company expects to adopt the amendment for the first time in the 2016 financial statements.

It is unlikely that the amendment will have a material impact on the company's financial statements.

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Financial Statements for the year ended 31 December 2015

Notes to the Financial Statements

2. New Standards and Interpretations (continued)

Amendment to IFRS 7: Financial Instruments: Disclosures: Annual Improvements project

The amendment provides additional guidance regarding transfers with continuing involvement. Specifically, it provides that cash flows excludes cash collected which must be remitted to a transferee. It also provides that when an entity transfers a financial asset but retains the right to service the asset for a fee, that the entity should apply the existing guidance to consider whether it has continuing involvement in the asset.

The effective date of the amendment is for years beginning on or after 1 January 2016.

The company expects to adopt the amendment for the first time in the 2016 financial statements.

It is unlikely that the amendment will have a material impact on the company's financial statements.

Amendment to IAS 19: Employee Benefits: Annual Improvements project

The amendment clarifies that when a discount rate is determined for currencies where there is no deep market in high quality corporate bonds, then market yields on government bonds in that currency should be used.

The effective date of the amendment is for years beginning on or after 1 January 2016.

The company expects to adopt the amendment for the first time in the 2016 financial statements.

It is unlikely that the amendment will have a material impact on the company's financial statements.

Disclosure Initiative: Amendment to IAS 1: Presentation of Financial Statements

The amendment provides new requirements when an entity presents subtotals in addition to those required by IAS 1 in its financial statements. It also provides amended guidance concerning the order of presentation of the notes in the financial statements, as well as guidance for identifying which accounting policies should be included. It further clarifies that an entity's share of comprehensive income of an associate or joint venture under the equity method shall be presented separately into its share of items that a) will not be reclassified subsequently to profit or loss and b) that will be reclassified subsequently to profit or loss.

The effective date of the amendment is for years beginning on or after 1 January 2016.

The company expects to adopt the amendment for the first time in the 2016 financial statements.

It is unlikely that the amendment will have a material impact on the company's financial statements.

Amendment to IAS 34: Interim Financial Reporting. Annual Improvements project

The amendment allows an entity to present disclosures required by paragraph 16A either in the interim financial statements or by cross reference to another report, for example, a risk report, provided that other report is available to users of the financial statements on the same terms as the interim financial statements and at the same time.

The effective date of the amendment is for years beginning on or after 1 January 2016.

The company expects to adopt the amendment for the first time in the 2016 financial statements.

It is unlikely that the amendment will have a material impact on the company's financial statements.

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Financial Statements for the year ended 31 December 2015

Notes to the Financial Statements

2. New Standards and Interpretations (continued)

IFRS 9 Financial Instruments

IFRS 9 issued in November 2009 introduced new requirements for the classification and measurements of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include a)impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income" (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of IFRS 9:

- All recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the outstanding principal are generally measured at amortised cost at the end of subsequent reporting periods. Debt instruments that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on outstanding principal, are measured at FVTOCI. All other debt and equity investments are measured at fair value at the end of subsequent reporting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income with only dividend income generally recognised in profit or loss.
- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of the liability is presented in other comprehensive income, unless the recognition of the effect of the changes of the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Under IAS 39, the entire amount of the change in fair value of a financial liability designated as at fair value through profit or loss is presented in profit or loss.
- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as
 opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity
 to account for expected credit losses and changes in those expected credit losses at each reporting date
 to reflect changes in credit risk since initial recognition. It is therefore no longer necessary for a credit
 event to have occurred before credit losses are recognised.
- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been replaced with the principal of an "economic relationship". Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The effective date of the standard is for years beginning on or after 1 January 2018.

The company expects to adopt the standard for the first time in the 2018 financial statements.

It is unlikely that the standard will have a material impact on the company's financial statements.

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Financial Statements for the year ended 31 December 2015

Notes to the Financial Statements

2015	2014
TZS '000	

2. New Standards and Interpretations (continued)

Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation

The amendment clarifies that a depreciation or amortisation method that is based on revenue that is generated by an activity that includes the use of the asset is not an appropriate method. This requirement can be rebutted for intangible assets in very specific circumstances as set out in the amendments to IAS 38.

The effective date of the amendment is for years beginning on or after 1 January 2016.

The company expects to adopt the amendment for the first time in the 2016 financial statements.

It is unlikely that the amendment will have a material impact on the company's financial statements.

Amendment to IAS 27: Equity Method in Separate Financial Statements

The amendment adds the equity method to the methods of accounting for investments in subsidiaries, associates and joint ventures in the separate financial statements of an entity.

The effective date of the amendment is for years beginning on or after 1 January 2016.

The company expects to adopt the amendment for the first time in the 2016 financial statements.

It is unlikely that the amendment will have a material impact on the company's financial statements.

3. Property, plant and equipment

		2015			2014	
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	14,479	(10,808)	3,671	14,479	(9,505)	4.974
Motor vehicle	95,015	(95,015)	-	95,015		1,583
IT equipment	40,473	(32,608)	7,865	33,496	1	5,591
Office equipment	33,078	(25, 153)	7,925	27,959	A CONTRACTOR OF THE PARTY OF TH	5.424
Generator	23,700	(21,249)	2,451	23,700	, , , , , , , , , , , , , , , , , , , ,	8,376
Total	206,745	(184,833)	21,912	194,649	(168,701)	25,948

Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	4,974	-	(1,303)	3,671
Motor vehicle	1,583	-		_
IT equipment	5,591	6,977	(4,703)	7.865
Office equipment	5,424	5,119	(2,618)	7,925
Generator	8,376	-	:	2,451
	25,948	12,096	(16,132)	21,912

Notes to the Financial Statements

	2015 TZS '000	2014 TZS '000
4. Financial assets by category		
The accounting policies for financial instruments have been applied to	the line items below:	
2015		
Trade and other receivables Cash and cash equivalents	Loans and receivables 19,328 742,248	Total 19,328 742,248 761,576
2014		
Trade and other receivables Cash and cash equivalents	Loans and receivables 7,317 434,316	Total 7,317 434,316
	441,633	441,633
5. Trade and other receivables		
Funds receivable Prepayments Other receivables	3,523 7,565 8,240	5,214 2,103
	19,328	7,317
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	742,248	434,316
Currencies		
The carrying amount of cash and cash equivalents are denominated in	the following currencies:	
Tanzanian Shilling US Dollar	29,943 712,305	10,129 424,187

742,248

434,316

Notes to the Financial Statements

	2015 TZS '000	2014 TZS '000
7. Deferred revenue grants		
Grants brought forward from previous year	25,546	332,506
Income recognized during the year:		
Grant revenues	1,478,901	758,425
Members contributions	8,000	53,415
Membership fees		3,350
Campaign income	12,000	-
Reimbursed expenses	<u>-</u>	2,125
Other income	162,836	50,946
Allocation to capital grants	(12,096)	(1,079)
Grants released to income	(1,465,459)	(1,174,142)
Membership fee deferment	2,950	3.
	212,678	25,546

Deferred membership fees

Following the board meeting held on 04 December 2012, it was resolved that total annual membership fees collected should be set apart as a provision for the acquisition of office premises.

Total provision for the acquisition of office premises forming part of the deferred revenue grant above is as follows:

Membership fees 2015 2014 2013		2,950 3,350 3,900
		10,200
8. Deferred capital grants		
Opening balance Capitalized during the year	25,948 12,096	43,724 1,079
Released to income Released to income Depreciation adjustment Impairment adjustment	(16,132) - -	(37,360) 18,607 (102)
	21,912	25,948

Notes to the Financial Statements

	2015 TZS '000	2014 TZS '000
To do and all an analysis		
9. Trade and other payables		
Accrued expenses	74,276	55,30
Grants received in advance	323,160	254,19
Other payables	82,866	37,99
	480,302	347,49
10. Financial liabilities by category		
The accounting policies for financial instruments have been	applied to the line items below:	
2015		
	Financial	Total
	liabilities at	
	amortised	
	cost	
Deferred capital grants	21,912	21,912
Trade and other payables	480,302	480,302
Deferred revenue grants	212,678	212,678
	714,892	714,892
2014		
	Financial	Total
	liabilities at	
	amortised	
	cost	
Deferred capital grants	25,948	25,948
Trade and other payables	347,491	347,491
Deferred revenue grants	25,546 398,985	25,546 398,985
44. Counts and contributions		396,965
11. Grants and contributions		
Grants revenue	1,478,901	758,425
Members contributions	8,000	53,415
Membership fees	40.000	3,350
Campaign income Reimbursed expenses	12,000	0.405
Capital grants adjustment	4,037	2,125
Deferred grants adjustment	(184,182)	36,383 306,960
2 3.0 3 granto dojudinoni	The second secon	
	1,318,756	1,160,658

Notes to the Financial Statements

			2015 TZS '000	2014 TZS '000
11. Grants and contributions (continued)				
GRANTS REVENUE	2015	2015	Total	Total
DONORS OR PARTNERS	US\$	TZS '000		
American Jewish World Service, Inc.	150,000	_	254,194	239,400
Foundation for Open Society Institute (FOSI)	97,920	-	191,627	-
The Revenue Watch Institute	-	-	-	46,875
The Foundation for Civil Society	-	18,720	18,720	94,000
Swiss Agency for Development and Cooperation	520,000	-	1,003,660	370,800
Tanzania Chapter of EITI	-	10,700	10,700	7,350
	767,920	29,420	1,478,901	758,425
MEMBERS CONTRIBUTIONS				
ANSAF			8,000	-
ActionAid Tanzania			-	40,000
Forum Syd			-	9,415
KEPA Service Center for Development			-	4,000
			8,000	53,415
CAMPAIGN INCOME				
Tanzania Natural Resource Forum (TNRF)			12,000	
12. Other income				
Profit and loss on exchange differences			162,836	41,754
Payables adjustment			-	8,735
Other income				457
			162,836	50,946

Notes to the Financial Statements

	2015 TZS '000	2014 TZS '000
13. Operating expenditure		
The following items are included within operating expenses:		
Programme expenses	1,012,956	755,041
Secretariat expenses	448,656 16,132	419,101
Depreciation, amortisation and impairments Contingency reserve	3,848	37,462
	1,481,592	1,211,604
PROGRAMME EXPENSES		
POLICY ANALYSIS	_	
Analytical think pieces	2,700	760
Analytical support to civil society policy engagement	607	630
Proactive participation in the budget process	-	526
PMOLARG Circular effectiveness	5,409	
Governance study Programme staff	87,500 118,032	82,000 104,805
	\$100.00 * 100.000(0)	,
COMMUNICATION AND PUBLIC ENGAGEMENT Website and branding	11,462	5,669
Systematic documentation of advocacy experience	3,289	3,158
Popularization of policy documents	80,428	61,250
Monthly breakfast debates	24,522	22,784
Dissemination	8,149	4,682
Strategic use of media	116,588	21,863
Programme staff	141,372	128,702
ENHANCED CAPABILITY OF CSOs	II	
Non DSM to effectively participate in meetings	15,660	14,531
Two additional partner networks for SAM and training Strengthening and monitoring of SAM partnership	10,873 6,137	5,864
Localized SAM	15,312	36,850
Programme manager and staff	127,799	117,831
STRATEGIC POLICY ENGAGEMENT		
Selective policy engagement	118,595	62,881
Strategic collaboration with others	3,010	2,041
Local and international networking	8,210	6,887
MONITORING AND EVALUATION		W. Historian
Systemic documentation of SAM initiatives at local level	25,078	1,530
INSTITUTIONAL GOVERNANCE	50.544	F7 700
Internal planning, annual strategic meeting and SC retreat	58,514	57,789
Technical assistance Independent financial audit	11,383 10,743	2,040 9,968
Internal audit and services	1,584	5,500
mismin addition of the or	1,012,956	755,041
	1,012,950	755,041

Notes to the Financial Statements

	2015 TZS '000	2014 TZS '000
13. Operating expenditure (continued)		
SECRETARIAT EXPENSES		
SALARIES AND BENEFITS		-
Coordinator	131,629	119,213
Finance and admin officer	77,469	70,503
Driver	29,790	27,572
Office assistant	38,476	35,799
Organizational development	15,073	25,265
ASSETS	4 400	
IT equipment maintenance	1,103	90
Software upgrades	-	1,680
RUNNING COSTS	50.440	40.004
Office rent	52,410 11,592	48,061 8,155
Repairs and maintenance	12,722	9,668
Electricity and utilities	10,623	14,305
Communication		31,513
Security and cleaning	36,647 8,107	9,747
Stationery and supplies	2,066	2,186
Bank and legal charges	20,949	15,344
Transport and maintenance	448,656	419,101
	440,000	413,101
14. Taxation		
No provision has been made for 2015 tax as the company has no taxable income	e.	
15. Cash generated from operations		
Surplus for the year	1=0	-
Adjustments for:	10.15-	07.655
Depreciation and amortisation	16,132	37,360
Impairment loss	-	102
Adjustment to depreciation	-	(18,607)
Changes in working capital: Trade and other receivables	(12,011)	6,527
Trade and other receivables Trade and other payables	132,811	(20,914)
Deferred revenue grants	187,132	(306,960)
Dolollou iotoliuo giulio	1011102	(000,000)
V and the second	324,064	(302,492)

16. Contingencies

The directors are of the opinion that there are no contingent liabilities as at the year end.

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Financial Statements for the year ended 31 December 2015

Notes to the Financial Statements

2015	2014
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17. Related parties

Members of key management

Semkae Kilonzo - Coordinator

18. Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

19. Risk management

Financial risk management

The company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The company's overall risk management policies are set out by the board and implemented by management, and focus on the unpredictability of changes in the operational environment and seek to minimise the potential adverse effects of such risks on the company's performance by setting acceptable levels of risk. The company does not hedge against any risks.

Liquidity risk

Liquidity risk is the risk that the company will not have sufficient funds to meet liabilities. The company manages liquidity risk through an ongoing review of future commitments and credit facilities.

The table below analyses the company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 31 December 2015	Less than 1 year	Between 1 and 5 years
Deferred capital grants		21,912
Trade and other payables	480,302	-
Deferred revenue grants	212,678	12.1
At 31 December 2014	Less than 1 year	Between 1 and 5 years
Deferred capital grants		25,948
Trade and other payables	347,491	-
Deferred revenue grants	25,546	- L

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and trade and other receivables. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party. The company does not grade the credit quality of financial assets that are neither past due nor impaired.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2015	2014
Trade and other receivables	19,328	7,317
Cash and cash equivalents	742,248	434,316

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Financial Statements for the year ended 31 December 2015

Notes to the Financial Statements

19. Risk management (continued)

Foreign exchange risk

The company does not hedge foreign exchange fluctuations.

Foreign currency risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the entity's functional currency. The company transacts partly in United States Dollar and its assets and liabilities are denominated in Tanzanian Shillings. The foreign exchange exposure are reviewed and controlled by management on a regular and frequent basis.

20. Going concern

The company's secretariat has made an assessment of the company's ability to continue as a going concern and the board of directors has reasonable expectation that the donors and strategy implementing partners shall continue supporting Policy Forum Limited's activities and strategies and each strategy shall be allocated adequate resources to implement the intended activities and continue in operational existence for the foreseeable future.

Furthermore, the board of directors is not aware of any material uncertainties that may cast significant doubt on the company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

21. Events after the reporting period

The board of directors are not aware of any significant events that have occurred after the reporting date which require disclosures in the financial statements.