

**AMEND.ORG (T)**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**AMEND.ORG (T)**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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## **AMEND.ORG (T)**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report and audited financial statements for the year ended 31 December 2021, which disclose the state of affairs of Amend.org (T) (“the Organisation”), as at that date.

#### **1 INTRODUCTION AND REGISTRATION**

Amend is an international non-governmental organisation headquartered in New York City, United States (US) which operates in various countries with an ultimate goal of preventing child road traffic injury.

Amend established its office in Tanzania, Amend.org (T) in June 2009 under the Non-Governmental Organization Act, 2002 with a registration number I-NGO/00006758. The envisaged programme started to kick off in January 2010. September to December 2009 was considered as a set-up period. The Organisation is mainly funded by grants received from Amend (US).

#### **2 VISION**

A future in which vulnerable road users in sub-saharan Africa are as safe as road users anywhere in the world.

#### **3 MISSION**

To develop, implement and evaluate evidence-based interventions to reduce the incidence of road traffic injury among the most vulnerable road users in Africa today while working to help create an environment for long-term and sustainable injury reduction.

#### **4 PRINCIPAL ACTIVITIES**

The Organisation’s main activities focus on reducing the incidence of Road Traffic Injury (RTI). This includes the following:

- a) School Road Safety Education and Activities
- b) Community Road safety Education and Activities
- c) Road Safety Infrastructure Improvements
- d) Road Safety Advocacy
- e) Road Safety Research

#### **5 RESULTS FROM OPERATIONS**

The results for the Organisation for the year ended 31 December 2021 are set out on page 9.

#### **6 COMPOSITION OF DIRECTORS**

The directors, who served during the year and up to the date of this report unless as otherwise stated, are as follows:

<b>Name</b>	<b>Nationality</b>	<b>Position</b>
Mr. Michael Drexler	U.S Citizen	Chairman
Mr. Jeffrey Witte	U.S Citizen	Executive Director
Mr. Tom Bishop	British	Deputy Director
Ms. Leila Kazemi	U.S Citizen	Member
Mr. Providence Klugan	Ghanaian	Member
Ms. Theodora Mabada	Tanzanian	Member
Mr. Simon Kalolo	Tanzanian	Member

## **AMEND.ORG (T)**

### **REPORT OF THE DIRECTORS (Continued)**

#### **7 EMPLOYEE WELFARE**

The average number of persons employed by the Organisation during the year was 7 (2020 – 7).

A healthy relationship continues to exist between the directors and the employees. There were no unresolved complaints received by the directors from employees during the year.

A training program is drawn up each year to cater for all grades of staff. Training is mainly conducted in-house. However, external institutions are also used for specialist and executive training programmes.

The Organisation's policy is not discriminatory against people with regards to race, gender, religion or disability.

##### **Medical Assistance:**

Employees with their families are covered by medical health insurance which provides access to treatment at designated hospitals.

##### **Retirement Benefits:**

The Organisation makes contributions in respect of staff retirement benefits to a defined statutory contribution plan, through social security scheme including National Social Security Fund. The Organisation's obligations in respect of these contributions are limited to 10% of the employees' gross salary, while the employees contribute 10% of their respective gross salary.

#### **8 CORPORATE GOVERNANCE**

The directors believe that high standards of corporate governance directly influence the Organisation's stakeholders' confidence. The members also recognise the importance of integrity transparency and accountability.

The Board of directors meet on a regular basis to review the results, operations, key financial aspects and the strategy of the Organisation.

#### **9 MANAGEMENT**

The overall management of the Organisation is vested with the Executive Director as the overall in charge. The day to day operations of the Organisation is entrusted to the Deputy Director who is assisted by the programme officers and office managers.

#### **10 SOLVENCY**

The state of the Organisation's financial affairs at 31 December 2021 is set out on page 8. The Board of directors confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis. The Board of directors has reasonable expectation that the Organisation has adequate resources to continue in operational existence for the foreseeable future.

AMEND.ORG (T)

REPORT OF THE DIRECTORS (Continued)

11 AUDITORS

The auditor have expressed willingness to continue in office and eligible for re-appointment.

Approved by the board of directors and signed on its behalf by:



Director



Director

13<sup>th</sup> April 2022

13<sup>th</sup> April 2022

**AMEND.ORG (T)**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

The Organisation's directors are responsible for the preparation of financial statements that give true and fair view of Amend.org (T) comprising of the statement of financial position as at 31 December 2021, and the statements of income and expenditure, changes in net assets and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information, in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2002.

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The auditors are responsible for reporting on whether the financial statements give a true and fair view in accordance with the applicable financial reporting framework.

The directors have made an assessment of the ability of the Organisation to continue as going concern and have no reason to believe that the business will not be a going concern at least for the next twelve months from the date of approval of these financial statements.

**Approval of financial statements**

The financial statements of Amend.org (T), as identified in the first paragraph, were approved and authorised for issue by the board of directors on 15<sup>th</sup> April 2022 and signed by:



**Director**



**Director**

**AMEND.ORG (T)**

**DECLARATION BY PREPARER OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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 Professional Accountant responsible for the preparation of financial statements of the Organisation concerned.

It is the duty of a Professional Accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of an Organisation showing true and fair view of the Organisation 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 of Directors as under Directors Responsibility statement on an earlier page.

I Umehani Khatri being the Professional Accountant of Amend.org (T) hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2021 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements of Amend.org (T) comply with applicable accounting standards and statutory requirements as on that date and that they have been prepared based on properly maintained financial records.

Signed by: ..... *Ukhatri* .....

Position: Professional Accountant

NBAA Membership No.: ACPA 2028

Date: *13<sup>th</sup> April* ..... 2022

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMEND.ORG (T)**

### **Report on the financial statements**

#### *Opinion*

We have audited the financial statements of Amend.org (T) ("the Organisation"), set out on pages 12 to 22 which comprise the statement of financial position as at 31 December 2021, and the statements of income and expenditure, changes in net assets and cash flows for the year then ended, and notes to the financial statements, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Amend.org (T) as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

#### *Basis for Opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organisation in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Other Information*

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act, 2002, Statement of Directors' responsibilities and Declaration by Professional Accountant. The other information does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### *Responsibilities of Directors for the Financial Statements*

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, directors are responsible for assessing the Organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless directors either intend to liquidate the Organisation or to cease operations, or have no realistic alternative but to do so.

#### *Auditors' Responsibilities for the Audit of the financial Statements*

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.



# MKUKI CONSULTANTS

**Dealers in: Preparation of Financial Statements, Auditors,  
Debt management Services and Tax Consultancy**

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## INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF AMEND.ORG (T)

We have audited the accompanying financial statements of **AMEND.ORG (T)** which comprise, Statement of Financial Position as at **31<sup>st</sup> December 2021**, Statement of Comprehensive Income, Statement of Changes in Equity and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. We obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of audit.

### **Directors' responsibility for the financial statements.**

As described in the Statement of Directors' Responsibilities, Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and with the requirements of the Tanzanian Companies Act 2002. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

### **Auditor's responsibility**

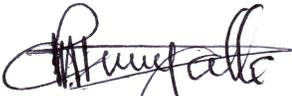
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement

### **Matters Affecting Opinion**

In common with many businesses of similar size and organization, the business's system of internal control and financial sustainability is dependent upon close involvement of the Directors. Where independent confirmation of the completeness of accounting records was therefore not available, we have accepted assurances from the Directors that all the Company's transactions have been reflected in the accounting records and adequately supported by relevant third-party documents. Also, where independent confirmation of the future financial sustainability of the business is uncertain, we have accepted assurances from the Directors that the business will be able to secure financial resources to enable it to continue trading as a going concern in the unforeseeable future.

### **Opinion**

Except for the matter described in the paragraph above. In our opinion, proper books of accounts have been kept and the financial statements which agree therewith, give a true and fair view of **AMEND.ORG (T)** Statement of Financial Position as at **31<sup>st</sup> December 2021**, Statement of Comprehensive Income, Statement of Changes in Equity and the cash flow for the year then ended in accordance with International Financial Reporting standards.

  
**MR. ANGELO B. MYALLA-ACPA 358**  
**MKUKI CONSULTANTS**  
**AUDITORS & CERTIFIED ACCOUNTANTS IN PUBLIC PRACTICE**



Date: 13<sup>th</sup> April 2022

**All correspondence should be addressed to the Chief Executive Officer**

**AMEND.ORG (T)**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021**

	Notes	2021 USD	2020 USD	Memorandum	
				2021 TZS'000	2020 TZS'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property and equipment	5	<u>129</u>	<u>318</u>	<u>298</u>	<u>736</u>
<b>Current assets</b>					
Inventories		13	46	30	105
Advances and prepayments	6	11,505	21,845	26,508	50,637
Cash and cash equivalents	7	<u>23,721</u>	<u>4,468</u>	<u>54,653</u>	<u>10,365</u>
		<u>35,239</u>	<u>26,359</u>	<u>81,191</u>	<u>61,107</u>
<b>Total assets</b>		<u><b>35,368</b></u>	<u><b>26,677</b></u>	<u><b>81,489</b></u>	<u><b>61,843</b></u>
<b>LIABILITIES AND NET ASSETS</b>					
<b>Net assets</b>					
Accumulated funds		30,592	22,490	70,873	52,134
Foreign currency translation reserve		<u>-</u>	<u>-</u>	<u>(389)</u>	<u>7</u>
		<u><b>30,592</b></u>	<u><b>22,490</b></u>	<u><b>70,484</b></u>	<u><b>52,141</b></u>
<b>Current liabilities</b>					
Payables	8	<u>4,776</u>	<u>4,187</u>	<u>11,005</u>	<u>9,702</u>
<b>Total liabilities and net assets</b>		<u><b>35,368</b></u>	<u><b>26,677</b></u>	<u><b>81,489</b></u>	<u><b>61,843</b></u>

The financial statements on pages 8 to 22 were approved by the Board of Directors on 13th April.....2022 and signed on its behalf by:-

\_\_\_\_\_  
**Director**

\_\_\_\_\_  
**Director**

The Notes on pages 12 to 22 form an integral part of these financial statements.

Auditors' report on page 6 - 7.

**AMEND.ORG (T)**

**STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021	2020	Memorandum	
		USD	USD	2021 TZS'000	2020 TZS'000
<b>Income</b>					
Amend (US) contribution		358,500	312,975	828,881	725,476
Other income	9	<u>11</u>	<u>14</u>	<u>25</u>	<u>213</u>
<b>Total income</b>		<b><u>358,511</u></b>	<b><u>312,989</u></b>	<b><u>828,906</u></b>	<b><u>725,689</u></b>
<b>Expenditure</b>					
Staff costs	10	102,369	127,057	236,686	294,518
Programme expenses	11	191,928	106,047	443,753	245,817
Occupancy expenses	12	13,657	14,213	31,576	32,947
Communication expenses		2,198	2,184	5,082	5,062
Professional services	13	10,528	12,698	24,341	29,433
Transport and travelling expenses	14	22,313	24,984	51,590	57,913
Office supplies		4,230	8,635	9,780	20,015
Finance charges		1,164	1,242	2,691	2,879
Other general expenses		1,834	2,401	4,240	5,566
Depreciation charge	5	<u>188</u>	<u>191</u>	<u>435</u>	<u>438</u>
<b>Total expenditure</b>		<b><u>350,409</u></b>	<b><u>299,652</u></b>	<b><u>810,174</u></b>	<b><u>694,588</u></b>
<b>Surplus for the year</b>		<b>8,102</b>	<b>13,337</b>	<b>18,732</b>	<b>31,101</b>
<b>Other comprehensive income</b>					
Foreign currency translation reserve		<u>-</u>	<u>-</u>	<u>(396)</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<b><u>8,102</u></b>	<b><u>13,337</u></b>	<b><u>18,336</u></b>	<b><u>31,101</u></b>

The Notes on pages 12 to 22 form an integral part of these financial statements.

Auditors' report on page 6 - 7.

**AMEND.ORG (T)****STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>Accumulated funds USD</b>	<b>Memo Total TZS'000</b>
<b>At 1 January 2020</b>	<b>9,153</b>	<b>21,033</b>
Surplus for the year	13,337	31,101
Foreign exchange translation reserve	-	7
<b>Balance as at 31 December 2020</b>	<b>22,490</b>	<b>52,141</b>
<b>At 1 January 2021</b>	<b>22,490</b>	<b>52,141</b>
Surplus for the year	8,102	18,732
Foreign exchange translation reserve	-	(389)
<b>Balance as at 31 December 2021</b>	<b>30,592</b>	<b>70,484</b>

The Notes on pages 12 to 22 form an integral part of these financial statements.

Auditors' report on page 6 – 7.

AMEND.ORG (T)

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 USD	2020 USD	Memorandum	
			2021 TZS'000	2020 TZS'000
<b>Cash flows from operating activities</b>				
Surplus for the year	8,102	13,337	18,732	31,101
<b>Adjustment for non-cash items:</b>				
Depreciation charge	188	191	435	438
	<u>8,290</u>	<u>13,528</u>	<u>19,167</u>	<u>31,539</u>
Tax paid	-	-	-	-
<b>Net cash generated from operating activities</b>	<b>8,290</b>	<b>13,528</b>	<b>19,167</b>	<b>31,539</b>
<b>Changes in:</b>				
- Decrease in inventories	34	118	75	270
- Decrease/ (increase) in advances and prepayments	10,340	(13,243)	24,129	(30,870)
- Increase in payables	589	3,087	1,303	7,179
	<u>10,963</u>	<u>(10,038)</u>	<u>25,507</u>	<u>(23,421)</u>
<b>Net cash generated/ (used in) from operating activities</b>	<b>10,963</b>	<b>(10,038)</b>	<b>25,507</b>	<b>(23,421)</b>
<b>Cash flows from investing activities</b>				
Purchase of computer equipment (Note 5)	-	-	-	-
<b>Net cash used in investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>	<b>19,253</b>	<b>3,490</b>	<b>44,674</b>	<b>8,118</b>
Cash and cash equivalents at beginning of the year	4,468	978	10,365	2,247
Foreign exchange translation reserve	-	-	(386)	-
<b>Cash and cash equivalents at end of the year (Note 7)</b>	<b><u>23,721</u></b>	<b><u>4,468</u></b>	<b><u>54,653</u></b>	<b><u>10,365</u></b>

The Notes on pages 12 to 22 form an integral part of these financial statements.

Auditors' report on page 6 - 7.

## **AMEND.ORG (T)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **1 REPORTING ENTITY**

Amend.org (T) (“the Organisation”) is an organisation domiciled in Tanzania. These financial statements are for the year ended 31 December 2021.

#### **2 BASIS OF PREPARATION**

##### **(i) Statement of compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

##### **(ii) Basis of measurement**

The financial statements are prepared under historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

##### **(iii) Functional and presentation currency**

These financial statements are presented in United States Dollars (USD), which is the Organisation’s functional currency. The financial information in the unaudited memorandum columns are presented in thousands of Tanzanian Shillings (TZS’000).

##### **Memorandum figures**

The Memorandum column representing the results in Tanzanian Shillings (TZS) are for presentation purposes only, and do not form part of the audited financial statements. The exchange rates used to translate the USD figures to TZS Memorandum were as follows:

- Assets and liabilities were translated at the closing rate at 31 December 2021 which of TZS 2,304 (2020: 2,318) to USD 1 except for additions to property, plant and equipment were translated at an average rate for the period of TZS 2,312.08 (2020: 2,318);
- income and expenses were translated using an average exchange rate for the period of TZS 2,312.08 (2020: 2,318);
- equity is not translated; and
- All resulting exchange differences are being recognised in other comprehensive income.

##### **(iv) Use of estimates and judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods

Critical estimates are made by the Directors in determining the useful lives of property and equipment as well as their residual values.

**AMEND.ORG (T)**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**3 SIGNIFICANT ACCOUNTING POLICIES**

**(a) Foreign currency transactions**

Transactions in foreign currencies are translated into the respective functional currency of the operation at the spot exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into the functional currency at the spot exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the spot exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments which is recognised directly in equity.

**(b) Grants**

**(i) *Deferred grants***

All grants received are initially recognised as deferred revenue grants at fair value and recorded as liabilities.

The portion of the grants that are utilised to purchase property and fixed assets are transferred as deferred income in liabilities and subsequently release to income to match the depreciation for the period and amortisation of the fixed assets as charged to Profit or Loss.

Grants utilized to reimburse program related expenditure are recognized as grant income for the period.

Donor grants received in kind, through the provision of gifts and/or services, are recorded at fair value.

Grant income classified as temporarily restricted or unrestricted depending upon the existence of donor imposed restrictions. For completed or phased out projects and programs, any unutilised amounts are dealt with in accordance with consequent donor and management agreements.

For ongoing projects and programs, any expenditures yet to be funded but for which funding has been agreed at the end of the reporting period is recognised as revenue grant receivable.

**(ii) *Grant income***

Grant income is recognized on a cash basis to the extent that the Organisation fulfils the conditions of the grant. This income is transferred from the deferred grant received from donors and recognized as income in the statement of income and expenditure.

A substantial portion of the Organisation's donor grants are for funding of Not-for-profit projects and programs, and for these grant, income recognized is matched to the extent of actual expenditures incurred on projects and programs for the period.

For donor grants restricted to funding procurement of fixed assets, the grant income is recognised as the amount equivalent to depreciation expenses charged on the fixed assets.

**(c) Expenditure recognition**

Expenditure in respect of goods and services are recognised when expenses have been incurred.

**AMEND.ORG (T)**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**3 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(d) Property and equipment**

**(i) Recognition and measurement**

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Expenditure on any single or group of items of a capital nature up to a limit of USD 500 purchase cost will be expended in the period of acquisition. Expenditure on any single or group of items of a capital nature above USD 500 will be capitalised in the book of accounts and will be depreciated over the useful life of the asset. This policy will apply to all categories of items unless specified otherwise

**(ii) Subsequent costs**

The cost of replacing part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Organisation and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognised in statement of income and expenditure as incurred.

**(iii) Depreciation**

Depreciation is recognised in statement of income and expenditure on a straight-line basis over the estimated useful lives of each part of an item of property and equipment.

The estimated useful lives are as stated:

Furniture & fixtures	12.5%
Computers & IT equipment	33.3%
Machinery & equipment	12.5%
Motor vehicles	20.0%

Depreciation methods, useful lives and residual values are reassessed at the reporting date. For assets purchased using grants, depreciation is amortised from deferred income to statement of income and expenditure.

**(iv) Impairment of non-financial assets**

The carrying amounts of the Organisation's non-financial assets, other than investment property and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in statement of profit or loss and other comprehensive income.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

**AMEND.ORG (T)**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**3 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(d) Property and equipment (Continued)**

***(iv) Impairment of non-financial assets (Continued)***

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(e) Cash and cash equivalents**

Cash and cash equivalents include notes and coins on hand, and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Organisation in the management of its short-term commitments. Cash and cash equivalents are carried at amortised cost in the statement of financial position.

**(f) Lease payments made**

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

**(g) Provisions**

A provision is recognised if, as a result of a past event, the Organisation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

**(h) Employee benefits**

***(i) Defined contribution plans***

Obligations for contributions to defined contribution pension plans are recognised as an expense in statement of income and expenditure when they are due.

***(ii) Short-term benefits***

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid under short-term cash bonus if the Organisation has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## AMEND.ORG (T)

### NOTES TO THE FINANCIAL STATEMENTS (Continued)

#### 3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (i) New standards and interpretations adopted

The Organisation has adopted the following new standards and amendments during the year ended 31 December 2021, including consequential amendments to other standards with the date of initial application by the Company being 1 January 2021. The nature and effects of the changes are as explained here in.

<b>New standards or amendments</b>	<b>Effective for annual period beginning or after</b>
Amendments to references to the Conceptual Framework in IFRS Standards	1 January 2020
Amendments to IAS 1 and IAS 8 Definition of Material	1 January 2020

The directors are of the opinion that the adoption of the standards did not have a material impact to the financial statements of the Organisation.

##### (j) Comparatives

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

##### (k) New standards and interpretations not yet adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted; however, the Organisation has not early adopted the new and amended standards in preparing these financial statements.

The following new and amended standards are not expected to have a significant impact on the Organisation's financial statements.

<b>New standards or amendments</b>	<b>Effective for annual period beginning or after</b>
Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37)	1 January 2022
Annual Improvements to IFRS Standards 2018-2020	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022
Reference to the Conceptual Framework (Amendments to IFRS 3)	1 January 2022
Classification of Liabilities as Current or Non-current (Amendments IAS 1)	1 January 2022
IFRS 17 Insurance contracts	1 January 2023
Amendments to IFRS 17	1 January 2023

All standards and interpretations will be adopted at their effective date (except for those standards and interpretations that are not applicable to the entity).

## AMEND.ORG (T)

### NOTES TO THE FINANCIAL STATEMENTS (Continued)

#### 3 FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

Amend.org (T) has exposure to the following risks from its use of financial instruments:

- (a) Credit risk;
- (b) Liquidity risk; and
- (c) Market risk.

This Note presents information about the Organisation's exposure to each of the above risks, its objectives, policies and processes for measuring and managing the risks.

##### (a) Credit risk

Credit risk is the risk of financial loss to Organisation if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Organisation's loans and advances to customers.

During the year the Organisation did not issue loans to customers hence no credit risks that affect the Organisation's operations.

##### (b) Liquidity risk

Liquidity risk is the risk that the Organisation will encounter difficulty in meeting obligations from its financial liabilities

##### Management of liquidity risk

The Organisation's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Organisation's reputation.

Residual contractual maturities of financial liabilities.

	Carrying amount	Contractual cash flows	Within 1 year
<b>31 December 2021</b>	USD	USD	USD
Payables	<u>4,776</u>	<u>4,776</u>	<u>4,776</u>
<b>31 December 2020</b>	USD	USD	USD
Payables	<u>4,187</u>	<u>4,187</u>	<u>4,187</u>

The previous table shows the undiscounted cash flows on the Organisation's financial liabilities and on the basis of their earliest possible contractual maturity.

**4 FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Continued)**

**(c) Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates etc will affect Organisation's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**(i) Currency risk**

The Organisation is exposed to currency risk on payments that are denominated in a currency other than the respective functional currency of Organisation, the US Dollars (USD). The currencies in which these transactions primarily are denominated are Tanzanian Shilling (TZS) and US Dollars (USD).

The Organisation's strategy for managing its foreign currency exposure is through transacting mainly using its functional currency.

Exposure to currency risk for foreign denominated amounts in the following classes of financial instruments; disclosure around market risk also relates to sensitivity analysis of the type of market risk – currency risk, showing how the income profit or loss and equity would have been affected by reasonably possible changes in the relevant risk variable at the year- end date.

During the year the Organisation did not incur transactions in other foreign currencies.

**(ii) Interest rate risk**

The interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in the market interest rates and the fair value interest rate risk is the risk that the value of the financial instrument will fluctuate because of changes in market interest rates.

AMEND.ORG (T)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 PROPERTY AND EQUIPMENT

	Computers & IT equipment USD	Memo Total TZS'000
<b>Cost</b>		
At 1 January 2020	1,361	3,127
Additions during the year	-	-
Disposal	-	-
Translation reserve	-	28
<b>At 31 December 2020</b>	<b>1,361</b>	<b>3,155</b>
At 1 January 2021	1,361	3,155
Additions during the year	-	-
Disposal during the year	-	-
Translation reserve	-	(19)
<b>At 31 December 2021</b>	<b>1,361</b>	<b>3,136</b>
<b>Accumulated depreciation</b>		
At 1 January 2020	853	1,960
Charge for the year	191	438
Disposal during the year	-	-
Translation reserve	-	21
<b>At 31 December 2020</b>	<b>1,044</b>	<b>2,419</b>
At 1 January 2021	1,044	2,419
Charge for the year	188	435
Disposal during the year	-	-
Translation reserve	-	(16)
<b>At 31 December 2021</b>	<b>1,232</b>	<b>2,838</b>
<b>Net book value</b>		
<b>At 31 December 2021</b>	<b>129</b>	<b>298</b>
<b>At 31 December 2020</b>	<b>318</b>	<b>736</b>

6. ADVANCES AND PREPAYMENTS

	2021 USD	2020 USD	Memo	
			2021 TZS'000	2020 TZS'000
Staff imprest	4,200	2,661	9,677	6,169
Advance petty cash	-	966	-	2,240
Security deposit	579	579	1,334	1,341
Prepaid expenses	6,726	17,639	15,497	40,887
	<b>11,505</b>	<b>21,845</b>	<b>26,508</b>	<b>50,637</b>

AMEND.ORG (T)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. CASH AND CASH EQUIVALENTS

	2021 USD	2020 USD	Memo	
			2021 TZS'000	2020 TZS'000
Cash in hand	628	510	1,447	1,191
Cash at bank	23,093	3,958	53,206	9,174
	<u>23,721</u>	<u>4,468</u>	<u>54,653</u>	<u>10,365</u>

8. PAYABLES

	2021 USD	2020 USD	Memo	
			2021 TZS'000	2020 TZS'000
Accrued expenses	3,380	999	7,788	2,312
Audit fees	1,200	1,171	2,765	2,714
Withholding tax payable	158	172	364	399
Worker's Fund payable	38	-	88	-
NSSF Payable	-	1,845	-	4,277
	<u>4,776</u>	<u>4,187</u>	<u>11,005</u>	<u>9,702</u>

9. OTHER INCOME

	2021 USD	2020 USD	Memo	
			2021 TZS'000	2020 TZS'000
Donation of reflector bags	-	9	-	20
Interest income	11	5	25	13
Exchange gain	-	-	-	180
	<u>11</u>	<u>14</u>	<u>25</u>	<u>213</u>

10. STAFF COSTS

	2021 USD	2020 USD	Memo	
			2021 TZS'000	2020 TZS'000
Staff salaries	90,290	112,301	208,758	260,313
Social security contributions	9,029	11,230	20,876	26,031
Other staff costs	3,050	3,526	7,052	8,174
	<u>102,369</u>	<u>127,057</u>	<u>236,686</u>	<u>294,518</u>

**AMEND.ORG (T)**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**11. PROGRAMME EXPENSES**

	2021 USD	2020 USD	Memo	
			2021 TZS'000	2020 TZS'000
Safety materials	1,112	9,340	2,571	21,649
Infrastructure	158,066	73,258	365,461	169,812
Uniform	134	420	310	974
Event expenses	26,098	16,905	60,341	39,187
Other programme expenses	6,518	6,124	15,070	14,195
	<b>191,928</b>	<b>106,047</b>	<b>443,753</b>	<b>245,817</b>

**12. OCCUPANCY EXPENSES**

	2021 USD	2020 USD	Memo	
			2021 TZS'000	2020 TZS'000
Rent	13,450	14,127	31,097	32,747
Service charge	207	86	479	200
	<b>13,657</b>	<b>14,213</b>	<b>31,576</b>	<b>32,947</b>

**13. PROFESSIONAL SERVICES**

	2021 USD	2020 USD	Memo	
			2021 TZS'000	2020 TZS'000
Legal fees	139	99	321	230
Audit fees	1,200	1,171	2,774	2,714
Professional fees	9,189	11,428	21,246	26,489
	<b>10,528</b>	<b>12,698</b>	<b>24,341</b>	<b>29,433</b>

**14. TRAVELLING AND TRANSPORT EXPENSES**

	2021 USD	2020 USD	Memo	
			2021 TZS'000	2020 TZS'000
Motor vehicle expenses, taxi and other travelling costs	15,738	21,813	36,388	50,562
Per diem and lodging	6,575	3,171	15,202	7,351
	<b>22,313</b>	<b>24,984</b>	<b>51,590</b>	<b>57,913</b>

**AMEND.ORG (T)**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**15. RELATED PARTY TRANSACTIONS**

(i) During the year, the Organisation received grant amounting to USD 358,500 (2020: USD 312,975) from Amend (US) to support activities focus on reducing the incidence of Road Traffic Injury (RTI). All transactions were conducted at an arm's length.

(ii) *Directors' and executives' remuneration*

Remuneration paid to directors and other members of the key management during the year was as follows:

	<b>2021</b>	<b>2020</b>
	<b>USD</b>	<b>USD</b>
Salaries and other short-term benefits	<u>49,435</u>	<u>64,488</u>

**16. TAXATION**

Amend.org (T) has been registered as a non-government organisation, governed by Non-Government Organisation Act, 2002 having no motive to make profits.

The directors believes that Amend.org (T) is exempted from paying corporate tax as the Organisation is not for profit organisation supporting initiatives and activities of Tanzania's National Road Safety Policy.

**17. CONTINGENT LIABILITIES**

The directors are not aware of any other contingent liabilities against the Organisation as at the date of this report.

**18. POST BALANCE SHEET EVENTS**

At the time of signing these accounts the directors are not aware of any post balance sheet events