

COMMUNITY SUPPORT INITIATIVES - TANZANIA (COSITA)

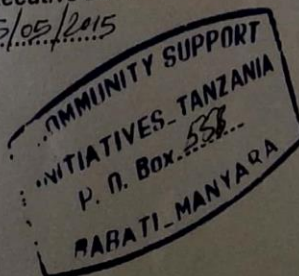
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2014

Cash flow from Operating Activities	2014 Tshs	2013 Tshs
Surplus (Deficit) for the year	(3,011,585.86)	63,946,417.20
Prior year Adjustment		
Cash flow before changes in W/Capital	(3,011,585.86)	63,946,417.20
<b>Changes in working Capital</b>		
(Increase)/ Decrease in Stocks	0.00	0.00
(Increase)/ Decrease in Debtors	3,495,000.00	(4,250,000.00)
Increase/ (Decrease in Creditors)	0.00	0.00
(Increase)/ Decrease in W/Capital	3,495,000.00	(4,250,000.00)
Cash flow from operating activities	<u>483,414.14</u>	<u>59,696,417.20</u>
<b>Cash flow investing activities</b>		
Acquisition of fixed assets	0.00	0.00
Sale of assets	0.00	0.00
Total Cash flow from investing activities	<u>0.00</u>	<u>0.00</u>
<b>Cash flow from financing activities</b>		
Increase/ (Decrease) of designed funds		
Increase/ (Decrease) in cash & cash equiv.	483,414.14	59,696,417.20
Add: Cash and cash equivalent at year beginning	59,890,417.00	194,000.00
<b>CASH &amp; CASH EQUIVALENT AT YEAR END</b>	<u>60,373,831.14</u>	<u>59,890,417.20</u>

SITA Accountant

COSITA Executive Director  
Date... 15/05/2015

COSITA Board Chairperson



# MWEMA & COMPANY

## (CERTIFIED PUBLIC ACCOUNTANTS)

Our Ref. No. MC/AUD/COSITA/1/2015

### Report of Independent Auditor

The Chairperson  
The Board of Directors  
Community Support Initiatives Tanzania  
P.O. Box 558  
BABATI – MANYARA

### AUDIT REPORT TO THE FINANCIAL STATEMENTS OF COMMUNITY SUPPORT INITIATIVES TANZANIA FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2014

We have examined the Financial Position of Community Support Initiatives Tanzania and the related Income Statement and Cash-Flow Statement for the year 31<sup>st</sup> December, 2014 prepared based on the accounting policies set out on page 10- 16

#### RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT AND THE INDEPENDENT AUDITOR

##### *Management's Responsibility*

The management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. 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*

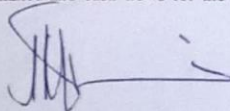
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, 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. 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 above-referred financial statements give a true and fair view of the state of affairs of Community Support Initiatives Tanzania as at 31<sup>st</sup> December, 2014 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.



JOHN P. MAJO  
MWEMA & COMPANY  
(CERTIFIED PUBLIC ACCOUNTANTS)

ARUSHA - TANZANIA  
13<sup>th</sup> May, 2015





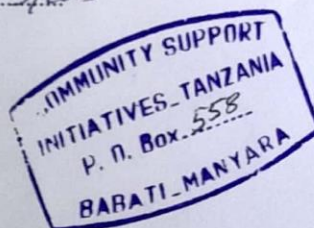
COMMUNITY SUPPORT INITIATIVES - TANZANIA (COSITA)  
STATEMENT OF FINANCIAL POSITION AS AT 31/12/2014

Non - Current Assets	Note	2014 Tshs	2013 Tshs
Fixed Assets	10	8,012,125.00	2,528,750.00
<b>Current Assets</b>			
Imprests	5	75,000.00	3,200,000.00
Advances	6	680,000.00	1,050,000.00
Cash at Bank	7	60,373,831.14	59,890,417.60
<b>Total current Assets</b>		<b>61,128,831.14</b>	<b>64,140,417.60</b>
<b>Total Assets</b>		<b>69,140,956.14</b>	<b>66,669,167.60</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Fund balance Assets		8,012,125.00	2,528,750.00
<b>Accumulated Fund</b>			
Designated Fund	8	59,534,079.14	60,744,900.00
General Fund	9	1,594,752.00	3,395,517.60
<b>Total Equity</b>		<b>61,128,831.14</b>	<b>64,140,417.60</b>
<b>Current Liabilities</b>			
Sundry Creditors		-	-
Sundry Deposits		-	-
<b>Total Equity and Liabilities</b>		<b>69,140,956.14</b>	<b>66,669,167.60</b>

*[Signature]*  
COSITA Accountant


*[Signature]* *[Signature]*  
COSITA Executive Director COSITA Board Chairperson

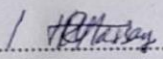
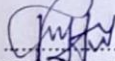
Date 15/05/2015



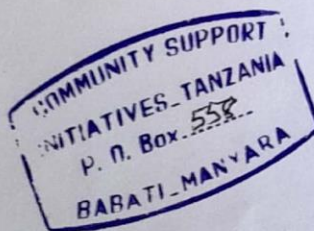
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COSITA Accountant

   
COSITA Executive Director COSITA Board Chairperson

Date...15/05/2015





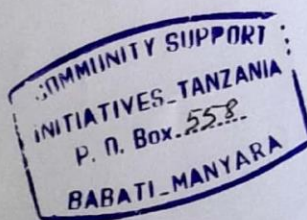
COMMUNITY SUPPORT INITIATIVES - TANZANIA (COSITA)  
 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE PERIOD ENDED 31ST DECEMBER 2014

Income Remittances	Note	2014 Tshs	2013 Tshs
BABATI LAND RIGHT	2	34,906,759.97	35,000,000.00
MBULU MWANZO BORA	3	121,549,640.00	60,984,900.00
OWN CONTRIBUTION	4	2,681,868.88	4,711,444.00
<b>Total Income</b>		<b>159,138,268.85</b>	<b>100,696,344.00</b>
<b>Expenditure</b>			
BABATI LAND RIGHT	11	34,906,759.97	35,000,000.00
MBULU MWANZO BORA	12	122,760,460.86	240,000.00
COSITA OFFICE SUPPORT	13	4,482,633.88	1,509,926.40
<b>Total Expenditure</b>		<b>162,149,854.71</b>	<b>36,749,926.40</b>
<b>Sulplus (deficit) for the year</b>		<b>(3,011,585.86)</b>	<b>63,946,417.60</b>

*[Signature]*  
 COSITA Accountant

*[Signature]*  
 COSITA Executive Director  
 Date: 15/05/2015

*[Signature]*  
 COSITA Board Chairperson



**COMMUNITY SUPPORT INITIATIVES - TANZANIA**

**P.O. BOX 558  
BABATI  
MANYARA - TANZANIA**

**AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2014**

**AUDITORS:  
Mwema & Company  
(Certified Public Accountants)  
P.O.Box 11477  
TEL: 027 0732-978754, 0756-007917  
Uchumi House  
Sokoine Road  
Arusha - Tanzania  
East Africa  
E-mail: mwemaco@yahoo.com**





Community Support Initiatives – Tanzania (COSITA)  
P.O Box 558, Babati, Manyara – Tanzania.  
Tel/Mob: +255 784 649 025  
Email: cositango@gmail.com  
Website: [www.envaya.org/COSITA](http://www.envaya.org/COSITA)

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## REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2014

- 1 The Board of Directors presents the following report and the audited financial statements for the year ended 31<sup>st</sup> December, 2014.
- 2 **Board of Directors:**  
The Directors of COSITA at the date of this report who have held office since 2010 except as otherwise stated are:

S/N	Name	Title
1.	Francis Geffi	Chairperson
2.	Paschal P. Onna	Treasurer
3.	Patrice Gwasma	Secretary
4.	Christina Fisoo	Member
5.	Seraphia Gilba	Member
6.	Leonard T. Burra	Member
7.	Ernest Nzunda	Member
8.	Martin Hando	Member

### OPERATING OFFICE

COSITA is a Community Based non-profit making organization. It was set up in the early 2010 and officially registered in December 2010 under the ministry of gender, children and community development with six specific objectives; to facilitate community access to formal education, literacy classes, children right and protection, to undertake community based livestock and agriculture development initiatives towards poverty alleviation, to support community water supply systems and good hygiene and sanitation practices, to facilitate natural resources and environmental conservation strategies, to support gender mainstreaming, women development and policy advocacy campaigns at district/community level that will bring social changes and encourage participating in the self IGA.

As per the registration, the organization operating area is all over Tanzania mainland but due to scarcity of resources, only three districts (Babat, Mbulu and Hanang) have being put into priority. The organization's head office is located in Babati district and sub-offices in Mbulu and Hanang districts.

### OPERATING RESULTS FOR THE YEAR:

The operating results of COSITA for the year ended 31<sup>st</sup> December 2014 are follows:

#### Activities implemented in 2014:

The principal activities implemented during 2014 were Training of community on land right especially land Act No. 4&5, 1999, land conflict resolution, formation of village Pastoralists' Unions and project sustainability. Also orientation of village and ward leaders, ward extension officers and Community Health & Community Home Based Care Providers on Mbulu Mwanzo Bora Nutrition Project.

#### Achievements:

Up to the time of this report, Babati Pastoralists' Land right project phase two and Mbulu Mwanzo Bora Nutrition project Year One were 100% completed while Mbulu Mwanzo Bora Nutrition project activities for Year Two 2014-2015 is ongoing.

Brief summary of income and expenditure during the year is as follows:

	2014 Tshs	2013 Tshs
Total Income	156,456,399.97	100,696,344.00
Total Expenditure	157,667,220.83	36,749,926.00
Surplus/(Deficit) for the Year	(1,210,820.86)	<u>63,946,417.60</u>

#### Employee and employment status:

In 2014, we employed two staffs (Nutritionist, accountant) while two staff was laid off. Up to the time of this report, there is a shortage of three staff for our office to attain a full human resource capacity; hence the organization is striving to get the funds to be able to fill the shortage.

#### Challenges:

- Insufficient fund budgets to implement community projects and organization support costs (low staff salaries, capital support costs and project costs)
- Short – termed financial support does not guarantee maximum operationality of the organization when compared to long – termed support.
- Lack and poor socio – economic services and low levels of income per capita hinders community contributions of some projects in villages and membership subscription fee.

#### Future Plans

- Continue implementing the existing projects
- Conduct monitoring and evaluation of previously implemented projects for the purpose of observing the changes desired (impacts) and learning for corrective action in the future.
- Fundraising based on calls for proposals and potential funders.
- Board of Directors and Management Team capacity building through trainings and short courses on fundraising and governance.
- Recruitment of qualified staff whenever there is opportunity to do so to ensure organization strength, effectiveness and sustainability.
- Networking and linkages to various umbrella organizations that COSITA is a member such as MACSNET, TENMET, TECDEN etc. and other consultants for the sake of ensuring fund COSITA credibility.
- Continued mobilizing members to contribute for annual fees.

#### AUDITORS:

MWEMA & COMPANY Auditors was appointed auditors of COSITA for the year ended 31<sup>st</sup> December 2014 and have expressed their willingness to continue in office for 2014

BY ORDER OF THE BOARD

BOARD SECRETARY

Date... 15/05/2015



BOARD CHAIRPERSON

Date... 18/05/2015





Community Support Initiatives – Tanzania (COSITA)  
 P.O Box 558, Babati, Manyara – Tanzania.  
 Tel/Mob: +255 784 649 025  
 Email: cositango@gmail.com  
 Website: [www.envaya.org/COSITA](http://www.envaya.org/COSITA)

## STATEMENT OF DIRECTORS RESPONSIBILITIES FOR THE YEAR EDNED 31<sup>ST</sup> DECEMBER 2013

The Registrar of Societies act requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Organization as at the end of the financial year and of its surplus / (deficit ) for that year. It also requires the director to ensure that the Organization maintains proper accounting records that disclose with reasonable accuracy, the financial position of the Organization. The directors are also responsible for safeguarding the assets of the Organization.

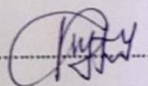
The directors accept responsibility for the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. They also accept responsibility for

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

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Organization as at 31<sup>st</sup> December 2014 and of its Surplus/ (Deficit) for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium sized Entities and the requirements of the Tanzanian Companies/Societies Act.

Nothing has come to the attention of the directors indicate that the Organization will not remain going concern for at least twelve months from the date of this statement.

Approved by the Board of directors on 18/05/2015 and signed on its behalf by:

  
 Board Chairperson

