

MY LEGACY

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

MY LEGACY

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LIST OF ACCRONYMS AND ABBREVIATIONS

AMREF	African Medical and Research Foundation
HFHT	Habitat for humanity Tanzania
NBAA	National Board of Accountants and Auditors
NGOs	Non-Governmental Organizations
NSSF	National Social Security Fund
WFT	Women Fund Trust
PWDs	Persons with Disabilities
IPSAS	International Public Sector Accounting Standards
ISAs	International Standards on Auditing
TZS	Tanzanian Shillings

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ORGANIZATION'S INFORMATION

PRINCIPAL ADDRESS:

Ukarimu Street No. 17,
Nearby Mbezi Beach Shoppers Plaza
Kawe ward, Kinondoni District,
P.O. Box 7401,
Dar es Salaam.

Postal address

P.O. Box 7401,
Dar es Salaam.
Other Contacts
Telephone +255-767 404 086
E-mail: My LEGACY tanzania@gmail.com

BANKER:

Diamond Trust Bank
Mikocheni Branch
Dar es Salaam

AUDITOR:

PMCG Consulting
Certified Public Accountants
B7, Block B, Josam House
Plot No. 16, Coca Cola Road,
P. O Box 2445,
Dar es Salaam, Tanzania
E-mail: info@pmcgl.co.tz
Website: www.pmcgl.co.tz

MY LEGACY

REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2022

1. INTRODUCTION

The Directors submit their report together with the audited financial statements for the year ended 31 December 2022, which discloses the state of affairs of the Organization as at that date.

2. REGISTRATION

The Organization is registered in Tanzania under Non-Governmental Organization Act 2002, with registration number 00NGO/R2/00026 on 12th July 2019 and domiciled in Tanzania.

3. VISION

My LEGACY envisions poverty free communities living dignified lives.

4. MISSION

To equip women and youth with skills to address socio-economic challenges in the communities.

5. PRINCIPAL ACTIVITIES

The main objectives of My LEGACY are to facilitate and equip women and youth with skills to address socio-economic challenges in their communities by:

- i. Raising awareness to community on practical and creative solutions to development related challenges;
- ii. Empowering women and youths economically so as to eradicate poverty; and
- iii. Raising awareness to communities on the rights of women and children.

6. MAIN SOURCE OF FUNDS

My LEGACY successfully carried out the implementation of the programs through the generous support of Habitat for Humanity, Women Fund Trust and AMREF.

7. RESULTS

The financial results for the year are set out on page 11. The Organization is incorporated in Tanzania as an not-for-profit Organization (NGO) and hence not expected to make any dividend payment. The surplus funds are for the activities that are to be implemented during the next period based on approved budget and action plan.

8. SOLVENCY

Organization's state of affairs is set out on page 12, of the financial statements. 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 My LEGACY has adequate resources to continue in operational existence for the foreseeable future.

9. BUDGETS

Detailed annual budgets are prepared by the management for review by the My LEGACY Board.

MY LEGACY

REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2022

10. PERFORMANCE FOR THE YEAR

The Statement of Financial Performance shows no surplus or deficit generated for the year ended 31 December 2022, (2021: nil). My LEGACY Tanzania spent funds amounting to TZS 381,108,794 for the year ended 2022 (2021: TZS 121,772,706) to undertake various activities as detailed out in part 11 below. The detailed financial performance of the Organization, during the year is set out on page 11 of these financial statements.

11. ACHIEVEMENTS DURING THE YEAR

During the year, My LEGACY recorded the following achievements:

- **Board expansion** with addition of one more member making the Board to have a total of 6 members.
- **Deepening programmatic work:** in 2022 MY legacy engaged in high-level advocacy sessions with government actors, CSO representatives, media personnel and influential people to strategize how the organisation worked to sustain behavioral change to promote WASH practices to ensure the communities thrive post the pandemic.
- **Expanding the reach and scope of WASH:** The expansion of the School WASH programme increased the scope of work and services by installing 100 handwashing points (water tanks and liquid handwashing soap) to serve 20 schools, 2 local markets and 7 local government offices. The project focused on promoting hygienic behaviors and lifelong good health, enhancing not only the well-being of children and their families, but also contribute towards healthy and secure school environments that can protect children from illness including COVID 19.

The project established 20 school clubs with 580 members whose role is to champion change amongst their peers and communities. The clubs conducted outreach activities within and outside the schools reaching 156 community members. Some school clubs have established vegetable gardens which provide a source of income and sustenance for the students as a means for them to eat balanced meals in schools. In an effort to promote afforestation, trees were planted in 4 schools to encourage environmental protection. Other clubs outreach activities include skills training in soap making, clean ups at mosque, church, fish market, police station and health center in effort to not only give back but also to promote positive hygiene and sanitation practices amongst the community members.

Information, education and sensitization materials such as posters and information leaflets were developed, produced and distributed to assist in promoting behavioral change. Nonetheless, the organization utilized media as a way to conduct mass information sharing reaching total of 24,928,759 million people across Tanzania through mainstream print and social media awareness on the WASH campaign to promote WASH and hygiene practices as a way to fight diseases such as COVID-19, and the need to conserve our environment by creating sustainable means of living including waste management to create clean energy sources for cooking.

Similarly the organization has engaged education and women and children rights stakeholders to intensify efforts to make spaces of learning such as schools and universities safe place for girls and young women by addressing obstacles that hinder them from freely accessing their right to education including creating friendly infrastructure that caters to their biological needs as well as having friendly structures to prevent and respond to incidences of SGBV.

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REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2022

Increased funding base: During 2022, My Legacy succeeded to raise more financial resources by having 2 new partners namely Amref and Women Fund Trust.

12. CORPORATE GOVERNANCE

The Governance Structure of My LEGACY includes members of Annual General Meeting, Board of Directors, and a Senior Management Team.

13. COMPOSITION OF DIRECTORS

The Directors of the Organization, who held office during the period and up to the date of this report are:

<u>Name</u>	<u>Position</u>	<u>Qualification</u>	<u>Nationality</u>	<u>Date Appointed</u>
1. Ms. Anna Kulaya	Chairperson	Lawyer and Social Development	Tanzanian	15/09/2020
2. Ms. Stella Cosmas	Director	Lawyer	Tanzanian	15/09/2020
3. Mr. Tumaini Mbibo	Director	Social Development	Tanzanian	15/09/2020
4. Mr. Daniel Raphael	Treasurer	Business Administration	Tanzanian	01/08 2019
5. Ms. Fortunata Temu	Secretary	Lawyer and Social Development	Tanzanian	01/082019
6. Ms. Jacqueline Woiso	Director	Finance and Business management	Tanzanian	01/11/2022

The Board met two times during the year to discuss on the overall Performance of the constitutional objectives

14. MANAGEMENT

The Board provide oversight on the implementation of MYLegacy strategy. The management team spearhead the implementation process; The Executive Director is a focal person to ensure all plans are successfully implemented as per the time frame. The Executive Director is assisted by other management members.

15. RISK MANAGEMENT AND INTERNAL CONTROLS

The Directors are responsible for overall MYLegacy's risk management. However, it is the management task 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 MYLegacy's assets;
- Compliance with applicable laws and regulations;
- Compliance with the donors' requirements;
- The reliability of accounting records;
- Operations sustainability under normal as well as adverse conditions; and
- Responsible behaviors towards all stakeholders.

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REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2022

The efficiency of any internal control system is dependent on the strict observance of prescribed measures.

16. EMPLOYEE WELFARE

The Organization has put in place policies that enable its employees to work in harmony and to ensure that no member of staff is discriminated for whatever reason. The relationship between employees and management during the year was good. There were no unresolved complaints received by employees at the end of the year.

17. GENDER PARITY

The Organization is an equal opportunity employer. It gives equal access to employment opportunities and ensure 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 and religion which does not impair ability to discharge duties.

Gender	2022	2021
Female	3	3
Male	2	2
Total	5	5

18. DELEGATION

The overall objectives of the Organization are agreed by the Board, which delegates the day-to-day operations to management for execution. There is a clear Organization structure, detailing the lines of authority.

19. COMPETENCE

Staff skills are maintained both by a formal recruitment process and a performance appraisal system which identifies training needs. My LEGACY Tanzania organizes regular learning sessions aimed at enhancing staff skills and widening the understanding of relevance of My LEGACY Tanzania's work as well as for personal development.

20. EMPLOYEE BENEFIT PLAN

During the year, My LEGACY Tanzania and its employees contributed to the National Social Security Fund (NSSF), which is a statutory defined contribution plan, on monthly basis, under the NSSF Act. The Organization's contributions to the defined contribution plan are charged to the statement of income and expenditure in the year to which they relate. The Organization has no other obligations to pay post-employment benefits.

21. RELATIONSHIP BETWEEN MANAGEMENT AND EMPLOYEES

The relationship between management and employees was reasonably good. There were no unresolved complaints received by management from employees.

22. MEDICAL ASSISTANCE

All members of staff and their dependents are covered with medical insurance.

MY LEGACY

REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2022

23. DISABLED PERSONS

My LEGACY gives preference to Persons with Disabilities (PWDs) with the right qualifications when an opening for employment is available that is suitable to such persons.

24. POLITICAL AND CHARITABLE DONATIONS

The Organisation did not make political and charitable donations during the financial year ended 31 December, 2022.

25. AUDITORS

The auditor, M/s PMCG Consulting have expressed their willingness to continue in office and are eligible for re-appointment.

Approved by the Board of Directors and signed on its behalf by:

	
Anna Kulaya: Chairperson	Fortunata Temu: Executive Director
Date: 14/04/2023	

MY LEGACY

REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors of My LEGACY are required to prepare financial statements for each financial year that gives a true and fair view of the state of affairs of the Organization as at the end of the financial year. It also requires the directors 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 and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

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. The directors are of the opinion that the financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS) which include amounts based on judgments and estimates made by management.

The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement.

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

	
Anna Kulaya: Chairperson	Fortunata Temu: Executive Director
Date : 14/04/2023	

MYLEGACY

DECLARATION OF THE HEAD OF FINANCE AND ACCOUNTING FOR THE YEAR ENDED 31 DECEMBER 2022

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

It is the duty of a Professional Accountant to assist the Board of Directors/Governing Body/Management to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements.

Full legal responsibility for the preparation of financial statements rests with the Board of Directors as under Directors Responsibility statement on an earlier page.

I ESTHER PROSPER being the Head of Finance of My LEGACY, hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31st December 2022 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of My LEGACY, Tanzania as on that date and that they have been prepared based on properly maintained financial records.

Signed by.....Proper.....

Position:Principal Accountant.....

NBAA Membership No.:GA 2886.....

Date:19/04/2023.....

INDEPENDENT AUDITOR'S REPORT

TO THE DIRECTOR'S OF MY LEGACY

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of My LEGACY, set out on pages 11 to 23 which comprise the statement of financial position as at 31 December 2022, the statements of financial performance, Statement of changes in equity and cash flows and the statement of comparison of budget and actual amounts 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 My LEGACY as 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs) Accrual basis of accounting.

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 believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Organization in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and the ethical requirements of the National Board of Accountant and Auditors (NBAA) that are relevant to our audit of the financial statement. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and ethical requirement of NBAA.

Other Information

The directors are responsible for the other information. The other information comprises the organization information, Directors' report, Statement of directors' responsibilities, Declaration of the Head of Finance/Accounting but does not include the financial statements and our auditor's 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 identified above 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 on the other information, 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 the financial statements in accordance with the basis of accounting and the requirements of any other legal guidelines and 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.

In preparing the financial statements, the directors are responsible for assessing the ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Organisation or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organisation to cease to continue as a going concern.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

This report, including the opinion, has been prepared for, and only for the members of My Legacy Tanzania as a body in accordance with Section 29 of Non- Governmental organization Act, 2002 and for no other purposes.

PMCG Consulting
Certified Public Accountants (T)


Signed by: Msimbwa Maila
Dar es Salaam



Date: 14/04/2023

MYLEGACY

FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	31-Dec-22 TZS	31-Dec-21 TZS
Revenue			
Revenue from non exchange transactions			
Revenue grants	5	379,069,358	120,991,243
Revenue from Exchange Transactions			
Interest Income		1,123,188	781,463
Foreign exchange gains		<u>916,248</u>	<u>-</u>
Total Revenue		<u>381,108,794</u>	<u>121,772,706</u>
Expenses:			
Program expenses	6	364,914,877	109,413,823
Administration expenses	7	16,193,916	11,769,901
Loss on foreign exchange		<u>-</u>	<u>588,981</u>
Total expenses		<u>381,108,794</u>	<u>121,772,706</u>
Surplus/ (Deficit) before Tax		<u>-</u>	<u>-</u>
Taxation		<u>-</u>	<u>-</u>
Surplus/ (Deficit) after Tax		<u>-</u>	<u>-</u>
Surplus/ (Deficit) for the year		<u><u>-</u></u>	<u><u>-</u></u>

Notes form an integral part of this Financial Statements

MYLEGACY

FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF FINANCIAL POSITION

ASSETS

Non current assets	Notes	31-Dec-22 TZS	31-Dec-21 TZS
Current assets			
Cash and bank equivalents	8	12,213,907	167,769,275
Receivable form exchange transactions		-	171,000
Account receivables		-	
Total Assets		<u>12,213,907</u>	<u>167,940,275</u>

Liabilities and Net Asset

Current liabilities

Account payables	9	1,770,000	2,213,360
Deferred Income grants	10	9,971,005	165,254,013

Accumulated Fund		472,902	472,902
Total Liabilities and Fund Available		<u>12,213,907</u>	<u>167,940,275</u>

Notes form an integral part of this Financial Statements

MYLEGACY

FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF CHANGES IN NET ASSETS

PARTICULARS	Accumulated Fund TZS	Total Net Asset TZS
As at 01.01. 2022	472,902	472,902
Deficit/Surplus during the year	_____ -	_____ -
Balance as at 31.12.2022	<u>472,902</u>	<u>472,902</u>
 As at 01.01. 2021	 472,902	 472,902
Surplus/Deficit during the year	_____ -	_____ -
Balance as at 31.12.2021	<u>472,902</u>	<u>472,902</u>

FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF CASH FLOW

	31-Dec-22 TZS	31-Dec-21 TZS
Cash flows from Operations Activities:		
Receipts:		
Revenue Grants	379,069,358	120,991,243
Other receipts	<u>2,039,436</u>	<u>610,463</u>
Total Receipts	<u>381,108,794</u>	<u>121,601,706</u>
Payments:		
Payments to Suppliers	(330,258,507)	(85,765,920)
Salaries and staff welfare expenses	(34,733,979)	(23,977,243)
Other Payments	<u>(16,193,916)</u>	<u>(10,858,883)</u>
Total Payments	<u>(381,108,794)</u>	<u>(120,602,046)</u>
Increase /(decrease) in payables	(443,360)	-
(Increase) /decrease in receivables	<u>171,000</u>	<u>-</u>
Net cash flow from operating activities (A)	<u>(272,360)</u>	<u>999,660</u>
Cash flow from Financing Activities:		
Capital Grant received/ (released)	(155,283,008)	165,254,013
Net Cash flow from Financing Activities (B)	(155,283,008)	165,254,013
Total Net Cash flow (A+B)	(155,555,367)	166,253,673
Add; Cash and Cash Equivalent at Beginning of year	<u>167,769,275</u>	<u>1,515,602</u>
Cash and Cash equivalent at end of year	<u>12,213,907</u>	<u>167,769,275</u>

MYLEGACY

FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENTS OF COMPARISON OF BUDGET AND ACTUAL AMOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

PARTICULARS	Projected Performance TShs	Actual Performance TShs	Variance TShs	%age
Revenue:				
Donor Agencies (HFHT)	389,040,363	379,069,357.88	(9,971,005.12)	-3%
Miscellaneous Revenue	-	2,039,435.71	2,039,435.71	100%
TOTAL	<u>389,040,363</u>	<u>381,108,793.59</u>	<u>(7,931,569.41)</u>	-2%
Recurrent Expenditure:				
Wages, Salaries and Employees Benefits	41,993,229	39,848,979	2,144,250	5%
Supplies and consumables used	20,304,080	16,193,918.23	4,110,161.77	25%
Consultancy and other Professionals fees	10,200,000	10,200,000	-	0%
Programme Expenses	316,543,054	314,865,898	1,677,156	1%
TOTAL	<u>389,040,363</u>	<u>381,108,793.59</u>	<u>7,931,569.41</u>	3%
Surplus / (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>	

MYLEGACY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 GENERAL INFORMATION

My LEGACY which is a voluntary, non-governmental and non-profit organization, works in three programmatic thematic areas namely economic empowerment, inclusive leadership and advocacy on the promotion and protection of women and children rights. My LEGACY is registered in Tanzania under Non-Governmental Organization Act 2002, with registration number 00NGO/R2/00026 on 12th July 2019 and domiciled in Tanzania.

2 BASIS OF PREPARATION AND GOING CONCERN

(a) Statement of compliance

The Organisation's financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSASs). The Budget have been prepared on Cash basis and the Cash Flows Statement has been prepared using the direct method.

The preparation of Financial Statements in conformity with IPSAS Accrual Basis requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the organisation's Accounting Policies.

(b) Date of First adoption of accrual basis IPSAS

The date of adoption of IPSAS is the date that an entity adopts accrual basis IPSASs for the first time. It is the start of the reporting period in which the first-time adopter adopts accrual basis IPSASs and for which it presents its first transitional IPSASs financial statements or its first IPSAS financial statements. The date of first adoption of IPSASs for MYLEGACY is 01 Jan 2021.

MYLEGACY has prepared its Financial Statements under full compliance with Accrual Basis IPSASs and has made earlier application of IPSAS 33 without any transitional exemptions and provisions.

The financial statements have been prepared on a going concern basis. The statements also comply with International Public Sector Accounting Standards (IPSAS) for the accrual basis of accounting in as far as the IPSAS adopted is concerned.

(c) Functional and presentation currency

These financial statements are presented in Tanzanian Shillings (TZS), which is the Organization's functional currency

(d) Functional and presentation currency

These financial statements are presented in Tanzanian Shillings (TZS), which is the Organization's functional currency

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022 -CONTINUED

(e) Use of estimates and judgments

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

(f) Going concern consideration

The organization has funding agreements with bilateral, foundations and individual donors under which there are commitments for funding. The directors of MYLegacy are satisfied that the organization has the resources to continue in operation for foreseeable future. Furthermore, the directors confirm that they are not aware of any material uncertainties that may cast significant doubt upon the organizations ability to continue as a going concern. Therefore, the financial statements have been prepared on the going concern basis.

(g) Measurement of fair values

A number of Organization's accounting manual and disclosure require the measurement of fair values. Management has overall responsibility for overseeing all significant fair value measurements.

When measuring the fair value of an asset or a liability, the Organization uses observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques.

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest input that is significant to the entire measurement.

3 STANDARD ISSUED BUT NOT YET EFFECTIVE

(i) *Relevant standards, amendments and interpretations issued but not yet effective and not early adopted.*

Approved Standard	Changes	Effective Date
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MYLEGACY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022 -CONTINUED

IPSAS 42: Social Benefits	The objective of the standard is to improve the relevance, faithful representativeness, and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial report assess: a) The nature of such social benefits provided by the entity. b) The key features of the operation of those social benefit schemes, and c) The impact of such social benefits provided on the entity's financial performance, financial position, and cash flows. To accomplish that, this IPSAS establishes principles and requirement for: a) Recognizing expenses and liabilities for social benefits b) Measuring expenses and liabilities for social benefits c) Presenting information about social benefits in financial statements and d) Determining what information to disclose to enable users of financial statements to evaluate the nature and financial effects of the social benefits provided by reporting entity.	Effective for annual periods beginning on or after 1st January 2023. Earlier application is permitted
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4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Revenue recognition

Revenue comprises Revenue from Exchange Transactions and Revenue from Non-Exchange Transactions (grants). It includes the gross inflows of economic benefits or service potential received and receivable by the entity, and these benefits can be measured reliably. Revenue is recognized when it is determined that it will accrue to the organisation.

Revenue from Exchange Transactions

Revenue from Exchange Transactions includes Interest received, gains on exchange rates and other Miscellaneous Revenue. Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Non-Exchange Transactions:

Revenue from Non-Exchange Transactions includes Grants from donors, contributions

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022 -CONTINUED

and others. Grants from donors are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the approved costs that it is intended to compensate. Where the grant relates to an asset, it is recognized as deferred capital grants and released to revenue in equal amounts over the expected useful life of a depreciable asset by way of a reduced depreciation charge.

(b) Expenditure

The expenditure is recognised when it is probable that the economic benefits will outflow from the Organization and there is direct association between the costs incurred and the earning of specific items of income.

(c) Foreign Currency Transactions

Foreign currency transactions are translated into Tanzanian shillings by applying the exchange rates ruling on the transactions dates. Assets and liabilities denominated in foreign currencies are translated into Tanzanian shillings at exchange rates ruling on the Balance Sheet date. Gains or losses arising thereon are dealt with

(d) Trade payables

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

(e) Provisions

Provisions are recognised when the Organization has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

(f) Cash and cash equivalents

Cash on hand, demand and time deposits with banks whose original maturities do not exceed three months are classified as cash and cash equivalents in the statement of cash flows.

(g) Property and equipment

Property and Equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Organization and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss account during the financial period in which they are incurred.

Depreciation is provided on the straight-line basis so as to write down the cost of assets to their residual values over their useful economic lives, at the following rates:

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022 -CONTINUED

Class of Assets	Annual Rate
Buildings	2%
Furniture, Fittings and Equipment	20%
Equipment and vehicles	25%
Motor vehicles	25%

The assets residual values and useful lives are reviewed and adjusted if appropriate, at each year end. No depreciation is charged if the residual value of the item is equal to or greater than its carrying value.

(h) Post-employment obligations

The Organization operates defined contribution pension plans. It has a statutory requirement to contribute to the Pension Funds 10% of the required 20% of gross emoluments to the scheme and the contributions are recognized as an expense in the period to which they relate. The remaining 10% is deducted from employees. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available

(i) Financial Assets

The Organization classifies its financial assets in the following categories: financial assets at fair value through profit or loss; loans and receivables and available for sale financial assets. Management determines the classification of its investments at initial recognition.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022 -CONTINUED

5 REVENUE FROM NON – EXCHANGE TRANSACTIONS

	31-Dec-22	31-Dec-21
	TZS	TZS
Habitat for Humanity	290,994,358	120,991,243
Women Fund Trust-Tanzania	3,475,000	-
AMREF	84,600,000	-
	<u>379,069,358</u>	<u>120,991,243</u>

6 PROGRAM EXPENSES

	31-Dec-22	31-Dec-21
	TZS	TZS
Salaries & Wages	33,913,053	18,565,244
Payroll Allowances	820,926	3,352,230
Contract Labor	5,115,000	-
National Social Security Fund	-	1,893,192
Workers Compensation Fund	-	166,577
Advertising	56,689,846	12,103,200
Research & Development	67,750,060	10,479,900
Equipment expenses	44,545,300	24,865,480
Supporting services	33,618,917	35,275,000
Training	850,000	47,600
Professional Services	10,200,000	1,355,400
Evaluation & Monitoring	4,365,000	1,310,000
Capacity building	107,046,775	-
		-
Total	<u>364,914,877</u>	<u>109,413,823</u>

7 ADMINISTRATION EXPENSES

	31-Dec-22	31-Dec-21
	TZS	TZS
Bank Charges	1,657,926	795,947
Postage, Printing & Stationary	1,109,050	1,256,500
Board Expenses	1,243,781	600,000
Office Supplies	4,836,760	485,400
Utilities	1,488,100	2,229,000
Internet and Web	1,322,800	1,968,800

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022 -CONTINUED

	31-Dec-22 TZS	31-Dec-21 TZS
Licences	50,000	279,954
Security	-	30,000
Transport	695,500	1,882,900
Fuel	360,000	-
Repairs & Maintainance	1,660,000	741,400
Audit Fees	1,770,000	1,500,000
Total	<u>16,193,916</u>	<u>11,769,901</u>

8 Cash and Cash equivalent

	31-Dec-22 TZS	31-Dec-21 TZS
Cash at Bank	11,918,290	168,305,257
Petty Cash	<u>300,000</u>	<u>53,000</u>
	<u>12,213,907</u>	<u>167,769,275</u>

9 Account Payables

	31-Dec-22 TZS	31-Dec-21 TZS
Payables Control		567,200
Payroll	-	146,160
Audit fee payable	<u>1,770,000</u>	<u>1,500,000</u>
	<u>1,770,000</u>	<u>2,213,360</u>

10 Deferred Grants

	31-Dec-22 TZS	31-Dec-21 TZS
At the 1 Jan 2022	165,254,013	-
Fund received during the year	<u>225,825,786</u>	<u>286,245,256</u>
Fund available	<u>391,079,799</u>	<u>286,245,256</u>
Fund spent	<u>(381,108,794)</u>	<u>120,991,243</u>
Deferred grant as at 31 Dec 2022	<u>9,971,005</u>	<u>165,254,013</u>

11 EXPLANATIONS FOR VARIANCES

IPSAS 24 requires a comparison of budgeted amount and actuals arising from the execution of the budget to be included in the Financial Statements of entities that are required to make publicly available their approved budget and for which they are held publicly accountable.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022 -CONTINUED

Revenue from Donor Agencies (HFHT)

Mylegacy received all the fund expected from Donors during the year FY 2022. MyLegacy received other income from Bank, as bank interest.

Programme Expenses

The project implementation period was from November 2021 to February 2023. The balance will be used on January 23.

12 CONTINGENCIES

As at 31st December, 2022 there was no Contingent Liability or Assets.

13 EVENTS SUBSEQUENT TO THE YEAR END DATE

There have been no subsequent events since the reporting date which necessitate revision of the amounts included in the financial statements or inclusion of additional disclosure. Should any material events occur, which may necessitate the revision of the amounts or inclusion of further disclosure, we shall advise you accordingly.

14 AUTHORIZATION FOR ISSUE

These Financial Statements were authorized for issue on 14/04/2023 by the Board.