



TANZANIA COALITION ON DEBT AND
DEVELOPMENT (TCDD)



ANNUAL REPORT

2019



The background of the cover is a blurred office scene. In the foreground, an open book with blue and white pages is visible, resting on a desk. A silver pen lies on the left page. Below the book, a portion of a white keyboard is visible. The entire scene is framed by a thin blue border.

ANNUAL REPORT

2019



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LIST OF ABBREVIATIONS

AFRODAD	-	The African Forum and Network on Debt and Development
AGM	-	Annual General Meeting
BftW	-	Bread for the World
CADA	-	Community Active in Development Association
CPDE	-	Civil Society Partnership for Development Effectiveness
CSO	-	Civil society Organization
HACHAWOTA	-	Hands for Children and Women in Tanzania
IMF	-	International Monetary Fund
LGA	-	Local Government Authority
MoFP	-	Ministry of Finance and Planning
MPs	-	Members of Parliament
MTWANGONET	-	Mtwara Non-Governmental Organization Network
NBS	-	National Bureau of Statistics
NGO	-	Non Government Organization
NIA	-	The National Integrity for Advancement
PMAPA	-	Poverty Monitoring, Accountability and Policy Advocacy
PO-RALG	-	President's Office Regional Administration and Local Government
SADC	-	Southern Africa Development Community
SGR	-	Standard Gauge Railway
SEMA	-	Sustainable Environment Management Action
TCDD	-	Tanzania Coalition on Debt and Development
TTJC	-	Tanzania Tax Justice Coalition
UNGO	-	Union of Non-Governmental Organizations
YPM	-	Youth Peace Makers
UK	-	United Kingdom

MESSAGE FROM THE EXECUTIVE DIRECTOR

Year 2019 was a turbulent year for civil society organizations in Tanzania as we witnessed over-regulations of non-governmental organizations and civil society sector in general. Apart from multiple reporting and seeking different permits from different ministries, government departments and authorities such as Registrar of NGOs, President's Office Regional Administration and Local Government (PO-RALG), Ministry of Finance and Planning (MoFP) and Local Government Authorities (LGAs).

TCDD Secretariat with the support of the Steering Committee continued to comply with the laws of the land and implemented its activities of which are reported in this 2019 annual report accompanied by audited accounts for the respective year which show income and expenditure of the year. Internal re-organization continued to drain the energy of TCDD Steering Committee and secretariat which included 2017-2019 end of the project evaluation which informed the writing of the new application for 2020-2022 project which was later approved by Bread for the World in October 2019.

In 2019 public debt continued to increase as reflected in the Minister's budget speech for 2019/2020 Dr. Phillip Mpango (MP), Minister of Finance and Planning said that by 30th November 2019 total public debt had reached 54.84 Trillion Tanzania Shillings however, Debt servicing is eating a big chunk of nation's financial resources from the country budget for example during 2019/2020 budget the government spent 6.19 Trillion Tanzania Shillings which is 18.70% of the total national budget.

It is my sincere belief and humble request that readers and stakeholders of this report which are members, donors and other development actors that they should find time and read this annual report thoroughly and pick some lessons learnt that will inform future interventions for the betterment of the network, society and the country at large.



Hebron Timothy Mwakagenda
Executive Director



1.0. INTRODUCTION

TCDD is a Coalition of Civil Society Organizations (CSOs) in Tanzania that is dedicated to undertake various lobbying and advocacy activities on policy, budget, debt, aid, poverty eradication and sustainable human development. The coalition was launched in the year 1998, but came to be officially registered as a Non-Governmental Organization on 17th December 2007, under the NGO Act No.24 of 2002 with registration No.00NGO/0260.

1.1. Vision

TCDD seeks freedom from an unsustainable debt burden and abject poverty, characterized by pro-poor people-centered development based on full participation of the people in policy-making, implementation and monitoring from the grassroots to the national level.

1.2. Mission

TCDD is committed to capacity building and mobilization for lobbying and advocacy for economic justice and pro-poor development. TCDD seeks to campaign for sustainable and domestic official debt and effective civil society involvement in the formulation and implementation monitoring of government policies that impact upon the lives of poor people.

1.3. Tanzania Public Debt Information

As of November 30th 2019, Tanzania national debt reached Tsh. 55.34 trillion. The external debt was Tsh.40.57 trillion and domestic debt was Tsh.14.85 trillion. Despite of the rapid increase of the total debt, according to the information by the Ministry of Finance and Planning, adding that Tanzania public debt remain to be sustainable (not at risk yet) in the short term, medium and long-term.

The Ministry of Finance and Planning emphasized that the increase of debt is attributed to two main causes; (i) the matured interest (ii) New loans acquired by the government to finance Standard Gauge Railway (SGR) construction, Mwalimu. Nyerere Hydro-electricity Plant's construction, upgrading airports and water projects.

Despite the improved revenue collection in the country, the World Bank previously noted that there is serious weakness in revenue forecasting and advised the country to improve its revenue and tax collections forecast and intensify mobilization of domestic revenue to finance investments.

2.0. THE PLANNED AND IMPLEMENTED ACTIVITIES FOR 2019

2.1. Steering Committee Meetings

TCDD organized and conducted four steering committee meetings in 2019 as follows schedule as follows April 24th, April 25th, 17th July and 30th October 2019. Among issues tabled as agenda for the meeting were; Annual and audit accounts for 2018, Annual planned activities for 2019, External evaluation report for 2017-2019 project, fundraising, TCDD membership guideline and TCDD management performance.

These Steering Committee Meetings enabled TCDD get a continuation of the “Poverty Monitoring, Accountability and Policy Advocacy Project funded by the Bread for the World (BftW) for the period of 2020/2022. Also among other roles achieved in 2019, was the amendment and approval of TCDD membership guideline. Steering Committee has played significance role which has ensured that the value for money is reflected in various implemented activities as well as maintaining accountability and transparency in the organization.



Images 1: Steering Committee members during the steering committee meetings held in 2019

2.2. Annual General Meeting

The Annual General Meeting (AGM) was held on 26th April 2019 at Fantasy Hotel, Dodoma chaired by Rev. Godfrey Walalaze from ELCT. The meeting was attended by 46 participants out of 87 TCDD members. Agenda items tabled for this meeting was: Annual Report and Audited Accounts for 2018, Planned Activities for 2019, New Membership Applications, and External Evaluation report for the project 2017-2019.

The Annual General Meeting also received an evaluation report for 2017-2019 project, approved annual activities for the year 2019. It as well delegated its powers to the steering committee to receive and approve Annual report and audited accounts for 2018 following the technical errors that the Auditor had to re-work upon.

TCDD Annual General Meeting remains to be a supreme and highest decision making organ of TCDD. Through AGM transparency and accountability within TCDD accounts has been maintained and ensured TCDD goals are always achieved.



Image 2: Participants during the Annual General Meeting held on 26th April, 2019 at Fantasy hotel, Dodoma

2.3. Dialogue with MPs

Tanzania Coalition on Debt and Development (TCDD) had conducted a consultative dialogue with 29 Members of the Parliament from Budget and Constitutional and Legal Affairs Committee. The dialogue was held on 25th February, 2019 at Royal Village Hotel in Dodoma. The main topic of discussion for this dialogue meeting was the *rapid rise of public debt and its implication to social services (education & health)*. The dialogue eye opened the participants on the amount of fund used to service public debt which is larger than the budget of health and education sector per annum.

The dialogue also looked at financial year 2018/2019 where the government had planned to spend Tsh.10 trillion on debt servicing, meaning that almost all locally sourced fund could be spent on debt servicing. The idea of responsible borrowing and responsible expenditure of borrowed fund also took larger part of the discussion. The MPs were asked to play their role as people representatives and not as administrators/government.

The outcome of this meeting was another invitation of TCDD to the Parliament of Tanzania to participate in a two days workshop on National debt and its economic impact, in May 2019.



Image 3: Dialogue Meeting with MPs at Royal Village Hotel in Dodoma 2019

2.4. Press Conferences

TCDD had conducted two press conferences at different places both in Dodoma and Dar es Salaam through different media channels and tools. The press conferences was both on 8th February 2019 and 15th June 2019 on debt crisis to SADC countries and lessons learnt. Since 2008, public debt in Sub-Saharan Africa has been rising at an alarming rapid pace, showing the examples of Angola, Zimbabwe and Zambia. Angola for instance about 44% of government revenue is spent on repaying external debt, only 6% is spent on public health; public health in Angola is in crisis. Tanzania has something to learn from other fellow SADC countries. Therefore these press conferences have been workup calls for the government to take proper action when dealing with loans and debt as most of SADC countries are now at risk of debt crisis

TCDD engagement with media had enabled TCDD to be invited in the SADC annual people's summit, where TCDD was requested to present a paper on *Debt and Human rights in a shrinking democratic space in Southern Africa*. This meeting was held along with heads of states and government meetings in Dar es Salaam from 13th to 17th August, 2019.



Image 4: Press conferences as organized and conducted by TCDD in 2019

2.5. Backstopping Trainings Year 2 and 3

TCDD organized and conducted backstopping training in July 19th 2020 at Royal village hotel in Dodoma. About 14 representatives from previous CSOs working in monitoring activities attended as it was the final year of the implementation of 2017–2019 project. The meeting aimed at highlighting the various challenges emerged during monitoring and suggest possible way forward. Participants who attended the meeting were representatives from: MTWANGONET-Mtwara, UNGO-Morogoro Rural, Ilemela- CADA, Temeke-NIA, Singida Urban-SEMA, Kasulu-WEGCC, Arumeru Magharibi - HACHAWOTA, Mbeya rural-TUSHIRIKI and Lushoto-YPM.

2.5.1. Challenges Raised

- o Head Teachers lack an informative record keeping system. This led to TCDD miss some important school information.
- o Head Teachers frequent relocation to their new working places/stations noted among the challenges, causing a breakdown in communication between a new introduced Head Teachers and TCDD Monitoring Officers.
- o Lack of enough facilitation funds from TCDD. This is due to the fact that many data collection sites are not easily accessible due to poor infrastructure.

2.5.2. Way forward

- o There should be a series of engagement between TCDD and districts where data is collected. This will strengthen the communication between the parties of engagement.
- o The facilitation fund will be increased depending on the financial situation within the Coalition.
- o TCDD members should build closer working relationships with their councils to facilitate our CSO works within our local government authorities.

2.6. Feedback Meeting

TCDD conducted feedback meeting which was in form of public debate at Lindi Municipal on August 16th 2019. About 27 participants attended and participated in the meeting. Participants of the meeting were from Municipality who were teachers, parents, students, CSOs, religious leaders and local communities. The meeting aimed at enforcing behavioral change and attitudes against girls pregnancies at district level.



Image 5: Participants in the feedback meeting as held on 16th August 2020, Lindi Municipal

2.6.1. Way forward

- o The immediate solution which was agreed is the construction of more dormitories for girls students
- o Community/parents change their attitudes and improve their communication with teachers so as to control the situation on the ground

2.7. National workshop

TCDD in collaboration with IBON International (CSO Partnership for Development Effectiveness (CPDE) – Philipines had conducted a workshop titled; *Working together to defend Human rights and Civic space for a just and sustainable world*. The activity took place on 14th december, 2019 at Luther House in Dar es salaam and attended by 26 participants from CSOs, media, and religious organizations.

Among other things, TCDD launched the country's patriotic oath, and held a debate on how to protect the rights of other Tanzanians collectively.

- o At this occasion 15 stakeholders who actively volunteered to demand for the rights of other people (including the disadvantaged groups) were recognized and were awarded certificates of recognition. Among them are; Dr. Vicensia Shule, Dr. Azaveli Lwaitama, Mr. Richard Mabala, Advocate. Anna Henga, Advocate Peter Kibatala, Ms. Maria Sarungi, Bishop. Dr. Benson Bagonza, Bishop Emmaus Mwamakula, Bishop Dr. Munga, Mr. Masoud Kipanya, Advocate Fatuma Karume, Mr. Maxcence Mubyazi Melo, Mr. Bob Chacha Wangwe, Mr. Onesmo Ole Ngurumwa and Said Madudu.
- o About 72 TCDD stakeholders and partners also received the oaths leaflet.



Images: Celebrating International Human rights day & Launch of patriotic oath on 14th December 2019, Luther House, Dar es Salaam

2.8. End of Project Evaluation

TCDD had conducted an end of the project evaluation for the three years project 2017-2019 titled as Poverty Monitoring, Accountability and Policy Advocacy (PMAPA). Mr. Michael Onesimo was a consultant who led the evaluation exercise to the end. The report came with the following recommendations;

- o Establish the TCDD Debt Resource Centre in the nation's capital city of Dodoma to provide policy-level One Stop Service Centre on debt and development issues in the country
- o Review and establish administrative and management tools/regulation/policies including membership policy, Strategic Plan, Asset utilization policy, fundraising strategy and communication strategy.
- o Support CSOs with relevant research, documentation and dissemination drawing experience from current project.
- o Strategic use of social media aimed to youth to engage into monitoring into monitoring debt and development future.
- o Organize annual inter-faith research, training, advisory conference with participation of top seed researchers, experts and practitioners.
- o Organize annual youth debt and development conference to deepen understanding of debt and development.
- o TCDD should capitalize on existing good relationship with Ministry of Finance, the Parliament and Local Government and deepen the relationship through smart and evidence based lobbying and advocacy engagements.

2.8.1. Lesson Learnt

- o Involvement of stakeholders at all stages and activities of the project is crucial. It is crucial to ensure citizens are part and parcel of planning and implementation of coalition projects to ensure sustainability of TCDD.

2.9. Networking and Alliance/Coalition Building

TCDD continued to network with other local and international organizations as a member and a partner. TCDD has good working relationship with Debt Jubilee Germany and Jubilee UK. It is also collaborating with the regional networks such as ‘The African Forum and Network on Debt and Development’ (AFRODAD) and Reality of Aid Africa (Kenya). TCDD is also a member to Policy Forum, Tanzania Tax Justice Coalition (TTJC) and Jukwaa la Katiba Tanzania. TCDD also has good working relationship with the Ministry of Finance, Tanzania parliament, World Bank and IMF (Tanzania office).

2.9.1. Benefits from Networking and Alliance /Coalition Building

- o Helped TCDD to have a common voice on public debt advocacy at local, regional and international level.
- o TCDD has gained a wealth of learning from these institutions with extensive experience in international advocacy.
- o Helped TCDD to undertake joint projects with some of the organizations .e.g. AFRODAD, IBON international.
- o Enabled TCDD get fund for short term projects; in 2019, TCDD got fund from IBON international for CPDE activities and International Human rights day
- o It makes TCDD noticeable at regional and international level.

3.0. CHALLENGES ENCOUNTERED

- o Lack of technical experts to most of TCDD members
- o Insufficient fund to TCDD which is caused by relying on one main donor
- o Lack of permanent staff to TCDD members
- o The introduction of the “Statistics act, 2018”
This requires approval from the NBS prior to producing or publishing statistics.
- o Getting work approval from the President’s Office Regional Administration and Local Government.

3.1. Lesson Learnt

- o Improved communication and working relationship with the local government authorities is the best option for TCDD to facilitate the planning and implementation of various projects at local level.



TANZANIA COALITION ON DEBT AND
DEVELOPMENT (TCDD)

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER, 2019



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REGISTERED OFFICE

Tanzania Coalition on Debt and Development
Shaurimoyo Road
Mariam Towers, 7th Floor
P.O. Box 80147
Dar es Salaam

BANKERS

National Microfinance Bank Ltd
Ilala Branch
Dar es Salaam

Bank of Baroda (Tanzania) Ltd
Plot No. 149/32, Ohio/Sokoine Drive
P.O. Box 5356
Dar es Salaam

AUDITORS:

Globe Accountancy Services 2013
Certified Public Accountants
Plot No. 399, Mikocheni, Mazinde/Ruvu Street
P.O. Box 7794
Dar es Salaam
Tanzania



1. BACKGROUND INFORMATION:

1.1 GENERAL

Tanzania Coalition on Debt and Development (“TCDD” or “the Organisation”) is a Coalition of Civil Society Organizations (CSOs) in Tanzania that is dedicated to undertake various lobbying and advocacy activities on policy, budget, debt, aid, poverty eradication and sustainable human development. The coalition was launched in the year 1998, but came to be officially registered as a Non-governmental organization on 17th December 2007, under the Non Governmental Organisations (NGO) Act No. 24 of 2002 with registration No.00NGO/0260.

TCDD seeks Freedom from an unsustainable debt burden and abject poverty, characterized by pro-poor people-centred development based on full participation of the people in policy-making, implementation and monitoring from the grassroots to the national level.

TCDD is committed to capacity building and mobilization for lobbying and advocacy for economic justice and pro-poor development. TCDD seeks to campaign for sustainable and domestic official debt and effective civil society involvement in the formulation and implementation of government policies that impact upon the lives of poor people.

1.2 MEMBERSHIP

The coalition membership is open to all, including the following organizations: Non-Governmental Organizations (NGOs), Faith Based Organizations, Networks and Forums across all sectors.

1.3 VISION

Freedom from an unsustainable debt burden and abject poverty, characterized by pro-poor people-centered development, based on full participation of the people, in policy-making, implementation and monitoring from the grassroots to the national level.

1.4 MISSION

Being a civil society platform committed to capacity building and mobilization for lobbying and advocacy for economic justice and pro-poor development, TCDD seeks to campaign for sustainable foreign and domestic official debt and effective civil society involvement in the formulation, implementation and monitoring of Government policies that impact upon the lives of poor people.

2. MEMBERS OF THE STEERING COMMITTEE EFFECTIVE FROM APRIL 2017

Name	Status	Nationality
Peter Maduki Christian Social Services Commission (CSSC)	Chairperson	Tanzanian
Mwassa Jingi The National Integrity for Advancement (NIA)	Steering Committee Member	Tanzanian
Kidani Magwilla Tanzania Network of Community Health Fund (TNCHF)	Steering Committee Member	Tanzanian
Boniface Mliga Mufindi Environmental Conservation and Health (MECH)	Steering Committee Member	Tanzanian
John Benedict Mosha Kigoma & Ujiji Non-Governmental Organization (KIUNGONET)	Steering Committee Member	Tanzanian
Ruth Mbennah Christian Council of Tanzania (CCT)	Steering Committee Member	Tanzanian
Dr. Camillus Kassala Tanzania Episcopal Conference (TEC)	Steering Committee Member	Tanzanian
Zaria Said The National Muslim Council of Tanzania (BAKWATA)	Steering Committee Member	Tanzanian
Godlisten Moshi Tanzania Ecumenical Dialogue Group (TEDG)	Steering Committee Member	Tanzanian
Rev. Godfrey Walalaze Evangelical Lutheran Church of Tanzania (ELCT)	Steering Committee Member	Tanzanian
Edward Simon KIOO	Steering Committee Member	Tanzanian

3. OBJECTIVES

- Lobbying, advocacy and campaigning for debt sustainability.
- Create public awareness to ink debt issues, poverty reduction and development.
- Link up groups, networks and individuals to share experiences on trade, debt and related issues.
- Stimulate a national debate about poverty and development, including strategies that would allow the country not to go back to the debt overhang.
- Follow-up on international initiatives/agreements in policy formulation, which have a direct impact on the Tanzania's economy hence contributing to the international efforts on poverty eradication.
- Monitoring an evaluation of poverty reduction strategies.
- Build and strengthen the capacity of members down to the grassroots level to effectively engage in policy dialogue and monitoring.

4. ACTIVITIES

- Participate and engage in the Five Years National Development Planning (2016/2021) processes.
- Conduct research and studies on Debt, Aid and Poverty related issues.
- Conduct skills training workshops on lobbying, advocacy, monitoring and evaluation techniques.
- Exchange of information to strengthen communication network on reporting system.
- Build capacity through economic literacy training to facilitate Civil Society participation in different dialogues at national and grassroots levels to create a bigger pool of “experts” (NGOs).
- Lobby, advocacy and campaigning for total debt cancelation and fair trade regime for Tanzania.
- Conduct media workshops or debates on debt and related issues.
- Prepare brochures and booklets on debt and poverty related issues in English and Swahili languages.
- Analyze different policies, information and establish clear positions on key issues.
- Participate in Government meetings, Parliamentary budget sessions and workshops to contribute and lobby for policy formulation and positive policy changes.
- Attend and lobby at International meetings.

6. GOVERNANCE STRUCTURE

TCDD has an independent Steering Committee which is a governing body supervising the Organization’s Secretariat. The Secretariat has 5 full time paid staff of different educational backgrounds all based at the office.

Members of the TCDD Steering Committee draws on the vast knowledge, skills and experience of its staff that have been instrumental in implementing similar projects in other reputable organizations before joining TCDD. Staff have also benefitted from regular tailor made training that are made available through various partner organizations. The training is aimed to enhance program management in specific and organizational development at large.

7. DONORS

The Senior Management Team wishes to place on record their appreciation and gratitude to the Protestant Agency for Diakonia and Development for Bread for the World Protestant Development Service of Germany who have supported the Organisation so generously throughout the year and in previous years.

8. SOLVENCY

The Organisation's liquidity and capital adequacy is considered adequate by the Steering Committee.

9. RESULTS

The results of the Organisation are set out on Page 14.

10. DISABLED PERSONS

It is the Organisation's policy to provide opportunities to disabled persons to fill vacancies that may arise and for which they will be considered suitable.

11. EMPLOYEES WELFARE**Management/employees relationship**

The relationship between employees and the management is cordial. There were no unsolved complaints received by the management from the employees during the year.

Training facilities

Both in-house training and other outside training of employees is facilitated depending on availability of funds for that purpose.

Medical assistance

The Organisation's policy is to meet medical expenses for staff who suffer injuries in the course of discharging their duties to the Organisation.

Financial help

The Organisation provides salary advances to all confirmed employees in cases of emergency, depending on the assessment by the management of the need and circumstances.

12. AUDITORS

The auditors, Globe Accountancy Services 2013, were appointed to be auditors of TCDD for a period of three years, 2017 to 2019. They are eligible for reappointment.

BY ORDER OF THE STEERING COMMITTEE


CHAIRPERSON



EXECUTIVE DIRECTOR

DATE: 29/09/2020

TANZANIA COALITION ON
DEBT AND DEVELOPMENT
(TCDD)
P. O. Box 80147
DAR ES SALAAM, TANZANIA



STATEMENT OF THE STEERING COMMITTEE'S RESPONSIBILITIES FOR THE YEAR ENDED 31st DECEMBER 2019

The Steering Committee is responsible for the preparation of financial statements, which give a true and fair view of the financial position of the Organization as at the end of each financial period and of its financial performance for that period. The Steering Committee is also responsible for ensuring that the Organization keeps proper accounting records, which disclose with reasonable accuracy the financial position of the organization, and for safeguarding the assets of the organization.

The Steering Committee hereby accepts responsibility for the accompanying financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with accounting policies set out herein.

The Steering Committee further accepts 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 controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement. To enable the senior management team to meet these responsibilities they set standards for internal controls aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined

framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Organisation and all employees are required to maintain the highest ethical standards in ensuring the Organisation's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Organisation is on identifying, assessing, managing and monitoring all known risks across the Organisation. While operating risk cannot be fully eliminated, the Organisation endeavors to minimize it by ensuring the appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The Steering Committee is of the opinion that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

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

CHAIRMAN

EXECUTIVE DIRECTOR

DATE: 29/09/2020

TANZANIA COALITION ON
DEBT AND DEVELOPMENT
(TCDD)
P. O. Box 80147
DAR ES SAJAJAM, TANZANIA

TANZANIA COALITION ON DEBT AND DEVELOPMENT (TCDD)

DECLARATION OF HEAD OF FINANCE FOR THE YEAR ENDED 31st DECEMBER 2019

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

It is the duty of a Professional Accountant to assist the Board of Governors to discharge its responsibility of preparing financial statements of an entity showing true and fair view of the entity's position and performance in accordance with applicable International Financial Reporting Standards (IFRS) and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Senior Management Team under Management Responsibility statement on an earlier page.

I, JAMES NORBERT MPAYO, being the Accountant of TCDD hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31st December 2019 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 the TCDD as on that date and that they have been prepared based on properly maintained financial records.

Signed: [Signature]

Position: ACCOUNTANT

NBAA Membership No: ACPA 435

Date: 25/09, 2020

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TANZANIA COALITION ON DEBT AND DEVELOPMENT

Unqualified Opinion

We have audited the annual financial report of Tanzania Coalition on Debt and Development (TCDD), which comprises the Statement of financial position as at 31st December 2019, Statement of Comprehensive Performance, Statement of Changes in Equity and Statement of Cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes set out on pages 17 to 22. We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

In our opinion, the annual financial statements give a true and fair view of the financial position of Tanzania Coalition on Debt and Development as at 31st DECEMBER 2019, and its results of operations and cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS).

Basis of our opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of Tanzania Coalition on Debt and Development in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other information included in the TCDD's 2019 Steering Committee's report

Other information consists of the information included in the Report of the Directors. Other than the financial report and our auditor's report thereon, the Directors are responsible for the other information. 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 performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal controls as management determines 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, management is responsible for assessing the TCDD'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 management either intends to liquidate TCDD or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing TCDD's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our Objectives are to obtain reasonable assurance 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, 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 TCDD's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 TCDD'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 TCDD to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within TCDD to express an opinion on the financial report. We are responsible for the direction, supervision and performance of TCDD audit. We remain solely responsible for our audit opinion. We communicate with those charged with governance 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 Tanzania Coalition on Debt and Development and for no other purposes.

We report to you, based on our audit, that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- In our opinion, proper books of account have been kept by TCDD, so far as it appears from examination of those books;
- The Steering Committee's report is consistent with the financial statements; and
- TCDD's financial report is in agreement with the books of account.

STATEMENT OF FINANCIAL POSITION AS AT 31st DECEMBER, 2019

ASSETS	NOTE	31.12.2019 TZS	31.12.2018 TZS
Non Current Assets			
Property and Equipment	3	47,582,433	59,409,085
Current Assets			
Trade Receivable		-	4,591,766
Cash and Bank Balances	4	<u>127,449,843</u>	<u>32,937,160</u>
		<u>127,449,843</u>	<u>37,528,926</u>
TOTAL ASSETS		<u>175,032,276</u>	<u>96,938,011</u>
EQUITY AND LIABILITIES			
Equity			
EED Capital Grant	5	46,727,668	58,409,585
Accumulated (Deficit)/Surplus		<u>(32,353,770)</u>	<u>38,528,426</u>
Total Equity		14,373,898	96,938,011
Current Liabilities:			
Deferred Income	6	130,004,100	-
Accrued Expenses	7	<u>30,654,278</u>	-
Total Liabilities		<u>160,658,378</u>	-
TOTAL EQUITY AND LIABILITIES		<u>175,032,276</u>	<u>96,938,011</u>



.....
CHAIRPERSON



.....
EXECUTIVE DIRECTOR

DATE: 29/09/....., 2020

TANZANIA COALITION ON
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(TCDD)
P. O. Box 80147
DARES SALAAM, TANZANIA

TANZANIA COALITION ON DEBT AND DEVELOPMENT (TCDD)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31st DECEMBER 2019

DETAILS	NOTE	31.12.2019 TZS	31.12.2018 TZS
INCOME			
Grant Received from Bftw	8	150,378,860	359,660,435
Grants Received from other donors	9	46,357,344	20,067,625
Members Contributions		5,322,000	4,870,000
Other Income		360,000	-
Amortization of Capital Grant	5	<u>11,681,917</u>	<u>14,602,396</u>
Total Income		214,100,121	399,200,456
EXPENDITURE:			
Programme Costs	10	142,113,542	198,042,594
Administration Expenses	11	126,450,357	149,634,285
Write off of a amount receivable - Project A-TZA-2013-0279 EZE		4,591,766	-
Depreciation	3	<u>11,826,652</u>	<u>14,775,350</u>
Total Expenditure		<u>284,982,317</u>	<u>362,452,229</u>
(Deficit)/Surplus for the year		<u>(70,882,196)</u>	<u>36,748,227</u>




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TANZANIA COALITION ON DEBT AND DEVELOPMENT (TCDD)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st DECEMBER, 2019

Particulars	Accumulated (Deficit)/Surplus TZS	Capital Grant TZS	Total TZS
Financial Year 2019			
Balance as at 01.01.2019	38,528,426	58,409,585	96,938,011
Amortization of Grant	-	(11,681,917)	(11,681,917)
Deficit for the year	(70,882,196)	-	(70,882,196)
Balance as at 31.12.2019	<u>(32,353,770)</u>	<u>46,727,668</u>	<u>14,373,898</u>
Financial Year 2018			
Balance as at 01.01.2018	1,780,199	<u>73,011,981</u>	74,792,180
Amortization of Grant	-	(14,602,396)	(14,602,396)
Surplus for the year	<u>36,748,227</u>	-	<u>36,748,227</u>
Balance as at 31.12.2018	<u>38,528,426</u>	<u>58,409,585</u>	<u>96,938,011</u>




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TANZANIA COALITION ON DEBT AND DEVELOPMENT (TCDD)

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31st DECEMBER 2019

DETAILS	31.12.2019 TZS	31.12.2018 TZS
Cash Flows From Operating Activities:		
(Deficit)/Surplus for the Year	(70,882,196)	36,748,227
Adjustment for non-cash items:		
Depreciation	<u>11,826,652</u>	<u>14,775,350</u>
	(59,055,544)	51,523,577
Changes in Working Capital:		
Amortisation of new and old capital grant	(11,681,917)	(14,602,396)
Decrease/(Increase) in receivables	4,591,766	(4,591,766)
Increase of deferred income	130,004,100	-
Increase in payables	<u>30,654,278</u>	<u>(83,953,200)</u>
Net Increase/(Decrease) in Working Capital	<u>153,568,227</u>	<u>(103,147,362)</u>
Net Cash flows from Operating Activities	94,512,683	(51,623,786)
Cash Flows From Investing Activities:		
Net Cashflow from Investing Activities	-	-
Cash Flows From Financing Activities:		
Net Cashflow from Financing Activities	=	=
Net decrease in cash and cash equivalents	94,512,683	(51,623,786)
Cash and cash equivalents at 1 January	<u>32,937,160</u>	<u>84,560,946</u>
Cash and cash equivalents at 31 December	<u>127,449,843</u>	<u>32,937,160</u>



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TANZANIA COALITION ON DEBT AND DEVELOPMENT (TCDD)**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2019****NOTE 1: BACKGROUND OF THE ACCOUNTING ENTITY**

The Tanzania Coalition on Debt and Development (TCDD) is a Coalition of Civil Society Organizations (CSOs) in Tanzania that has dedicated itself to undertake various lobbying and advocacy activities on policy, budget, debt cancellation/relief, poverty eradication and suitable human development.

TCDD was launched as a loose coalition in 1998; it was officially registered as a Non-Governmental Organization on 17th December, 2007 with a Registration No. OONGO/0260 under the Non-Governmental Act No. 24 of 2002.

NOTE 2: PRINCIPAL ACCOUNTING POLICIES**2.1 Basis of Accounting**

These financial statements of TCDD have been prepared in accordance with International Financial Reporting Standards (IFRS) under the historical cost convention. No adjustments have been made for inflationary factors affecting the accounts.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Coalition's accounting policies.

2.2 Property, Plant and Equipment and Depreciation

Property plant and equipment are initially recorded at historical cost which includes expenditure that is directly attributable to the acquisition of the items. They are subsequently stated in the financial statements at cost amounts less subsequent depreciation

Subsequent costs are included in the assets carrying amounts only when it is probable that the future economic benefit associated with the item can be measured reliably. All other repairs and maintenance are charges to the income statement during the financial period in which they are incurred.

TANZANIA COALITION ON DEBT AND DEVELOPMENT (TCDD)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st DECEMBER 2019****Depreciation**

Land is not depreciated. Depreciation on other assets is calculated on the reducing balance method to write off the cost/valuation of the assets over their estimated useful lives.

The annual rates used are as follows:

Asset Category	Rate per Annum
Motor Vehicles	20.0%
Office Furniture and Equipment	12.5%
Computers and Accessories	25.0%

Depreciation is charged on assets from the date when they are ready for use and ceases on the date when the asset is derecognized by the Coalition.

2.3 Provision for Impairment of Receivables

Receivables are recognized initially at fair value and subsequently measured at value less provision for bad and doubtful debts. Specific provision is made in the financial statements against receivables considered to be doubtful of recovery

TANZANIA COALITION ON DEBT AND DEVELOPMENT (TCDD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st DECEMBER 2019

NOTE 3: PLANT AND EQUIPMENT

Particulars	Computers/ Accessories TZS	Motor Vehicles TZS	Furniture & Equipment TZS	Total TZS
Cost				
Balance as at 01.01.2019	3,750,000	76,854,717	3,654,000	84,258,717
Additions	-	-	-	-
Disposals	-	-	-	-
Balance as at 31.12.2019	<u>3,750,000</u>	<u>76,854,717</u>	<u>3,654,000</u>	<u>84,258,717</u>
Depreciation				
As at 01.01.2019	3,591,619	18,445,132	2,812,881	24,849,632
Charge for the year	<u>39,595</u>	<u>11,681,917</u>	<u>105,140</u>	<u>11,826,652</u>
Balance as at 31.12.2019	<u>3,631,214</u>	<u>30,127,049</u>	<u>2,918,021</u>	<u>36,676,284</u>
Net Book Value				
As at 31.12.2019	<u>118,786</u>	<u>46,727,668</u>	<u>735,979</u>	<u>47,582,433</u>
As at 31.12.2018	<u>158,381</u>	<u>58,409,585</u>	<u>841,119</u>	<u>59,409,085</u>

NOTE 4: CASH AND BANK BALANCES

NAME	31.12.2019 TZS	31.12.2018 TZS
Bank of Baroda TZS Account	127,303,664	32,392,890
Bank of Baroda USD Account	116,240	544,270
NMB TZS Account	<u>29,940</u>	-
TOTAL	<u>127,449,843</u>	<u>32,937,160</u>

TANZANIA COALITION ON DEBT AND DEVELOPMENT (TCDD)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st DECEMBER 2019****NOTE 5: CAPITAL GRANT**

Capital grant represent net book value of a motor vehicle granted by Ms. Bread for the World to TCDD during the financial year 2017 as part of their financing commitment for implementing project No. A-TZA-2016-0366 titled poverty monitoring accountability and Policy Advocacy in Tanzania” following an agreement of cooperation entered into between the two parties on 30th November, 2007. The cost of the motor vehicle was credited to Capital Grant and is being amortized systematically over the economical useful life of the vehicle. The balance of capital grant reflected in the books of accounts as at 31st December, 2019 of TZS 46,727,668 has been arrived at as follows:

Particulars	2019	2018
	TZS	TZS
Opening balance as at 1 st January	58,409,585	73,011,981
Less: Amortization current capital Grant account	(11,681,917)	(14,602,396)
Balance as at 31 st December	<u>46,727,668</u>	<u>58,409,585</u>

NOTE 6: DEFERRED PROJECT INCOME

An amount of TZS 130,004,100 received during the year 2019 which is for a new project which will start in the year 2020 was credited to the deferred project income.

NOTE 7: ACCRUED EXPENSES

Accrued expenses represent project expenses incurred but not yet paid at the end of the current project which are listed in the table below:

DESCRIPTION	31.12.2019	31.12.2018
	TZS	TZS
NSSF Payable	14,200,000	-
Staff salaries Payable	6,543,073	-
PAYE Payable	2,083,200	-
SDL Payable	828,200	-
Audit and Accounting fee payable	<u>7,000,000</u>	-
TOTAL	<u>30,654,473</u>	=

TANZANIA COALITION ON DEBT AND DEVELOPMENT (TCDD)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st DECEMBER 2019****NOTE 8: GRANTS RECEIVED FROM BftW**

The amounts received from the main Donor, Bread for the World (BftW) during the year 2019 amounted to TZS 150,378,360 excluding an amount of TZS 130,004,100 received in the year 2019 for the year 2020 which is for a new project.

NO.	NAME	31.12.2019	31.12.2018
		TZS	TZS
1	Bread for the World	16,084,250	83,953,200
2	Bread for the World	42,925,000	20,325,450
3	Bread for the World	11,723,400	91,727,372
4	Bread for the World	49,218,550	57,196,046
5	Bread for the World	13,246,610	69,691,600
6	Bread for the World	<u>17,181,050</u>	<u>32,175,000</u>
		<u>150,378,860</u>	<u>324,627,000</u>

NOTE 9: GRANTS RECEIVED FROM OTHER DONORS

1	Ibon International Foundation Inc	17,244,728	8,056,000
2	Reality of Aid Africa Network	9,121,341	-
3	Foundation for Civil Society	<u>19,991,275</u>	<u>12,011,625</u>
	TOTAL	<u>46,357,344</u>	<u>20,067,625</u>

NOTE 10: PROGRAMME COSTS**DESCRIPTION**

Capacity Building/ Monitoring activities at District level	43,116,550	75,145,000
Research, Lobby & advocacy at national level	34,888,892	33,100,025
Monitoring & Evaluation, baseline studies	-	-
Further education for staff (result based orientation)	-	2,219,450
Programme Personnel cost	<u>64,108,100</u>	<u>87,578,119</u>
TOTAL	<u>142,113,542</u>	<u>198,042,594</u>

TANZANIA COALITION ON DEBT AND DEVELOPMENT (TCDD)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st DECEMBER 2019****NOTE 11: ADMINISTRATION EXPENSES**

DESCRIPTION	31.12.2019 TZS	31.12.2018 TZS
Administration Personnel cost	36,851,601	26,852,513
External Consultancies	-	458,000
Office running costs	18,848,847	35,170,462
Audit and banking fees	9,621,137	9,328,462
Board and Annual General Meetings	32,417,558	57,335,650
Transport and car insurance	12,176,214	19,903,198
Car Maintenance cost	-	586,000
External Evaluation	<u>16,535,000</u>	-
TOTAL	<u>126,450,357</u>	<u>149,634,285</u>

NOTE 12: CORPORATION TAX

TCDD is not for profit organization, therefore it is not subject to corporation tax. It is however, committed to deduct and remit PAYE from its employee's salaries to the relevant taxing authority (TRA) as required by the Income Tax Act. 2004.

NOTE 13: CAPITAL COMMITMENTS

TCDD had no capital commitments as at 31st December, 2019.

NOTE 14: CONTINGENT LIABILITIES

There were no contingent liabilities as at 31st December, 2019.

NOTE 15: COMPERATIVE FIGURES

Previous year's figures have been regrouped whenever considered necessary in order to make them comparable with the current year's figures.



TANZANIA COALITION ON DEBT AND DEVELOPMENT (TCDD)

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