

AFRICAN PHILANTHROPY NETWORK (APN)

(Registration Number I-NGO/R2/000123)

**THE REPORT BY THOSE CHARGED WITH GOVERNANCE AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

AFRICAN PHILANTHROPY NETWORK (APN)

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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LIST OF ABBREVIATIONS

AGM	Annual General Meeting
APN	Africa Philanthropy Network
AWDF	Africa Women Development Fund
CSAs	Civil Society Actors
CSOs	Civil Society Organisations
EAPN	East Africa Philanthropy Network
FCS	Foundation for Civil Society
IFRS	International Financial Reporting Standards
IPSAS	International Public Sector Accounting Standards
NBAA	National Board of Accountants and Auditors
NGOs	Non-Governmental Organisations
NSSF	National Social Security Fund
ME	Medium Enterprise
PSOs	Philanthropic Support Organisations
TA	Trust Africa
TFRS	Tanzania Financial Reporting Framework
SAT	South African Trust
SMEs	Small and Medium Sized Enterprises
GFCF	Global Fund for Community Foundations
UHAI-EASRHI	UHAI East Africa Sexual Health and Rights Initiative
UAF-A	Agent Action Fund – Africa

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ORGANISATION INFORMATION

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Samsa Real Estate,
Plot No. 84/36 G, Apartment No. 8A Rashid Kawawa Road,
P. O. Box 10011,
Dar Es Salaam,
Tanzania.

BANKERS

CRDB Bank PLC,
Mikocheni, Branch,
P. O. Box 34022,
Dar Es Salaam,
Tanzania.

AUDITOR

Mazars,
85k Building Kinondoni Road,
P. O. Box 78999,
Dar Es Salaam,
Tanzania.

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REPORT BY THOSE CHARGED WITH GOVERNANCE

1. INTRODUCTION

The Board Members of African Philanthropy Network (APN) are pleased to submit their annual report together with the audited financial statements for the year ended 31 December 2022, which disclose the state of affairs of the International Non-Governmental Organisation as at that date. This report has been prepared in accordance with the Tanzania Financial Reporting Standards (TFRS) No.1, Report by Those Charged with Governance issued by National Board of Accountants and Auditors (NBAA).

2. CORPORATE OUTLOOK ESTABLISHMENT AND MANDATE/INCORPORATION

Africa Philanthropy Network (APN) is the continent-wide network of organizations and individuals in Africa and its diaspora who promotes the culture of philanthropic giving as a driver for social and structural change. APN members include Grant makers both foundations and funds, CSOs, academic and research institutions, as well as philanthropy networks and support organizations. The network was established in 2009, and legally registered in 2019 under the Non- Governmental Organization Act, 2002, (R.E 2019) with a registration number I-NGO/R2/000123.

3. VISION

APN envision a strong and effective philanthropic community, striving to build equitable and just societies in Africa.

4. MISSION

To enhance solidarity, connection and influence of the work of members in elevating the practice of philanthropy that benefit African communities. APN equates African philanthropy with local agency -the capacity of individual and communities to act independently and make their own choices. Africa philanthropy actors include foundations and funds; family and community based; individual giving and collective solidarity mechanisms – in cash, in kind, or in time; and social investments.

5. PHILOSOPHY AND VALUES

Ubuntu is our philosophy!

Our working is guided by ubuntu philosophy and guided by the following values: Dignity, Solidarity and Equity.

6. PRINCIPAL ACTIVITIES

APN is a space for philanthropy support organizations and individual in Africa and the diaspora to interrogate and intervene in the power dynamics that shape how resource mobilization, distribution, and spending impact the possibilities of transformative work in Africa. APN works to strengthen an African philanthropy support infrastructure that is capable, strong and self-resilient to accelerate the growth of community philanthropy and catalyse its impact to

- (i) Build civil society resilience and community resources for long-term sustainability,
- (ii) Leverage more and better resources for specific causes,
- (iii) Promote enabling environment for philanthropy to thrive, and
- (iv) Connect philanthropic actors, practices and cultures, bridge partnerships, and influence the global framework for philanthropy.

7. EXTERNAL ENVIRONMENT ANALYSIS

For the year under review, the APN managed to perform its activities as planned except for few research activities which were partially completed because the inability of the consultants to submit on time.

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8. STRATEGIC OBJECTIVES

In 2022, the APN recorded good progress from the implementation of planned activities. The activity implementation was to contribute in achieving three strategic objectives, namely:

- a. To reinforce the philanthropy field across Africa through systematic mechanisms for peer learning, knowledge-generating, connecting, and other networking activities (peer learning);
- b. To strengthen networks and collaboration as a strategy for building collective power in promoting the culture of philanthropy as a driver for social and systematic change (advocacy and influencing enabling environment); and
- c. To increase APN's strength and capacity as a thought leader and go-to-platform for making a case for African philanthropy.

9. PERFORMANCE REVIEW

The members, board, secretariat, and partners perceive the Network's performance as good. Systemic issues require long-time to address. We, therefore, provide a summary of progress made from the implementation of planned activities and contribution to achieving strategic objectives. More detailed information can be accessed in our Annual Narrative Report.

a) Reinforcing the Philanthropy Field across Africa

This objective was achieved to a large extent through the implementation of systematic mechanisms for peer learning, knowledge-generating, connecting, and other networking activities.

- i. Assessments of the legal environments for philanthropy was conducted in ten countries, namely: Burkina Faso, Ghana, Ethiopia, Kenya, Mozambique, Tanzania, Uganda and Zambia in Africa; as well as Brazil and Palestine in the global south were analysed into a [Synthesis Report](#). The Report identifies five areas for policy concern: Registration, Taxation, Resource mobilization & Fundraising, Government oversight, and Policy Engagement. These areas shall form part of the advocacy and influencing for policy change and an enabling environment for philanthropy to grow in Africa.
- ii. Produced the [Chapbook](#) titled "*Stead Fast Raising and Ready: The power and possibilities of African Feminist Philanthropy in a Persistently Uncertain World*," that encourages the adoption of feminist approaches in dealing with systemic and structural inequalities perpetuated by the COVID-19 pandemic and other crises. A survey on gender integration was conducted and the [Report](#) to guide gender mainstreaming is available, as well as a Gender Inclusion Policy and Gender Assessment Checklist. Ongoing Women and Philanthropy study in Burkina Faso, Ethiopia, Uganda, Kenya, Mozambique, and Ghana. The study findings will bring new knowledge on women's role as key actors and contributors to the philanthropic giving field in Africa and provide suggestions for engaging women from the not for profit and business sectors in the development of philanthropy.
- iii. A draft "Charter for social justice grant making" has been designed in a participatory process. The Charter provides a collective tool and road map for transforming the way of doing development - cantering power and giving – in the assessment of needs, priorities and transformative visions of social and systemic justice.
- iv. During the reporting year we collected success stories from members, we were able to produce a State of Philanthropy Booklet with inspiring stories showcasing and celebrate success from their work in transform societies using community and feminist philanthropies as a strategy.
- v. Organized a total least twenty (20) peer learning events to promote members voices and actions towards community organizing and power dynamics in community development, resource

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- mobilization, skills development of storytelling for philanthropic, youth leadership in philanthropy, youth social impact entrepreneurship, role of women in African philanthropy field, role of philanthropy in addressing food security and nutrition in Africa, and the role of philanthropy in addressing mental health among young people, voices from the marginalized and vulnerable communities on effective strategies to respond to crisis including COVID 19. All can be accessed on the website.
- vi. The Community Immunity (CI) campaign was implemented in collaboration with Trust Africa and Southern African Trust. The campaign aimed to stop the spread of COVID-19 and flatten the poverty curve in Africa, specifically focusing on the vulnerable and marginalized communities. A [Synthesis Report](#) on African CSO's responses to the COVID-19 pandemic has been published and disseminated, under the Community Immunity (CI) campaign that was implemented in partnership with TrustAfrica and Southern Africa Trust. Discussions were held to raise the voice and responses of marginalized and vulnerable groups' to COVID-19 in five countries: Tanzania mainland and Zanzibar, Zambia, Zimbabwe, Somali and DR Congo.
 - vii. APN Biennial Assembly took place in Entebbe, Uganda from 8th – 10th November, under the theme: African Philanthropy: Driving Change, was attended by 294 individuals and over fifty session speakers. Attendees included members in the civil society, philanthropy actors, governments, as well as private and individual funders. The Assembly drew participants from twenty-four African countries, Europe and Canada. The assembly was organized around three sub themes: Building resources to address complexity: a call to become relevant agents of change; strengthening African philanthropic practices: moving towards a stronger infrastructure.
 - viii. The 2022 Youth Summit that was establishment in 2021 has become a platform for youth to express their ideas and demands on role that philanthropy should play in solving community challenges. The Summit took place on November 10th at Imperial Resort Beach Hotel, Entebbe, Uganda, under the theme of 'African Youth Philanthropy: Driving Change.' Specifically, the conversation focused on youth participation, access to resources and opportunities, as well as the role of storytelling as essential cog in the philanthropy development machine.
 - ix. Mapping of the Philanthropic Support Actors (PSAs) in sub-Saharan Africa to understand the existing services, the nature and trends in the landscape. The goal is to define the nature, trends, and practices of African philanthropic ecosystem, as well as challenges and opportunities in building a more interconnected and coherent field. This we believe, it will result into greater connectivity and networking among actors.

b) Strengthening Networks and Collaboration

This strategic objective was highly achieved. APN used networking and collaborations as a strategy for building collective power in promoting the culture of philanthropy as a driver for social and systematic change. We provided possibilities and spaces for collective dialogue on policy issues, build the case for the recognition of African philanthropy, and to showcased existing and emerging African giving while increasing Africa philanthropy narratives.

- i. Collaborated with Giving for Change (GfC) partners to provide technical expertise for advocacy and policy influencing in eight countries using the assessment of legal environments as baseline. Initiated stakeholders' dialogues on policy concerns for the recognition of community philanthropy in Burkina Faso we are working with the Association of Fundraising, Ethiopia with Development EC, Ghana with STAR Ghana in collaboration with WACSI, Kenya with Kenya Community Development Foundation, Mozambique with MICAIA Foundation, Tanzania with Tanzania Philanthropy Forum, Uganda with the Uganda National NGO Forum, and in Zambia with the

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- Zambia Governance Foundation. Each country is committed to organizing national level dialogue to influence for an enabling environment for philanthropy on annual basis.
- ii. Contributed to support the Ministry of Gender and Community Development in Tanzania to prepare a "National Annual National Report on Gender Equality and Women Economic Empowerment" report - Importantly, to provide a space for stakeholders to participate in discussing the state of gender equality, opportunities for women's economic empowerment, political participation in reducing violence against women and girls, and women's peace and security. The Report was presented to the SADC Ministerial Committee of the Ministers responsible for Gender and Women affairs at the meeting held on June 7-10, 2022, in Lilongwe, Malawi.
 - iii. The APN produced and disseminated about 181 media products in the form of reports, articles, blogs, stories, targeted messages, newsletters as well as audio and video clips through website and social media platforms. About 30 young people were trained and stories collected for purposes of increasing the narratives that recognition the potential role of the African philanthropy in transforming lives. APN embarked on packaging and dissemination studies and research findings, provision of catalytic grants to showcase existing and emerging models of giving through stories, training on storytelling, to mention just a few. Held an Essay contest for 18- 35-year-old around the African continent which has attracted 300 essay submissions. The competition focused on "*The Role of African Philanthropy in transforming community challenges through Innovation, Policy, and Practice.*" The goal of the essay contest is to grow the culture of philanthropy among the youth.
 - iv. Notable growth in social media followers, engagements, subscribers and viewers significantly when compared to numbers reached in 2021: Instagram 297, FB 11376, LinkedIn 793 and Twitter 5,129; while in 2022 were have recorded an increase in all platforms: Instagram 690, FB 12,464, LinkedIn 1,167 and Twitter 6,259. This increase in number is also reflected in an increased awareness of APN activities, and the number of people who know about the APN. This is an indicative feature that the APN social media content is being used. We believe that the growth is due to consistency in content creation, management, accuracy, and provision of information which resonates with the audience. Social media has indirectly supported the visibility growth of the APN and resounding success in digital advocacy and outreach.
 - v. APN published newsletters are reaching about 600 subscribed individuals directly via MailChimp monthly; and further dissemination via APN social media platforms the newsletter reached 6300 followers on twitter, 12000 followers on Facebook and 500 connections on LinkedIn. APN newsletters shared new knowledge on philanthropic practices, articles on community philanthropy to grow, the role of African philanthropy in bringing about social cohesion and gender equality, women/feminist philanthropy as well as members activities.
 - vi. Partnership strengthening is one of the core APN's organizational and operational principles. APN continued to partner with members and other pan-African philanthropy support organizations (PSOs) to build the case for African philanthropy and strengthen its infrastructure. Just a few examples; (i) joined CAPSI, Trust Africa, Higher life Foundation, Africa Philanthropy Forum Network (APN), East Africa Philanthropy Network (EAPN), and Southern Africa Trust to co organize the 3rd African Philanthropy conference from 3 - 4th of August 2022 in Johannesburg, South Africa; (ii) collaborated with TrustAfrica to host an online webinar in August 18th 2022 to discuss the findings of a study on COVID-19 impacts and local response mechanisms in marginalized communities: The emerging gaps for policy and practice under the Community Immunity project; and (iii) collaborated with our members in East Africa (Uganda National NGO

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Forum, East Africa Philanthropy Network and CivSource Africa) to organize the 2022 APN Assembly which took place in November in Entebbe Uganda.

c) APN's Strength and Capacity

APN aims to achieve effective operations and performance management. This year we continued to optimize effectiveness of our services to members on the basis of good governance, communications, effective financial management and accountability.

- i. All leadership and governance meetings were held as planned. All board meetings were held and fully attended, plus one extra ordinary meeting was organized to guide on the planning of the 2022 Biennial Assembly. We are grateful to their voluntary leadership and advice. Fourteen new organizations have joined the network, and the process to recruit forty -three (43) new applications is going on. In 2023, we plan to expand our footprint on the continent by recruiting at least 5% additional new members annually. The APN maintains a nimble but a competent secretariat operating virtually, with headquarters in Dar Es Salaam Tanzania.
- ii. The communications system was reviewed to include the updating of the website, systems support for internal and external advocacy, and social media platforms: Tweeter, Facebook, Instagram and LinkedIn. The Monitoring, Evaluation, Learning (MEL) framework is informed by the annual plan of operation and regional context. It is designed to track progress of the implementation of planned activities at the secretariat and collaborative activities of members. It is also tracking compliances with the laws and partners.
- iii. Strengthened resources mobilization efforts and financial accountability. APN received a total of USD \$ which is 968,991, as compared to USD \$967,557.77 in 2021, that is almost the same amount. In 2023, we expect to increase our annual revenue by at least 3%. We are thankful and remained accountable to all our members and donors for the trust and generous support. The plans to migrate into online accounting system will be realized in 2023.
- iv. APN is receiving unqualified audit since it was established. The audit of 2022 Annual financials is scheduled to commence on the 13th of February 2023.

10. APPROPRIATION OF RESERVES/SURPLUS

APN is an International NGO that is not for profit and for that reason; there is no declaration of dividends. Surplus generated, if any, is used for financing its future activities.

11. FUTURE DEVELOPMENT PLANS

The strategic objectives clarify the focus and priorities of our Strategic Framework for the five-year period, 2023-2027. They are drawn on experience to date and outlines the main areas of work that are planned to achieve the mission and expected outcomes agreed. APN prioritize the following objectives:

- a) Aggregate existing and produce new data and spaces that continue (re)shaping the philanthropy narrative,
- b) Dialogue and influence for an enabling environment for philanthropic giving to flourish through responsive policy change, and
- c) Strengthen APN's institutional capacity to grow a continent-wide network of members and partners.

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12. RESOURCES

The APN has the following key strengths and resources, some are tangibles and others are intangibles.

i. Intellectual resources

This is a collection of how the brand is perceived, its intellectual property, technical know-how and ability to be creative and innovative in provision of product and deployment of technologies. Product and services need to be reflective of the ever-evolving industry practices for continuous adaptability and sustainability of the APN. Furthermore, the APN ensures that its reputation credentials remain solid driven by rigorous stakeholder engagement, compliance with regulatory requirements and a strategic communication approach. In this regard, the APN has continued to perform exceptionally well on the key parameters around intellectual resources. Every year, we carry out tests and improve on our systems accounting package ZOHO and other systems.

ii. Human resources

The APN has a strong management team, competent and motivated employees by 30th June 2022. All employees were recruited through competitive process and appointed on merits. We continually invest in human resource development focusing on but not limited to training, staff wellness, staff recognition, competitive remuneration and career growth.

iii. APN Member resources

Cooperation and support from Africa the continent-wide network of organizations and individuals in Africa and its diaspora which include Grant makers both foundations and funds, CSOs, academic and research institutions, as well as philanthropy networks and support organizations is strong and thus continues to support APN.

iv. Natural resources

APN demonstrated its commitment to the environment by taking responsibilities to achieve the global climate goals and is investing in learning and capacity building to ensure everyone changes and advancing together as environment change. It makes sure its environment is safe and clean.

13. RISK MANAGEMENT AND INTERNAL CONTROL

APN secretariat identified, reviewed and mitigated all potential risks with regard to its reputation, programmatic and operations on quarterly basis through well institutionalized participatory planning and budgeting, reviews, monitoring and learning processes. In addition to that, the APN monitors all project related risks.

All policies and working documents are being reviewed on annual basis and submitted to the Board for approval. Board resolutions are timely implemented and reported in Board meetings.

The Secretariat has also ensured adequate internal financial control systems are in place and adhered to on an ongoing basis to provide reasonable assurance regarding the effectiveness and efficiency of operations, safeguard of the assets, reliability of accounting records, and compliance with applicable laws and regulations of the land.

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APN have always adhered to financial management policies and guideline to strengthen internal controls for increased efficiency of the system. While no internal control system provides absolute assurance against misstatement or losses, the Network has moved from the use of excel application to ZOHO Books online accounting system. The Board observed the internal control systems throughout the financial period and opined they meet the accepted criteria.

APN faces the following risks.

Financial Risk

APN seeks to minimize its exposure to financial risk. The only financial assets that may be exposed to financial risks are cash, or cash equivalents, receivables, and prepayment. The only financial liabilities that it may have financial risk are supplier liabilities and staff liabilities.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risks arise from cash and cash equivalents, deposits with financial institutions and outstanding membership subscriptions fees. APN use reputable banks for her deposits.

Liquidity Risk

Liquidity risk is the risk of the APN not being able to meet its obligations as they fall due. The APN approach to managing liquidity risk is to ensure that enough liquidity is available to meet its liabilities when due without incurring unacceptable losses or risking damage to the APN's reputation.

The APN ensures that it implements activities that has enough budget and cash availability. On average our Donors and members settle their promises as per agreements and therefore there is very minimal receivables and payables.

Foreign Exchange Risk

The APN manages its bank accounts in USD, Tanzanian Shillings and EURO and makes many payments outside Tanzania, therefore faces high foreign exchange risks. APN manages this risk by setting a fixed forwarding exchange rates and ensuring that the exchange rate prevailed when changing foreign to Shillings applies for all payments until such funds are exhausted.

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, human factors, and systems or from external events. It includes legal risk covering but not limited to exposures from fines, penalties, or punitive damage resulting from supervisory actions as well as private settlements. It does not include reputational and strategic risk.

To anticipate, mitigate and control operational risk, APN has in place different policies rules, and procedures in all activities.

Compliance Risk

APN minimizes compliance uncertainty by ensuring that the activities of APN and its staff are conducted in accordance with all laws, regulations, codes of conduct and standards of good practice applicable in all the jurisdictions it operates in, as well as conforming to internal policies and standards of operation, and with the highest ethical standards.

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14. STAKEHOLDERS RELATIONSHIP

The APN believes that the stakeholders are what make the APN exist. APN stakeholders include Members, Donors, Civil societies, consultants, employees, customers, creditors, suppliers, local communities, legislators, regulators, and policy makers.

Several measures have been taken to institute a responsible behaviour to members of the APN towards stakeholders, these measures include, but not limited to holding interactive meetings; seminars and workshops to employees; empowering employees to make decisions on their own and suggest solutions to APN's problems; conducting essay writing competitions; improving customer services at our offices; developing innovative solutions that meet our stakeholders' needs; complying to rules and regulations set by the government and other regulators contribution and staff paying personal taxes; paying our suppliers and contractors on time and making sure we have good relationship with the community surrounding us.

15. LIQUIDITY

During the financial year 2022 the APN liquidity is strong with a ratio of 1.03, the liquidity is expected to remain strong in future because of APN policy to implement activities only when the cash flow allows.

16. SOLVENCY

The Network's financial position is as indicated in the statement of financial position.

17. EMPLOYEE'S WELFARE

Management and Employees Relationship

APN is an equal opportunity employer. It is a space that is free from discrimination of any kind and without regard to factors like gender, marital status, tribe, religion and disability which does not impair ability to discharge relevant duties. APN gives equal access to employment opportunities, while ensuring good quality of appointed personnel to join the secretariat. A healthy relationship continues to exist between the network management, staff, volunteers and service providers. No complaints were received during the reporting period.

Training Program

Trainings are provided for all staffs, members and partners as part of the APN's capacity building and peer learning program.

Medical Services

During the reporting period, all staff and volunteers were hired on short term basis. Depending on the availability of funds, the network will consider medical insurance cover for its permanent staff in different African countries, in the near future.

Occupational Health and Safety

The Organisation has health and safety guidelines which ensure that a strong culture of safety prevails at all times. A safe working environment is ensured for all employees as necessary.

Financial Assistance

The Network can potentially support access to loans with financing institutions.

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Persons with disabilities

APN is an equal opportunity employer, and it observes gender and social inclusion. With this regard, all applications (for employment, grants, etc.) from persons with disability are considered, bearing in mind the aptitudes of the applicants concerned.

Employee Benefit Plan

The Network is in the process of contributing to the publicly administered employees' benefits plan on mandatory basis which will be defined as a contribution plan.

18. GENDER PARITY

The Organisation is committed to ensuring gender parity. As of 31 December 2022, the Secretariat had the following number of staff: -

	2022	2021
Male	5	5
Female	5	5

19. POLITICAL AND CHARITABLE DONATIONS

The Organization did not make any political or charitable donations during the period.

20. ORGANISATION POLICY DOCUMENTS

The mother policy of the Network is the Constitution, from which all other policies, operating guidelines and strategic document are derived. Example of such documents include a focus on finance, procurement, human resources (i.e., staff, consultants, volunteers), annual operating plans and budgets.

21. CORPORATE SOCIAL RESPONSIBILITY

APN is a not-for-profit charity with a broad mandate to promote social justice.

22. CORPORATE GOVERNANCE

APN's governance of consist of the APN Assembly, and the board.

Appointed Board of Directors

The APN Assembly, also referred to as the general meeting of members is the principal organ of the Network. APN Assembly is composed of nine organizational members. APN draw its members from organisations and diaspora community to include Grant makers (both foundations and funds), community foundations, philanthropy support organizations/networks, human right organizations, academic/research institutions and other CSOs who are promoting African philanthropy. The Board is the second principal organ of the network. The members of the Board as appointed by the APN Assembly continue to hold office during the period and to the date of this report. The members were:

No	Name	Organization	Position	Qualification	Nationality	Appointed
1.	Francis Kiwanga	The Foundation for Civil Society	Executive Director	Lawyer	Tanzanian	2019
2.	Ebrima Sall	TrustAfrica	Executive Director	Economist & Researcher	Senegalese	2019
3.	Jenny Hudgson	Global Fund for Community Foundation	Executive Director	Social Scientist	South African	2019
4.	Grace Maingi	Kenya Community	Chief Executive	Human Rights Lawyer	Kenyan	2019

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No	Name	Organization	Position	Qualification	Nationality	Appointed
		Development Foundation (KCDF)	Officer			
5.	Evans Okinyi	East Africa Philanthropy Network	Executive Director	Economist	Kenyan	2019
6.	Francoise Moudouthe	African Women Development Fund (AWDF)	Executive Director	Gender and Justice Expert	Ghanaian	2019
7.	Ndanatsei Tawamba	Urgent Action Fund-Africa	Partnership and Engagement Director	Human Rights Lawyer	Zimbabwean	2019
8.	Raymond Muchemwa	Southern Africa Trust	Acting Executive Director	Accountant	South African	2019
9.	Mukami Marete	East Africa Sexual and Health Rights Initiative (EASHRI)	Co-Executive Director	Finance Administration	Kenyan	2020
10.	Stigmata Tenga	Africa Philanthropy Network	Executive Director	Anthropologist	Tanzanian	2019

Attendance of Board of Director Meetings

During the period ended 31 December 2022, two (2) Ordinary Board meeting and one (1) Extra-ordinary board meeting were held as per constitution. However, the Board was ready to provide guidance when required and to provide necessary approvals via round robin.

S/n	Name	Position	Meeting attendance
1	Francis Kiwanga,	Board Chairperson	2/2
2	Ebrima Sall	Treasurer	1/2
3	Jenny Hudgson	Secretary	1/2
4	Grace Maingi	Member	2/2
5	Evans Okinyi	Member	2/2
6	Francoise Moudouthe	Member	2/2
7	Ndanatsei Tawamba	Member	2/2
8	Raymond Muchemwa	Member	2/2
9	Mukami Marete	Member	1/2
10	Stigmata Tenga	Executive Director	2/2

Source: Board of Director meeting minutes

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The Board discussed the following issues in their meetings held during the period ended:

- a. Approved the 2021 Audited Financial Statements and the Narrative Annual Report,
- b. Approved the revised 2021 activity plan and budget.
- c. Approved the internship and volunteers' policies.
- d. Noted the quarterly and the nine months progressive reports.
- e. Recruited and approved the APN new auditor and audit cost.
- f. Approved the 2022 Annual plan and budget.
- g. Appointed new APN members.

23. ACCOUNTING POLICIES

The principal accounting policies adopted by the organization have been set out in Note 4.

24. PREJUDICIAL ISSUES

The Network has no prejudicial issues pending in any tribunal.

25. STATEMENT OF COMPLIANCE

Board of Directors confirm that report of those charged with governance has been prepared in accordance with Tanzania Financial Reporting Standards (IFRS) 1 issued by National Board of Accountants and Auditors (NBAA) and the operational activities of the Organization are in compliant with all relevant laws and regulations in Tanzania.

26. RESPONSIBILITIES OF THE AUDITORS

Auditors are responsible to provide assurance of the correctness and consistency of information contained in the report by those charged with governance and those provided in the financial statements.

27. AUDITORS

Mazars Tanzania was appointed by the Board of Directors as the organization's external auditors for the year ended 31 December 2022. The Auditors have expressed willingness to continue in office and are eligible for re-appointment. The audit firm is registered by National Board of Accountants and Auditors (NBAA) and issued with registration number PF 183, the firm is also registered by Tanzania Revenue Authority and issued with Tax Identification Number 127-089-032. The office location of the auditors is 85K Building, 3rd Floor, Kinondoni Road.

Approved by the Board of Directors on 13/April, 2023 and signed on its behalf by:



Mr. Francis Kiwanga
Chairperson



Dr. Stigmata Tenga
Executive Director

**AFRICAN PHILANTHROPY NETWORK (APN)
REPORT BY THOSE CHARGED WITH GOVERNANCE AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Board of directors is required under the Non-Governmental Organisations Act of 2002 and the Non-Governmental Organisations (Amendments) Regulations of 2018 of Tanzania (together, the "NGO Act and Regulations") to keep proper records and books of accounts, which should lead to the preparation of financial statements of the African Philanthropy Network (APN) each financial year that present fairly the state of affairs of the African Philanthropy Network (APN). The members also confirm compliance with the provision of the requirement of Tanzania Financial Reporting Standards 1 (TFRS 1) and all other statutory legislation relevant to the company.

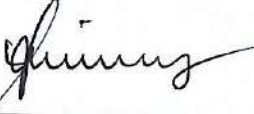
The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (IPSAS), Tanzania Financial Reporting Standard on Directors' Report and in the manner required by the Non-Governmental Organisation Act, 2002. This responsibility includes designing, implementing and maintaining internal controls 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.

The Board Members accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards and in the manner required by the Non-Governmental Organisations Act, 2002. 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 members are of the opinion, that the financial statements present fairly the state of the financial affairs of the African Philanthropy Network (APN) and of its operating results based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

Nothing has come to the attention of the Organization to indicate that the African Philanthropy Network (APN) will not remain a going concern for at least twelve months from the date of this statement.

Approved by the Board of Directors on 13/Jan, 2023 and signed on its behalf by:



Mr. Francis Kiwanga
Chairperson



Dr Stigmata Tenga
Executive Director

**AFRICAN PHILANTHROPY NETWORK (APN)
REPORT BY THOSE CHARGED WITH GOVERNANCE AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

DECLARATION OF THE HEAD OF FINANCE

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 Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist those charged with governance 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 those charged with governance' Responsibility Statement on an earlier page.

I, MAGALUDA B. MAZLOBE, being the Head of Finance of the African Philanthropy Network (APN) hereby acknowledge my responsibility of ensuring that financial statements for the year ended on 31 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 the African Philanthropy Network (APN) as 31 December 2022 and that they have been prepared based on properly maintained financial records.

Signed by: _____



Position: _____

Accountant

NBAA Membership No: _____

ACPA(I) 801

Date: _____

11/04/2023

REPORT OF THE INDEPENDENT AUDITORS TO THOSE CHARGED WITH GOVERNANCE OF AFRICA PHILANTHROPY NETWORK (APN)

Unqualified Opinion

We have audited the accompanying financial statements of African Philanthropy Network (APN) which comprise the statement of financial position as at 31 December 2022 and the statement of financial performance, the statement of changes in net assets, the cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of African Philanthropy Network (APN) as at 31 December 2022, its Incomes and Expenditures and its Cash flows for the year then ended in accordance with International Public Sector Accounting Standards (Auditor's) and the requirements of Non-Governmental Organisation Act, 2002 (R.E 2019) of Tanzania.

Basis of 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 the NGO in accordance with the international Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standards, 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 NGO'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 the NGO or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the NGO's financial reporting process.

Auditor's 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 judgment and maintain professional scepticism 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 organisation'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 the NGO'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 NGO to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements 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 the NGO to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the NGO 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 is made solely to the members, as a body, in accordance with the Non-Governmental Organisation Act, 2002. Our audit work has been undertaken so that we might state to the members' those matters we are required to state to them in our auditor's report pursuant to the Act and our letter of engagement 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;
- The Organization Report is consistent with the financial statements;

- Information specified by law regarding director remuneration and transactions with the organization is disclosed; and
- The Organization's statement of financial position and statement of financial performance and other are in agreement with the books of account.

Safuu

Witness Shilekirwa (FCPA 993)
For and on behalf of Mazars Tanzania
Certified Public Accountants
Dar es Salaam.

Date: 13/04/ 2023



AFRICAN PHILANTHROPY NETWORK (APN)

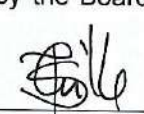
REPORT BY THOSE CHARGED WITH GOVERNANCE AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF FINANCIAL POSITION

ASSETS	Notes	2022 TZS	2022 USD	2021 TZS	2021 USD
Non-current assets					
Property, plant and equipment	6	24,226,986	10,532	51,784,451	22,512
		24,226,986	10,532	51,784,451	22,512
Current assets					
Cash and Bank balances	7	628,597,633	271,573	721,565,204	313,736
Other Receivable	8	42,386,374	18,148	35,830,097	15,581
		670,984,007	289,720	757,395,301	329,317
TOTAL ASSETS		695,210,992	300,252	809,179,752	351,829
EQUITY AND LIABILITIES					
Reserve					
Accumulated Fund		7,330,278	3,190	7,330,278	3,190
Total Equity		7,330,278	3,190	7,330,278	3,190
Non-current liabilities					
Deferred Capital grants	9	22,220,763	9,663	49,778,222	21,643
		22,220,763	9,663	49,778,222	21,643
Current liabilities					
Deferred grants	10	606,412,326	261,842	735,971,282	319,987
Creditors and accruals	11	59,247,625	25,555	16,100,000	7,000
		665,659,952	287,397	752,071,282	326,987
Total Liabilities		687,880,714	297,060	801,849,504	348,630
Total equity and Liabilities		695,210,992	300,252	809,179,752	351,829

The financial statements on pages 17 to 31 were approved by the Board of Directors on 13/04 2023 and were signed on its behalf by:


Mr. Francis Kiwanga
Chairperson


Dr. Stigmata Tenga
Executive Director

AFRICAN PHILANTHROPY NETWORK (APN)

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

STATEMENT OF FINANCIAL PERFORMANCE

	Notes	2022 TZS	2022 USD	2021 TZS	2021 USD
INCOME					
Grants Income	12	1,457,244,091	633,880	1,465,811,157	637,309
Other income	13	255,110,024	105,702	68,979,829	29,991
		<u>1,712,354,115</u>	<u>739,582</u>	<u>1,534,790,986</u>	<u>667,300</u>
EXPENDITURE					
Peer learning	14	(928,771,089)	(401,983)	(679,165,133)	(295,289)
Enabling environment	15	(561,952,646)	(241,467)	(647,149,200)	(281,369)
Institutional Strengthening	16	(221,630,380)	(96,133)	(208,476,653)	(90,642)
		<u>(1,712,354,115)</u>	<u>(739,582)</u>	<u>(1,534,790,986)</u>	<u>(667,300)</u>
Surplus/(deficit) for the year		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

AFRICAN PHILANTHROPY NETWORK (APN)

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

STATEMENT OF CHANGE IN NET ASSETS

	Accumulated Fund	
	TZS	USD
Year ended 31 December 2021		
As at 1 January 2021	(6,460,452)	(2,811)
Prior year adjustment	13,790,700	6,001
Surplus for the year	-	-
At 31 December 2021	<u>7,330,248</u>	<u>3,190</u>
Year ended 31 December 2022		
As at 1 January 2022	7,330,248	3,190
Surplus for the year	-	-
At 31 December 2022	<u>7,330,248</u>	<u>3,190</u>

AFRICAN PHILANTHROPY NETWORK (APN)

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

STATEMENT OF CASH FLOWS

	2022 TZS	2022 USD	2021 TZS	2021 USD
Cash flow from operating activities				
Surplus/ (deficit) for the year	-	-	-	-
Adjustment:				
Prior year adjustment	-	-	13,790,700	6,001
Depreciation	28,437,439	12,362	7,337,784	3,190
Amortisation of capital grants	-	-	12,614,067	5,484
Operating cash flows before movement in working Capital	28,437,439	12,362	33,742,551	14,675
Movements in working capital				
Decrease /(increase) in accounts receivable	(6,556,241)	(2,567)	(35,740,828)	(15,539)
Increase/(decrease) in creditors and accruals	43,147,625	18,555	(3,388,558)	(1,473)
Net cash flows from operations	65,028,824	28,351	(5,386,836)	(2,337)
Cash flow from Investing activities				
Purchase of property, plant and equipment	(879,980)	(383)	(62,392,289)	(27,127)
Net cash flows from Investing activities	(879,980)	(383)	(62,392,289)	(27,127)
Cash flow from Financing activities				
Increase/(decrease) from deferred capital	(27,557,459)	(11,980)	49,778,222	21,643
Increase/(decrease) from deferred revenue	(129,558,956)	(58,146)	735,971,282	319,988
	(157,116,415)	(70,125)	785,749,504	341,631
Net (decrease)/increase in cash and cash equivalents	(92,967,571)	(42,157)	717,970,382	312,166
Cash and cash equivalents at 1 January	721,565,204	313,730	3,594,822	1,564
Cash and cash equivalents at 31 December	628,597,633	271,573	721,565,204	313,730

AFRICAN PHILANTHROPY NETWORK (APN)

**REPORT BY THOSE CHARGED WITH GOVERNANCE AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

	Budget		Actual Expenditure		Final Budget less Actual expenditures (Variance)		Notes
	TZS	USD	TZS	USD	TZS	TZS	
INCOME							
Grant	2,195,674,967	954,641	1,300,127,676	563,754	895,547,291	390,887	(a)
Members subscriptions fees	29,066,319	12,638	68,643,870	28,442	(39,577,551)	(15,804)	(b)
Other Income	69,000,000	30,000	186,466,154	77,260	(117,466,154)	(47,260)	(c)
Total income	2,293,741,286	997,279	1,555,237,700	669,456	738,503,586	327,823	
EXPENDITURE							
Peer Learning	1,233,497,084	536,303	928,771,089	401,983	304,725,995	134,320	(d)
Enabling Environment	713,901,531	310,392	561,952,646	241,467	151,948,885	68,925	(e)
Institutional Strengthening	346,342,671	150,584	193,192,941	83,770	153,149,731	66,814	(f)
Total Expenditure	2,293,741,286	997,279	1,683,916,676	727,220	609,824,610	270,059	
Surplus/deficit	-	-	(128,678,976)	(57,764)	(128,678,976)	(57,764)	

AFRICAN PHILANTHROPY NETWORK (APN)

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

NOTES TO THE FINANCIAL STATEMENTS

1. REPORTING ENTITY

APN is the continent-wide network of organizations and individuals in Africa and its diaspora who promotes the culture of philanthropic giving as a driver for social and structural change. APN members include Grant makers both foundations and funds, CSOs, academic and research institutions, as well as philanthropy networks and support organizations. The network was established in 2009, and legal registered in 2019 under the NGOs Act with a registration number I-NGO/R2/000123

Operation of the NGO

The principal activities of the NGO are described under those charged with governance's report on pages 1.

2. BASIS OF PREPARATION

These financial statements have been prepared on accrual basis under the historical cost, unless otherwise stated, and in accordance with the International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Tanzanian Shillings (TZS) and United State Dollar (USD) except when otherwise indicated.

Going concern

The financial statements have been prepared on going concern basis which assumes that the organisation will continue in operational existence for the foreseeable future.

Statement of compliance

The annual financial statements have been prepared in accordance with and comply with the International Public Sector Accounting Standards (IPSAS) and the requirement of Non-Governmental Organisation Act, 2002 (revised 2005).

3. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

African Philanthropy Network (APN) adopted the International Public Sector Accounting Standards (IPSAS) to replace the International Financial Reporting Standards (IFRS) in 2021. IPSAS is more appropriate financial reporting framework to the organisation standards and interpretations as reflected to pronouncement issued by NBAA. Adopted financial reporting framework had no impact to the financial performance or financial position of the organization during the year under reporting.

The accounting policies adopted are consistent with those of the previous financial year. Standards that are issued but not yet effective and those which are effective for accounting period beginning on or after 01st July 2020 are listed below:

- IPSAS 41 – Financial Instruments – Effective from 1st January 2022, with early adoption encouraged.
- IPSAS 42 – Social Benefits – Effective date from 1st January 2022, with early adoption encouraged.

New and amended standards and interpretations that became effective during the year did not have any impact on the accounting policies, financial position or performance of the organization.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

AFRICAN PHILANTHROPY NETWORK (APN)

**REPORT BY THOSE CHARGED WITH GOVERNANCE AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

a) Revenue recognition

The Organisation's revenue comprises of grants revenue from donors.

Revenue from non-exchange transactions

Grants

Grant receipts represents funds received from various donors to meet projects operating expenditures. General grants receipts are recognized when revenue received. Grants for implementation of contractual project activities is recognized to the extent that the project related expenses are incurred. Contributions received but not yet utilized are deferred and included in liabilities. The deferred grant revenue amounts recorded in the statement of financial position represent the amount of grant revenue received but not utilised by the reporting date.

- Grant revenue used to acquire property and equipment is referred as capital grant. The capital grants are amortized on a systematic basis to match the depreciation or amortisation charge on the assets.
- All grants income except those in form of income tax benefits are measured at the fair value of the asset received or receivable.

b) Recognition of expenditure

Expenditure in respect of goods and services is generally recognized in the statement of performance at the time when they are incurred.

c) Translation of Foreign Currencies

Transactions denominated in foreign currencies during the period are converted to Tanzania shillings at rates ruling at the transaction dates. Assets and liabilities at the reporting date, which are expressed in foreign currencies, are translated into Tanzania shillings at rates ruling at that date (closing rate).

d) Property, Plant and Equipment

In the APN financial records and financial statements, fixed assets acquired are initially capitalized and depreciated through the capital fund over their expected useful lives using the straight-line method.

The annual rates used for this purpose are:

Details	Rate
Computer and accessories	37.5%
Printer	37.5%
Furniture and Fittings	12.5%

Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are taken into account in determining the surplus or deficit.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the receipts and payments statement in the year the item is derecognized.

AFRICAN PHILANTHROPY NETWORK (APN)

**REPORT BY THOSE CHARGED WITH GOVERNANCE AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Impairment of Assets

At each reporting date, the organization assesses whether there is any indication that any asset (Property, plant and equipment intangible assets or goodwill) may be impaired. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount. If the carrying amount is lower it is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit or loss.

f) Trade and other receivables

Trade and other receivables are carried at the original invoice amount less the provision made for the impairment of these receivables. Such impairment of trade and other receivables is established if there is objective evidence that the organization will not be able to collect all amounts due according to the original terms of the receivables.

g) Cash and Bank

Cash and cash equivalents shall comprise cash at hand and deposits held at call with banks. Bank overdrafts, if any, are to be reported under current liabilities.

h) Trade and other Payables

Trade and other payables are carried at the fair value of the consideration paid in future for the goods or services that have been received or supplied or invoiced or formally agreed with the supplier.

i) Provision and Contingencies

Provisions are recognized when the organization has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation.

j) Income Tax

Income tax is recognized as an expense and included in the statement of comprehensive income. Current taxation for current and prior periods is, to the extent unpaid, recognized as a tax payable in the statement of financial position. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognized as a tax receivable in the statement of financial position. Current taxation liabilities and current taxation assets are measured at the amount expected to be paid to/ (recovered from) the tax authorities, using the tax rates and tax legislation that have been enacted or substantively enacted at the reporting date.

k) Budget information

The annual budget is prepared on the accrual basis, that is, all planned costs and revenue are presented in a single statement to determine the needs of the organization. As a result of the adoption of the accrual basis for budgeting purposes, there are no basis or timing differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

AFRICAN PHILANTHROPY NETWORK (APN)

**REPORT BY THOSE CHARGED WITH GOVERNANCE AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Explanatory comments are provided in the notes to the annual financial statements; first, the reasons for overall growth or decline in the budget are stated, followed by details of overspending or under-spending on line items.

These budget figures are those approved by governing board at the beginning of and during the year following a period of consultation with the public.

5. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the organization's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date.

However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Judgments

In the process of applying the organization's accounting policies, management has made the following judgment which has the most significant effect on the amounts recognised in the financial statements:

Useful life of assets

Critical estimates are made by the management in determining depreciation rates and useful life for property and equipment.

AFRICAN PHILANTHROPY NETWORK (APN)

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. PROPERTY, PLANT AND EQUIPMENT

Details	Computers & Accessories	Printer	Furniture & Fittings	Total
	TZS 37.50%	TZS 37.50%	TZS 12.50%	TZS
Cost /Revaluation				
At 1st January 2021	17,108,044	2,281,000	457,584	19,846,628
Additions	45,951,289	6,850,000	9,591,000	62,392,289
At 31 December 2021	63,059,333	9,131,000	10,048,584	82,238,917
At 1 January 2022	63,059,333	9,131,000	10,048,584	82,238,917
Additions	-	-	879,980	879,980
At 31 December 2022	63,059,333	9,131,000	10,928,564	83,118,897
Accumulated depreciation				
At 1 January 2021	9,202,962	1,191,889	107,764	10,502,615
Charge for the year	16,800,128	2,142,603	1,009,120	19,951,851
At 31 December 2021	26,003,090	3,334,492	1,116,884	30,454,466
At 1 January 2022	26,003,090	3,334,492	1,116,884	30,454,466
Charge for the year	23,647,250	3,424,125	1,366,071	28,437,445
At 31 December 2022	49,650,340	6,758,617	2,482,955	58,891,911
Net book values				
At 31 December 2021	37,056,243	5,796,508	8,931,700	51,784,451
At 31 December 2022	13,408,993	2,372,383	8,445,610	24,226,986

AFRICAN PHILANTHROPY NETWORK (APN)

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. PROPERTY, PLANT AND EQUIPMENT

Details	Computers & Accessories	Printer	Furniture & Fittings	Total
	USD 37.50%	USD 37.50%	USD 12.50%	USD
Cost /Revaluation				
At 1 January 2021	7,484	1,000	200	8,684
Additions	19,979	2,978	4,170	27,127
At 31 Dec 2021	<u>27,463</u>	<u>3,978</u>	<u>4,370</u>	<u>35,811</u>
At 1 January 2022	27,463	3,978	4,370	35,811
Additions	-	-	383	383
At 31 Dec 2022	<u>27,463</u>	<u>3,978</u>	<u>4,753</u>	<u>36,194</u>
Accumulated depreciation				
At 1 January 2021	4,013	520	47	4,580
Charge for the year	7,304	932	439	8,675
At 31 Dec 2021	<u>11,317</u>	<u>1,452</u>	<u>486</u>	<u>13,255</u>
At 1 January 2022	11,317	1,452	486	13,255
Charge for the year	10,280	1,489	594	12,363
At 31 Dec 2022	<u>21,597</u>	<u>2,941</u>	<u>1,079</u>	<u>25,617</u>
Net book values				
At 31 December 2021	<u>16,146</u>	<u>2,526</u>	<u>3,840</u>	<u>22,512</u>
At 31 December 2022	<u>5,863</u>	<u>1,037</u>	<u>3,673</u>	<u>10,532</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2022 TZS	2022 USD	2021 TZS	2021 USD
7. CASH AND CASH EQUIVALENTS				
CRDB Current Euro	1,689,148	634	1,898,974	826
CRDB Current TZS	64,334,074	27,519	147,142,279	63,975
CRDB Current USD	174,608,589	74,806	222,628,822	96,795
CRDB Savings USD	56,729,595	24,376	3,543,219	1,546
Fixed deposit	330,579,840	143,952	346,351,910	150,588
Petty cash	656,387	285	-	-
	628,597,633	271,573	721,565,204	313,730
8. RECEIVABLES				
Prepayment rent	8,392,488	3,570	6,507,398	2,829
Other Receivable	4,273,606	1,828	519,800	229
Receivable membership fee	29,720,280	12,750	28,802,900	12,523
	42,386,374	18,148	35,830,098	15,581
9. CAPITAL GRANTS				
Balance at start	49,778,222	21,643	-	-
Capital grants received	879,980	383	62,392,289	27,127
Amortisation for the year	(28,437,439)	(12,363)	(12,614,067)	(5,484)
Balance at the year end	22,220,763	9,663	49,778,222	21,643
10. DEFERRED GRANTS				
Balance at start	735,971,282	319,988	-	-
Grants received from donors	1,300,127,676	563,754	2,251,560,661	978,939
Transfer to capital grants	(879,980)	(383)	(62,392,289)	(27,127)
Amortisation of grants (Note 11)	(1,428,806,652)	(621,517)	(1,453,197,090)	(631,825)
Balance as at 31 December	606,412,326	261,842	735,971,282	319,988
11. CREDITORS AND ACCRUALS				
Audit fee	16,203,298	7,000	16,100,000	7,000
Tax payables	3,879,782	1,567	-	-
Other liabilities	39,164,545	16,988	-	-
	59,247,625	25,555	16,100,000	7,000
12. GRANT INCOME				
Amortised revenue grants	1,428,806,652	621,517	1,453,197,090	631,825
Amortised capital grants	28,437,439	12,363	12,614,067	5,484
	1,457,244,091	633,880	1,465,811,157	637,309
13. OTHER INCOME				
Members subscription fees	68,643,870	28,442	53,860,796	23,418
Other Income*	186,466,154	77,260	15,119,033	6,573
	255,110,024	105,702	68,979,829	29,991

*Other income includes members annual conference registration fee and interest earned.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2022 TZS	2022 USD	2021 TZS	2021 USD
14. PEER LEARNING EXPENSES				
Accommodation/lodging	3,538,489	1,494	-	-
Advertising, Promotion and Publications	4,925,011	2,139	-	-
Air tickets	36,214,764	15,661	-	-
Awards to showcase, storytelling and news narratives	20,824,842	8,881	95,728,050	41,620
Bank charges	11,478,016	4,918	-	-
consultancy fees	282,488,682	121,570	504,457,382	219,330
Basic Salaries-Pensionable	16,164,400	7,028	-	-
Conference Facilities	114,745,806	50,090	74,847,335	32,542
Employer Contributions to NSSF	1,432,440	623	-	-
Entertainments	683,178	292	-	-
Food and refreshments	1,294,875	558	-	-
Ground Travel	764,832	330	-	-
Loss from exchange rates	96,646	42	-	-
Miscellaneous expense	1,150,000	500	-	-
Penalties	224,986	98	-	-
Per diem/M&IE	21,377,921	9,190	2,960,000	1,287
Retainer consultants	73,673,613	31,770	-	-
Specific Task Consultants	323,169,828	140,499	-	-
Stationaries	14,522,761	6,300	-	-
Total	928,771,089	401,983	679,165,133	295,289
15. ENABLING ENVIRONMENT				
Accommodation/lodging	2,036,213	885	-	-
Air tickets	10,934,821	4,754	-	-
APN Membership	1,165,500	500	-	-
Awards to showcase, storytelling and news narratives	147,420,624	62,767	223,677,830	97,251
Bank charges	6,966,614	2,978	-	-
Conference Facilities	12,169,993	5,174	44,277,262	19,251
consultancy fees	27,297,057	11,928	379,194,108	164,867
Food and refreshments	765,256	326	-	-
Ground Travel	1,708,763	729	-	-
Per diem/M&IE	19,898,814	8,513	-	-
Retainer consultants	55,278,150	23,593	-	-
Specific Task Consultants	276,310,841	119,319	-	-
Total	561,952,646	241,467	647,149,200	281,369
16. INSTITUTIONAL STRENGTHENING				
Advertising, Promotion and Publications	2,244,087	976	780,300	339
Audit fee	16,317,016	7,000	16,100,000	7,000
Bank charges	3,101,831	1,328	19,078,972	8,295
Basic Salaries-Pensionable	20,240,000	8,800	-	-

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	2022	2022	2021	2021
	TZS	USD	TZS	USD
16 INSTITUTIONAL STRENGTHENING (Continued)				
Conference Facilities	4,600,000	2,000	2,354,992	1,024
Consultancy fees	22,372,670	9,717	84,492,622	36,736
Depreciation expenses	28,437,439	12,362	39,422,236	17,140
Electricity Charges	5,774,991	2,508	5,999,992	2,609
Employer Contributions to NSSF	2,208,000	960	-	-
Food and refreshments	607,200	264	-	-
Ground Travel	2,421,762	1,053	-	-
Insurance	1,597,764	695	-	-
Internet	6,860,192	2,976	7,308,354	3,178
Miscellaneous expense	1,579,213	687	-	-
Office and equipment maintenance	294,998	128	369,600	162
Rent charges	48,787,922	21,141	9,823,517	4,271
Specific Task Consultants	41,610,887	18,092	-	-
Stationaries	4,291,915	1,866	3,230,000	1,404
Telephone charges	2,550,125	1,109	-	-
Website/Zoho/Zoom				
Subscriptions fees	652,542	259	230,994	100
Water, Security and Sewerage	4,079,325	1,780	-	-
Loss from exchange	775,515	334	-	-
Penalty	224,986	98	-	-
Amortization expenses	-	-	12,614,067	5,484
Per diem/M&IE	-	-	1,150,000	500
APN Membership	-	-	5,521,007	2,400
	221,630,380	96,133	208,476,653	90,642

17. EVENTS AFTER THE REPORTING DATE

Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

Those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period).

There was no any subsequent events that have occurred which are either to be disclosed or to be adjusted in the financial statements that could materially affect the 2022 financial statements.

18. EXPLANATION FOR THE VARIANCES BETWEEN ACTUAL AND BUDGETED AMOUNT

- a) The decrease is due to network were unable to raise some of planned fundings.
- b) The increase associated with the collection made from new members joined the network and collection of existing members who were unable to pay in the previous year.
- c) fees charged for members to attend the APN Assembly 2022 in Uganda had contributed to increased income
- d) Delay procurement of consultants to undertake the research and planned activities and limited fund.
- e) Inability to raise adequate funding, and slow implementation and submission of final outputs by our

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catalytic grant partners

- f) some of the budget was allocated for the strategic planning process but we were not able to conduct all consultations as planned. The budget for in-person board meeting was not utilized because we instead conducted on-line meeting. Also, the cost of AGM was not fully utilized. In 2022, the AGM was conducted during the Assembly in Entebbe Uganda, and members volunteered to pay for their cost of participation.