

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the
year ended

30th September 2017



December 2017
This report contains 35 pages

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ABA *Alliance*

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Contents

1	Abbreviations	1
2	Report of the Management's	2
2.1	Incorporation and Registered Office	2
2.2	Principal Activities	2
2.2.1	Voice, Participation and Accountability:	3
2.2.2	Living:	3
2.2.3	Sexual and Reproductive Health and Rights:	3
2.3	Our Approaches	4
2.3.1	Direct Delivery	4
2.3.2	Inform	4
2.3.3	Influence	4
2.4	Summary of Financial Performance	5
2.4.1	Results for the year	5
2.4.2	Solvency	5
2.4.3	Board of Directors	5
2.4.4	Management Team	5
2.4.5	Risk Management and Internal Controls	6
2.4.6	Related Party Transactions	6
2.4.7	Bankers	6
2.4.8	Events after year end	7
2.4.9	Auditors	7
3	Programme Performance	8
3.1.1	Kijana Wajibika - funded by European Commission, MAVIC & Ford Foundation	8
3.1.2	USAID Kizazi Kipyta – funded by PACT	8
3.1.3	EAYIP - funded by Master Card Foundation /Heifer	8
3.1.4	Elimu Fursa- funded by MC/VSO	8
3.1.5	Mwanamke Tunu (Women are Jewels) – funded by DFID /PSI & Mercury Phoenix Trust	9
3.1.6	Mabinti Tushike Hatamu – funded by Novo Foundation /Private Donor	9
3.1.7	Achievements over the year	9
3.1.8	Constraints/Challenges Faced and Actions Taken	11
4	Statement of Managements' Responsibilities	13
5	Declaration of the Head of Finance/ Accounting	14
6	Report of the Independent Auditors	15
7	Statement of Financial Position for the year ended 30th September 2017	18
8	Statement of Comprehensive Income for the year ended 30th September 2017	19
9	Statement of Cash Flows for the year ended 30th September 2017	20
10	Statement of Changes in Reserves for the year ended 30th September 2017	21
11	Notes to the Financial Statements	22
11.1	Reporting Entity	22
11.2	Basis of Preparation	22
11.2.1	Statement of Compliance	22
11.2.2	Basis of Measurement	22
11.2.3	Functional and Presentation Currency	22

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

11.3	Significant Accounting Policies	23
11.3.1	Revenue Recognition	23
11.3.2	Financial Instruments	23
11.3.3	Property, Plant and Equipment	25
11.3.4	Employee benefits	26
11.3.5	Comparative figures	27
11.3.6	Expenditure	27
11.3.7	Grant and Receivables	27
11.3.8	Trade and Other Payables	27
11.3.9	New standards and interpretations not yet adopted	27
11.4	Grant Income	28
11.5	Deferred Capital Grants	28
11.6	Office Costs	28
11.7	Staff Costs	29
11.8	Governance Costs	29
11.9	Fundraising and Partnership Costs	30
11.10	Program Support Costs	30
11.11	Direct Delivery Costs	30
11.12	Building a Strong Youth Sector Costs	31
11.13	Shaping Policy and Practice Costs	31
11.14	Sharing and Learning Costs	31
11.15	Other Charges	31
11.16	Property, Plant and Equipment	32
11.17	Debtors and other Receivables	32
11.18	Other Receivables - Recoverable Expenditure	32
11.19	Prepayments	33
11.20	Grants Receivables	33
11.21	Related Party Transactions	33
11.22	Cash and Bank	34
11.23	Creditors and other Payables	34
11.24	Deferred Revenue Grants	34
11.25	Communication with Those Charged with Governance	35

*Reports and Audited Financial Statements for the year ended 30th September 2017***1 Abbreviations**

AIDS	Acquired Immune Deficiency Syndrome
BOD	Board of Directors
CPAC	Comprehensive Post-Abortion Care
CPE	Community Peer Educators
CSO	Civil Society Organizations
DFID	Department for International Development
EC/EU	European Union
EGPAF	Elizabeth Glaser Pediatric AIDS Foundation
FP	Family Planning
GBV	Gender Based Violence
HIV	Human Immune Virus
HR	Human Resource
IESBA	International Ethics Standards Board for Accountants
INGO	International Non-Governmental Organization
ISA	International Standards on Auditing
MAVC	Making All Voices Count
NBAA	National Board of Accountants and Auditors
NGO	Non-Government Organization
NNGO	National Non-Governmental Organization
NSSF	National Social Security Fund
PAYE	Pay as You Earn
PPF	Parastatal Pensions Fund
SDL	Skills Development Levy
SRH	Sexual and Reproductive Health
TZS	Tanzania Shillings
UK	United Kingdom
UN	United Nations
UNAIDS	The Joint United Nations Programme on HIV/AIDS
UNICEF	The United Nations Children's Fund
USAID	United States Agency for International Development
VAT	Value Added Tax
VSLA	Village Savings and Loan Association model
VSO	Volunteer Service Oversee
WCF	Workers Compensation Fund

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

2 Report of the Management's

The Managements have pleasure in presenting their report together with the audited financial statements for the year ended 30th September 2017.

2.1 Incorporation and Registered Office

Restless Development ("the Organization") is the leading national youth-led development agency. Since 1993 Restless Development has been working to place young Tanzanians at the forefront of change and development. On 28th July 1998 we were registered in Tanzania under Societies Ordinance, 1954 issued with registration No. SO.NO.9501 known as Students Partnership World Wide Tanzania (SPW) which was under Ministry Of Home Affairs. On May 2008 the organisation shifted to The Registrar of Non-Governmental Organisation (NGO) and on May 2011 was issued with Certificate of Compliance No.00001388 under The Non-Governmental Organisation Act, 2002 as National NGO known as Restless Development which it was changed from 5th July 2010 and linked to the global agency through a License Agreement with Restless Development in the UK.

In 2017, during the NGO verification which was done countrywide by the Registrar of NGO in Tanzania, we were informed that the organisation is International Organisation where we were also required to pay annual subscription fees as International NGO which the management complied with. Our mission is to demonstrate that young people are a positive asset and can contribute to real progress towards national and global development targets.

We champion the engagement, position, and ultimately the influence of young people at every stage of development. Our unique youth-led approach has been cited best practice and won awards from the Stars Foundation, World Bank, UNAIDS, and most recently the 2014 Resolve Award for *Mabinti Tushike Hatamu*. In 2015, we received two special recognitions from the President of Tanzania for services to youth and secured a Memorandum of Understanding with the Ministry of Information, Youth, Culture and Sports (MOIYCS) to provide technical support in the implementation of the National Youth Council.

Our programmes are delivered directly in Iringa (including Njombe), Mbeya, Ruvuma, Dar es Salaam, Morogoro, Lindi, Dodoma, Pwani and Shinyanga, and through our alumni and youth networks spread across Tanzania.

Our strategies include:

- Youth to youth non-formal education, counselling and capacity building;
- Grassroots delivery combined with policy influencing led by young people, giving young people authentic voices and roles at all levels on the development issues facing their communities;
- Young professionals leading our work, from the community to the board level, proving that young people can and do lead development programmes which contribute to national and global targets;
- Efficient and equity-based approaches to use of our financial resources in line with our organisational values and value for money policy.

Report of the Management's (Cont....)

2.2 Principal Activities

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

Restless Development is in its second year of implementation of its 5 year national strategy 2016-2021. The strategy identifies three enablers which if addressed will build youth agency, giving young people the confidence to engage in development, share their views and exercise their citizenship with a focus on improving the capacities and effectiveness of the key groups through which we intend to deliver transformed systems and improved through:

- An active movement of young people to implement, monitor, and advocate, ensuring development plans are accountable to and inclusive of young people as rights holders.
- A robust, collaborating network of youth-led and youth focused organisations who offer young people and national partners a viable option for quality delivery, scale, and progressing youth rights and policy.
- A joined up public-private partnership that is highly engaged in youth development - driving policy, investment in youth, facilitating and participating in dialogue structures, and programming solutions for youth in the critical areas of focus.
- A 21st century agency for youth-led development positioning Restless Development Tanzania to be able to promote learning, capacity and influence as a convenor for young people and the youth sector. These relate to: Young People; Youth Sector; and Public and Private Sector Partners.

2.2.1 Voice, Participation and Accountability:

A world where young people are active citizens, where institutions are accessible and responsive to young people, and where young people can influence those with power.

We have continued to build on our work to ensure that young people are taking up their roles as young leaders and change makers and are getting their voices heard in decision making spaces through evidence based accountability. This year, we have made three great wins by receiving funding from Making All Voices Count (MAVC), CIVICUS Data Shift, European Commission (EC) and Ford Foundation to upscale our accountability programme 'Kijana Wajibika (Youth Be Responsible)'.

2.2.2 Living:

A world where young people can drive sustainable economies, where businesses and governments invest in and learn from young people's enterprise, and where young people achieve a decent, sustainable living.

Restless Development has been involved in different initiatives which seeks to tackle youth unemployment by helping young people who have the attitude and ambition to achieve beyond the opportunities they have been given. These initiatives includes different project which have established to equip youth with necessary skills on entrepreneurship, employability and access to finance such as *Kijana Ibuka, Girls leadership, International Citizenship and East Africa Youth Inclusion Program*.

Report of the Management's (Cont....)

2.2.3 Sexual and Reproductive Health and Rights:

A world where young people realize sexual and reproductive rights for all, where policies, attitudes and services advance people's sexual and reproductive health and rights, helping to end AIDS and enabling young men and women to be free from discrimination.

We continued reaching out to young people below the age of 20 years of age with appropriate and accurate information on SRH, FP, GBV and CPAC. We have learnt from the previous years that the youth in the communities we are working with have multiple needs and challenges that can

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

make it difficult for them to make smart SRH decisions, chief among these are financial challenges. This reporting year, among other things we also integrated SRH/FP education with income generation activities through youth groups and teen clubs, so as to enable young people and women to increase their income to meet their SRH needs. Youth have been supported to establish the youth-led clubs and provided with the opportunity to learn and acquire knowledge on HIV, livelihood opportunities, and career choices. The teen clubs aim to improve the youth's situation in their communities while at the same time developing organizational, planning, and management skills. Furthermore, when these groups matured they will be linked with their respective local governments to benefit from opportunities such as entrepreneurship trainings and other tools that can be used to increase their income.

2.3 Our Approaches

Our work is delivered through three key approaches:

2.3.1 Direct Delivery

This is approach used by Restless Development where young people directly improve lives through community engagement and mobilization, with youth leadership at the heart of all interventions. The focus of Deliver is on improving people's lives in one or more of the four Goal areas (Voice, Living, Sexual Rights, and Leadership). Supporting young people to Deliver also means generating new active citizens and leaders: new agents and advocates for change. This builds deep social capital and positions young people and their organizations to be ready to 'respond' when emerging challenges arise - by forming response-ready networks, being ready to adapt programmes, and being equipped to mobilize communities. Deliver also includes an approach that helps young people 'innovate', by testing new approaches and learning from how youth-led interventions can improve development outcomes. This innovation underpins the future success and ongoing evolution of the Restless Model.

2.3.2 Inform

This is approach where young people create and share evidence and understanding of the real life experience of communities where young people live and work. They act as a knowledge bridge between communities and the institutions that serve global development.

Supporting young people and organizations to inform others also means that, by adding to the growing body of evidence, they will ultimately be better able to 'demonstrate' the power of youth-led development and to 'inspire' others by communicating the power and agency of youth. In effect both 'demonstrate' and 'inspire' are about using the information created by Inform to

Report of the Management's (Cont....)

persuade others to support youth-led change in two complementary ways -through evidence and compelling narratives, respectively.

2.3.3 Influence

Where young people change the cultural norms, policies and systems that affect people's lives, driving accountability from the center to governments and aid agencies.

Supporting young people and organizations to Influence also means supporting them to 'engage' more widely, by leading campaigns and moments, facilitating alliances, being part of wider coalitions, and developing networks. It also means supporting them to 'position' youth differently in relation to power, for example by embedding young people with government, partner NGOs and institutions and more broadly by linking power to youth and youth to power. Engage and position reflect two ways of integrating the change in our work: horizontally (engage) as we bring more youth voices, organizations together and to bear on what matters most to them.

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

(position) by linking young people with those in power and vice versa – ultimately increasing our ability to influence change.

2.4 Summary of Financial Performance

Below are summaries of results and solvency for the year:

2.4.1 Results for the year

The performance of the Organization for the year is set out on page 19 of these financial statements.

2.4.2 Solvency

The Organization's state of affairs at 30th September 2017 is set out on page 18 of these financial statements. The management's consider the Organization to be solvent.

2.4.3 Board of Directors

At the date of this report, the organization had no Board of Directors. The Organization operated for more than a year and half without BOD. The term of service of all six Board Members expired on June 2016 except for the Board Chairman whose term expired in July 2017 as shown below:

S/N	Name	Nationality	Position	Age	Qualifications	Date Resigned
1	Prosper Ngowi	Tanzania	Chairman	46	PhD (Economics)	July 2017
2	Eliguard Dawson	Tanzania	Board Member	32	MSc Environmental Science	June 2016
3	Theresa Moyo	Tanzania	Board Member	34	Bachelor of Sociology	June 2016
4	Joyce Shaidi	Tanzania	Board Member	63	Master in Sociology	June 2016
5	Grace K. Kulaba	Tanzania	Board Member	33	LLB	June 2016
6	Awadi Milasi	Tanzania	Board Member	31	Bachelor of Computer Science	June 2016

Report of the Management's (Cont....)

2.4.4 Management Team

The members of the Management Team of the Organization at the date of this report and who served throughout the year are:

S/N	Name	Nationality	Position	Date Joined/ Appointed	Date Resigned
1	Ms. Margaret Mliwa	Kenyan	Country Director	November 2014	August 2017
2	Ms. Alpha Mukama	Tanzanian	Head of Operations	April 2016	On-going
3	Ms. Emma Munslow	British	Senior, Investments & Partnership Manager	December 2015	August 2017

Reports and Audited Financial Statements for the year ended 30th September 2017

4	Ms. Sandra Grindgards	Finish	Senior, Investments & Partnership Manager	August 2017	On-going
5	Mr. Hamim Kilahama	Tanzanian	Youth Leadership Programme Manager	Jan 2012	On-going
6	Mr. Nabeel Shahzad	Pakistanis	Senior Finance Manager	Aug 2013	March 2017
7	Mr. Owen Wimbo	Tanzanian	Senior, Programmes Manager	December 2016	On-going
8	Ms. Spicener Rugalela	Tanzania	Senior Finance and Administration Manager	May 2017	On-going

2.4.5 Risk Management and Internal Controls

The Management accepts final responsibility for the risk management and internal control systems of the Organization. It is the task of the management to ensure that adequate internal financial and operational control systems are developed and maintained on an on-going basis in order to provide reasonable assurance regarding:

- The effectiveness and efficiency of operations;
- The safeguarding of the Organization's assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and
- Responsible behavior towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance with such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the Organization's system of internal controls is designed to provide the Management with reasonable assurance that the procedures are operating effectively.

The Management assessed the internal control systems throughout the financial year ended 30th September 2017 and is of the opinion that they met accepted criteria.

The Management is directly responsible for risk and internal control assessment and a separate audit committee is not considered necessary given the nature and size of the Organization's operation.

*Report of the Management's (Cont....)***2.4.6 Related Party Transactions**

The details of related party balances and transactions are provided in Note 11.21 of the financial statements. All transactions with related parties were carried out at arm's length basis.

2.4.7 Bankers

The bankers of the Organization for the financial year ended 30th September 2017 were:

Bankers: NBC
Iringa Branch
P.O. Box 981

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

Iringa, Tanzania

NBC
Dar es Salaam Branch
P.O. Box 35181
Dar es Salaam, Tanzania

Barclays
Mikocheni Branch
PO Box 5137
Dar Es Salam, Tanzania

2.4.8 Events after year end

The Registration status of Restless Development changed subsequent to the year-end following reclassification by the Registrar of NGOs. The Registrar re-classified Restless Development Tanzania as an International Non-Governmental Organization (INGO) and not a National Non-Governmental Organization (NNGO) as was previously construed. Following this, the management paid annual subscription fees at the rate paid by INGO instead of the rate payable by NNGO. Subscription fees was paid along with fines and penalties for prior years when the organization operated under the auspices of NNGO.

The organization has since started to work with one NNGO as an Implementing Partner in line with the requirements of INGO.

2.4.9 Auditors

The current auditors, ABA Alliance, have expressed their willingness to continue in office and are eligible for re-appointment.

Auditors:

ABA Alliance
Certified Public Accountants
1st Floor, Ubungo Plaza
Morogoro Road – Dar es Salaam,
P. O. Box 11621
Dar es Salaam, Tanzania

3 Programme Performance

3.1.1 Kijana Wajibika - funded by European Commission, MAVIC & Ford Foundation

"Kijana Wajibika program (Youth be Responsible)" young people are placed at the center of development and government processes. These young leaders are using their knowledge, data and networks to participate in political and democratic processes to advocate for their rights. In our living projects we aim at improving and expanding opportunities for young people to develop livelihoods and employment skills.

Through this process, citizens were empowered to participate in and monitor their post- election promises made by their leaders to ensure that their rights are protected. Targeted areas were: Dar es Salaam, Simiyu, Mtwara, Lindi, Mbeya, Kilimanjaro, Morogoro, Tanga and Dodoma.

3.1.2 USAID Kizazi Kipyta – funded by PACT

In the *"USAID Kizazi Kipyta"* project we work with Orphans and Vulnerable Children on livelihoods and sexual rights with our implementing partners PACT (leading), Railway Children, EGPAF, Aga Khan Foundation and Ifakara Health Institute (IHI). Restless Development is responsible for youth mobilization through the formation of teen clubs and at strengthening organizational capacity of CSOs in youth engagement in program planning, implementing and monitoring. Teen clubs are organized groups of 15 to 20 members that bring young girls and boys together to share and learn about issues that affect them and develop core life skills through club organization and management. Youth are supported to establish the youth-led clubs and provided with the opportunity to learn and acquire knowledge on HIV, livelihood opportunities, and career choices.

The Teen Clubs aim to improve the situation of young people in their communities, while at the same time developing organizational, planning and management skills, through training from NPEs and CPEs. 54 (25 females, 29 males) and placed 50 NPEs in 49 project wards after undertaking project placement risk assessment. Moreover we supported 9 CSOs, 50 NPEs and local government authorities in the 49 project wards to recruit 250 (57% female and 43% male) Community Peer Educators (CPEs) below 26 years of age. CSOs provide overall supervision of NPEs and CPEs, while the local government provides support in implementation and ensure the welfare of CPEs and NPEs in their respective placements.

3.1.3 EAYIP - funded by Master Card Foundation /Heifer

"The East African Youth Inclusion Program" aims at equipping youth with the skills to start and run agriculture-related businesses. This year, the 5 year project was launched with Heifer International Tanzania, MIICO and Economic and Social Research Foundation aiming at creating youth owned and managed businesses accompanied by employment opportunities around dairy hubs and other agricultural value chains. A total number of 994 (510 female, 484 male) young people have been recruited in Njombe and Iringa regions and have formed 36 Self Help Groups, which have developed constitutions and put strong leadership structures in place.

Currently, Cornerstones as a Value Based Holistic Community Development Approach and VSLA trainings were then provided to 28 of these SHGs, reaching 537 young people (315 female, 222 male). After the training, 21 self-help groups started the saving mechanism as the sign of use of the knowledge they received and have saved collectively 2,169,000 TSH within a month.

3.1.4 Elimu Fursa- funded by MC/VSO

"Elimu Fursa" was a project that focused on implementing career development and enterprise education programs in 12 communities in the region of Lindi. The project delivered training to school teachers for them to deliver market relevant skills, and a competency framework for employability skills with the education sector and communities. The project recorded increase in female (1830) and male (2350) reporting an awareness of their career options, also increase in

Reports and Audited Financial Statements for the year ended 30th September 2017

number of form 4 students illustrating improved 'soft' skills to achieve their preferred career option, an increase of female and male secondary school students completing form four and an increase in the number of girls going to higher level education and employment.

3.1.5 Mwanamke Tunu (Women are Jewels) – funded by DFID /PSI & Mercury Phoenix Trust

This year, we continued with the project on family planning known as Family Planning outreach project (*Mwanamke Tunu*) in partnership with Population Services International (PSI) and Intrahealth. Restless Development is leading on youth mobilization. The project aims at increasing family planning outreach services, especially to rural adolescents (15-19 years) on Family Planning (FP), Comprehensive Post-Abortion Care (CPAC) and Gender Based Violence (GBV) services. The project continues to employ a variety of proven and innovative strategies to improve, access, quality and cost effective FP/CPAC and GBV services in rural areas in Tanzania; 40 Hub facilities provide training in the provision of comprehensive adolescent-friendly services.

3.1.6 Mabinti Tushike Hatamu – funded by Novo Foundation /Private Donor

The "Mabinti Tushike Hatamu! (MTH)" project is an innovative pilot which builds on the experience of Restless Development Tanzania and UNICEF. The project has been designed to test and evaluate theories for reducing the vulnerability of out of school girls to HIV and AIDS, pregnancy and gender based violence. It seeks to support young women and girls aged 14-19 to be leaders in their communities and live healthy and fulfilling lives. Targeted areas are: Temeke; Iringa Rural; and Mbeya Rural Districts. In April 2016 we up scaled the project to Ruvuma region. It aims to encourage these women and girls to take informed decisions about their sexual and reproductive rights, as well helping them to discover and cultivate their unique skills.

3.1.7 Achievements over the year**INVESTMENT:**

- 377 communities have been reached through Restless Development interventions;
- 96 Youth Entrepreneurship Groups (YEGs) have been supported in livelihoods creation and entrepreneurship (904 male, 994 female);
- 531 National and Community Youth Leaders were recruited and trained;
- 7 career fair events were held;
- 40 health centers supported to provide youth-friendly health services;
- 6 Higher learning institutions reached by students through career fairs and employability skills training to students;
- 6 young alumni placed in internship roles;
- 253 Schools reached through in-school programmes;
- 23 alumni (11 male, 12 female) received training in career development young people; 6312 males and 4412 females, completed a peer education curriculum as stipulated by curriculum standards in Tanzania;

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

- 30 Self-help groups were formed and members trained in Value Based Holistic Community Model (VBHCD) and 30 number of groups were trained on Village Savings and Loan Association model (VSLA); and
- 294 number of teen clubs were formed.

IMPACT:

Our work has contributed on the ground to:

- 50,278 Young people (17,408 male and 32,870 female) accessed SRHR programmes or services
- 1008 Young people (596 male and 412 female) accessed civic education directly,
- 987 Young people (987 female) accessed life skills training programmes
- 12,848 Young people (6,838 male, 6,010 female) accessed business or employment schemes and training.
- 96 Youth Entrepreneurship Groups (YEGs) received training and capacity building support through initiatives led by Restless Development.
- 28 Local youth-led and youth-focused CSOs were trained and supported to meet minimum standards in programme delivery including in securing partnerships with public and private sector organizations
- 9 National and local government institutions and departments were formally supported to consult with young people in their strategies, plans and budgets affecting the four goal areas.
- 11 Bilateral and multilateral aid agencies were supported to engage with and to make provision for young people in their strategies, plans and budgets affecting the four goal areas
- 21 Private sector, non-profit, media and governmental organizations' and agencies were engaged with Restless Development to provide financial and/or technical support for young people across the four goal areas.

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

3.1.8 Constraints/Challenges Faced and Actions Taken

Constraints/challenges	Impact/Risk on Projects	Action taken
Expectation of monetary benefits in exchange for program support by Local Government Leaders.	Due to current Restless Development policies, monetary benefits are not provided beyond reimbursement of transport cost for local government leaders. This leads negative sentiment from them to Restless Development and their refusal to cooperate and potential interference by local government leaders. These people play an influential role in mobilising and supporting the work of Restless Development on the ground in communities.	We planned meeting with Government officials and other stakeholders to elaborate on requirement of Restless Development Tanzania policies and requirement of the donors where some of the stakeholders understood while others refused but we are still holding discussion.
Expectation of monetary benefits in exchange for program support by program recipients.	Currently Restless Development does not include tangible benefits including start-up capital or other items to recipients of its projects. It only provides training and resources for the increase in knowledge and capacity. Often following these trainings, there is a dissident or reduction in commitment in ongoing activities due to the perception from young people that Restless Development has 'let them down'. This can lead to the spread of negative perception of Restless Development among the community.	Inception meeting were done where all groups were educated on the objective of projects and the role of organisation in implementing projects.
Re-scheduling of planned project activity implementation due to multiple factors including delay in payments made to service providers and volunteers.	Frequently, scheduled activities are required to be rescheduled due to delays in payment made to service providers and volunteers. This leads to the negative perception of Restless Development within the community including the knowledge of 'we are not serious about the project' leading to negative impact of lack of trust. More importantly, this leads to the reduction of project targets and non-achievement of project objectives.	Management changed modality of payment to volunteers where all volunteers are paid on 25 of each month. We entered into agreement with preferred supplier who agreed to provide service when there is any event with commitment of being paid later.

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

Drop out of National and Community Young Leaders from Restless Development Tanzania Projects	Occasionally, projects record 'drop out' of National and Community Young Leaders for a variety of reasons. This has a large impact on the project's ability to implement all required activities within particular communities and requires for the retraining of additional people. Also, it is a waste of project resources invested and loss of 'corporate knowledge'.	We have increased our focus on livelihoods for our groups and this has provided "glue" that has increased retention. Livelihood training to the girls was carried out to support their knowledge on soap-making, batik-making and other areas of interest.
Unequal Gender Representation of National /Community Young Leaders and change makers	Restless Development promotes itself as an organization that is committed to Gender Equality but fails to meet the basic standards of equal gender representation which is the basic indicator for gender mainstreaming in its programs.	We planned meeting with local leaders and other young girls to encourage them on applying to various opportunities in the organisation where the number of girls increased.

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

4 Statement of Managements' Responsibilities

The Management of Restless Development are responsible for the preparation and fair presentation of the financial statements, comprising the statement of financial position as at 30th September 2017, and the statement of comprehensive income, the statement of changes in equity and statement of cash flow for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and in the manner required by the NGOs Act, 2002.

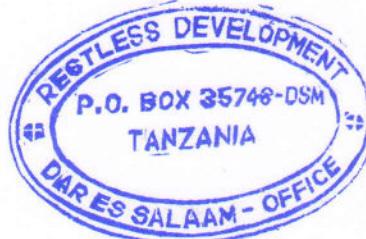
The managements' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The auditors are responsible for reporting on whether the annual financial statements are fairly presented in accordance with the applicable financial reporting framework.

The managements have made an assessment of the Organization's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

BY ORDER OF THE MANAGEMENT


.....
COUNTRY DIRECTOR



RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

5 Declaration of the Head of Finance/ Accounting

FOR THE YEAR ENDED 30TH SEPTEMBER 2017

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 Statement of Declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a professional accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of an entity showing true and fair view position of the entity in accordance with international accounting standards and statutory reporting requirements. Full legal responsibility for financial statements rests with the Board of Directors as under Directors Responsibility Statement on an earlier page.

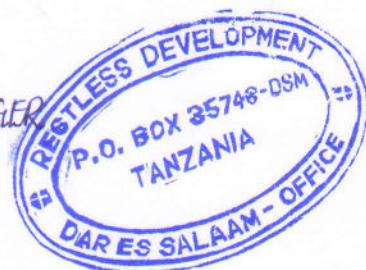
I, SPICENER RUGALELA, being the Senior Finance and Administration Manager of Restless Development Tanzania, hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30th September 2017 have been prepared in compliance with applicable accounting standards and statutory requirements.

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

Signed by: 

Position: SENIOR FINANCE & ADMINISTRATION MANAGER

NBAA Membership No: 019868



6 *Report of the Independent Auditors*

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RESTLESS DEVELOPMENT

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of RESTLESS DEVELOPMENT ('the Organization'), which comprise the Statement of Financial Position as at 30th September 2017, the Statement of Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year then ended and the Summary of Significant Accounting Policies and other explanatory notes.

In our opinion, the financial statements give a true and fair view of the financial position of RESTLESS DEVELOPMENT as at 30th September 2017, and its financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the NGO Act, 2002.

Basis for Opinion

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

Emphasis of Matter – Communication with Those Charged with Governance

We draw attention to Note 11.25 to the financial statements, which describes lack of a governing body ('Board of Director') for the whole period under audit except for the Chairperson of the Board whose tenure expired in July 2017 thus contravening the provisions of the RESTLESS DEVELOPMENT'S Constitution. As a result, these financial statements are signed by the management instead of the Chairperson of the Board.

The Board has responsibility for overseeing the strategic direction of the entity and obligations related to the accountability of the entity. This includes overseeing the financial reporting process. We are of the view that the absence of the Board of Directors for the entire period under audit may have negatively impacted on the effectiveness and efficiency with which the financial management role and overall oversight role was implemented.

Other Information

The Managements are responsible for the other information. The other information comprises the Managements' Report. The other information does not include the financial statements and our auditors' report thereon.

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

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

Responsibilities of Managements for the Financial Statements

The Managements are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the NGO Act, 2002, and for such internal control as Managements 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, Managements are responsible for assessing the Organization'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 Managements either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Managements.
- Conclude on the appropriateness of the Managements' 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 Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Organization 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 statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Managements 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

As required by the NGO Act, 2002 we report that:

- in our opinion, proper accounting records have been kept by RESTLESS DEVELOPMENT;
- the individual accounts are in agreement with the accounting records of the Organization; and
- we obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.



ABA Alliance
Certified Public Accountants

Signed by: Sylvester Orao – CPA PP

Date: 29th December 2017

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

7

Statement of Financial Position for the year ended 30th September 2017

	NOTES	30 th September 2017 Tzs	30 th September 2016 Tzs
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	11.16	77,379,055	88,486,671
Total Non-Current Assets		77,379,055	88,486,671
Current Assets			
Debtors and other Receivables	11.17	33,543,377	75,472,178
Other Receivables-Recoverable Expenditure	11.18	248,226,591	248,226,591
Prepayments	11.19	89,412,779	80,052,460
Grants Receivable	11.20	669,100,842	309,746,454
Loan to Related Parties	11.21	94,747,797	-
Cash and Bank Balances	11.22	1,010,972,637	1,741,344,118
Total Current Assets		2,146,004,023	2,454,841,801
TOTAL ASSETS		2,223,383,078	2,543,328,472
RESERVES AND LIABILITIES			
Reserves			
Accumulated Surplus/(Deficit)		114,323,511	114,323,511
Deferred Capital Grants	11.5	77,379,055	88,486,671
Total Reserves		191,702,566	202,810,182
Current Liabilities			
Creditors and other Payables	11.23	235,400,579	163,047,971
Grants Received in Advance	11.24	1,796,279,933	1,913,271,448
Loan from Related Parties	11.22	-	264,198,871
Total Current Liabilities		2,031,680,512	2,340,518,290
TOTAL RESERVES AND LIABILITIES		2,223,383,078	2,543,328,472

*The notes on pages 22 to 34 form part of these financial statements
Auditors Report on pages 15 to 17*

Owen Wimbo *Signature*
SENIOR PROGRAMME MANAGER

DATE

29th December 2017

ALPHA MUKAMA *Signature*
COUNTRY DIRECTOR

DATE



RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

8

Statement of Comprehensive Income for the year ended 30th September 2017

	NOTES	30 th September 2017 TZS	30 th September 2016 TZS
INCOME			
Grants Income	11.4	3,846,371,180	3,594,778,250
Release of Deferred Capital Grants	11.5	<u>45,149,016</u>	<u>36,397,054</u>
TOTAL INCOME		3,891,520,196	3,631,175,304
EXPENDITURE			
Office Costs	11.6	335,808,056	301,245,797
Staff Costs	11.7	1,617,454,804	1,384,748,922
Governance Costs	11.8	159,437,976	151,102,861
Fund Raising and Partnership Costs	11.9	198,029,075	115,172,523
Programme Support Costs	11.10	-	250,161,811
Direct Delivery Costs	11.11	1,545,653,073	1,300,334,172
Building a Strong Youth Sector Costs	11.12	-	20,007,636
Shaping Policy and Practice Costs	11.13	-	4,181,913
Sharing and Learning Costs	11.14	-	49,419,600
Other Charges	11.15	<u>35,137,212</u>	<u>54,800,069</u>
TOTAL EXPENSES		3,891,520,196	3,631,175,304
Surplus/(Deficit) for the year		≡	≡

The notes on pages 22 to 34 form part of these financial statements
Auditors Report on pages 15 to 17

Owen Wimbo
SENIOR PROGRAMME MANAGER

Stmp.

DATE

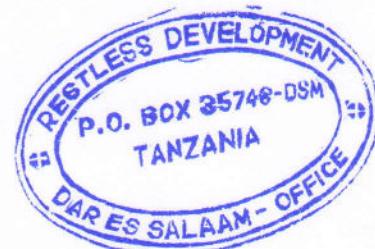
29th December 2017

ALPHA MUKAMA
COUNTRY DIRECTOR

Mukama

DATE

29th December 2017



RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

9

Statement of Cash Flows for the year ended 30th September 2017

	30 th September 2017 Tzs	30 th September 2016 Tzs
CASH FLOW FROM OPERATING ACTIVITIES		
Surplus for the year	-	-
Adjusted for:		
Depreciation	45,149,016	36,397,054
Loss/(profit) on disposal of fixed assets	-	-
Addition to fixed assets	34,041,400	27,468,082
Deferred capital grant released to income	<u>(45,149,016)</u>	<u>(36,397,054)</u>
Operating surplus before working capital changes	<u>34,041,400</u>	<u>27,468,082</u>
(Increase)/decrease in debtors and other receivables	41,928,801	9,455,831
(Increase)/decrease in other receivables-recoverable	-	(248,226,591)
Decrease/(increase) in prepayments	(9,360,319)	(18,280,540)
(Increase)/decrease in grants receivables	(359,354,388)	(186,090,280)
Increase/(decrease) in payables	72,352,608	(73,141,508)
Increase/(decrease) in accrued income	<u>(116,991,515)</u>	<u>1,703,891,726</u>
Net cash flow from operating activities	<u>(337,383,413)</u>	<u>1,215,076,720</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(34,041,400)	(27,468,082)
Proceeds from sale of property, plant and equipment	-	-
Net cash flow from investing activities	<u>(34,041,400)</u>	<u>(27,468,082)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Related party loan raised/(repaid)	(358,946,668)	184,917,991
Net cash (outflow)/inflow from financing activities	<u>(358,946,668)</u>	<u>184,917,991</u>
Net change in cash and cash equivalents	<u>(730,371,481)</u>	<u>1,372,526,629</u>
Cash and cash equivalent at the beginning of the year	1,741,344,118	368,817,489
Cash and cash equivalent at the end of the period	<u>1,010,972,637</u>	<u>1,741,344,118</u>

*The notes on pages 22 to 34 form part of these financial statements
Auditors Report on pages 15 to 17*

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

10	Statement of Changes in Reserves for the year ended 30th September 2017	
		Accumulated Reserves Tzs
At 1 st October 2015		114,323,511
Surplus for the year		
As at 30th September 2016		<u>114,323,511</u>
Surplus/(Deficit) for the year		
Balance at 30th September 2017		<u>114,323,511</u>

*The notes on pages 22 to 34 form part of these financial statements
Auditors Report on pages 15 to 17*

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

11 Notes to the Financial Statements

11.1 Reporting Entity

Restless Development ("the Organization") is registered in Tanzania under the NGO Act, 2002 per Registration No. 00001388 and it is domiciled in United Republic of Tanzania. The address of its registered office is:

Restless Development
Uhuru Road, near Lugalo Secondary School, Iringa
P.O. Box 737
Iringa, Tanzania.

11.2 Basis of Preparation

11.2.1 Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and its interpretations adopted by International Accounting Standards Board (IASB).

11.2.2 Basis of Measurement

The financial statements have been prepared on the historical cost basis.

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

11.2.3 Functional and Presentation Currency

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2017 (Cont...)**

11.3 Significant Accounting Policies

The accounting policies set out below have been applied consistently by the Organization.

Certain comparative amounts in the financial statements have been reclassified to conform to the current year's presentation.

11.3.1 Revenue Recognition

11.3.1.1 Grants Income

Income from donor grants is included to the extent of completion of the contract. This is generally equivalent to the sum of relevant expenditure incurred during the year and any related contributions towards overhead costs.

Grants received in respect of the acquisition of property, plant and equipment are treated as deferred capital grants and released to income in line with depreciation over the useful life of the asset.

11.3.1.2 Other Income

Other income includes items such as exchange gain or gain from sale of assets and is recognized on accrual basis.

11.3.1.3 Foreign Currency Translation

Transactions in foreign currencies are translated to the functional currency at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in local currency at the reporting date are retranslated to the functional currency at the exchange rate at that date.

Exchange gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the period.

Non-monetary assets and liabilities denominated in local currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Exchange differences arising on retranslation are recognized in profit or loss in the period in which they arise.

11.3.2 Financial Instruments

11.3.2.1 Non-derivative financial instruments

The Organization recognizes loans and receivables on the date they are originated. Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

*Reports and Audited Financial Statements for the year ended 30th September 2017***NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2017 (Cont...)****11.3.2.2 Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and bank deposits. Bank overdraft (if any) that are repayable on demand and form an integral part of the Organization's cash management are included as component of cash and cash equivalents for the purpose of the statement of cash flows.

11.3.2.3 Non-derivative financial Liabilities

The Organization initially recognizes debt securities subordinated liabilities on the date that they are originated. All other financial liabilities (trade and other payables) are recognized initially on the trade date which is the date the entity becomes a party to the contractual provision of the instrument.

The Organization derecognizes financial liability when its contractual obligations are discharged, cancelled or expire.

11.3.2.4 Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized costs is calculated as the difference between its carrying amount, and the present value of estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

11.3.2.5 Non-financial assets

The carrying amount of the Organization's non-financial assets, other than inventories, is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

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

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely dependent of the cash inflows of other assets or group of assets (the "cash-generating unit").

Impairment losses are recognized in profit or loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

*Reports and Audited Financial Statements for the year ended 30th September 2017***NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2017 (Cont...)****11.3.3 Property, Plant and Equipment****11.3.3.1 Recognition and measurement**

Items of property and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, and any other costs which also include the borrowing costs directly attributable to bringing the asset to working condition for its intended use. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of equipment are determined by comparing the proceeds from disposal with the carrying amount of equipment and are recognized net within "other income" in profit or loss.

11.3.3.2 Subsequent cost

The cost of replacing part of an item of equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Organization and its costs can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of day to day servicing of equipment are recognized in profit or loss as incurred.

11.3.3.3 Depreciation and amortization

Depreciation is recognized in profit or loss on a reducing balance basis over the estimated useful lives of each part of an item of equipment.

Depreciation is calculated on the straight line basis at the following rates:

Motor vehicles (new)	20%
Motor vehicles (second hand)	50%
Furniture & fittings	20%
Equipment	33%

Gain or losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are recognized within other (losses)/income in the statement of income and expenditure. Full depreciation is charged in the year of purchase.

The residual value, if not insignificant, is reassessed annually.

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2017 (Cont...)

11.3.4 Employee benefits

11.3.4.1 Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal and constructive obligation to pay further amounts.

Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss when they are due.

Restless Development has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Organization and its employees contribute to one of the following defined contribution plans: the NSSF, the PPF or the National Insurance Scheme of the United Kingdom (NI).

11.3.4.2 Termination benefits

Termination benefits are recognized as an expense when the Organization is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Termination benefits for voluntary redundancies are recognized as an expense if the Organization has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

11.3.4.3 Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term basis if the Organization has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

11.3.4.4 Provisions

A provision is recognized if, as a result of a past event, the Organization has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

11.3.4.5 Operating lease payments

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

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2017 (Cont...)

11.3.4.6 Income tax

Restless Development is registered as a Non-Government Organization (NGO). The entity is deemed not to operate in commercial terms and as such not liable to income tax. This position may be reviewed in future should the nature of activities change to the extent of generating taxable profits.

11.3.5 Comparative figures

Where necessary, the comparative figures have been reclassified to conform to changes in presentation in the current period.

11.3.6 Expenditure

Expenditure is charged on an accruals basis, inclusive of non-recoverable VAT. The expenditure cost include the costs incurred directly in the normal course of the Organization's activities to get work done this also includes the cost of hiring staff and some other overheads to get work done.

Where costs cannot be directly attributable to a particular heading they have been allocated on a basis consistent with the use of resources.

11.3.7 Grant and Receivables

Grant and receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts.

11.3.8 Trade and Other Payables

Trade and other payables are stated at their nominal value.

11.3.9 New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations have become effective for annual periods beginning after 1 October 2016 and have not been applied in preparing these financial statements.

The directors anticipate that all the interpretations and standards applicable to the entity shall be adopted when they become effective, and that the adoption of those interpretations and standards will have no material impact on the financial statements of the Organization.

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

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2017 (Cont...)**

11.4 Grant Income

	30 th September 2017 TZS	30 th September 2016 TZS
Unrestricted OTHER	-	580,000
Unrestricted SIDA SWEDEN	1,040,423,347	1,586,785,076
Restricted CIVICUS/ Data Shift	79,935,088	-
Restricted DFID	45,424,673	-
UN- Restricted DFID	-	363,783,573
Restricted EC/EU	358,776,931	-
Restricted FHI360	115,421,215	-
Restricted Ford Foundation	43,939,929	-
Restricted Heifer International	217,124,249	-
Restricted Making All Voice Count (MAVC)	114,904,840	-
Restricted MERCURY	37,330,509	-
Restricted Novo Foundation	261,788,494	-
Restricted PACT	434,534,522	-
Restricted Private Donor TZ	25,281,235	-
Restricted PSI	277,140,923	161,076,624
Restricted UNICEF	-	90,775,081
Restricted USAID	15,273,362	-
Restricted ML 1	-	28,468,124
Restricted DANCE 4 LIFE	39,571,476	124,454,293
Restricted DFID Election	-	289,663,814
Restricted Share Net	-	8,750,000
Restricted Barclays	142,350,313	104,378,797
Restricted VSO	597,150,074	836,062,868
Total - Grant Income	<u>3,846,371,180</u>	<u>3,594,778,250</u>

11.5 Deferred Capital Grants

At beginning of year	88,486,671	97,415,643
Grants received during the year	34,041,400	27,468,082
Released to income	(45,149,016)	(36,397,054)
Closing Balance	<u>77,379,055</u>	<u>88,486,671</u>

11.6 Office Costs

Rent and Rates	140,643,722	127,984,695
Cleaning & Sundries	18,146,200	15,081,290
Repair and Maintenance	4,761,296	4,526,109
Office Security	5,814,000	3,999,980
Gas, Water and Electricity	17,105,344	7,533,177
Generator Fuel	393,000	-
Generator Maintenance	124,000	-
Office Stationery	22,148,307	-

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

Postage & Shipping	1,115,158	826,072
Sub – Total Office Costs	210,251,027	159,951,323

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2017**
(Cont...)

	30 th September 2017 Tzs	30 th September 2016 Tzs
Office cost (continued)		
Printing & Photocopy	2,298,300	20,333,880
Office Communication	29,458,375	33,557,815
Finance & Admin Recharges	19,246,564	31,465,141
Bank Charges & Fees	29,286,493	13,066,654
Computer Accessories & Software	5,650,999	16,807,484
Computer Maintenance	1,730,600	736,500
Equipment Maintenance	4,222,200	2,698,000
Other Small Equipment	8,617,562	364,000
Internship Costs	25,045,936	22,265,000
Sub – Total Office Costs	125,557,029	141,294,474
Total - Office Costs	335,808,056	301,245,797

11.7 Staff Costs

Support Staff Salaries	948,921,487	1,083,320,575
Support Staff Social Security	90,669,127	114,091,348
Programme Staff Salaries	354,585,139	-
Programme Staff Social Security	34,852,893	26,017,300
Support Staff Accommodation/Housing	24,985,183	-
Support Staff Out of County Supplement	9,518,327	5,185,000
Insurance	50,139,511	38,660,045
Medical	2,920,962	6,493,100
Training (Including HR development)	3,073,123	1,423,630
Visas & Permits	11,357,253	28,873,655
Relocation	26,131,667	27,942,640
Programme Staff Accommodation/Housing	13,885,170	-
Programme Staff Out of Country Supplement	6,860,166	-
Recruitment	762,000	11,157,020
People Recharges	38,792,796	41,584,609
Total - Staff Costs	1,617,454,804	1,384,748,922

11.8 Governance Costs

External Auditors Fees	31,777,675	29,026,754
Legal & Professional Fees	3,024,866	-
Insurance (Non – Vehicle)	794,247	-
Subscription and Memberships	1,672,360	3,733,000
Annual Conference	61,695,181	115,318,707
Internal Audit	65,000	-
Workshop & Away Days	1,112,650	-
Strategy & Direction Recharges	59,295,997	1,389,000
Finance Charges	-	1,635,400
Total - Governance Costs	159,437,976	151,102,861

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2017 (Cont...)**

11.9 Fundraising and Partnership Costs

	30 th September 2017 TZS	30 th September 2016 TZS
Donor Relations	8,883,555	-
Printings	27,339,700	475,500
Publication & Periodicals	466,300	11,860,910
Adverts	2,915,500	-
Media	9,040,000	6,433,716
Investment & Partnership Re-charges	149,384,020	96,402,397
Total - Fundraising and Partnership Costs	<u>198,029,075</u>	<u>115,172,523</u>

11.10 Program Support Costs

Program Support Cost	-	250,161,811
Total - Program Support Costs	<u>=</u>	<u>250,161,811</u>

11.11 Direct Delivery Costs

Accommodation Staff	60,503,463	373,614,350
Accommodation Volunteers	192,949,530	-
Accommodation Others	7,041,000	-
Allowance Staff	25,181,418	275,880,488
Allowance Volunteers	338,745,200	-
Allowance Others	42,468,900	-
TRV Staff Flights	21,237,956	-
Vehicle Tax	8,632,200	-
Vehicle Insurance	6,927,108	-
Vehicle Maintenance	27,836,555	-
Vehicle Fuel	39,763,043	-
TRV Medical	872,300	-
TRV Staff	50,790,900	235,681,983
TRV Volunteers	65,700,478	-
TR Others	43,139,500	-
Food Staff	73,554,352	-
Food Volunteers	71,355,758	-
Food Others	33,955,500	-
Venue Fees	33,187,200	82,216,000
Venue Materials	5,965,000	63,667,750
Stationery	18,911,976	-
Rental Items	1,300,000	-
Postage	220,550	-
Printing & Copying	34,206,910	-
Others Materials	15,692,443	131,990,350
Information Resource Centres	24,205,661	-
Sub Total – Direct Delivery Costs	<u>1,244,344,901</u>	<u>1,163,050,921</u>

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

FOR THE YEAR ENDED 30TH SEPTEMBER 2017
(Cont...)

	30 th September 2017 TZS	30 th September 2016 TZS
Sports & Competitions	12,948,000	-
Consultant Costs	58,775,880	-
Activities Sundries	28,479,302	-
Inclusion and Access	73,500	-
Volunteer Insurance	259,500	-
Programmes Recharges	55,389,259	-
Donations & Sub-grants	145,382,731	-
Other Costs	-	137,283,251
Sub Total – Direct Delivery Costs	<u>301,308,172</u>	<u>137,283,251</u>
 Total – Direct Delivery Costs	 <u>1,545,653,073</u>	 <u>1,300,334,172</u>

11.12 Building a Strong Youth Sector Costs

Building a Strong Youth Sector Costs	-	20,007,636
Total - Building a Strong Youth Sector Costs	<u>-</u>	<u>20,007,636</u>

11.13 Shaping Policy and Practice Costs

Shaping Policy and Practice	-	4,181,913
Total - Shaping Policy and Practice Cost	<u>-</u>	<u>4,181,913</u>

11.14 Sharing and Learning Costs

Sharing and Learning Cost	-	49,419,600
Total - Sharing and Learning Costs	<u>-</u>	<u>49,419,600</u>

11.15 Other Charges

Unrealised Foreign Exchange (Gain)/Losses	(10,011,804)	(2,981,329)
Depreciation	45,149,016	36,397,054
Bad debts (Recovered)/Written Off	-	21,384,344
Total - Other Charges	<u>35,137,212</u>	<u>54,800,069</u>

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2017 (Cont...)**

11.16 Property, Plant and Equipment

	Motor Vehicles TZS	Furniture & Fittings TZS	Office Equipment TZS	TOTAL TZS
COST				
As at 1 st October 2016	371,422,745	51,884,214	149,827,870	573,134,829
Additions during the year	10,790,000	-	23,251,400	34,041,400
Disposals during the year	-	-	-	-
As at 30th September 2017	382,212,745	51,884,214	173,079,270	607,176,229
DEPRECIATION				
As at 1 st October 2016	298,850,745	39,969,548	145,827,865	484,648,158
Charge for the year	29,847,000	3,687,816	11,614,200	45,149,016
Charge for disposed assets	-	-	-	-
As at 30th September 2017	328,697,745	43,657,364	157,442,065	529,797,174
NET BOOK VALUES				
As at 30th September 2017	<u>53,515,000</u>	<u>8,226,850</u>	<u>15,637,205</u>	<u>77,379,055</u>
As at 30th September 2016	<u>72,572,000</u>	<u>11,914,666</u>	<u>4,000,005</u>	<u>88,486,671</u>

11.17 Debtors and other Receivables

	30 th September 2017 TZS	30 th September 2016 TZS
Staff Housing Loans Advances	1,146,443	13,443,872
Staff Imprest Balances Outstanding	15,979,331	45,618,506
Salary Advance Receivable	-	551,950
Sundry Debtors	16,417,603	15,857,850
Total - Debtors and other Receivables	<u>33,543,377</u>	<u>75,472,178</u>

11.18 Other Receivables - Recoverable Expenditure

Recoverable Expenditure	<u>248,226,591</u>	<u>248,226,591</u>
Total – Other Receivable – Recoverable Expenditure	<u>248,226,591</u>	<u>248,226,591</u>

The amount of 248,226,591(TZS 89,000,000 and TZS 159,226,591 for counter felt and for missing payment voucher) was identified as defrauded by dishonest staff. However, the entire amount is deemed recoverable from unrestricted funds held centrally in Restless Development International through the International Reserves and from Bank.

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

11.19 Prepayments

These prepayments are for office rents, and insurances for health and motor vehicles

	30 th September 2017 TZS	30 th September 2016 TZS
Office Rents	40,358,827	44,892,304
Health Insurance for Staffs	46,095,617	26,805,882
Motor Vehicle Insurance	2,958,335	4,661,835
Other Insurance (Office combined insurance etc.)	-	3,692,439
Total - Prepayments	<u>89,412,779</u>	<u>80,052,460</u>

11.20 Grants Receivables

These are grants receivable from the Donors.

SIDA Canada	5,572,785	5,572,785
Share Net	1,869,509	1,869,509
FHI360	19,844,204	-
VSO	354,109,799	-
PSI	69,194,008	66,960,335
USAID	7,950,203	4,385,033
Pact	134,208,476	203,000
Kijana Wajibika IV CIVICUS	60,567,018	-
Kijana Wajibika II (MAVC)	15,784,840	-
Unrestricted Other	-	8,960,000
DFID ICS	-	114,176,477
DFID CSCF	-	15,274,881
EUEC	-	9,087,055
D4Life	-	16,291,876
Action 2015	-	2,181,930
DFID Youth Emp	-	64,783,573
Total - Grants Receivables	<u>669,100,842</u>	<u>309,746,454</u>

11.21 Related Party Transactions

Restless Development International is a related party of Restless Development Tanzania. Funding is received from Restless Development International to cover certain costs.

Opening Balance as 1 st October 2016	(264,198,871)	(79,280,880)
Payments incurred by Restless Development Tanzania in favour of Restless Development International	<u>886,174,907</u>	<u>(184,917,991)</u>
Total Receivable from Restless Development International	621,976,036	(264,198,871)
Expenses incurred by Restless Development International in favour of Restless Development Tanzania	(527,228,239)	-
Total Receivable from Restless Development International	<u>94,747,797</u>	<u>(264,198,871)</u>

*Reports and Audited Financial Statements for the year ended 30th September 2017***11.22 Cash and Bank**

Cash and cash equivalents consist of cash on hand and balance with banks. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

	30 th September 2017 TZS	30 th September 2016 TZS
Cash at Bank	1,001,337,472	1,740,424,700
Cash in Hand	2,186,401	1,565,604
M-Pesa	7,448,764	(646,186)
Total - Cash and Bank	<u>1,010,972,637</u>	<u>1,741,344,118</u>

11.23 Creditors and other Payables

NSSF & PSPF	21,610,562	-
WCF	1,080,528	-
PAYE & SDL	28,539,116	-
Sales Tax Control	(152,059)	817,972
Wages Control	103,605	-
HESLB	2,300,473	-
Provision for Statutory Payments	140,206,358	140,206,358
Auditor Fees	13,356,825	11,442,551
Accrued Expenses	28,355,171	10,581,090
Total - Creditors and other Payables	<u>235,400,579</u>	<u>163,047,971</u>

11.24 Deferred Revenue Grants

Barclays Bank PLC	2,290,710	145,969,603
Dance For Life	35,800,492	-
DFID	43,353,694	-
EC/EU	399,524,691	-
Ford Foundation	289,510,071	-
Heifer International	100,701,727	-
John Hopkins	2,000	2,000
KPMG	26,675,757	26,675,757
MERCURY	52,843,647	43,571,018
Novo Foundation	394,157,884	-
Oxfam	47,059,147	47,059,147
Private Donor TZ	145,868,765	-
SIDA SWEDEN	201,546,832	1,275,528,498
Stars Foundation	12,882,198	16,659,548
UNICEF	6,357,969	6,357,969
Unrestricted	9,681,540	18,844,539
VSO International	-	150,994,334
Zing	21,155,030	21,155,030
Others	6,867,779	160,454,005
Total - Deferred Revenue Grants	<u>1,796,279,933</u>	<u>1,913,271,448</u>

RESTLESS DEVELOPMENT

Reports and Audited Financial Statements for the year ended 30th September 2017

11.25 Communication with Those Charged with Governance

The term of service of all six Board Members expired in June 2016 except for the Board Chairman whose term expired in July 2017. Virtually, the Organization did not have an existing governing body by year end, 30th September 2017 and subsequently.

The Organization operated for more than a year and half without Board of Directors thus contravening the provisions of its own Constitution.