

**CAMARA EDUCATION TANZANIA**

**DIRECTORS REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**CAMARA EDUCATION TANZANIA**  
**DIRECTORS REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2021**

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**ABBREVIATIONS**

NGO	Non-Government Organization
IFRS	International Financial Reporting Standards
ISSAI	International Standards of Supreme Audit Institutions
CET	Camara Education Tanzania
NBAA	National Board of Auditors and Accountants
TZS	Tanzanian Shilling
NSSF	National Social Security Fund
NHIF	National Health Insurance Fund
PAYE	Pay As You Earn
SDL	Skills Development Levy
WCF	Workers Compensation Fund
NBV	Net Book Value
COVID	Corona Virus Infectious Disease

**KEY INFORMATION**

**REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS**

Camara Education Tanzania  
Plot No. 43  
St. Placidus House, Kurasini Dar es Salaam, Tanzania

**BANKERS**

Cooperative Rural Development Bank (CRDB)	National Bank of Commerce (NBC)
Waterfront Branch Dar Es Salaam, Tanzania	Corporate Branch Dar Es Salaam, Tanzania.

**AUDITORS**

PROBS ASSOCIATES Certified Public Accountants  
Umoja Plaza, Msasani Beach  
Mwai Kibaki Road  
P. O. Box 60048  
Dar es Salaam  
Tanzania

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The Directors presents this report and the audited financial statements of Camara Education Tanzania for the year ended 31<sup>st</sup> December 2021, which disclose the state of affairs of the Organization.

## **1. ORGANISATIONAL INFORMATION**

### **1.1 BACKGROUND INFORMATION**

Country of incorporation and domicile is United Republic of Tanzania.

Nature of business and principal activities the principal activities of the organization are the provision and training of Teachers, Schools and Educational Institutions in Tanzania.

### **1.2 ORGANISATIONAL STRUCTURE**

CET have a functional Governing Board and the Management. The Head offices are in Kurasini Temeke District. As provided for in its Constitution, CET's organization structure is basically made up of major bodies namely the Governing Board, the Management and the Secretariat.

#### **The Governing Board**

This is the highest decision making body comprising a total of seven (7) members, all drawn from the diversity of expertise. The Board Office bearers include the Chairperson, Secretary and Treasurer.

#### **The Management**

The Management is headed by the Country Manager comprises of senior employees of CET responsible for the day to day activities of the Organization and implementing CET's projects.

#### **The Secretariat**

This comprises of all CET's employees.

### **1.3 CET's OUTLOOK**

#### **Vision**

CET's long term vision is to ensure world-class technology-enabled education accessible to all.

#### **Mission**

To transform education using technology to empower disadvantaged students.

#### **Objectives**

To work alongside the Tanzanian Government to identify and address needs within the education sector which can be addressed by Camara and its partners.

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**1.4 COMPOSITION OF THE BOARD**

The Board Members of CET who held office during the year and to the date of this report are:

<b>S/N</b>	<b>Name</b>	<b>Position</b>	<b>Age</b>	<b>Academic qualification</b>	<b>Details/Affiliated CET</b>
1.	Cormac Lynch	Chairperson	60	MBA	Founder & Chairperson of Camara Education CLG (parent company of CET) Founder & Partner of Several companies including Camara Education CLG, Aquila Bioscience, UBS, Cong Engineering, NIKoil
2.	Aidan Tallon	CEO of Camara Education CLG, Treasurer of Tanzania Board	65	BCom, MBA	Owner of Financial Systems and Strategic Planning, former Financial Director First Ireland Spirits Group /Quintessential Brands Ireland Group
3.	Frank Lehman	Board Member	61	MBA	Owner and Founder of THELO Kapital GmbH, Private Investor in Higher-Yielding Credits, former MD Europe for AIG Financial Products and former Executive Director of Investment Banking at Goldman Sachs Intl in New York, London and Frankfurt
4.	Mwasi Willmore	Board Member		M.A International Management, B.A Finance and Banking	Co-Founder of Wilmore Group Limited (WGL), principal consultant at Africa Insight Advisors, Former Project Coordinator Telesis Tanzania Limited
5.	Anita Mc Williams	Director of African Operations, Camara Education	38	MSc in Social Work, BSc in Criminal Justice	Former Project Manager of ZamStem Project in Zambia, a former social worker at Western Health and Social Care Trust · Full-time
6.	Br Kizito Ndunguru	Board Secretary	66	B.A. Sociology, Associate degree in Business	Supervisor St. Placidus House, Dar es Salaam

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<b>S/N</b>	<b>Name</b>	<b>Position</b>	<b>Age</b>	<b>Academic qualification</b>	<b>Details/Affiliated CET</b>
				Management	Former manager of African Benedictine of Hanga Songea,
7.	Dayani Mbowe	Board Member and Country Manager	33	MBA, BSc Computer Science	Former Sales & Tech manager Camara Education Tanzania

### **1.5 STATEMENT OF GOVERNANCE**

The Governing Board recognizes the importance of adopting high standards of governance throughout the fundamental part of discharging its responsibilities to protect and enhance the value of equity of stakeholders, Government of the United Republic of Tanzania, and the Financial Performance of CET.

The Board is therefore committed to the maintenance of high standards of governance by supporting and implementing the prescription of principals and best practices set out in CET Constitution.

### **1.6 CORPORATE GOVERNANCE**

The Board is committed to the principles of good governance and recognizes the need to perform their oversight role in accordance with generally accepted best practice. In so doing the Directors therefore confirm that:

- (a) The Board met four times during the year;
- (b) The Board retain full and effective control over CET and monitor the Management;
- (c) The positions of Chairman and Country Manager are held by two different people;
- (d) Board accepts and exercises responsibility for strategic and policy decisions, the approval of budgets and the monitoring of performance; and
- (e) They bring skills and experience from their own sphere of expertise to complement the professional experience and skills of the secretariat.

### **1.7 MANAGEMENT**

The Country Manager is the overall in charge of the day to day activities and coordination of CET. He is answerable to the Governing Board. The Country Manager is assisted by other Senior Members of the Staff.

### **1.8 POLITICAL AND CHARITABLE DONATIONS**

During the period under review CET did not donate anything to political or charitable Organization.

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**1.9 GENDER PARITY**

CET is an equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribes and religion which does not impair ability to discharge duties.

As at 31<sup>st</sup> December 2021, CET had the following distribution of employees by gender.

<b>Gender</b>	<b>2021</b>	<b>Percentage</b>
Male	6	66.7%
Female	3	33.3%
<b>Total</b>	<b>9</b>	<b>100%</b>

**1.10 EMPLOYEES' WELFARE**

**Relationship between Management and Employees**

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

CET has a systematic procedure of communication with employees on a regular basis which is done through weekly field meetings, quarterly staff planning, annual planning and budgeting as well as management meetings.

**Employees' Benefit Plan**

CET pays contributions to publicly administered pension plans, the National Social Security Fund (NSSF) on mandatory basis which qualifies to be a defined contribution plan. The employees contribute 10% of their gross salary, while the employer contributes 10% of the individual staff's gross salary.

CET has the following employees' welfare arrangements:-

**Training**

CET provides on-the-job- training for its employees for both office and field based activities. Opportunities to attend seminars and courses elsewhere within and outside the country are also provided subject to availability of funds.

**Medical Facilities**

Each staff has an NHIF card (Vifurushi) as initially organization used to pay NHIF as an organization to cover all staff and their families. Since number of CET staff dropped below 10, NHIF revoked the service and the organization started to pay for Vifurushi scheme, also some of staffs use National Social Security Fund (NSSF) health scheme to cover themselves and families.

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**Annual staff get together party**

CET holds annual get together party, where all employees meet and socialize. This increases employees' morale and CET's cohesiveness, but during the year under review the same did not take place due to effects of COVID 19.

**1.11 PERSONS WITH DISABILITY**

Application for employment by disabled persons is always considered, bearing in mind the aptitudes of the applicant concerned. In the event members of staff become disabled while on duty, every effort is made to ensure that their employment with CET continues and appropriate training is arranged.

**1.12 AUDITORS**

The auditors PROBS ASSOCIATES Certified Public Accountants were CET's auditors for the year ended 31<sup>st</sup> December 2021. They have expressed their willingness to continue and are eligible for re-appointment.

Approved by the Governing Board on \_\_\_\_\_ 2023 and signed on its behalf by:

Name: Cormac Lynch  
Chairman

Signature: \_\_\_\_\_

Name: Br Kizito Ndunguru  
Secretary

Signature: \_\_\_\_\_

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**STATEMENT OF THE BOARD AND MANAGEMENT’S RESPONSIBILITIES**

The Governing Board and Management are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Organization as at the end of the financial year and of the operating results of CET for that year. Also the Governing Board and the Management are required to ensure they keep proper accounting records, which disclose with reasonable accuracy at any time the financial position of CET. They are also responsible for safeguarding the assets of CET, ensuring CET compliance with all regulatory and legal requirements and for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

The Governing Board and Management accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgement and estimates, in conformity with the relevant accounting policies which have been used and applied consistently. The Board and Management are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of CET and its operating results. The Board and Management further accept responsibility for the maintenance of accounting records, which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Board and Management to indicate that CET will not remain in going concern for at least the next twelve months from the date of this statement.

BY ORDER OF BOARD OF DIRECTORS:

.....

.....

**Chairman**

**Secretary**

Date... .. 2023

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**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 Finance responsible for the preparation of the 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 of the entity's financial 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 indicated under the Directors Responsibility statement on an earlier page.

I..... being the Head of Finance of Camara Education Tanzania (CET) hereby acknowledge my responsibility of ensuring that the financial statements for the year ended 31<sup>st</sup> December 2021 have been prepared in compliance with the requirements of NGOs Act, and International Financial Reporting Standards.

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

Signed by: .....

Position: .....

NBAA Membership No.: .....

Date:.....2023

**CAMARA EDUCATION TANZANIA**  
**INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING BOARD OF CAMARA**  
**EDUCATION TANZANIA**

**Auditor's Report**

**Independent Auditor's Report to the Governing Board of Camara Education Tanzania**

**Our opinion**

We have audited the financial statements of the Camara Education Tanzania (CET) for the year ended 31<sup>st</sup> December 2021 which comprise of the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the organization for the year ended 31<sup>st</sup> December 2021 are prepared, in all material respects, in accordance with the basis of accounting described in note 2 to the financial statements and the requirements of International Financial Reporting Standards (IFRSs) and its interpretations adopted by the International Accounting Standards Board (IASB).

**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 Auditor's responsibilities for the audit of the financial statements section of our report.

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

**Independence**

We are independent of the Organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

**Responsibilities of the Organization for the financial statements**

The Board is responsible for the preparation of the financial statements in accordance with the basis of accounting described in note 1 and the requirements of the any other legal guidelines and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Board is responsible in for overseeing the 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 skepticism throughout the audit. We also:

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- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.

We communicate with the board 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**

In our opinion, proper accounting records of the Organization have been kept and the financial statements referred to in the preceding paragraph are in agreement with the accounting records and is in compliance with International Financial Reporting Standards (IFRSs) and its interpretations adopted by the International Accounting Standards Board (IASB).

CPA. Optatus Luoga.

**For and on behalf of:**

PROBS Associates, Certified Public Accountants  
Dar es Salaam

Date \_\_\_\_\_ 2023

**CAMARA EDUCATION TANZANIA**  
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**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021**

		31-12-21	31-12-20
	Note	TZS	TZS
<b>Income</b>	1	237,848,766	333,619,356
<b>Cost of Sales</b>	2	-109,337,976	-226,037,626
<b>Gross Profit /(Loss)</b>		<b>128,510,790</b>	<b>107,581,730</b>
<b>Other Income</b>			
Other Income	1	107,768,457	145,189,782
<b>Total Income</b>		<b>236,279,247</b>	<b>252,771,512</b>
<b>Expenditures</b>			
Staff Cost	3	144,180,961	198,390,259
Project Expenses	4	64,665,305	74,774,883
Financial charges	5	3,669,500	2,380,860
Depreciation	10	4,040,919	4,755,121
<b>Total Expenditures</b>		<b>216,556,685</b>	<b>280,301,122</b>
<b>Net Surplus/(Deficit) Before Tax</b>		<b>19,722,562</b>	<b>-27,529,610</b>
Less: Corporate Tax		5,916,769	-
<b>Net Surplus/(Deficit)</b>		<b>13,805,794</b>	<b>-27,529,610</b>
<b>Prior Year Adjustments</b>			
Increase in Bad Debt Provision		(1,669,501)	-
Provision for TRA Liability		(82,028,855)	-
Diminution in Inventory Value		(22,076,464)	-
<b>Change in Retained Earnings</b>		<b>(91,969,026)</b>	<b>(27,529,610)</b>

The Statement of Income and Expenditure is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 17 to 24.

**CAMARA EDUCATION TANZANIA**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021**

**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>st</sup> DECEMBER 2021**

	Notes	31.12.2021 TZS.	31.12.2020 TZS.
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Property, Plant and equipments</b>	<b>10</b>	<b>2,145,802</b>	6,186,721
<b>Current Assets</b>			
<b>Inventory</b>		-	24,737,206
Good in Transit		-	-
<b>Prepayments (Rent)</b>		-	-
Account Receivables	8	113,612,197	6,651,202
Bank Balance and Cash Balance	6	34,156,386	45,513,555
<b>Total Current Assets</b>		<b>147,768,583</b>	<b>76,901,963</b>
<b>TOTAL ASSETS</b>		<b>149,914,386</b>	<b>83,088,684</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS EQUITY</b>			
Net Surplus		13,805,794	(27,529,610)
Prior Year Adjustments		(105,774,820)	
Change in Retained Earnings		(91,969,026)	
Opening Balance Retained Earnings		(21,824,899)	5,704,711
<b>Closing Balance Retained Earnings</b>		<b>(113,793,925)</b>	<b>(21,824,899)</b>
Opening Balance Equity		(734,009,954)	-
Debt written off on Recapitalisation		737,079,305	-
<b>Total Equity</b>		<b>(110,724,574)</b>	<b>(21,824,899)</b>
<b>Long Term Liability</b>			
CEL Debt		-	3,129,350
<b>Total Long Term Liabilities</b>		-	<b>3,129,350</b>
<b>Current Liabilities</b>			
Short term Loan		59,278,360	-
Creditors and Accruals	9	160,555,664	101,784,233
Deferred Income	11	40,804,936	-
<b>Total Current Liabilities</b>		<b>260,638,960</b>	<b>101,784,233</b>
<b>Total Equity and liabilities</b>		<b>149,914,386</b>	<b>83,088,684</b>

The Balance Sheet is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 17 to 24.

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**BOARD CHAIRPERSON**

-----  
**EXECUTIVE DIRECTOR**

Date.....

Date.....

**CAMARA EDUCATION TANZANIA**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

	31-12-21	31-12-20
	TZS	TZS
<b>Operating Surplus / (Deficit)</b>	<b>13,805,794</b>	<b>(27,529,610)</b>
Adjustments for non-cash income and expenses:		
Accounts Receivable (A/R)	(101,791,216)	8,346,148
Camara Education CLG	(5,199,779)	
Inventory	-	41,275,600
TAX ASSET	5,916,769	-
Depreciation	4,040,919	4,755,121
Deferred Income	40,804,936	-
Accounts Payable (A/P)	(2,625,000)	(47,532,465)
DISCOVERY PROJECT	(50,838,648)	-
KIT KIT PROJECT	(200,000)	-
ODI PROJECT	500,000	-
Other current liabilities	500,000	-
Short term Loan from Camara Education CLG	59,278,360	-
SOCIAL SECURITY PAYABLE	172,938	-
TAXES PAYABLE(PAYE,SDL,WCF)	(459,447)	-
Camara Education CLG Debt	737,139,304	-
<b>Total Adjustments for non-cash income and expenses:</b>	<b>787,039,472)</b>	<b>6,844,403</b>
<b>Net cash from operating activities</b>	<b>(773,233,678)</b>	<b>(20,685,207)</b>
<b>Cash flows from investing activities</b>	-	
Purchase of Fixed Assets.	-	(950,000)
STOCK HUB	24,737,206	(24,737,206)
<b>Net cash used in investing activities</b>	<b>24,737,206</b>	<b>(25,687,206)</b>
<b>Cash flows from Financing activities</b>		
Camara Education CLG Debt	737,139,304	-
Opening Balance Equity	-	48,508,846
Cash flows from Financing activities	737,139,304	48,508,846
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(11,357,169)</b>	<b>2,136,434</b>
Cash and cash equivalents at beginning of year	45,513,555	43,377,121
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>34,156,386</b>	<b>45,513,555</b>

The Cash Flow Statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 17 to 24

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**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

	<b>Accumulated</b>	<b>Total Equity</b>
	<b>Surplus/Deficit</b>	
<b>Year ended 31 December 2021</b>		
Opening Balance Retained Earnings	(21,824,899)	(21,824,899)
Surplus for the Period	13,805,794	13,805,794
Prior Year Adjustments	(105,774,820)	(105,774,820)
<b>Closing Balance Retained Earnings</b>	<b>(113,793,925)</b>	<b>(113,793,925)</b>
<b>Opening Balance Equity</b>	<b>(734,009,954)</b>	<b>(734,009,954)</b>
Shares Issued	-	-
Debt Written on Recapitalization	737,079,305	737,079,305
<b>Closing Balance Equity</b>	<b>3,069,351</b>	<b>3,069,351</b>
<b>Balance as 31 December 2021</b>	<b>(110,724,575)</b>	<b>(110,724,575)</b>
<b>Year ended 31st December 2020</b>		
<b>Balance as 1 Jan. 2020</b>	<b>5,704,711</b>	<b>5,704,711</b>
Deficit for the period	(27,529,610)	(27,529,610)
Dividends	-	-
<b>Balance as 31st December 2020</b>	<b>(21,824,899)</b>	<b>(21,824,899)</b>

The Statement of Change in Equity is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 17 to 24.

**CAMARA EDUCATION TANZANIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31<sup>ST</sup> DECEMBER 2021**

**1. PRINCIPAL ACCOUNTING POLICIES**

**Statement of Compliance with IFRS**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS's) and its interpretations.

**Basis of preparation**

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB).

The preparation of financial statements in conformity with IFRSs requires management to make judgements, 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 judgements 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 ongoing 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.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

**Foreign Currency Translation**

**i. Functional currency and translation of foreign currencies**

Items included in the financial statements are measured using the currency of the primary economic environment the entity operates (the functional currency). The financial statements are presented in the Tanzanian Shillings (TZS) which is the functional currency and presentation currency of CET.

**ii. Transaction and balances**

Transactions denominated in currencies other than in the functional currency are translated into Tanzanian Shilling using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at the period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

**CAMARA EDUCATION TANZANIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
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**2. SIGNIFICANT ACCOUNTING POLICIES**

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

**(a) Trade and other receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment. A provision for impairment of the trade receivables is established when there is objective evidence that the Organization will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the assets carrying amounts and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the profit and loss account.

**(b) Cash and cash equivalents**

For purposes of the cash flow statements, cash and cash equivalents comprise cash in hand, deposits held on call with the banks net of bank overdrafts.

**(c) Property and equipment**

Items of property and equipment are stated at cost less accumulated depreciation and accumulated impairment. Depreciation is charged on a straight line basis to write off cost of each item of property and equipment over their expected useful economic lives. The annual rates of depreciation which have been consistently applied are as indicated below:-

	%
Computer and equipment	37.50
Office Equipment	12.50
Furniture and Fittings	12.50
Motor vehicles	20.00

Where the asset's carrying value is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. During the year there is no disposal of fixed assets however the following policy is adopted when disposal exists. Gain and losses on disposals will be determined by comparing the disposal proceeds with the carrying amount and will be included in the operating surplus/deficit.

Repair and maintenance expenditure are charged to income and expenditure statement during the financial period in which they are incurred. The cost of major renovation is included in the asset's carrying amount when it is probable that the future economic benefit in excess of the originally assessed standard of performance of the existing assets will flow to CET. Major renovation will be depreciated over the remaining useful life of the related assets or the date of the next renovation, whichever is sooner.

**(d) Grants Income**

Grants received in respect of revenue expenditure are credited to income and expenditure statement when received.

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**(e) Inventories**

Inventories (stocks) are stated at the lower of cost and net realizable value. Cost is determined using the first in first out (FIFO) method. The cost of goods comprised the raw material and the related overheads. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Cost of Inventories included the transfer from equity of gain / (losses) on qualifying cash flow hedges relating to inventory purchases or donated. The inventories in the financial statements are Nil.

**(f) Pension Obligation**

CET is using one pension schemes recognized by the laws of the local conditions and practices of the United Republic of Tanzania. The National Social Security Fund (NSSF) in which the employer contributes 10% of the employees gross pay which the employee are also contribute 10% to make it 20%. This is a mandatory, contractual and non-voluntary contribution of which remittances are affected on monthly basis. Once the Contributions and remittance are made to the pension schemes, CET has no further payment Obligation. The regular contributions constitute net periodic costs for the year in which are due, and as such they are included in staff costs.

**(g) Other post retirement obligation**

This element is being immersed by the above pension contribution. Once the contributions are made there are no post retirement cares by the Camara Education Tanzania. The pension schemes are taking care of the post retirement obligations.

**(h) Termination benefits**

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange of these benefits. CET recognizes termination benefits when it is demons ratably committed to either terminate the employment of the current employee to a detailed formal plan without the possibility of withdrawal or to provide termination benefit as a result of an offer made to encourage voluntary redundancy. There are no benefits tailing due but it is adopted that benefits falling due more than 12 months after balance sheet date will be discounted to present value.

**(i) Provisions**

Provisions are recognized when CET has presented legal or constructive obligation as a result of past events, it is probable that an outflow of resources would be required to settle the obligation, and a reliable estimate of the amount could be made. Where CET expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but when the reimbursement is visually certain.

**3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be a reasonable under the circumstances.

**CAMARA EDUCATION TANZANIA**  
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		<u>31.12.2021</u>	<u>31.12.2020</u>
		<u>TZS</u>	<u>TZS</u>
<b>1</b>	<b>REVENUE</b>		
	Computer Sales	190,782,246	223,232,002
	Other Sales Income	47,066,520	-
		<b>237,848,766</b>	<b>223,232,002</b>
	<b>Other Income</b>		
	Project Income	106,541,083	993,095,717
	Exchange Gain or (Loss)	1,227,374	-
	<b>Total Other Income</b>	<b>107,768,457</b>	<b>993,095,717</b>
	<b>Total Income</b>	<b>345,617,223</b>	<b>1,216,327,719</b>
		<u>31.12.2021</u>	<u>31.12.2020</u>
		<u>TZS</u>	<u>TZS</u>
<b>2</b>	<b>Cost of Goods Sold</b>		
	Opening Stock	24,737,206	62,499,327
	Purchases	84,600,770	188,275,505
	Closing Stock	-	24,737,206
	<b>Cost of Sales</b>	<b>109,337,976</b>	<b>226,037,626</b>
		<u>31.12.2021</u>	<u>31.12.2020</u>
		<u>TZS</u>	<u>TZS</u>
<b>3</b>	<b>Staff Cost</b>		
	Wages and Salaries	89,024,361	16,414,712
	NSSF	22,102,591	30,221,401
	NHIF	-	4,353,328
	PAYE	3,963,455	30,277,192
	SDL	2,628,682	7,266,937
	Volunteer Allowance	1,360,000	4,397,000
	Staff Incentives	1,350,000	-
	Staff Medical Insurance	2,564,000	3,260,028
	Staff Training	205,000	584,140
	WCF	982,871	1,615,520
	<b>Total Staff Cost</b>	<b>144,180,961</b>	<b>198,390,259</b>

**CAMARA EDUCATION TANZANIA**  
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<b>4</b>	<b>PROJECT EXPENSES</b>	<b>31.12.2021</b> <b><u>TZS</u></b>	<b>31.12.2020</b> <b><u>TZS</u></b>
	Rent and Rates	15,211,111	16,965,000
	Utilities(Electricity, Water, Fuel, etc)	1,586,000	1,114,500
	Repair and Maintenance	1,056,500	3,011,000
	Printing and Stationery	499,500	1,365,400
	Office Expenses	673,714	1,157,500
	Telephone and Internet	1,936,000	3,308,582
	Food And Beverages	897,500	1,094,500
	Transport Cost (Local Conveyance)	834,000	3,024,409
	NGO Annual Fee	230,930	-
	Levies	-	836,049
	Legal Fee and Professional Fees	8,431,250	11,781,000
	Sales and Marketing	791,600	5,808,900
	Diminution in Stock Value	-	22,076,464
	Fines and Penalties	675,000	82,028,855
	Customs and Excise	22,233,348	-
	Stock Valuation Loss	5,190,851	-
	Consulting Fee	-	3,000,000
	Product Development Cost	2,961,000	1,117,850
	Donation	-	18,404,820
	General Expenses	1,457,000	4,834,150
		<b>64,665,305</b>	<b>180,928,979</b>

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**5. FINANCIAL CHARGES**

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>TZS</b>	<b>TZS</b>
Bank Interest, charges and other commission	3,669,500	2,380,860
<b>Total Finance Charges</b>	<b>3,669,500</b>	<b>2,380,860</b>

**6. CASH AND BANK BALANCES**

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>TZS</b>	<b>TZS</b>
CRDB Bank (TZS Account) - HUB	6,900	4,416,006
CRDB Bank (USD Account)	11,591	33,453,822
NBC TANZANIAN SHILLINGS	213,238	5,208,000
NBC US DOLLARS	33,620,368	656,538
Petty Cash balance	304,289	1,779,189
<b>TOTAL</b>	<b>34,156,386</b>	<b>45,513,555</b>

**7. TAXATION**

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>TZS</b>	<b>TZS</b>
Tax brought forward	(6,300,000)	(5,100,000)
Current Year's Tax Provision	(1,200,000)	(1,200,000)
Corporate Tax Charged During the year		
<b>Tax Payable /(Receivable)</b>	<b>(7,500,000)</b>	<b>(6,300,000)</b>

**8. DEBTORS AND PREPAYMENTS**

	<b>31.12.2021</b>	<b>31.12.2020</b>
<b>DEBTORS AND PREPAYMENTS</b>	<b>TZS</b>	<b>TZS</b>
Trade Debtors	105,052,218	3,261,002
CAM TECH TANZANIA	8,589,979	3,390,200
Tax Asset	-	
Less: Provision for Doubtful Debts	-	-
<b>TOTAL</b>	<b>113,642,197</b>	<b>6,651,202</b>

**CAMARA EDUCATION TANZANIA**  
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**9. ACCOUNTS PAYABLE**

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>TZS</b>	<b>TZS</b>
<b>ACCOUNTS PAYABLE</b>		
ACCOUNTS PAYABLE	41,275,600	43,900,600
DISCOVERY PROJECT	-	50,838,648
KIT KIT PROJECT	-	200,000
INCOME TAX PAYABLE	73,760,933	73,760,933
SDL PAYABLE	8,267,921	8,267,921
ODI PROJECT	-	(500,000)
PROVISION FOR BAD DEBTS	23,775,965	-
PROVISION FOR CORPORATE TAX	5,916,769	-
SOCIAL SECURITY PAYABLE	1,311,317	1,138,379
STAFF SALARIES PAYABLE	3,655,638	3,655,638
TAXES PAYABLE(PAYE,SDL,WCF)	2,091,521	2,550,968
OTHER CURRENT LIABILITIES	500,000	1,669,501
<b>TOTAL</b>	<b>160,555,664</b>	<b>185,482,588</b>

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**10. PLANT, PROPERTY AND EQUIPMENTS**

	Computer & Accessories	Furniture & Fittings	Office Equipments	Total
	TZS	TZS	TZS	TZS
<b>COST</b>				
At 01 January 2021	10,788,389	6,191,100	4,876,100	21,855,589
Additions	-	-	-	-
<b>At 31 December 2021</b>	<b>10,788,389</b>	<b>6,191,100</b>	<b>4,876,100</b>	<b>21,855,589</b>
At 01 January 2020	10,788,389	6,191,100	3,926,100	20,905,589
Additions	-	-	950,000	950,000
<b>At 31 December 2020</b>	<b>10,788,389</b>	<b>6,191,100</b>	<b>4,876,100</b>	<b>21,855,589</b>
<b>DEPRECIATION</b>				
At 01 January 2021	(8,989,964)	(3,503,441)	(3,175,463)	(15,668,868)
Charge for the period	(1,798,065)	(1,238,051)	(1,004,803)	(4,040,919)
<b>At 31 December 2021</b>	<b>(10,788,029)</b>	<b>(4,741,492)</b>	<b>(4,180,266)</b>	<b>(19,709,787)</b>
At 01 January 2020	(7,304,143)	(3,012,706)	(2,979,158)	(13,296,007)
Charge for the period	(1,685,821)	(490,735)	(196,305)	(2,372,861)
<b>At 31 December 2020</b>	<b>(8,989,964)</b>	<b>(3,503,441)</b>	<b>(3,175,463)</b>	<b>(15,668,868)</b>
<b>NET BOOK VALUE</b>				
<b>Net Book Value 2021</b>	<b>360</b>	<b>1,449,609</b>	<b>695,834</b>	<b>2,145,802</b>
<b>Net Book Value 2020</b>	<b>1,798,425</b>	<b>2,687,660</b>	<b>1,700,637</b>	<b>6,186,721</b>

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**11. DEFFERED INCOME**

<b>DEFFERED INCOME</b>	<b>Amount</b>
	<b>TZS</b>
Deferred Income at 1 January 2021	
Amount of deferred income released to statement of Comprehensive Income	-
Amount of income deferred during the period ( <b>Note a</b> )	40,804,936
<b>Balance of deferred income as at 31<sup>st</sup> December 2021</b>	<b>40,804,936</b>

**Note a: Analysis of Deferred Income during the year**

<b>Description</b>	<b>Amount</b>
	<b>TZS</b>
DI Projects LEARN KERNEL	7,025,559
DI Projects ODI	33,779,377
<b>Total</b>	<b><u>40,804,936</u></b>

**12. BANK OVERDRAFT**

There were no bank overdrafts at the year end.

**13. CONTINGENT LIABILITIES**

There were no contingent liabilities as at the year end.