

SUPPORT FOR INTERNATIONAL CHANGE

REPORT OF THE AUDITORS

To the members of **SUPPORT FOR INTERNATIONAL CHANGE**

We have audited the accompanying income and expenditure account of **Support For International Change** as at 31st December, 2008.

Respective responsibilities of Board of Trustees and Auditors:

Preparation of this financial statements are the responsibilities of **Support For International Change** Board of Trustees. Our responsibility is to express an independent opinion on this financial statements based on our audit.

Basis of Opinion:

We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements support the amounts and disclosures in the financial statement. An audit includes assessing the accounting principles and significant estimates made by the management, as well as evaluating the overall financial statement presentation as reasonable basis for our opinion.

Opinion:

In our opinion, the financial statements present fairly in all material respects of the financial position of **Support For International Change**, as at 31st December, 2008 and of the results of its operations and its cash flows for the year then ended in accordance with the International Financial Reporting Standards and comply with the Non Governmental Organization Act, 2002 as amended.


Beatus P. Kasegenya
KASEGENYA & COMPANY
Certified Public Accountants and
Registered Auditors
ARUSHA

KASEGENYA & COMPANY
REGISTERED PUBLIC ACCOUNTANTS & AUDITORS
PO Box 11090, ARUSHA
Tel: 254-4746

February, 2009

SUPPORT FOR INTERNATIONAL CHANGE

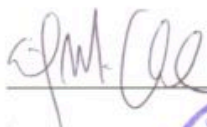
**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER, 2008**

	Notes	2008 Tshs	2007 Tshs
Income	2	409,562,689	324,669,457
Other Income	3	8,359,133	5,413,333
Total Income		417,921,822	330,082,790
Less: Expenses			
Staff costs		89,483,366	51,205,712
Administrative expenses	4	77,188,090	68,629,915
Finance costs		402,263	623,355
Volunteer programs	5	138,099,191	136,221,307
Community Health Workers program	6	55,389,804	21,167,903
VCT Supplies	7	14,773,506	10,597,518
Peer Education Program	8	310,600	1,178,125
Other Expenses/Expansion exploration	9	36,475,329	631,500
Depreciation	10	13,114,964	15,126,738
Total Expenses		425,237,113	305,382,073
Surplus/(Deficit)		(7,315,291)	24,700,717

SUPPORT FOR INTERNATIONAL CHANGE
BALANCE SHEET AS AT 31ST DECEMBER, 2008

ASSETS	Notes	2008 Tshs	2007 Tshs
Non-current assets			
Property, plant and equipment	10	<u>28,648,998</u>	<u>47,323,462</u>
Current assets			
Cash & Bank balances	11	2,050,887	5,249,561
Receivables	13	<u>496,500</u>	<u>6,093,450</u>
Total Current assets		<u>2,547,387</u>	<u>11,343,011</u>
Total Assets		<u><u>31,196,385</u></u>	<u><u>58,666,473</u></u>
CAPITAL AND LIABILITIES			
Accumulated Surplus		29,728,344	32,431,602
Surplus/ (Deficit) for the year		<u>(7,315,291)</u>	<u>24,700,717</u>
Total Capital		<u>22,413,053</u>	<u>57,132,319</u>
Current liabilities			
Short term Loan		5,035,900	-
Payables	12	<u>3,747,432</u>	<u>1,534,154</u>
Total Liabilities		<u>8,783,332</u>	<u>1,534,154</u>
Total Capital and Liabilities		<u><u>31,196,385</u></u>	<u><u>58,666,473</u></u>

Director



Date

24/2/09



SUPPORT FOR INTERNATIONAL CHANGE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER, 2008

1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:-

(a) Basis of preparation:

The financial statements are prepared in accordance with International Standards on Auditing. The financial statements are prepared under the historical cost convention as modified by the revaluation of certain property, plant and equipment.

(b) Revenue recognition:

Income is recognised upon the receipt of donor funds.

(c) Property, plant and equipment:

Items of property, plant and equipment are stated at cost or valuation less accumulated depreciation and impairment losses. Depreciation is charged on straight line basis over the estimated useful lives of the assets.

The rates of depreciation used are:-

Motor vehicles	25%
Furniture & fittings	12.50%
Computers & Accessories	12.50%
Office Equipments	12.50%

(d) Foreign currency transactions

Transactions during the year are converted into Tanzania Shillings at average rates during the year. Assets and liabilities at the balance sheet date, which are expressed in foreign currencies, are translated into Tanzania Shillings at rates ruling at that date. The resulting differences from conversion and translation are dealt with in the profit and loss account.

(e) Taxation

-Income tax

No provision is provided in the financial statements in view of the fact that Support For International Change is exempted from paying income tax as an NGO registered under the NGOIS Act, 2002 as amended.

SUPPORT FOR INTERNATIONAL CHANGE

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER, 2008**

2. INCOME	2008	2007
	Tshs	Tshs
SIC Grants and Donations/fees		
Opening balance	5,027,627	12,644,768
SIC TZ	21,723,857	7,732,339
SIC UK	21,827,140	20,180,077
SIC US	360,984,065	284,112,273
	<u>409,562,689</u>	<u>324,669,457</u>
3. OTHER INCOME		
Gain on Foreign exchange	1,484,133	-
Gain on disposal of motor vehicle	6,875,000	5,413,333
	<u>8,359,133</u>	<u>5,413,333</u>
4. ADMINISTRATIVE EXPENSES		
Data and information resources	32,500	69,000
Fundraising activities	2,098,750	-
Fees and subscriptions	-	109,600
Insurance	1,162,000	119,000
Internet	1,295,200	637,000
License and permits	857,000	1,770,000
Monitoring and evaluation	-	603,560
Postage and delivery	224,400	222,800
Printing and reproduction	181,990	148,425
Professional fees	803,400	190,000
Rent	8,611,500	6,600,000
Office repairs	389,400	697,800
Security	3,040,000	-
Staff training	-	1,205,450
Office Supplies	1,660,200	2,066,778
Telephone	2,067,500	1,144,702
Travel and entertainment	1,486,000	1,539,750
Utilities:electricity,gas & water	1,184,000	679,400
Gifts and Donation	279,000	180,000
Motor vehicle fuel	10,648,000	8,597,850
Motor vehicle maintenance	40,267,250	41,448,800
Audit fees	900,000	600,000
	<u>77,188,090</u>	<u>68,629,915</u>
5. VOLUNTEER PROGRAMS EXPENSES		
Orientation costs	24,057,760	17,072,875
Miscellaneous	1,532,030	2,509,155
Project costs	54,418,135	18,659,152
Staff costs	7,261,620	17,562,285
Volunteer costs	25,216,860	58,951,290
Transport	25,612,786	21,466,550
	<u>138,099,191</u>	<u>136,221,307</u>

SUPPORT FOR INTERNATIONAL CHANGE

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER, 2008**

	2008	2007
	Tshs	Tshs
6.COMMUNITY HEALTH WORKERS PROGRAM EXPENSES		
Community Health Insurance	745,000	-
Meetings	-	48,130
Monitoring and Evaluation	637,050	-
Advances	-	100,000
Motivation	14,547,000	6,770,000
Focus group	-	305,050
PLHA group support	461,450	-
Supplies	13,512,279	3,860,383
Miscellaneous	59,750	253,330
Training	831,675	3,720,010
Transport Reimbursements	24,595,600	6,111,000
	<u>55,389,804</u>	<u>21,167,903</u>
7.VCT SUPPLIES EXPENSES		
Advertising and mobilization	1,022,200	1,008,810
District counsellor	1,154,500	135,000
Testing Room rental	30,000	75,000
Testing Supplies	12,566,806	9,378,708
	<u>14,773,506</u>	<u>10,597,518</u>
8.PEER EDUCATION PROGRAM EXPENSES		
Events	285,700	133,800
Education	-	75,700
Supplies	3,000	137,225
Teachers training	21,900	831,400
	<u>310,600</u>	<u>1,178,125</u>
9.OTHER EXPENSES		
Expansion Exploration Expenses	-	631,500
Donor Safaris	29,189,784	-
Workplace Training Program	1,611,340	-
Monitoring and Evaluation	1,284,145	-
Staff development	3,761,210	-
Miscellaneous	628,850	-
	<u>36,475,329</u>	<u>631,500</u>

SUPPORT FOR INTERNATIONAL CHANGE

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER, 2008**

10. Property, Plant and Equipment

COST	Motor vehicles	Computers & Accessories	Furniture & Fittings	Office Equipments	Total
At 1.1.2008	57,500,000	648,600	1,400,000	2,901,600	62,450,200
Addition	-	1,517,500	1,133,000	290,000	2,940,500
Disposal	(8,500,000)	-	-	-	(8,500,000)
As at 31.12.2008	49,000,000	2,166,100	2,533,000	3,191,600	56,890,700

DEPRECIATION

At 1.1.2008	14,375,000	214,038	175,000	362,700	15,126,738
Charge for the year	12,250,000	208,680	269,417	386,867	13,114,964
As at 31.12.2008	26,625,000	422,718	444,417	749,567	28,241,702
NBV at 31.12.2008	22,375,000	1,743,382	2,088,583	2,442,033	28,648,998

11. CASH AND BANK BALANCES

	2008	2007
Cash Tshs a/c I	1,928,213	2,410,608
Cash Usd a/c	-	138,000
SIC Exim Tshs a/c I	-	2,315,678
SIC Exim Tshs a/c II	-	19,000
SIC Exim Usd a/c	-	366,275
SIC Barclays Tsh a/c	26,433	-
SIC Barclays Usd a/c	96,241	-
	2,050,887	5,249,561

12. PAYABLES

PAYE	628,126	474,439
NSSF	1,686,707	249,715
PPF	450,250	210,000
Audit fees	900,000	600,000
Salaries	82,349	-
	3,747,432	1,534,154

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER, 2008**

13.RECEIVABLES	2008	2007
Staff Loans	496,500	6,093,450
	<u>496,500</u>	<u>6,093,450</u>

14. The project costs and volunteer costs under Volunteer programs Category explains the shift in expenses year to year in those accounts. In year 2008, there is some volunteer costs which have been shifted to project costs account made it to have total annual expenses of Tshs. 54,418,135 .