

TANGANYIKA LAW SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

**TANGANYIKA LAW SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

TABLE OF CONTENTS

<u>Description</u>	<u>Page No.</u>
Abbreviations	ii
General Information	iii
Governing Council's Report	1 - 7
Statement of Governing Council's Responsibilities	8
Declaration of Head of Finance	9
Independent Auditor's Report on the Financial Statements	10 - 12
Statement of Income and Expenditures and Other Comprehensive Income	13
Statement of Financial Position	14
Statement of Changes in Reserves	15
Statement of Cash Flows	16
Statement of Budget versus actual results for the year	17-18
Notes to the Financial Statements	19 – 40

**TANGANYIKA LAW SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

ABBREVIATIONS AND ACRONIMS

AGM	Annual General Meeting
Cap	Chapter
CBA	Canadian Bar Association
CLE	Continuing Legal Education
DATF	Deceased Advocates Trust Fund
EALS	East Africa Law Society
EIA	Environment Impact Assessment
GTZ	Government of Tanzania
IAASB	International Auditing and Assurance Standards Board
IFRS	International Financial Reporting Standards
IPPF	International Professional Practice Framework
IPSA	International Public Sector Accounting Standards
ISA	International Standards on Auditing
LAAC	Legal Aid and Advocacy Centre
LSF	Legal Service Facility
NBAA	National Board of Accountants and Auditors
NEMC	National Environment Management Council
R.E	Revised Edition
USD	United States Dollars
TLS	Tanganyika Law Society
TFRS	Tanzania Financial Reporting Standards
TZS	Tanzanian Shillings

TANGANYIKA LAW SOCIETY

GOVERNING COUNCIL'S ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

GENERAL INFORMATION

Registered Office:

Tanganyika Law Society Limited,
Plot No. 391,
Chato Street, Regent Estate,
P. O. Box 2148,
Dar es Salaam.
Tanzania.

Main Bankers:

NMB Bank,
Bank House Branch,
P. O. Box 9031,
Dar es Salaam.
Tanzania.

CRDB Bank,
Tower Branch,
PPF Building,
Dar es Salaam.
Tanzania.

Auditors:

Claritas International,
Certified Public Accountants,
395 Ursino Building,
Morocco Junction,
MwaiKibaki Road,
P. O. Box 76062,
Dar es Salaam.
Tanzania.

TANGANYIKA LAW SOCIETY

GOVERNING COUNCIL'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

1. INTRODUCTION

The Governing Council present their report and the audited financial statements for the year ended 31st December 2019, which disclose the financial position of the Society and its performance. The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS). The Directors' report has been prepared in accordance with the requirements of Tanzania Financial Reporting Standard (TFRS) No. 1 issued by the National Board of Accountants and Auditors.

2. INCORPORATION

Tanganyika Law Society (TLS) is the Bar association of Tanzania Mainland, founded in 1954 by an Act of Parliament – The Tanganyika Law Society Ordinance 1954. The Tanganyika Law Society is currently governed by the Tanganyika Law Society Act, Cap 307 as amended, which repealed the earlier legislation.

3. PRINCIPAL ACTIVITIES

Principal activity of the Society is promotion of the legal profession in Tanzania Mainland.

4. VISION

To become an independent bar association for a just society.

5. MISSION

To create a conducive environment for the legal fraternity, facilitate the acquisition of legal knowledge, represent, promote and protect Members; to support the State Organs in legislation and administration of rule of law; and assist the Public to access justice in sustainable professional standards.

6. OBJECTIVES OF THE SOCIETY

- a) To maintain and improve the standards of conduct and learning of the legal profession in Tanzania;
- b) To facilitate the acquisition of legal knowledge by members of the legal profession and others;
- c) To assist the Government and the Courts in all matters affecting legislation, and the administration and practice of the law in Tanzania;
- d) To represent, protect and assist members of the legal profession in Tanzania as regards conditions of practice and otherwise;
- e) To protect and assist the public in Tanzania in all matters touching, ancillary or incidental to the law;
- f) To acquire, hold, develop or dispose of properties of all kinds, whether movable or immovable, and to derive capital or income from them, for all or any of the foregoing objects;
- g) To raise or borrow money for all or any of the foregoing objects in any manner and upon any security which may from time to time be determined by the Society;
- h) To invest and deal with moneys of the Society not immediately required in any manner which may from time to time be determined by the Society; and
- i) To do all other things which are incidental or conducive to the attainment of the foregoing objects or any of them.

7. RESULTS FOR THE YEAR

Operations results for the Society for year ended on 31st December 2019 are set out on page 14.

TANGANYIKA LAW SOCIETY

GOVERNING COUNCIL'S ANNUAL REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

8. COMPOSITION OF THE GOVERNING COUNCIL

The Governing Council members who resigned on 07th April 2019 immediately after election of new Governing Council members are as shown below;

S/N	Name	Designation	Age	Discipline / Qualifications	Nationality	Appointment date
1	Fatma A Karume	President	49	LLB, LLM	Tanzanian	14 th April 2018
2	Dr. Rugemeleza Nshalla	Vice President	53	LLB, LLM, MEM, S.J.D	Tanzanian	14 th April 2018
3	CPA Advocate Nicholaus Duhia	Honorary Treasurer	64	LLB, CPA(T), DTA, PGDFM	Tanzanian	14 th April 2018
4	Aisha Sinda	Member	35	LLM,LLB	Tanzanian	14 th April 2018
5	Stephen Axwesso	Member	36	LLB, Post Graduate (Legal Practice)	Tanzanian	14 th April 2018
6	Jeremiah Mtobesya	Member	36	LLB, Post Graduate (Legal Practice)	Tanzanian	14 th April 2018
7	Godluck Walter	Member	35	LLB, Post Graduate (Legal Practice), Post graduate in Law, Mediation and Arbitration	Tanzanian	14 th April 2018
8	Lambaji Madai	Member	40	LLB, Post Graduate (Legal Practice)	Tanzanian	14 th April 2018
9	Magdalena Syliester	Member	36	LLB,LLM	Tanzanian	14 th April 2018
10	Jebra Kambole	Member	32	LLB, Post Graduate (Legal Practice)	Tanzanian	14 th April 2018

Starting from 07th April 2019 the Governing Council members who served the Society up to the date of this report are as follows;

SN	Name	Designation	Age	Profession	Nationality	Appointment date
1	Dr. Rugemeleza Nshalla	President	52	LLB, LLM, MEM, S.J.D	Tanzanian	07/04/2019
2	Mpale Kaba Mpoki	Vice President	58	LLB, LLM	Tanzanian	07/04/2019
3	CPA Advocate Nicholaus Duhia	Honorary Treasurer	65	LLB, CPA(T), DTA, PGDFM	Tanzanian	07/04/2019
4	Jebra Kambole	Member	32	LLB, Post Graduate (Legal Practice)	Tanzanian	07/04/2019

TANGANYIKA LAW SOCIETY

GOVERNING COUNCIL'S ANNUAL REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

5	Harold Giliard Sungusia	Member	47	LLB, Post Graduate (Legal Practice), LLM	Tanzanian	07/04/2019
6	Stephen AllyMwakibolwa	Member	35	LLB, Post Graduate (Legal Practice), MBA-IB	Tanzanian	07/04/2019
7	Paul Revocatus Kaunda	Member	33	LLB, Post Graduate (Legal Practice),	Tanzanian	07/04/2019
8	Angelista Daudi – Nashon	Member	33	LLB, Post Graduate (Legal Practice)	Tanzanian	07/04/2019
9	Tike Mwambipile	Member		LLB, PGDED, MBA	Tanzanian	07/04/2019
10	Baraka Mbwi	Member	33	LLB, Post Graduate (Legal Practice)	Tanzanian	07/04/2019

All members of the Governing Council are non-executives.

Secretary to the Governing Council during the year was Mariam Othman.

9. MEETINGS OF THE GOVERNING COUNCIL

The Governing Council is required to meet at minimum four times yearly whereby the meetings are held on every quarter. However, the Governing Council may convene extra ordinary meeting to discuss non-routine matters or whenever there is an urgent matter which needs consideration by the Governing Council. Accordingly, during the year ended 31 December 2019, the Council which served between January and April 2019 held 4 ordinary and 3 extraordinary meetings.

Attendance of the Governing Council members who resigned on the 07th April 2019 to pave way for the current Governing Council members are as shown below;

S/N	Name of Governing Council Member	Position	Number of Meetings Attended
1	Fatma Karume	President	6
2	Dr. Rugemeleza Nshala	Vice President	7
3	CPA Nicholas Duhia	Honorary Treasurer	5
4	Aisha Sinda	Member	5
5	Jeremiah Mtobesya	Member	7
6	Stephen Axwesso	Member	7
7	Magdalena Sylister	Member	5
8	Godluck Walter	Member	6
9	Lambaji Madai	Member	2
10	Jebra Kambole	Member	5

Whereas Council members who served from 07th April 2019 to the date of this report held three ordinary meetings and six extraordinary Council meetings.

TANGANYIKA LAW SOCIETY

GOVERNING COUNCIL'S ANNUAL REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

9. COUNCIL MEETINGS(CONTINUED)

The attendance to the Governing Council members who served from April 2019 to the date of this report was as follows:

S/N	Name of Governing Council Member	Position	Number of Meetings Attended
1	Dr. Rugemeleza Nshalla	President	10
2	Mpale Mpoki	Vice President	8
3	CPA Nicholaus Duhia	Honorary Treasurer	7
4	Baraka Mbwilo	Member	10
5	Stephen Ally Mwakibolwa	Member	10
6	Jebra Kambole	Member	8
7	Tike Mwambipile	Member	6
8	Paul Kaunda	Member	9
9	Harold Sungusia	Member	2
10	Angelista Nashon	Member	2

COUNCIL COMMITTEES

The Governing Council has two committees responsible for financial affairs of the Society namely, the Executive Committee and Audit Committee.

10.1.Executive Committee

The Executive Committee is one of the committees of the Governing Council consist of the President, Vice President and the Honorary Treasurer. The Committee plays an important role in assisting the Governing Council in carrying out the works of the Society. In addition, the Executive Committee takes on work assigned or delegated to it by the Governing Council.

The composition of the Executive Committee as at 31 December 2019 was as follows:-

SN	Name of Governing Council Member	Position	Number of Meetings Attended
1	Dr. Rugemeleza Nshalla	President	10
2	Mpale Mpoki	Vice President	8
3	CPA Nicholaus Duhia	Honorary Treasurer	7

TANGANYIKA LAW SOCIETY

GOVERNING COUNCIL'S ANNUAL REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

9. COUNCIL MEETINGS(CONTINUED)

10.2.Audit Committee

The Committee is composed of eight members. The main responsibility of the Committee is to advise the Council on all audit, risk and compliance matters which need consideration of the Council. The Committee held three (3) meetings during the year ended 31 December 2019.

The composition of the Audit Committee as at 31 December 2019 was as follows: -

S/N	Name of Governing Council Member	Position	No of meetings attended
1	CPA Nicholaus Duhia	Chairperson	3
2	CPA Frederick Msumali	Member	3
3	Casmir Nkuba	Member	3
4	CPA Rwekamwa Rweikiza	Member	3
5	Xavery Makwi	Member	2
6	Emmanuel Kalibashubao	Member	3
7	Adamson Kariwa	Member	3
8	Stella Rweikiza	Member	2

10. MANAGEMENT

Management of the Society is under the Chief Executive Officer and is organized in departments as follows:

- a) Programs
- b) Finance;
- c) Human Resource and Administration;
- d) Business Development and
- e) Corporate Secretary.

11. HUMAN RESOURCES

During the year, the Society had 35 employees (2018:36). The human capital comprised of competent staff in various operational areas. This provides assurance to the Society for attainment of its key strategic goals.

12. EMPLOYEES' WELFARE

(a) Management/employee relationship

The relationship between employees and management during the year was good. There were no unresolved complaints received by management from individual employees or groups thereof.

(b) Employee benefits

Tanganyika Law Society has a defined contribution plan for its employees with various Pension Funds, under which the employees contribute 10% of their monthly salary and 10% is contributed by the Society.

13. FIDUCIARY RESPONSIBILITIES

The Society's Governing Council members as stewards of Tanganyika Law Society always acted for the good of the organization, rather than for the benefit of themselves throughout the year ended 31 December 2019. Reasonable care was exercised in all decisions taken by the Society, without placing the organization under unnecessary risk.

TANGANYIKA LAW SOCIETY

GOVERNING COUNCIL'S ANNUAL REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

14. GOING CONCERN

The Governing Council confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis. The financial statements have been prepared on an ongoing concern basis despite the fact that the Society made a deficit of TZS 312,244,624 (2018: TZS 393,665,331) and had net cash deficit from operations amounting TZS 1,152,831,019 (2018: 1,017,530,115). The Governing Council Members have reasonable expectation that Tanganyika Law Society has adequate resources to continue in operational existence for the foreseeable future based on explanations provided on Note 2 to the Financial Statements.

15. RISK ASSESSMENT AND INTERNAL CONTROL

The Governing Council accepts final responsibility for the risk management and internal control systems of Tanganyika Law Society. It is the task of management to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:

- a) The effectiveness and efficiency of operations;
- b) The safeguarding of Tanganyika Law Society's assets;
- c) Compliance with applicable laws and regulations;
- d) The reliability of accounting records;
- e) Business sustainability under normal as well as adverse conditions; and
- f) Responsible behaviors towards all stakeholders.

Management is also responsible for maintaining an effective system of internal control over financial reporting designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are properly authorized and recorded in accordance with the International Public Sector Accounting Standard (IPSAS)) and as required by Tanganyika Law Society Act CAP 307 Re.2002

16. GENDER PARITY

Tanganyika Law Society attempts to abide to the national gender balance policy and has been very keen in gender balance appointments in various employment levels at the Society. The gender parity at 31 December 2019 was as follows:

Description	2019	2018
Male employees	17	17
Female employees	18	19
Total employees	35	36

17. RELATED PARTY TRANSACTIONS AND BALANCES

Transactions and balances with related parties are as disclosed under Note 22 to the financial statements.

18. ENVIRONMENTAL CONTROL PROGRAM

The Society monitors the impact of its operations on the environment, which is mainly through the use of power, water and the generation of waste. The Society minimizes its impact through the better use of its premises and inbuilt facilities to ensure that there is proper waste management.

**TANGANYIKA LAW SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

19. CORPORATE SOCIAL RESPONSIBILITY

During the year the Society continued to provide direct support to the community in which it operates in form of social and financial support. Through its Legal Aid Unit the Society managed to provide free legal services to 403 members of the public at its Headquarters in Dar es Salaam, TLS offices in fourteen (14) regions of Tanzania and advocates on dock brief and pro bono legal aid services. And as such, advocates had the opportunity to mediate, reconcile, advise and hear problems facing people for court cases. Expenditure incurred in respect of corporate social responsibility during the year was TZS 5,700,000 (2018: 4,500,000).

20. CHARITABLE AND POLITICAL DONATIONS

The Society made donation to Tanzania Women Lawyers Association (TAWLA) totaling to TZS 4,829,465/-during the year (2018: 3,000,000). There were no donations made by the Society for political activities during the year (2018: Nil).

21. EVENTS AFTER REPORTING PERIOD

There were no material events, adjusting or non-adjusting, which have occurred between the reporting date and the date when financial statements are authorized for issue.

22. ACCOUNTING POLICIES

A summary of key accounting policies is in Note 3 to the financial statements and were consistently applied during the year under review.

23. FUTURE DEVELOPMENT

Major focus of the Society is to ensure growth, sustainability and successful implementation of its mandates; TLS intends to expand its projects/programs across the country, increase number of implemented programmes and start income generating initiatives. Also, with increased number of members, TLS intends to increase the number of and improve capacities of its human resources.

24. AUDITORS

Claritas International (Tanzania) were the auditors of the Society during the year ended 31 December 2019 are their willing to continue and are eligible for re-appointment.

BY ORDER OF THE GOVERNING COUNCIL



**Dr. Rugemeleza Nshalla
President**

10/9/2020 -

Date

TANGANYIKA LAW SOCIETY

STATEMENT OF GOVERNING COUNCIL'S RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2019

The Governing Council is required to prepare financial reports for each financial year that give a true and fair view of the state of affairs of the Society, its operations and sources and applications of the funds obtained during the year. The Governing Council is also responsible for safeguarding of the assets of the Society.

The Governing Council is responsible for preparation of the financial statements in accordance with International Public Sector Accounting Standards (IPSAS) and the requirements of the Tanganyika Law Society Act, Cap 307 as amended, which repealed the earlier legislation and such internal controls as the Council determines are necessary to enable the preparation of the financial statements that are free from material misstatement whether due to fraud or error.

The Governing Council accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with International Public Sector Accounting Standards (IPSAS) and in the manner required by applicable laws. The Governing Council is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Council and of its operating results. The Governing Council further accept responsibility for the maintenance of the accounting records, which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial controls.

The Governing Council certifies that to the best of the knowledge and belief, the information furnished to auditors for the purpose of the audit was correct and complete in every respect. Nothing has come to the attention of the Governing Council to indicate that the Tanganyika Law Society will not remain a going concern for a foreseeable future from the date of this statement. Details about the Governing Council's assessment of going concern is included in Note 2 to the financial statements.

BY ORDER OF THE GOVERNING COUNCIL



Dr. Rugemeleza Nshala
President



Date

**TANGANYIKA LAW SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

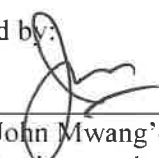
The National Board of Accountants and Auditor (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Head of Finance unit responsible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

It is the duty of a Professional Accountant to assist the Governing Council to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Public Sector Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of the financial statements' rests with the Governing Council under the Statement of Governing Council's responsibility on an earlier page.

I, John Mwang'ombola, being the Head of Finance unit of Tanganyika Law Society hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2018 have been prepared in compliance with the International Public Sector Accounting Standards and Tanganyika Law Society Act, Cap 307 R.E. 2002.

I thus confirm that the financial statements give a true and fair view position of Tanganyika Law Society as on that date and they have been prepared based on properly maintained financial records.

Signed by:


CPA John Mwang'ombola

Registration number: GA 1125

For and on behalf of Tanganyika Law Society

Dar es Salaam.

Date 10/9/2020



REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF TANGANYIKA LAW SOCIETY

The Governing Council
Tanganyika Law Society
Plot No. 391, Chato Street
Regent Estate
P.O. Box 2148
Dar es Salaam, Tanzania

Unqualified opinion

In our opinion, the financial statements present fairly, in all material respects the financial position of the Tanganyika Law Society, as at 31 December 2019, its financial performance and its cash flows for the year then ended in accordance with the International Public Sector Accounting Standards and TLS Act CAP 307.

Basis for Opinion

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

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

Emphasis of Matters

Without qualifying our opinion, we draw the attention of the users of this report on the following matters to the financial statements:

a) The Society has recorded a deficit of TZS 312,244,624 (2018: TZS 393,665,331) and has a net cash deficit used in operating activities of TZS 1,152,831,019 (2018: TZS 1,017,530,115).

These conditions indicate the existence of a material uncertainty, which casts significant doubt on the Society's ability to continue as a going concern. Refer Note 2 to the financial statements for details

Management responsibility to the financial statements

As described in the Statement of Management's Responsibilities, the Governing Council of Tanganyika Law Society is responsible for the preparation of financial statements of the Tanganyika Law Society for the year ended 31 December 2019 in all material respects in accordance with TFRS1.

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

4th Floor, 395 Ursino Building, Morocco | Mwai Kibaki Road, P. O. Box 76062, Dar es Salaam, Tanzania.

Telephone +255 (0) 22 2666670 Email: info@claritas.co.tz Website: www.claritas.co.tz

Partners: Avelyne J. Msaki. Chrisant C. Bantulaki. Irene E. Swai. Angelica B. Tarimo

REPORT OF THE INDEPENDENT AUDITOR (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- a) 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 Tanganyika Law Society's internal control.
- b) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- c) 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 Tanganyika Law Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Tanganyika Law Society to cease to continue as a going concern.
- d) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- e) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Tanganyika Law Society to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Tanganyika Law Society audit. We remain solely responsible for our audit opinion.

REPORT OF THE INDEPENDENT AUDITOR (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

We communicate with management 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Governing Council members, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other information

The Governing Council members are responsible for the other information. The other information comprises Governing Councils' report but does not include the financial statements and our auditor's 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, 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.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 3 to the financial statements, which describes the basis of accounting. The financial statements are prepared to provide information to intended users. As a result, the financial statements may not be suitable for another purpose. The purpose of the audit report is therefore restricted for the intended users and should not be distributed to or used by parties other than aforementioned.

The engagement partner on the audit resulting in this independent auditor's report is Chrisant Christopher

ACPA Chrisant Christopher
For and on behalf of Claritas International
Certified Public Accountants
Dar es Salaam



Date: 10/9/2020

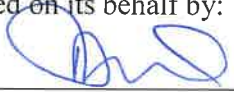
TANGANYIKA LAW SOCIETY


**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

STATEMENT OF FINANCIAL POSITION

ASSETS	Notes	2019	2018
Non-current assets		<u>TZS</u>	<u>TZS</u>
Property and equipment	13	4,590,156,293	3,096,496,073
Intangible assets	14	9,188,148	28,580,093
		<u>4,599,344,441</u>	<u>3,125,076,166</u>
Current assets			
Trade and other receivables	15	120,252,011	65,678,747
Stocks – Law report books		51,244,548	78,365,001
Cash and bank balances	16	362,875,316	412,641,304
Total current assets		<u>534,371,875</u>	<u>556,685,052</u>
Total Assets		<u>5,133,716,316</u>	<u>3,681,761,218</u>
EQUITY AND LIABILITIES			
Current Liabilities			
Trade and other payables	18	713,169,549	209,502,052
Members subscription received in advance		493,923,832	316,093,960
LAAC Project retention		123,300,000	695,439,225
Deferred contributions - LAAC Project	19	71,487,021	71,340,696
Deferred grants for donor funded projects	21	260,692,033	245,432,501
		<u>1,662,572,436</u>	<u>1,537,808,434</u>
Non-Current Liabilities			
DATF Loan	20	524,100,658	400,100,413
Total Liabilities		<u>2,231,199,561</u>	<u>1,937,908,847</u>
Equity			
Capital fund		1,910,000	1,910,000
Capital grant – LAAC Project	16	3,001,615,911	1,486,180,435
General accumulated reserves		(585,904,181)	(273,659,557)
Revaluation reserves	26	529,421,493	529,421,493
Total equity		<u>2,947,043,224</u>	<u>1,743,852,371</u>
Total equity and liabilities		<u>5,133,716,317</u>	<u>3,681,761,218</u>

The financial statements were approved by the Governing Council on and were signed on its behalf by:


Dr. Rugemeleza Nshala
President


CPA Nicholas Duhia
Treasurer

TANGANYIKA LAW SOCIETY

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

STATEMENT OF FINANCIAL PERFORMANCE

	<u>Notes</u>	2019 <u>TZS</u>	2018 <u>TZS</u>
INCOME			
Revenue from no exchange;			
Membership subscription fees	6	1,346,363,920	1,100,575,735
Project Income	9	872,053,089	704,650,724
Exchange gain		-	10,122,047
		<u>2,218,417,009</u>	<u>1,815,348,506</u>
Revenue from exchange;			
Continued Legal Education fees	7	1,054,601,878	937,115,824
Other Income	8	76,067,000	164,557,062
		<u>1,130,668,878</u>	<u>1,101,672,886</u>
		<u>3,353,071,533</u>	<u>2,917,021,392</u>
EXPENSES			
Administration expenses	10	(1,817,908,223)	(1,772,813,858)
Project expenses	11	(851,036,689)	(752,530,581)
Personnel expenses	12	(976,443,701)	(785,342,284)
		<u>(3,645,388,613)</u>	<u>(3,310,686,723)</u>
Deficit for the year		<u>(312,244,624)</u>	<u>(393,665,331)</u>

TANGANYIKA LAW SOCIETY

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

STATEMENT OF CHANGES IN NET ASSETS

	Capital Fund	General Accumulated Reserves	Capital grant	Revaluation Reserve	Total
	TZS	TZS	TZS	TZS	TZS
<u>For the year ended 31 December 2019</u>					
As at 1 January 2019	1,910,000	(273,659,557)	1,486,180,435	529,421,493	1,743,852,371
LAAC Project expenditure capitalized during the year			1,515,435,476		1,515,435,476
General accumulated fund	-	-	-	-	-
Revaluation surplus	-	-			
Deficit for the year	-	(312,244,624)		-	(312,244,624)
As at 31 December 2019	1,910,000	(585,904,181)	3,001,615,911	529,421,493	2,947,043,223
<u>For the year ended 31 December 2018</u>					
As at 1 January 2018	1,910,000	120,005,774	893,532,423 -	395,253,242	1,410,701,439
LAAC Project expenditure capitalized during the year	-	-	592,648,012		592,648,012
Revaluation surplus	-	-	-	134,168,251	134,168,251
Deficit for the year	-	(393,665,331)	-	-	(393,665,331)
As at 31 December 2018	1,910,000	(273,659,557)	1,486,180,435	529,421,493	1,743,852,371

**TANGANYIKA LAW SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

STATEMENT OF CASH FLOWS

	Notes	2,019 <u>TZS</u>	2,018 <u>TZS</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS			
Members annual subscriptions	6	1,346,363,920	1,100,575,735
Seminar fees	7	1,054,601,878	937,115,824
Subscriptions in advance		493,923,832	316,093,960
Receipts from sale of publications and sponsorship		49,568,000	114,526,260
Sale of TLS Law reports		18,970,000	48,794,802
Other receipts		4,129,000	1,236,000
PAYMENTS			
Payments to suppliers		(2,925,584,677)	(2,843,657,590)
Payments to employees		(1,194,802,972)	(692,215,106)
		<u>(1,152,831,019)</u>	<u>(1,017,530,115)</u>
Net cash used in operating activities		<u>(1,152,831,019)</u>	<u>(1,017,530,115)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Members' contributions received for LAAC project	18	1,515,435,477	663,988,708
Acquisition of property and equipment		(1,546,983,313)	(1,486,527,257)
Retention		123,300,000	
Retention		(695,439,225)	695,439,225
Net cash used in investing activities		<u>(603,687,061)</u>	<u>(127,099,324)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from development partners	19	895,823,922	748,902,807
Refund to development partners		(8,511,300)	-
Loan from DATF	18	124,000,245	400,100,658
Net cash inflow in financing activities		<u>1,011,312,866</u>	<u>1,149,003,465</u>
Net decrease in cash and cash equivalents		(49,492,263)	4,374,026
Cash and cash equivalents at the beginning of the year		412,641,304	408,267,278
Cash and cash equivalents at the end of the year	16	<u>362,875,317</u>	<u>412,641,304</u>

TANGANYIKA LAW SOCIETY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

STATEMENT OF COMPARISON BETWEEN BUDGET AND ACTUAL AMOUNTS

Performance for the year on the basis of the approved budget for the year was as follows:-

Revenues	Actual	Approved Budget	Variance	%
Membership Subscription fees	1,346,363,920	1,368,436,000	(22,492,080)	(2%)
CLE Seminar Fees	1,054,601,878	1,074,150,000	(19,548,122)	(2%)
Other Income	76,067,000	560,570,016	(484,503,016)	(86%)
Projects Income	872,053,089	1,382,698,893	(518,471,539)	(37%)
Total Revenue	3,353,071,533	4,385,854,909	(1,045,014,757)	(24%)
Expenditures				
Program Expenses	1,284,972,840	1,415,291,500	152,596,268	11%
Chapter Expenses	122,795,119	266,030,004	143,834,885	59%
Project Costs	851,036,689	889,453,238	46,242,284	5%
Staff Costs	976,443,701	1,091,793,581	150,559,945	11%
Operating Expenses	430,067,808	466,640,000	56,662,279	12%
Total Expenditures	3,665,316,157	4,129,208,323	514,523,053	12%
(Deficit)/Surplus	(312,244,624)	256,646,587		

Revenue

Revenue was from four areas, namely, members' subscription fees, CLE fees, other income and projects income.

Descriptions	Actual	Budget	Variance	%
Members' Contribution	1,346,363,920	1,368,436,000	(22,492,080)	(2%)
CLE Fees	1,054,601,878	1,074,150,000	(19,548,122)	(2%)
Other Income	76,067,000	560,570,016	(484,503,016)	(86%)
Project Income	872,053,089	1,382,698,893	(518,471,539)	(37%)
Total	3,353,071,533	4,385,854,909	(1,045,014,757)	(24%)

The differences between budget and actual collections is mainly caused by inadequate performance in two areas;

Other Income;

Negative response on various reasons including; business slowdown, lack of budget for such marketing activity, etc., from sponsors who are the main contributors in this area lead to very poor collections from this area. Sale of Law Reports was also one of the sources of revenue in this area, however, lack of marketing strategies lead to low sales of the books. Only sixteen percent (16%) was realized from other income as source of revenue.

Project Income;

Contrary to the planned number of potential development partners, there was poor response from development partners during the year. Even those whom we had already signed contracts with did not release their funds as per budget.

TANGANYIKA LAW SOCIETY**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019****TATEMENT OF COMPARISON BETWEEN BUDGET AND ACTUAL (CONTINUED)****Expenditure**

Expenditures:	Actual	Budget	Variance	Var. %
Programme Expenses	1,284,972,840	1,415,291,500	152,596,268	11%
Chapter Expenses	122,795,119	266,030,004	143,834,885	59%
Project Costs	851,036,689	889,453,238	46,242,284	5%
Staff Costs	976,443,701	1,091,793,581	150,559,945	11%
Operating Expenses	430,067,808	466,640,000	56,662,279	12%
Total Expenditures	3,665,316,157	4,129,208,323	514,523,053	12%

Generally total expenditures were eighty eight percent (88%) of the total budget. With exception of the chapter expenditures, the rest of the expenditure lines were equal or below the overall average expenditure of 88%. Chapter expenditures were below fifty percent due to delay in imprest retirement from chapter leaders. Funds are sent to the chapters after receiving imprest retirement of the previous sent funds.

**TANGANYIKA LAW SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Tanganyika Law Society was established in 1954 under Tanganyika Law Society Ordinance CAP 307. The Tanganyika Law Society is currently governed by the Tanganyika Law Society Act, Cap 307 R.E. 2002 that repealed the earlier legislation. Its registered address is:

Plot No. 391, House No. 21, Chato Street,
Regent Estate, P.O. Box 2148,
Dar es Salaam, Tanzania.

2. GOING CONCERN

The Society has recorded a deficit of TZS 312,244,624 (2019: TZS 393,665,331) and has a net cash deficit used in operating activities of TZS 1.15 billion (2018: TZS 1.02 billion). In addition, its current ratio of 0.36:1 (2018: 0.36:1). These conditions indicate the existence of a material uncertainty, which casts significant doubt on the Society's ability to continue as a going concern. However, the Governing Council members believe that the Society will continue as a going concern on the following grounds:

- a) Applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis;
- b) The Governing Council has reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. The current ratio at year end was 0.36:1 (2018: 0.36:1); however, included in current liabilities is a total of TZS 260,692,033 (2018: TZS 245,432,501) relating to deferred grants for project funded by the development partners. These funds are held in the bank accounts waiting for the implementation of intended activities and not for payment to third parties.
- c) Members have a legal obligation to pay their annual membership fees as a requirement for them to continue practicing. As a result, no doubt that the funding of the Society for its operating activities shall continue in a foreseeable future.

**TANGANYIKA LAW SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES (CONTINUED)

3. SIGNIFICANT ACCOUNTING POLICIES

3.1. BASIS OF PREPARATION

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

During the year the Society migrated from International Financial Reporting Standards (IFRS) to International Public Sector Standards (IPSAS).

These financial statements have been prepared in compliance with the IPSAS and under the historical cost convention, except for revenue recognition from members which is on cash basis. The preparation of financial statements in conformity with IPSAS which require on the use of estimates and assumptions. The financial statements are presented in Tanzania Shillings, which is the functional and reporting currency of the Society. The financial statements are prepared on accrual basis unless stated otherwise. The cash flow statement is prepared using the direct method.

It also requires management to exercise its judgement in the process of applying the Tanganyika Law Society's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5.

3.2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance and comply with International Public Sector Accounting (IPSAS), as issued by the International Accounting Standards Board, except for revenue recognition from members as explained above, and comply with the provisions of the Tanganyika Law Society Act, CAP 307 R.E. 2002.

3.3. ADOPTION INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS (IPSAS)

The Society applied for the first-time certain standards and amendments relevant to it, which are effective for the first time on annual periods beginning on or after 1 January 2019:

(a) Changes in Accounting policies and disclosures

- (a) Effective from financial year 2019 the Society migrated from International Financial Reporting Standards (IFRS) to International Public Sector Accounting Standards (IPSAS). The Standards which were considered relevant to TLS and effective at are as follows:

IPSAS 1	Presentation of Financial statement
IPSAS 2	Cash Flow Statement
IPSAS 3	Accounting Policies changes in Accounting estimates and errors.
IPSAS 17	Property Plant and Equipment
IPSAS 31	Intangible Assets
IPSAS 21	Impairment of non-cash generating Assets
IPSAS 26	Impairment of cash Generating Assets

**TANGANYIKA LAW SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES (CONTINUED)

IPSAS 9 Revenue from exchange transactions

IPSAS 12 Inventory

IPSAS 19 Provision, Contingent liabilities and Contingent Asset

IPSAS 4 Effect of changes in foreign Exchange rates

IPSAS 20 Related party disclosures

IPSAS 23 Revenue from Non-Exchange transactions

IPSAS 24 Presentation of Budget Information in the Financial Statements

IPSA 18 Segment Reporting

IPSA 39 Employees Benefits

The effects of applying IPSAS have resulted in some of the comparative information amounts to be reclassified, amended or disclosed to make them comparable with the current year's financial figures and/or disclosure requirements.

(ii) The following standards are approved by International Accounting Standards Board (IPSAB) as the date of this report but were not effective:

IPSAS 41 Financial Instruments

IPSAS 42 Social Benefits

These standards are effective for annual periods beginning 1 January 2022.

3.4. RECOGNITION OF REVENUE

Revenue from Exchange Transactions

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Society and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Membership subscription fees

Members' subscription income is accounted for on cash basis. Members subscriptions paid in advance are matched and recognized in the accounting period to which they relate.

CLE Seminar Fees

The CLE fees are received from by the members who pay to attend refresher trainings conducted as part of Continuing Legal Education (CLE). Members are required to attain a minimum of ten (10) CLE points per annum. These are accounted for as per actual collections.

Revenue from Non- exchange transactions

Project income (Grants and donations)

Grants and donations are recognized where there is reasonable assurance that they will be received and all attaching conditions will be complied with.

**TANGANYIKA LAW SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES (CONTINUED)

When the grant or donation relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Where the grant or donation relates to an asset, the fair value is credited to a deferred income account and is released to the statement of income and expenditure over the expected useful life of the relevant asset by equal annual instalments.

Net trading income and other income

Results arising from trading activities include all gains and losses from changes in fair value and related interest income or expense and dividends for financial assets and financial liabilities held for trading. Other income is recognized in the period in which it is earned.

3.5. RECOGNITION OF EXPENSES

The effects of expenses are recognized when they occur (and not as cash or its equivalent is paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate.

3.6. EMPLOYEES' BENEFITS INCLUDING POST-EMPLOYMENT BENEFITS

Short-term employment benefits such as salaries and social security contributions are recognized in the statement of income and expenditure when they fall due.

Post-retirement benefits

The Society operates a defined contribution plan whereby each of its employees and the Society contribute 10% of employee basic salary in respect of National Social Security Fund (NSSF), Parastatal Pensions Fund (PPF) and Public Service Pensions Fund (PSPF). Apart from these monthly contributions, the Society has no further commitments or obligations to the Funds and it has no other post-retirement benefit scheme. The contributions are charged to the statement of profit or loss and other comprehensive income in the year to which they relate.

Other employee benefits

The Society provides free medical treatment to staffs and their dependents through a medical scheme at designated hospitals. The cost is charged to the statement of profit or loss and other comprehensive income.

3.7. PROVISION

Provisions are recognized when the Society has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Where the Society expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss and other comprehensive income net of any reimbursement. If the effect

**TANGANYIKA LAW SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES (CONTINUED)

of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

3.8. TRADE AND OTHER RECEIVABLES

Trade and other receivables are measured at fair value, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Society 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 carrying amount and the present value of estimated future cash flows discounted at the effective interest rate. The amount of the provision is recognised in the statement of comprehensive income and expenditure. Society has transferred substantially all risks and rewards of ownership.

3.9. PROVISIONS

Provisions are recognised when the Society has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be used on the obligations, and a reliable estimate of the amount can be made.

3.10. DEFERRED GRANTS AND CONTRIBUTIONS

Grant received in monetary form to meet project expenses is treated as income and expensed to the statement of financial performance in the respective financial year. Where intended project activities in respect of the grant received are not implemented at year end the respective income is treated as deferred grant and contributions.

3.11. TRADE AND OTHER PAYABLES

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

3.12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as referred to in the cash flow statement comprises cash on hand, deposits held at call with banks and investments with maturity periods of three months or less in money market instruments.

3.13. IMPAIRMENT OF FINANCIAL ASSETS

The Society assesses at each balance sheet date whether there is objective evidence that a financial asset or group financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The Society first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are

**TANGANYIKA LAW SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES (CONTINUED)

not individually significant. If the Society determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.

Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the statement of comprehensive income. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognized in the statement of comprehensive income.

3.14. DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES ABILITIES

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired;
- The Society retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- The Society has transferred its rights to receive cash flows from the asset and either;

(a) Has transferred substantially all the risks and rewards of the asset, or

(b) Has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Society has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Society's continuing involvement in the asset.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of income and expenditure.

**TANGANYIKA LAW SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES (CONTINUED)

3.15. FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

Items included in the financial statements of the Society are measured using the currency of the primary economic environment in which the Society operates ("the functional currency"). The financial statements are presented in Tanzanian Shilling (TZS), which is the Society's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into Tanzanian Shilling (TZS) 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 the translation at year-end exchange rates of monetary assets (bid price) and liabilities (offer price) denominated in foreign currencies are recognized in the statement of income and expenditure.

3.16. VALUE ADDED TAX

Expenses and assets are recognized inclusive of the amount of value added tax.

3.17. INCOME TAX

Tanganyika Law Society is established as a Society by an Act of Parliament. By virtue of being a members' association and a non-profit making organization, the Society is exempted from paying corporation tax.

3.18. PROPERTY AND EQUIPMENT

Property and equipment are stated at historical cost amount less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to acquisition of the items. When significant of property, plant and equipment are required to be replaced at intervals; the Society recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. All repair and maintenance costs are recognized in surplus or deficit as incurred.

Depreciation is calculated on a straight-line basis over the useful life of the assets. The annual rates of depreciation which have been consistently applied are:

<u>Description</u>	<u>Useful life (Years)</u>	<u>Depreciation rate</u>
Land	-	0%
Building	40	2.5%
Office furniture and fittings	8	12.5%
Computers, printers and scanners	3	33.3%
Machinery and Equipment	8	12.5%
Library Books	8	12.5%
Accounting Package	3	33.3%
Motor Vehicles	4	25%

**TANGANYIKA LAW SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES (CONTINUED)

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognizing of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income in the year the asset is derecognized.

The residual values, useful lives and methods of depreciating property and equipment are reviewed, and adjusted if appropriate, at each financial year end.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case the carrying amount of the asset is increased to its recoverable amount.

That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of income and expenditure. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

3.19. LEASES

Leases entered into by the Society are operating leases. The total payments made under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

**TANGANYIKA LAW SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES (CONTINUED)

4. FINANCIAL RISK MANAGEMENT

a) Financial risk factors

The Society's activities expose it to a variety of financial risks, including market risk and credit risk. The Society's overall risk management Program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance, but the Society does not hedge any risks.

a) Market risk

(i) Foreign exchange risk

The Society's activities expose it to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollars. Foreign exchange risk arises from future commercial transactions, and recognized assets and liabilities.

If at 31 December 2018 the exchange rate were to change by $\pm 10\%$ at year end, then the net results of the Society would change by TZS 4,539,708 (2018: TZS 5,463,664). Currency exposure arising from liabilities denominated in foreign currencies is managed primarily through the holding of bank balances in the relevant foreign currencies.

(i) Interest rate risk

The Society had no borrowings at year end. Thus, the Society had no interest rate risk at year end.

b) Credit risk

Credit risk arises from deposits with banks, as well as trade and other receivables. The Society does not have any significant concentrations of credit risk.

The amount that best represents the Society's maximum exposure to credit risk at 31 December 2019 and 2018 is made up as follows:

	<u>Fully performing</u>
	TZS
As at 31 December 2019	
Receivables (excluding prepayments) (Note 15)	92,679,868
Cash at bank (Note 16)	<u>362,875,316</u>
Gross financial assets	<u>455,555,184</u>
As at 31 December 2018	
Receivables (excluding prepayments) (Note 15)	20,316,219
Cash at bank (Note 16)	<u>412,641,304</u>
Gross financial assets	<u>432,957,523</u>

No collateral is held for any of the above assets. The Society has banking relationships with reputable banks which rank in the top ten in size of total assets.

**TANGANYIKA LAW SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES (CONTINUED)

c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the finance department maintains flexibility in funding by maintaining availability under committed credit lines

The table below analyses the Society's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Between 1 and 2 years TZS
Year ended 31 December 2019	
Payable (Note 17)	<u>713,169,549,</u>
Year ended 31 December 2018	
Payable (Note 17)	<u>525,596,012</u>

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

(i) Property and Equipment

Critical estimates are made by the Governing Council in determining depreciation rates for equipment and their residual values. The rates used are set out in Note 3 above.

(ii) Impairment of trade receivables

Critical estimates and judgements are made by the Governing Council in determining impairment provision for bad and doubtful trade receivables.

6. MEMBERSHIP SUBSCRIPTION FEES

	2019 TZS	2018 TZS
Membership subscription fee – practicing	1,339,338,920	1,092,145,135
Membership subscription fee - non practicing	7,025,000	8,430,600
	<u>1,346,363,920</u>	<u>1,100,575,735</u>

7. CONTINUED LEGAL EDUCATION FEES

Other CLE	531,409,614	460,074,824
HAGM CLE fees	205,613,580	219,159,000
AGM CLE fee	317,578,684	257,882,000
	<u>1,054,601,878</u>	<u>937,115,824</u>

**TANGANYIKA LAW SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES (CONTINUED)

8. OTHER INCOME

	2019	2018
	<u>TZS</u>	<u>TZS</u>
Sale of publications	22,370,000	48,794,802
Sponsorships	33,000,000	102,406,260
Advertisements (Various TLS media)	8,838,000	12,120,000
Legal Aid Registration Fee	1,729,000	1,236,000
Sale of Merchandise	7,730,000	-
WAKILI House Rental Income	400,000	-
Consultancy	2,000,000	-
	<u>76,067,000</u>	<u>164,557,062</u>

9. PROJECT INCOME

LSF	191,665,761	191,221,711
UNICEF	12,278,690	165,994,827
Global Road Safety Project income	68,438,550	69,226,149
CBA – SIRD	359,408,639	177,170,716
The Foundation for Civil Society	27,032,843	61,088,650
Open Society Initiatives for Eastern Africa (OSIEA)	130,332,091	-
Freedom House-Counter Violent	595,978	21,281,970
Railway Children Africa (RCA)	30,486,838	18,666,701
UNDP	23,645,500	-
PACT	28,168,199	-
	<u>872,053,089</u>	<u>704,650,724</u>

**TANGANYIKA LAW SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES (CONTINUED)

10. ADMINISTRATIVE EXPENSES

	2019	2018
	<u>TZS</u>	<u>TZS</u>
Members Welfare	20,007,940	58,074,630
TLS Institutional Membership	12,753,874	6,654,150
Committee Expenses	36,635,319	51,447,000
Strategic Plan Expenses	24,337,862	-
Programme Consultancy Fees	7,275,000	-
Programmes Advertisement Charges	2,265,600	3,976,600
Continuing Legal Education (CLE) Seminar	248,190,360	429,580,360
Publication and Publicity Expense	45,086,409	14,061,250
Annual General Meeting (AGM) Expenses	323,069,920	279,191,158
Half Annual General Meeting (HAGM)	175,200,185	142,228,090
Staff fuel expenses	2,045,554	-
Election Expenses	29,327,677	24,151,029
Programmes Travel and Accommodation	20,093,547	63,110,062
Capacity Building Expenses`	30,377,000	4,532,280
Governing Council Expenses	36,593,700	47,038,454
Executive Committee (EXCOM) Expenses		538,900
Production Costs-TLS Law Reports	10,784,000	44,609,362
Chapters Expenses	122,795,119	172,941,802
Exhibition Expenses	7,102,680	9,210,440
Planning Meeting Expenses	54,833,800	27,373,000
Probono Expenses	4,500,000	4,500,000
DIMAC	4,000,000	-
LAAC Project expenses	44,748,764	6,666,115
Merchandise Expenses	17,314,000	-
Stakeholders Engagement Expenses	10,634,989	-
Law Firm Management Training	30,077,000	-
Media Engagement Training	2,724,000	-
Business Development Expenses	40,697,940	-
Monitoring and Evaluation Expenses	1,686,000	-
Rent and Rates	30,274,766	34,907,724
Electricity Expenses	20,050,610	10,840,369
Motor Vehicle Fuel Expenses	-	3,197,641
Generator Fuel	45,000	1,088,580
Kitchen Supplies	10,705,600	9,687,200
Waste Disposal Expenses	2,290,000	910,000
Motor Vehicle Repairs	4,048,144	4,461,016
Repair and Maintenance	15,005,662	7,180,899
Water charges	2,275,578	1,974,159
Printing and Stationary	16,116,260	5,953,800

TANGANYIKA LAW SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

NOTES (CONTINUED)

Security Expenses	20,246,950	25,188,770
Communication Expenses	19,409,300	21,266,404
Travel and Accommodation Expenses	30,482,131	43,892,561
Advertising Expenses	1,939,099	4,554,600
Transport Expenses-e.g. Taxi,	7,742,900	7,242,150
Consultancy fees	15,832,911	5,521,800
Bank Charges	28,218,161	20,627,479
Insurance Premium Expenses	35,127,591	1,708,954
Internet Charges	18,407,184	16,005,368
Newly Admitted Advocates		
Staff Membership fees	18,251,131	10,013,727
Depreciation Expenses	72,715,217	88,156,436
Donations	4,829,465	3,000,000
Other Expenses	12,863,522	10,902,753
External audit fee	19,234,000	11,000,000
Internal Audit fee	14,560,000	37,562,000
Office Newspaper	1,121,900	-
Staff Welfare	20,095,628	-
	1,817,908,223	1,772,813,858

11. PROJECT EXPENSES

UNICEF-Children In Conflict With the Law	12,278,690	165,994,827
LSF - CFP04 manual production and legal aid	166,631,292	199,430,908
OISEA - Project Cost	130,332,091	-
SIRD – CBA	359,408,639	216,841,376
RSGP - Project Cost	68,065,280	69,226,149
The Foundation for Civil Society	16,051,400	61,088,650
Freedom House- Counter Violent Extremism	500,000	21,281,970
Railway Children Africa (RCA)	32,452,298	18,666,701
UNDP	23,645,500	-
PACT	41,671,499	-
	851,036,689	752,530,581

**TANGANYIKA LAW SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES (CONTINUED)

12. PERSONNEL EXPENSES

	2019	2018
	<u>TZS</u>	<u>TZS</u>
Salaries and wages	767,315,042	606,737,831
Medical expenses	37,223,292	59,770,621
Interns and volunteers' expenses	7,000,000	11,432,667
Skills and development levy	38,017,119	39,242,892
Fuel expenses	-	510,845
Social security contributions	73,129,435	58,666,784
Workers Compensation Fund expenses	8,474,246	8,980,644
Staff Terminal Costs	41,766,667	-
Staff Relocation Costs	3,517,900	-
	<u>976,443,701</u>	<u>785,342,284</u>

**TANGANYIKA LAW SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES (CONTINUED)

13. PROPERTY AND EQUIPMENT

Description	Land	Furniture and Fittings	Motor Vehicles	Library Books	Machinery and Equipment	Computers	Work in Progress- Wakili House	Total
	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS
Cost								
At 1 January 2019	476,600,000	111,266,064	84,646,857	21,897,200	104,106,687	156,998,192	2,517,461,987	3,472,976,988
Additions		17,026,753	-	-	3,895,995	22,613,000		43,535,748
W.I.P Addition							1,503,447,564	1,503,447,565
At 31 December	476,600,000	128,292,817	84,646,857	21,897,200	108,002,682	179,611,192	4,020,909,553	5,019,960,301
Accumulated depreciation								
At 1 January 2019	-	77,606,075	70,550,761	21,897,200	77,346,552	129,080,327	-	376,480,915
Charge for the year	-	14,452,512	6,750,000	-	13,175,668	18,944,913	-	53,323,093
At 31 Dec. 2019	-	92,058,586	77,300,761	21,897,200	90,522,220	148,025,240	-	429,804,008
Net book value								
At 31 Dec. 2019	476,600,000	36,234,231	7,346,096		17,480,462	31,585,952	4,020,909,553	4,590,156,293
At 31 Dec. 2018	476,600,000	33,659,989	14,096,096	-	26,760,135	27,917,865	2,517,461,988	3,096,496,073

**TANGANYIKA LAW SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES (CONTINUED)

PROPERTY AND EQUIPMENT (PRIOR YEAR)

Description	Land TZS	Furniture and Fittings TZS	Motor Vehicles TZS	Library Books TZS	Machinery and Equipment TZS	Computers TZS	Work in Progress- Wakili House TZS	Total TZS
Cost								
At 1 January 2018	476,600,000	61,683,566	57,646,857	21,897,200	58,736,649	111,037,479	893,532,423	1,681,134,174
Additions		17,514,998	-	-	-	16,230,000	1,623,929,565	1,657,674,563
Revaluation Gains		32,067,500	27,000,000		45,370,038	29,730,713	-	134,168,251
At 31 December	476,600,000	111,266,064	84,646,857	21,897,200	104,106,687	156,998,192	2,517,461,988	3,472,976,988
Accumulated depreciation								
At 1 January 2018	-	60,143,934	57,646,857	21,897,200	56,991,135	111,037,479	-	307,716,605
Charge for the year	-	17,462,141	12,903,904	-	20,355,417	18,042,848	-	68,764,311
At 31 Dec. 2018	-	77,606,075	70,550,761	21,897,200	77,346,552	129,080,327	-	376,480,915
Net book value								
At 31 Dec. 2018	476,600,000	33,659,989	14,096,096		1,745,514	26,760,136	2,517,461,988	3,096,496,073
At 31 Dec. 2017	476,600,000	1,539,632	-	-	1,745,514	-	893,532,424	1,373,417,570

**TANGANYIKA LAW SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES(CONTINUED)

14. INTANGIBLE ASSETS

	2019	2018
<u>Cost</u>	<u>TZS</u>	<u>TZS</u>
At start of the year	58,234,610	58,234,610
	<u>58,234,610</u>	<u>58,234,610</u>
<u>Accumulated amortization</u>		
At start of the year	29,654,517	10,262,392
Amortization charge	19,392,125	19,392,125
At 31 December	<u>49,046,642</u>	<u>29,654,517</u>
 Carrying value	 <u>9,187,968</u>	 <u>28,580,093</u>

15. TRADE AND OTHER RECEIVABLES

Customer control Account	50,794,618	
Staff advances and imprest	23,935,625	36,648,108
Prepaid expenses	12,005,109	30,125,898
Chapters control account	18,049,626	(1,095,258)
	<u>104,784,977</u>	<u>65,678,748</u>

16. CASH AND BANK BALANCES

Cash in hand	106,900	633,630
BARCLAYS A/C no 0156004928	1,018,000	1,018,000
CRDB Bank – TZS Accounts	197,811,869	230,182,029
ECO Bank – TZS Account	5,550,075	6,458,255
EXIM Bank – TZS Accounts	-646,236	7,182,089
KCB Bank – TZS Account	44,463,291	1,172,751
NBC –TZS Account	5,658,407	1,282,397
NMB –TZS Account	33,433,159	21,842,903
Tanzania Women Bank – TZS Account	764,577	32,380,053
TLS M PESA Collection Account	632,780	-
EXIM A/C no 786328286 - TLS Arusha	1,900,000	-
CRDB Bank - USD Accounts	5,263,816	39,148,502
CRDB TZS Account (LAAC Project)	66,918,678	71,340,696
	<u>362,768,416</u>	<u>412,641,304</u>

**TANGANYIKA LAW SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES(CONTINUED)

17. CAPITAL GRANTS

Capital grant comprises members' contributions toward the LAAC Project. Capital Grant during the year was TZS 1,515,435,476; this is in respect of the expenditure incurred for construction of "Wakili House". Total capital grant as at 31st December 2019 was TZS 3,001,615,911; comprised of;

Balance 01 st January 2019	1,486,180,435
Expenditure incurred during the year	1,515,435,476
Total 31st December 2019	3,001,615,911

There is no grant amortized as the building is still under construction.

18. TRADE AND OTHER PAYABLES

	2019	2018
	<u>TZS</u>	<u>TZS</u>
Trade payables	672,619,417	59,420,471
Accounting Accruals	-	16,630,000
DATF Contribution Payable	2,060,000	2,020,000
EALS Subscriptions Payable	11,299,824	10,310,503
Social Security Contr. Payable	18,885,101	100,581,298
PAYE, SDL & Other Taxes Payable	5,138,979	1,782,714
HESLB Staff Loans Payable	953,646	805,896
WCF Payable	2,212,584	6,009,727
Other payable	-	11,941,443
Total	713,169,549	209,502,052

19. DEFERRED CONTRIBUTIONS

Actual contributions:

At 1 January	71,340,696	73,756,407
Contributions received during the year	1,515,435,477	663,988,707
DATF LOAN	124,000,245	400,100,658
Total contributions available	1,710,776,418	1,137,845,772
Payments to the contractor during the year	(1,639,289,397)	(1,066,505,076)
Total capital expenditure for the year	(1,639,289,397)	(1,066,505,076)
Balance as at 31 December	71,487,021	71,340,696

**TANGANYIKA LAW SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES(CONTINUED)

20. DATF LOAN

This is a loan from Deceased Advocates Trust Fund (DATF) an organ within TLS, which was requested by the Governing Council to support construction works for WAKILI house. The loan was received in two instalments; first instalment of TZS 400,000,000 was received in July 2018 payable by December 2019 at a rate of 10% p.a.

Second of instalment of TZS 124, 100,000/- from the same source was received in August 2019 payable by December 2019 at the same rate of 10% p.a.

**TANGANYIKA LAW SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES(CONTINUED)

21. DEFERRED REVENUE GRANTS - DEVELOPMENT PARTNERS

Description	At 1 January 2019	Funds received during the year	Transfer to Grant Income during the year	Refund to Donor	At 31 December 2019
	<u>TZS</u>	<u>TZS</u>	<u>TZS</u>		<u>TZS</u>
CBA Grant	60,267,804	380,313,205	(359,408,639)		81,172,370
LSF	135,342,886	250,000,000	(191,665,761)		193,677,125
The Foundation for Civil Society	16,332,843	10,700,000	(27,032,843)		
UNICEF	8,609,040		(12,278,690)		
Global Road Safety Project- Advocacy for	20,798,750	47,639,799	(68,438,550)		
Freedom House - Counter Violent Extremism	595,979		(595,978)		
Railway Children Africa-RCA	3,485,199	27,001,639	(30,486,838)		(21,842,312)
OISEA		108,489,799	(130,332,091)		(8,511,300)
PACT		36,679,499	(28,168,199)	(8,511,300)	(11,354,500)
UNDP		35,000,000	(23,645,500)		
	<u>245,432,501</u>	<u>895,823,922</u>	<u>(872,053,088)</u>	<u>8,511,300</u>	<u>260,692,033</u>

**TANGANYIKA LAW SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES(CONTINUED)

22. RELATED PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. The volume of related party transactions for the year was as follows:

22.1. TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Key management personnel are described as those persons having authority and responsibility for planning, directing and controlling the activities of the Society, directly or indirectly. The Society's key management is the Chief Executive Officer and the Finance Manager. Compensations of the Society's key management personnel include basic salaries, transport allowances, housing allowance, telephone allowance and post-employment benefits.

The compensation paid to key management personnel and Governing Council members is shown below:

	2019	2018
	<u>TZS</u>	<u>TZS</u>
22.1.1. Key management personnel:		
Salaries and short term benefits	342,900,000	279,300,000
Post-employment retirement benefits	34,290,000	27,930,000
	<u>377,190,000</u>	<u>307,230,000</u>
22.1.2. Governing Council Members:		
Sitting allowance	9,594,500	12,917,000
Members fees	12,000,000	16,800,000
	<u>21,594,500</u>	<u>29,717,000</u>

23. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

Capital commitments

There was no capital commitments entered by the Society as at year end.

Contingent liabilities

There were no contingent liabilities as at year end.

24. PENDING LEGAL CASES'CLAIM CONTINGENCIES

Case number cma/kin/373/12/237; Emilia Siwanga vs TLS which was pending in the year 2019 was settled out of the court during the year under review. The ruling was out of favor to TLS and total of TZS 41,766,667 was paid to settle the case.

**TANGANYIKA LAW SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTES(CONTINUED)

25. LEASES

The Society had a one-year lease agreement with MS Audrey Mathew Chando for the Secretariat office which expired on 30th September 2019.

26. REVALUATION SURPLUS

There was no revaluation during the year.

27. EVENTS AFTER THE REPORTING END DATE

There are no known events that have impacted on the results for the year and the statement of affairs of the Society after the reporting date.