

**TANZANIA NATURAL RESOURCE FORUM  
ARUSHA**

**FINANCIAL STATEMENTS FOR THE TEN MONTHS ENDED  
31 DECEMBER 2005**

**H. M. ASSOCIATES**

*Certified Public Accountants*

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ARUSHA

# TANZANIA NATURAL RESOURCE FORUM

## AUDITORS REPORT

We have audited the financial statements on pages 2 to 4. Our audit was conducted in accordance with approved Auditing Standards. We obtained the information and explanations we required for the purpose of our audit.

In our opinion proper books of accounts have been maintained and the financial statements which are in agreement therewith give a true and fair view of the organizations state of affairs at 31 December 2005 and of its surplus for the period then ended.



Date **27 FEB 2006**

**TANZANIA NATURAL RESOURCE FORUM**

**Balance sheet  
as at 31 December 2005**

	Note	2005 Shs
<b>Fixed assets</b>	2	9,701,717
<b>Current assets</b>		
Bank balance		2,720,276
Cash balance		640,608
		<u>3,360,884</u>
<b>Current liabilities</b>		
Accrued charges	3	400,000
		<u>400,000</u>
<b>Net current assets</b>		<u>2,960,884</u>
<b>Net assets</b>		<u><u>12,662,601</u></u>
<b>Financed by</b>		
Surplus for the period	5	12,662,601
		<u><u>12,662,601</u></u>

To the best of my knowledge and belief, I confirm that the above Balance Sheet and annexed income and expenditure statement present true and fair view of the projects affairs.



**PROJECT COORDINATOR**

**TANZANIA NATURAL RESOURCE FORUM**

**SOURCE AND APPLICATION OF FUNDS**  
**for the period ended 31 December 2005**

	<b>2005</b> <b>SHS.</b>
<b>Surplus for the period</b>	12,662,601
Adjustment for items not involving the movement of funds	
Depreciation	1,385,960
	<u>-----</u>
<b>Total generated from operations</b>	14,048,561
<b>Application of funds</b>	
Purchase of fixed assets	11,087,677
	<u>-----</u>
<b>Net inflow/outflow of funds</b>	2,960,884
<b>Net increase/decrease in working capital</b>	
Accrued charges	400,000
	<u>-----</u>
	<u>-----</u>
<b>Movement in net liquid funds</b>	
Cash and Bank balances	3,360,884
	<u>-----</u>
<b>Net decrease/ increase in working capital</b>	<u>-----</u> <u>-----</u>

**TANZANIA NATURAL RESOURCE FORUM**

**NOTES TO THE FINANCIAL STATEMENTS  
for the ten months ended 31 December 2005**

**1 Principal accounting policies**

These financial statements have been prepared under the historical cost convention.

The following accounting policies have been used in dealing with items which are considered material in relation to the NGOs financial statements.

**(a) Depreciation**

Depreciation is calculated to write off the cost of the fixed assets on the reducing balance method.

The principal annual rates used for this purpose are

- (a) Furniture and fittings 12.5%
- (b) Office equipments 12.5%

**2. FIXED ASSETS**

	<b>Furniture &amp; Fittings</b>	<b>Office equipments</b>	<b>Total</b>
<b>Cost</b>	<b>Shs</b>	<b>Shs</b>	<b>Shs</b>
At 31/12/2005	3,690,800	7,396,877	11,087,677
	-----	-----	-----
<b>Depreciation</b>			
Charge for the period	461,350	924,610	1,385,960
	-----	-----	-----
At 31/12/2005	461,350	924,610	1,385,960
	-----	-----	-----
<b>Net book value</b>			
At 31/12/2005	3,229,450	6,472,267	9,701,717
	=====	=====	=====

3. The accrued charges of Shs. 400,000/= represent accounting/audit fee payable by the organization for ten months ended 31 December 2005
4. Tanzania Natural Resource Forum is financed by Norwegian People's Aid and during this period Shs. 30,000,000 was donated.
5. The receipt of shs 2,985,300 was donated by:
  - Sand County Foundation 447,300/=
  - Tarangire Elephant Project 2,176,000/=
  - Various supporters 362,000/=

**TANZANIA NATURAL RESOURCE FORUM**  
**STATEMENT OF INCOME AND EXPENDITURE**  
**for ten months ended 31 December 2005**

<b>Income</b>	Note	2005 Shs
Norwegian People's Aid	4	30,000,000
Other receipts	5	2,985,300
Exchange gain		644,359
		-----
		33,629,659
 <b>Expenditure</b>		 400,000
Accounting fees		150,900
Bank charges		121,600
Repair and maintenance		407,140
Office supplies		1,525,152
Advertisements		1,221,435
Printing and stationeries		203,966
Electricity and water		5,617,916
Rent		2,482,778
Internet subscription		160,400
Transport and traveling		33,000
Postages		275,000
Telephone		30,200
Medical		377,300
Books, news paper & Periodicals		141,569
Insurance		1,585,818
Meeting expenses		416,700
Interview expenses		3,571,250
Salaries & wages		566,274
Organization registration costs		245,000
Loss of cash		29,000
General expenses		1,385,960
Depreciation		18,700
Security		-----
		20,967,058
		-----
<b>Surplus for the period</b>		<b>12,662,601</b> =====