Restless Development Tanzania

Directors' Report
and Audited Financial Statements
For the year ended 30th September 2025

January 2025
This report contains 53 printed pages

Restless Development Tanzania
DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2025

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Restless Development Tanzania
DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2025

ORGANISATION INFORMATION

PRINCIPAL ADDRESS

Restless Development Tanzania
Regent Business Park, Wing A
1st floor, Mikocheni A
P.O. Box 35748
Dar es Salaam, Tanzania.

Auditors
ABA Alliance
Certified Public Accountants
P.O Box 11621
10th Floor, PSSSF Building along Sam Nujoma Road
Dar es Salaam, Tanzania.

Bankers
ABSA,
Mikocheni Branch
P. O. Box 5137
Dar es Salaam,Tanzania.

ABBREVIATIONS

AU	African Union
CDOs	Community Development Officers
CO-CREATE	Collaborative Creation for Environmental and Actionable Transformation & Empowerment
COVID	Corona Virus Disease
CSOs	Civil Society Organizations
CLA	Collaborating, Learning and Adapting
HCD	Human Centered Design
HR	Human Resource
IESBA	International Ethics Standards Board for Accountants
ISA	International Standards on Auditing
LGA	Local Government Authority
NBAA	National Board of Accountants and Auditors
NGO	Non-Government Organisation
NOREC	Norwegian Agency for Exchange Cooperation
NSSF	National Social Security Fund
PAYE	Pay as You Earn
RTD	Restless Development Tanzania
ROWODO	Rondo Women's Development Organization
SRH	Sexual and Reproductive Health
SRHR	Sexual and Reproductive Health and Rights
ToT	Training of Trainers
TZS	Tanzania Shillings
UNFPA	United Nations Population Fund
UNICEF	The United Nations Children's Fund
USAID	United States Agency for International Development
VSLA	Village Savings and Loan Association model

Restless Development Tanzania

DIRECTORS' REPORT
FOR THE YEAR ENDED 30th SEPTEMBER 2025

1. INTRODUCTION

The Board of Directors is pleased to present this report and the audited Financial Statements for the year ended 30th September 2025. This report has been prepared in accordance with the requirements of the Tanzania Financial Reporting Standard No. 1 (TFRS 1), the report by Those Charged with Governance issued by National Board of Accountants and Auditors (NBAA).

2. INCORPORATION

Restless Development Tanzania is the leading development agency championing youth leadership nationally. We started working in Tanzania in 1993 and, since then, our Hub has evolved into an organization with true national reach.

Restless Development was incorporated under the Society Ordinance Act on 20th May 2011 with registration No 00001388. On 07th February 2022 the Organization was issued with a new certificate under the terms and conditions of Non-Governmental Organization Act, 2002 with registration No. 00NGO/R1/0046 with the headquarters in Iringa -Tanzania.

Restless pursues charitable (Not for Profit) objectives and its constitution requires that the income and property of the Organization should be applied solely towards promotion of the objectives of the Organization as set forth in the Constitution and no portion thereof can be paid or transferred directly or indirectly, by way of dividend, gift, division, bonus or otherwise by way of profit to the members of the Organization.

3. ORGANISATION VISION AND MISSION

Vision Statement

We envision a world where all young people are given the opportunity to take up leadership roles that mobilise communities through their ideas, words, and actions to deliver long-lasting transformative change.

Mission Statement

The organization will work with local communities to champion a new model for change which fosters a generation of young people who not only deliver, but also influence and inform the future of development.

4. THE AIM AND OBJECTIVE OF THE ORGANIZATION

The objective of the Organization is to build capacity of young people and ensure that they are given opportunity to take up leadership roles that mobilize communities through their ideas, more particularly:

i) To build the capacity of young people to make appropriate decisions about critical issues that directly affect their well-being.

ii) To develop replicable models for non-formal education systems using age appropriate and widely available human resources to empower young Tanzanians in the battle against infectious diseases.

iii) To enable young people to access and disseminate youth-friendly information, change adolescent attitudes and behaviour, and mobilize action particularly among their own age group.

iv) To identify priority areas where intervention creates greatest or maximum impact, particularly among young people of their own age group; and,

v) To build the capacity of existing structures in communities which will facilitate better access to accurate information and enhance service provision, particularly in the identified priority areas which includes living, sexual rights, voice and leadership.

5. ORGANIZATION CORE VALUES

Restless Development is a value driven Organization and will work to ensure its values are at the core of everything we do. Our Board, members, management, staff, and volunteers will be the custodians of our values and strive to ensure they are operationalized in our work.

i) **HEART:** We are young professionals accountable to young people. Young people are at the core of everything we do. Our passion and energy drive us. We take initiative, innovate, and try new things.

ii) **HEAD:** We work in the context of poverty. We measure our results and use our resources efficiently. We care about getting the right results. We act professionally and always seek to improve our work.

iii) **VOICE:** We all have a leadership role. Everyone's opinion is valuable, and we bring all voices to the table. We give young people the opportunity to succeed and to fail, generating leaders through experience. We are proud of our work and tell our story with conviction.

iv) **HANDS:** We are connected with our partners, with each other and with those we serve. We develop solutions as a team. Our rules and policies apply equally to all. We are generous with our expertise, our tools and our time.

6. PRINCIPLE ACTIVITIES

6.1 Our Impact Priorities

We have identified four priority areas whereby our projects will target to create impact in the community. However, we are flexible to add any additional area if it emerges during the strategy period. So, we will focus on new issues as challenges and priorities emerge, and if youth leadership can have an impact. The priority areas are as follows:

6.1.1 Education & Livelihoods

We want all young people to have the skills, knowledge, resilience, and opportunities that enable them to thrive. Young people in Tanzania have told us that they need access to life-long learning through both informal and formal educational opportunities and support to unlock decent work. We take a youth-led approach to ensuring that every young person has a quality education and access to training and opportunities that set them up for life. We break barriers that limit potential by nurturing skills development of young people through mobilising experts to catalyse young entrepreneurs, ensuring access to markets, and contributing to the scale up or acceleration of youth-led businesses. Furthermore, we foster young people's resilience to the effects of economic shocks, disasters, and pandemics. We want all young people, especially women and girls, to be able to stay in school and make a sustainable, fulfilling living when they leave.

6.1.2 Sexual Reproductive & Health Rights

We know that bodies and genders are subject to discrimination and violation. We empower young people to advocate for supportive and inclusive services and policies to advance and uphold sexual and reproductive health and rights. We encourage young women and first-time mothers to take control of family planning, access improved sexual and reproductive health services and facilities, demand their sexual and reproductive rights, and demonstrate safe sexual practices. We strive for a universal understanding of the impact of gender-based violence to end its effect on vulnerable groups. We view SRHR as a holistic and integrated approach to address the multifaceted challenges facing young people, especially girls and young women, related to their livelihoods, leadership, and voice in decisions that affect their lives.

6.1.3 Voice & Governance

We believe a more just and participatory government in Tanzania is possible, with institutions that are accessible and responsive to young people. We aim to dismantle barriers, harmful customs and traditions, and restrictive social norms that undermine the ability of young people – especially young women – to take part in decision making platforms. By building networks and relationships with Local Government, we influence structures and institutions in favour of youth concerns. We champion young people to understand and exercise their rights and demand accountability of powerholders. We foster active citizenship in young people to create change in their communities by influencing. Social and political structures and those in power with evidence-based solutions generated through youth led research and social accountability.

6.1.4 Climate Change

Climate change drives poverty and inequalities in Tanzania, jeopardises communities' livelihoods, and threatens national stability. There is no future for Tanzanian youth without raising the environmental consciousness, putting in place effective mitigation actions against climate change, and forging a clear path on the green and sustainable way forward. Young people risk losing the most from climate change, yet they are systematically excluded from conversations to address it. We nurture young people to be leaders in transitioning to a just and sustainable world by strengthening youth civil society and amplifying an intergenerational response.

Our strategic priorities are core to our work. However, we are not restricted to working under only these priorities: we focus on priorities identified by young people as they emerge. Our cross-cutting priorities of **Youth Leadership**, **Gender Transformation,** and **Digital Innovation enable this inherent flexibility.**

i) **Youth Leadership:** We will continue to equip young people with the skills to lead holistic development projects that spread knowledge, develop skills, and address priority issues within communities. We focus on preparing young people to innovate and lead in developing solutions to the issues that they identify. We connect young leaders, creating a network of youth leadership across Tanzania.

ii) **Gender Transformation:** We are committed to a gender-equal Tanzania and we recognise the barriers that women and girls disproportionately face. Therefore, across all topics, we address gender disparities and gender-specific needs. Young people in Tanzania tell us that it is especially vital to ensure that young mothers and female-headed households have access to leadership skill development and educational and livelihood opportunities. To address these disparities, we work with young women and young men to ensure that those who face an injustice must be the ones best represented in the fight against it.

iii) **Digital Innovation:** Young people are increasingly using technologies across all aspects of their lives, and we work to promote digital innovation that supports them. For example, we support entrepreneurs to develop digital solutions to market, social, and nature-based challenges. We leverage digital tools to ease data collection and communication. We connect young people to mobile platforms to grow their coalition. We promote digital engagement with governance spaces and in advocacy. However, the digital divide disproportionately impacts some groups of young people, so we are transforming how we work in ways that do not leave anyone behind.

6.2 Approaches To Achieving and Sustaining Change

We utilise three main approaches in our work, and core to our work is ensuring sustainability for the changes achieved by young people who are part of our programming. Our three approaches to achieving and sustaining change are, Youth-led Change, Youth collective and Restless experts

PRINCIPLE ACTIVITIES (CONTINUE)

6.2.1 Youth-led Change

Our interventions utilise the youth-led change approach – young people lead change on their own terms. We support them to get the opportunities, confidence, networks, skills, and information they need to make it happen. We guarantee that young people lead the design and direction of our interventions, and they own the knowledge generated.

Practically, this work looks different for every intervention because it is locally led and responds to the different contexts and challenges young people and their communities are facing. There are multiple models that underpin our work, including:

- **Peer-to-peer approach:** Young leaders are identified and trained to deliver content, impart skills to their peers, generate evidence, and influence change. We strengthen the capacity of peer educators as facilitators of change.
- **Youth empowerment:** Young people are provided with information, training, and skills development about topics affecting their lives.
- **Community mobilisation:** Young people change behaviours and/or mobilise action in their communities to respond to challenges.
- **Youth-led accountability:** Young people are empowered to advocate and hold decision makers to account. We emphasise evidence-based rights claiming and capitalise upon all opportunities for emergent civic space.
- **Youth-led research:** Young people generate evidence that captures key insights on issues that matter most to them and use it to inform policy and practice.

6.2.2 Youth Collective

We work through a collective of allies in favour of youth-led development. The collective includes groups and individuals who are committed to youth-led change and a more just and sustainable Tanzania. As a collective, we are bigger than the sum of our parts. We can speed achievement of the Sustainable Development Goals and Tanzania's Third Plan. 8 Together, we aim to strengthen youth civil society by supporting, funding, mobilizing, and shifting power to Tanzania's youth-led, youth-focused, and youth-serving organizations, movements, and groups. In practice, this looks like:

- Mobilizing and inspiring a wider group of young leaders beyond Restless Development's reach, multiplying youth leadership.
- Serving as a 'big sister' organization to youth organizations in Tanzania by supporting them to grow, lead, and succeed.
- Networking amongst collective members and building alliances and bonds to challenge the development sector and tackle top-down development.
- Continually engaging Restless Development alumni to cascade their learnings through training, monitoring, and evaluation, and follow-up activities.
- Offering training, workshops, and other capacity development opportunities on topics including, but not limited to fundraising, budgeting, balancing power, working with young people, inclusivity, gender transformative approaches, and specific technical assistance on subject matter expertise.
- Sharing funding opportunities, widening the flow of resources to local youth civil society organizations and groups.

6.2.3 Restless Experts

We share our expertise with powerholders—government, civil society, academia, donors, and the private sector—to support strategies that include youth perspectives. Our tailored support often begins with youth-led research and leads to youth-led change.

We work with young leaders, Restless Development alumni, and youth-led organisations, and support government and local authorities to engage young people through advisory panels, youth audits, and youth-centred policies.

For Programme Spotlight, Youth Sounding Board brings together young leaders from 16 regions of Tanzania to advise the Embassy of Switzerland on youth-centred project design.

We also support government and local authorities to consult young people, establish youth advisory panels, conduct youth audits, and develop youth policies and strategies, while embedding youth engagement in organisational culture. Through continuous engagement with government, multilateral, and private sector actors, we help integrate youth-led solutions and sustain long-term, youth-driven change in Tanzania.

6 RESULTS FOR THE YEAR

The Organization recorded no surplus or deficit for the year, as all funds received were conditional. Accordingly, recognized expenditure equalled recognized revenue.

7.1 Financial Performance

7.1.1 Financial Performance Statement

Total revenue recognized for the year was TZS 3,555,307,435, an increase of TZS 398,239,393 (12.6%) compared to the prior year revenue of TZS 3,157,068,042. The increase was driven by the addition of new projects during the year.

7.1.2 Statement of Financial Position

Net assets remained unchanged from the prior financial year, reflecting the absence of a surplus or deficit. Total assets increased by 111%, while total liabilities increased by 128%. These movements are primarily attributable to increased receipt of conditional funds, resulting in corresponding increases in assets and deferred liabilities.

7.1.3 Performance against the approved budget

Revenue recognized during the year amounted to TZS 3,555,307,435, which is TZS 664,720,990 below the approved budget of TZS 4,220,028,425. The variance arose mainly from lower-than-anticipated fund receipts during the year.

7.2 Program Performance

7.2.1 Performance based on Strategic Thematic Areas

Program performance is disclosed in accordance with good practice for non-profit financial reporting, providing a fair and balanced summary of activities undertaken during the year in support of Restless Development Tanzania's charitable objectives. The disclosures focus on material programmes, key outputs, and outcomes achieved during the reporting period.

7.2.1.1. Education and Livelihoods

Our objective is to ensure that young people are well-positioned to access quality education, training, and livelihood opportunities. The following were programs and activities implemented during the reporting period.

SET Iringa 1

Youth Group Registration: Trained and supported 14 youth groups to develop constitutions and complete registration, enabling formal recognition, improved access to government support, and financial services.

Business Start-ups & Linkages: Provided poultry start-up kits to 17 individual youth and 11 groups and supported 8 youth in poultry value addition. Youth were linked to input suppliers, technical experts, and buyers, generating TZS 4,756,000 in sales across 14 groups.

Parent & Community Engagement: Engaged 117 parents, guardians, and spouses across four wards to strengthen family and community support, with participation from local government officers.

Legal & Product Registration Training: Trained 76 youth on business and product registration, certification, and hygiene standards, facilitated by a Business Officer from Iringa Municipal Council.

Programme Objective: Enhance young people's access to skills, entrepreneurship, and sustainable livelihoods.

Set Iringa 2

Project Staffing & Capacity: Recruited 3 National Livelihood Facilitators (1 female, 2 male) to strengthen community-level delivery in Ifunda, Kihanga, and Maboga wards.

Induction & ToT: Conducted an 8-day induction and Training of Trainers (Feb 2025) to build facilitation, technical horticulture, and soft skills delivery capacity.

Stakeholder Engagement: Held 6 inception meetings engaging 35 local government and community leaders to introduce the project and support youth mobilization.

Youth Mobilization & Grouping: Mobilized 245 youth, with 230 enrolled and organized into 14 Youth Economic Groups across three wards.

Entrepreneurship & Financial Skills: Trained 184 youth in entrepreneurship and 212 youth in financial literacy, promoting savings and sustainable livelihoods.

Savings & VSLA: Trained all 14 groups on VSLAs and digital savings (M-Koba). Ten groups mobilized total savings of TZS 6,401,000.

Technical Training: Delivered integrated horticulture and business development training to 206 youth using classroom and practical on-farm approaches.

Composting & Green Skills: Trained 83 youth across five villages on composting and Bokashi production, supporting sustainable agriculture and income generation.

Monitoring & Support: Conducted regular joint monitoring visits with partners, including the Embassy of Switzerland and Swisscontact.

Group Registration: Supported 14 groups with governance and constitutions; 5 groups registered with the Iringa District Council.

Market Linkages & Start-ups: Linked youth to key horticulture value chain actors and provided start-up kits to 60 youth (41 individuals and 2 groups).

Parent & Guardian Engagement: 141 parents and guardians are engaged to strengthen household and community support for youth enterprises.

Overall Focus: Strengthening youth skills, enterprise development, and sustainable livelihoods through coordinated training, partnerships, and community engagement.

SET Ifakara

Youth Group Registration: Supported 14 youth groups to complete district-level registration, securing certificates that enable legal operation and access to growth opportunities.

Business Linkages & Start-ups: Linked 226 youth in 14 groups to Community Development Officers and extension officers in Katindiuka and Lipangala for ongoing technical support, loans guidance, and poultry farming. Provided poultry start-up kits to 10 individuals, 6 groups, and 8 youth in value addition, and facilitated market linkages to increase sales and profitability.

Parent & Guardian Engagement: Engaged 137 parents and guardians to strengthen household support for youth poultry enterprises.

Legal & Product Registration Training: Trained 119 youth on business and product registration, certification, and hygiene standards, facilitated by CDOs from Ifakara Town Council.

Youth & Young Mothers Mobilisation: Recruited and trained vulnerable youth, including first-time young mothers, across Dodoma Region on life skills, SRHR, entrepreneurship, leadership, and financial literacy, linking them to savings groups, microfinance, and vocational training.

Policy & Advocacy: Conducted policy analysis and advocacy on youth and SRHR policies in partnership with United Nations Population Fund, engaging government, CSOs, youth networks, and media.

Awareness & Youth Voice: Delivered national and community campaigns through radio, TV, digital media, forums, and national events to address harmful norms, reduce teen pregnancy, and promote youth participation.

Overall Impact: Strengthened youth and young mothers' skills, livelihoods, voice, and access to services, while embedding community, government, and policy support for sustainable change.

UNICEF Education project

Project Introduction: With support from UNICEF, Restless Development Tanzania conducted 179 project introduction meetings across Songwe, Kigoma, and Tabora Regions at regional, council, ward, school, and community levels. A total of 330 stakeholders were reached, building shared understanding, coordination, and ownership for effective implementation.

Identification of Vulnerable Adolescents: Completed a desk review and assessment to identify 6,000 vulnerable and marginalized adolescents (70% girls), including those out of school or at risk of dropping out due to poverty, pregnancy, early marriage, and child labour. Individual profiles were developed to guide targeted support and monitoring.

Field Support & Monitoring: Conducted regular field support visits with district leaders, education officers, teachers, and community structures to address implementation challenges, strengthen safeguarding and retention strategies, and inform planning for alternative education and vocational pathways.

7.2.1.2 Voice & Governance

To catalyse youth-led action that holds power-holders accountable and challenges systems, structures, and social norms limiting young people's participation.

Kijana Wajibika – Ijue Kodi Yako, Lipa na Shiriki

Phase 1 Tax Advocacy Workshop: Trained youth from CSOs on taxation, tax justice, fiscal governance, and advocacy with TRA and LGAs using participatory methods.

Youth Consultations & FGDs: Engaged 51 youth (31F, 20M; incl. 4 young women with disabilities) across Kibaha (14), Shinyanga (19), and Arusha (18) to assess tax awareness, compliance, and participation. Findings informed evidence-based advocacy.

Council-level Community Dialogues: Held in Kibaha, Shinyanga, and Arusha with youth, TRA, LGAs, and community members to discuss tax equity and strengthen multi-stakeholder collaboration.

Phase 2 Tax Advocacy Workshop: Trained 99 youth leaders (Pwani Youth Network 37, YAWE 32, Okoa New Generation 31), exceeding target of 90. Post-training, 72% showed improved advocacy skills; participants-initiated community dialogues and engaged LGAs on budget transparency.

Youth Accountability & Advocacy Networks (YAANs): Established 3 networks in Shinyanga, Pwani, and Arusha with 99 youth leaders (>70% active in consultations, dialogues, radio engagements).

Regional Tax Equity Desk Review: Analyzed Tanzania, Uganda, Nigeria, Senegal, and Ghana; identified administrative barriers, regressive VAT/corporate tax, and lack of youth incentives; produced actionable advocacy recommendations.

Community Dialogues on Tax Equity: Conducted 5 dialogues reaching 365 participants (10 PWD: 7F, 3M) across Arusha, Shinyanga, and Kibaha.

Engagement with Decision-Makers: Participated in Pan-African Conference on IFFs & taxation; YAAN leaders presented youth priorities regionally; media coverage amplified advocacy.

Follow-up on President's Task Force Commitments: Monthly YAAN sessions and council evaluations tracked implementation; youth proposals submitted to highest decision-making levels.

National Policy Advocacy Dialogue: Convened 87 decision-makers in Dodoma (TRA, Ministry of Finance, Parliamentary Committees, young entrepreneurs) securing commitments on tax help desks, self-assessment tools (launch Jan 2026), compliance awards, and expanded tax education.

Dissemination of Findings: Reached 500 youth at National Youth Peace & Security Forum, 300 Swahili executive summaries, 12 radio sessions (750,000 listeners), 45 African CSOs & 12 government reps, 1,500 digital subscribers, generating 85,000 social media impressions, shared with 28 academic institutions & think tanks.

AU–EU Youth Voices Lab

Lab Setup & Advisory Mechanism: Established virtual/offline platform; Youth Advisory Board (YAB) guided governance, priorities, and platform ownership.

App Co-Creation: Engaged YAB members in content selection; app features include multilingual support (English, French, Arabic), certification courses, low data/offline use.

Content Development & Moderation Training: Trained YAB and country managers in app moderation, onboarding, content management, and troubleshooting.

Visibility & Dissemination: Distributed app guides via youth networks; in Zambia, manuals reached **2 youth CSOs**; also shared during Annual Youth Consultations in Tanzania for wider reach.

Virtual Youth Community Building: Co-designed digital engagement strategies including social media challenges, competitions, influencer partnerships, and cross-continental campaigns on SRHR, climate, governance, and peace.

Annual Youth Consultation (Aug 2025, Dar es Salaam): Engaged **21 domestic youth** (13F, 8M; incl. 4 PWD) + **6 YAB members** (3F, 3M) to audit app, co-create engagement strategies, and develop actionable implementation plan.

<u>Shiriki Tujenge Tanga Yetu</u>

Project Permits: Secured at national (PO-RALG) and local level across 27 wards; sensitized 40 local leaders (28F, 12M).

Youth Accountability Advocates (YAAs) Recruitment: Selected 14 YAAs (7F, 7M) + 3 female reserves from 86 applicants (46F, 40M) covering 21+ wards The youth

Foundation Training: 7-day training for 14 YAAs and 3 reserves; knowledge scores improved from 40% to 90%, covering civic rights, leadership, mindset, ICT, policy analysis, advocacy, PWD inclusion, and local governance.

Civic Education Sessions: Reached 1,108 youth (700F, 408M; 17 PWD) across 27 wards, training participants on at least 2 civic topics; 63% female participation.

Youth Economic Empowerment: Engaged 14 YAAs (10F, 4M) long-term and 48 youth (31F, 17M) as part-time data collectors.

Policy Literacy for LG Officials: Trained 35 CDOs (25F, 10M) on National Youth Development Policy 2024, supporting youth integration into local planning.

Stakeholder Collaboration: Strengthened partnerships with 55 LGAs (40F, 15M), youth networks, NGOs, and academic institutions.

<u>Kijana Wajibika – Governance Coalition & Voter Education</u>

KINAU Coalition: Formalized 28 CSOs for coordinated youth-led governance advocacy.

CSO Recruitment: Recruited 6 CSOs + 3 youth networks forming a 9-organization consortium for 2 years.

Voter Education: Reached 10,000+ youth via social media and community radio (Jamii Forums, BBC Media Action) to boost informed participation in local and general elections.

7.2.1.3 Climate Change

Objective: To equip young people with skills and knowledge to build climate resilience and meaningfully participate in climate decision-making.

Support to CSOs for innovative climate action (Oct–Dec 2024):

Restless Development Tanzania supported 12 CSOs and youth networks in Dar es Salaam and Lindi to implement innovative climate solutions under E3SM Step 2 – Innovate through the CO-CREATE programme. Support included Human Centered Design (HCD), coordination of startup kits, procurement, and vendor payments. Interventions covered waste management, mangrove restoration, tree planting, climate-smart farming, water purification, and youth-led green jobs.

Reflection workshops and transition to full implementation:

Two 3-day Reflection Workshops were held in Dar es Salaam and Lindi, enabling all 12 CSOs to validate results from a 6-week testing phase. As a result, 100% of CSOs progressed to full implementation, strengthening peer learning, accountability, and alignment with the Schools2030 model. The process was coordinated with **Aga Khan Foundation**, **Creative Action Institute**, and **Belmont University**.

District-level showcase events:

Under E3SM Step 3 – Showcase, 12 CSOs participated in District Schools2030 showcases held on 21 Oct 2024 (Lindi) and 25 Oct 2024 (Dar es Salaam). A preparatory workshop on 18 Oct 2024 engaged 24 CSO staff and youth leaders (16F, 8M) and 50+ teachers. Each showcase featured 12 CSO representatives, with panel discussions and presentations highlighting tested climate solutions.

National-level showcasing:

Two CSOs—Mazingira Plus and ROWODO—were supported to showcase climate education solutions at the 4th International Quality Education Conference (IQEC) in Dar es Salaam, organized by Tanzania Education Network. Mazingira Plus contributed to a national panel on using climate action as a pedagogical tool.

Monitoring, learning, and coaching:

Monthly monitoring and design coaching visits were conducted with CSOs in Dar es Salaam and Lindi through physical and virtual engagements. Financial management support was provided during the mid-way reflection workshop, strengthening compliance and accountability. Strategic meetings with senior leadership reinforced partnerships and alignment.

Consortium coordination and reporting:

Restless Development participated in bi-monthly consortium meetings led by the Aga Khan Foundation and attended a Collaborative Learning and Adaptation (CLA) session in Dar es Salaam. The organization contributed to Q4 narrative and financial reports, ensuring timely submission and compliance through the lead partner.

Overall Result: 12 CSOs successfully designed, tested, showcased, and scaled youth-led climate action solutions, strengthening climate resilience, education outcomes, and youth leadership in Dar es Salaam and Lindi.

7.2 FUTURE DEVELOPMENTS

The major focus of the Organization is to ensure growth, sustainability and successful implementation of its program's activities. The Organization intends to expand its membership base across the country, increase the number of projects/programs implemented and improve capacities of its human resources.

The Organization will increase more support to young leaders to influence and create conditions that.

- Provide opportunities for all young people, including those living with disabilities.
- Equip them with the tools to strive for inclusion, justice and equality.
- Help them to become economically independent.
- Contribute to their communities and national development.

Investment and Partnership

From a business development perspective, more focus will be on looking for new opportunities to secure more strategic funding that will support the Organization's core activities and leverage matching funds for programs.

We have submitted several proposals to various donors. This is to ensure that we are able to cover the results gap in the goal areas.

Governance and Compliance

As a Youth -led Organization, we are focusing on taking on more young people in the Board as well as in the Management team. But also, our focus is to continue strengthening compliance systems and controls as well as accountability and transparency.

7.3 GOVERNANCE STRUCTURE

Restless Development is governed by the Members, those charged with governance and the Management. The management, led by Hub Director, implements the core functions of the Organisation. The Hub Director reports to those charged with governance on the governance related matters. Additionally, the Hub Director is responsible for maintaining a relationship with the Development Partners.

The Management is comprised of the following units:

- Programmes Unit
- Monitoring, Evaluation and Learning Unit
- Business Development and Partnership Unit
- Finance and Administration Unit.

Members are selected based on their commitment to the improvement of the Restless Development. They are the highest authority in the Organization and choose the individuals to serve on the Board of those charged with the governance and external auditors, as well as providing the long-term plans of the Organization.

7.3.1 Composition of the Members

Members are required to meet at least once a year, through the Annual General meeting (AGM). Extraordinary meetings of the members can be called as and when required based on the urgency of the matter at hand. During the year ended 30 September 2025 there was no AGM during to the fact the Organization were still in the process of selecting the members of the Organization.

7.3.1.1 Composition of the Board of those Charged with Governance

The role of the Board of Directors is to ensure that Restless Development is well managed rather than to manage the Organization itself. Day-to-day implementation of policy is led by the Hub Director and the Management Team. The Board of Directors has the following key functions:

- The first and primary duty of the Board is to ensure that the Organization fundamental principles embodied in its Mission, Vision and key values are carried out and implemented.
- The Board's role is to govern the Organization and not to be involved in its day-to-day management. It is senior management's role to manage the Organization in accordance with the strategic goals set by the Board and under its direction. The Board does not have a management function.
- The Board is responsible for and should determine all matters relating to policy and practice. It has overall responsibility to ensure that the Organization is well managed, and its operations are successful. It must do all things necessary to ensure that the Organization meets its objectives as set in the Organization Constitution.

7.3.1.1 Composition of the Board of Those Charged with Governance (Continue…)

Those Charged with Governance who served the Organization during the year and to the date of this report are as follows:

S/N	Name	Nationality	Qualifications	Age	Position	Date Appointed
1	Mr. Deus M. Kibamba	Tanzanian	MA International Studies, BA-International Relations & PGD in Governance, Democratisation & Public Policy	55	Chairperson	May 2019
2	Prof. Fortunata Songora Makene	Tanzanian	Ph.D. in Sociology University of Minnesota, USA 2007	54	Deputy Chairperson	January 2023
3	CPA. Marero Stephen	Tanzanian	MBA, MA (M&E), MPH, CPA(T), B. Acc & Finance	47	Board Member	May 2019
4	Ms. Victoria Marijan	Tanzanian	B. Com, MBA	47	Board Member	May 2019
5	Mr. John Bakilana	Tanzanian	M.Com, MA-Legal Studies, B.Com.	50	Board Member	May 2019
6	Ms. Jessica Kimosso	Tanzanian	BA. Public Relations & Advertising	33	Board Member	May 2019
7	Mr. Ronald Rubaga	Tanzanian	BA. Sociology	31	Board Member	May 2019
8	Ms. Neema Mwangamba	Tanzanian	Masters in Human Resources Management (HRM), Bachelor of Laws (LLB).	50	Board Member	January 2023
9	Ms. Rahma Suleiman	Tanzanian	Diploma in International Relations and Diplomacy	31	Board Member	January 2023
10	CPA. Linus Katonto	Tanzanian	CPA (T), MSc. (Accounting and Finance)	44	Secretary/ Hub Director	March 2022

7.3.1.1 Composition of the Board of those Charged with Governance (Continue…)

Those Charged with Governance and their committees are required to meet four times a year (i.e., once every quarter).

During the year ended 30 September 2025, Those Charged with Governance met three times in the following Board meetings to discuss and approve matters as indicated hereunder:

Board Meeting Number and Date	Agenda	Key Resolutions
2024/2025-01 Held on 1st February 2025.All members attended the meeting	1) Opening the meeting and Call to order 2) Approval of Agenda 3) Declaration of the Conflict of Interest 4) Regional Director Report 5) Approval of the 2023/2024-03 Meeting minutes 6) Matters arising from the 2023/2024-03 Board Meeting 7) Board Committees Report 7.1 Finance, Risk and Audit Committee's Report 7.2 Business Development and Stakeholders Committee's Report 7.3 Operations and Governance Committee's Report 8) Hub Director's Performance Appraisal and Contract 9) AOB 10) Closure of the meeting	• Board governance to be strengthened through a revised standing agenda and improved committee reporting. • National Board to lead local fundraising management to prepare a contingency plan for cash-flow risks linked to the USAID stop order. • Finance processes to improve, including clearer communication, prior Finance Committee budget approval, and follow-up on the 2023/24 audit. • Fundraising strategy to focus on climate change, clean cooking, and private sector partnerships. • Youth engagement to be expanded through inspiration projects and structured membership interviews; AGM to be held in a hybrid format. • Hub Director appraisal to be conducted, with the Board to decide on contract renewal.

Board Meeting Number and Date	Agenda	Key Resolutions
2024/2025-02 Held on 10 May 2025.All except one member with apologies attended the meeting	1. Call to Order 2. Roll Call/Attendance 3. Approval of Agenda 4. Declaration of conflict of interest 5. Regional Director Update 6. Approval of the Previous Meeting Minutes 7. Matters Arising from the last meeting 8. Board Committee Reports 8.1 Finance, Risk and Audit Committee's Report 8.2 Business Development and Stakeholders 8.3 Operations and Governance Committee's Report 1) Resignation of a Board Member 2) AGM Convening update 3) Recruitment of Hub Director 4) Any other business (AOB) 5) Closure of the meeting	● **Regional update:** New Theory of Change finalized; fundraising strategy in draft; 40th anniversary in Nov 2025 (Harare); USAID stop order impacted hubs; MOU discussions set for 22 May 2025. Tanzania Hub to submit a POD–Hub agreement to support 2025 TRA audit. ● **Finance & Audit:** 2024 audit and UNFPA donor audit completed successfully; need for simplified board reports; stronger budget vs actuals tracking; plan to source a tax consultant (subject to budget). ● **Business Development:** New funding secured (UNICEF, IDP, Ijue Kodi Yako); board to join M&E field visits. ● **Operations & Governance:** Ordinary members selection ongoing; First AGM on 14 June 2025 (virtual); board tenure extended to 30 Nov 2025 with transition from 1 Dec 2025. ● **Board matters:** One resignation revoked; all members' terms extended. ● **Hub Director:** Recruitment process approved; advert from 12 May 2025; farewell planned for 30 Sept 2025. ● **AOB:** Youth to attend May 2025 Innovation Week; review board remuneration policy.
2024/2025-03 Held on 13th September 2025. All members attended the meeting**.**	1. Call to Order 2. Roll Call/Attendance 3. Approval of Meeting Agenda 4. Declaration of conflict of interest 5. Regional Director's Updates 6. Approval of the Minutes from the Previous Meeting 7. Matters Arising	● Regional update: MOU still pending; fundraising remains difficult; annual report released; operational challenges across hubs; focus shifting to resource mobilisation. ● Finance & Audit: Out of tax cost of TZS 126m (TZS 61m paid; TZS 69m secured); 76% attributed to POD. ● FY 2025/26 budget: TZS 5.98bn; proposal to adopt GSS Band 0 (+TZS 65.9m). ● Audit firm Approval: ABA Alliance Audit firm was approved for 202425 audit

Board Meeting Number and Date	Agenda	Key Resolutions
	8. Board Committee Reports 8.1. Finance, Risk, and Audit Committee's Report 8.2. Business Development and Stakeholders 8.3. Operations and Governance Committee's Report 9. Hub Director Recruitment 10. Hub Director succession 11. Any Other Business (AOB) 12. Closure of the Meeting	● Business Development: Website consultant planned; Youth Manifesto participation; strategy evaluation upcoming. ● Operations & Governance: Statutory compliance completed; 1 staff + 6 interns recruited (UNICEF project); INEC accreditation in 16 regions; office rent reduced. ● Hub Director: Recruitment is at final stage; succession agreed— Deputy Hub director to act as Interim Hub Director from 30 Sept 2025. ● The board aims to raise the issue on the current budgeting style at the Agency's governance level since the hub's budgeting style was in compliance with the Agency budgeting style and thus the need to address the issue from the agency's governance level. ● The Hub Director is tasked to ensure that the communication with the staff on the issue of contributing to their insurance cover follows the right procedure and is well documented. ● The hub should prioritize consistent updates of the organization's website and online/social media platforms ● The shortlisted members for the organization's ordinary membership to be invited for a brief interview in October 2025 which will be coordinated by the Hub director and one of the governance committee members.

(a) Board Attendances

During the year ended 30 September 2025, the attendance of Those Charged with Governance in each meeting was as follows:

S/N	Name	Position	Number of the meetings attended
1	Mr. Deus M Kibamba	Chairperson	3
2	Prof. Fortunata Songora Makene	Vice Chairperson	3
3	CPA. Marero Stephen	Member	2
4	Ms. Victoria Marijan	Member	3
5	Mr. John Bakilana	Member	3
6	Ms. Jessica Kimosso	Member	3
7	Mr. Ronald Rubaga	Member	0
8	Ms. Neema Mwangamba	Member	3
9	Ms. Rahma Suleiman	Member	3

b) Board Committees

Those Charged with Governance of Restless Development have in place three committees namely the Finance, Audit and Risk Committee, Business Development and Stakeholders Committee, Governance and Strategy Committee.

i) Finance, Risk and Audit Committee

The committee is composed of four (4) members. The Finance, Risk and Audit Committee ('FRAC') helps the Board ensure that the Restless Development -Tanzania operates within a sound ongoing financial situation and effectively manages risk. This includes reviewing and assessing and reporting to the Board.

The composition of the Finance, Audit and Risk Committee for the year was as follows:

S/N	Name	Position
1	CPA. Marero Stephen	Committee Chairperson
2	Ms. Jessica Kimosso	Member
3	Mr. John Bakilana	Member
4	Mr. Elishujaa Manase	Secretary to the Committee

During the year under review, Committee members' attendance in the meetings are as follows:

S/N	Name	Position	Number of the meetings attended
1	CPA. Marero Stephen	Committee Chairperson	3
2	Ms. Jessica Kimosso	Member	3
3	Mr. John Bakilana	Member	3
4	Mr. Elishujaa Manase	Secretary to the Committee	3

ii) Business Development and Stakeholders Committee

The committee is composed of three (3) members. The Business Development and Stakeholders Committee (BSC') helps the Board engage with and mobilise existing and new supporters to ensure an ongoing, active and effective supporter base.

ii) Business Development and Stakeholders Committee (Continue)

The composition of the business Development and Stakeholder Committee as at 30 September 2025 was as follows:

S/N	Name	Position
1	Ms. Victoria Marijan	Committee Chairperson
2	Ms. Rahma Suleman	Member
3	Mr. Ronald Rubaga	Member
4	Ms. Fatma Mwinyiamiri	Secretary to the Committee

During the year, Committee members' attendance in the meetings were as follows:

S/N	Name	Position	Number of the meetings attended
1	Ms. Victoria Marijan	Committee Chairperson	3
2	Ms. Rahma Suleman	Member	3
3	Mr. Ronald Rubaga	Member	3
4	Ms. Fatma Mwinyiamiri	Secretary to the Committee	3

iii) Governance and Strategy Committee

The Governance Committee supports the Board in improving its structure, composition, and functioning. It:

- Oversees recruitment, induction, and development of Directors.
- Conducts performance assessments of the Board and its committees.
- Reviews Board policies, processes, and Restless Development Tanzania's constitutive documents.
- Guides design of Board strategy meetings.
- Advises on Hub Director succession and recommend Chair/Chair Designate.
- Stays informed on developments affecting governance.

The composition of the Governance Committee as at 30th September 2025 was as follows:

S/N	Name	Position
1	Mr. Deus Kibamba	Committee Chairperson
2	Mr. Ronard Rubaga	Member
3	Ms. Neema Mwangamba	Member
4	CPA. Linus Katonto	Secretary to the Committee

During the year under review, Committee members' attendance in the meetings were as follows:

S/N	Name	Position	Number of the meetings attended
1	Mr. Deus Kibamba	Committee Chairperson	3
2	Mr. Ronard Rubaga	Member	3
3	Ms. Neema Mwangamba	Member	3
4	CPA. Linus Katonto	Secretary to the Committee	3

7.3.2 MANAGEMENT

7.3.2.1 Units

Management of the Organization is under Hub Director and is composed of Head of Units, Managers and Youth |Representatives as follows:

7.3.2.2 Management Composition

The composition of the Management Team as at 30th September 2025 was as follows:

S/N	Name	Nationality	Position	Date Joined/ Appointed	Date Resigned
1	CPA. Linus Katonto	Tanzanian	Hub Director	March 2022	30/09/2025
2	Mr. Laurent Msoya	Tanzania	Monitoring and Evaluation Assistant Coordinator	17 June 2025	On-going
3	Mr. Ridhione Juma	Tanzania	Livelihood Manager/ Deputy Hub Director	17 July 2019	On-going
4	Ms. Fatma Mwinyiamiri	Tanzanian	I&P Officer	1 March 2022	On going
5	Mr. Elishujaa Manase	Tanzanian	Sn Finance and Admin Coordinator	1 March 2023	On going
6	Ms. Jesca Ndana	Tanzanian	Program Manager	1 March 2022	On going

7.3.3 HUMAN RESOURCES

During the period, the Organization had 18 permanent staff (10:8). The human capital consisted of competent staff in various operation areas. This provides assurance to the Organization for attainment of its key strategic goals. Furthermore, at the end of the year, the Organization had sufficient funds to fulfil its financial obligations.

7.3.4 STAKEHOLDERS' RELATIONSHIP

a) Significant relation

The relationship between the Organization and stakeholders including Government institutions, Local Government Authorities, Local Government leaders, religions, Community Based Organization, vendors and other youth networks during the year was good and there were no any unresolved complaints from any stakeholders as individual or as a group. The significant relationship with stakeholders is on provision of services to the community, specifically young people in four thematic areas of the Organization.

b) Program performance

With the good relationship that the Organization was having with its stakeholders, this has resulted in a good performance of the Organization in implementing program activities in the community as well as having joint meetings with the Government authorities in the community.

c) Management/employee relationship

The relationship between employees and Management during the year was good. There were no unresolved complaints received by Management from the employees during the year. The Organization 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, religion and disability which does not impair ability to discharge duties

7.3.5 PRINCIPAL RISKS, UNCERTAINTIES AND OPPORTUNITIES

Risk area	Risk description	Impact of Risk	Management action/Mitigation
Safety Incidents & Disasters	Sudden, serious safety or security incidents and/or disasters, coupled with apparent management neglect, can cause actual harm as well as reputational damage, loss of donor confidence, and multiple donor withdrawals. Natural disasters, social upheaval, health emergencies, and similar events may cause loss of life, programme cessation, or office closures.	Failure to effectively manage risks and incident responses could result in harm to those we are responsible for keeping safe and may lead to reputational damage. This could result in loss of funding, withdrawal from bids or consortia, and restrictions on operational capacity. Poor safeguarding and safety management could also limit our ability to collaborate with a wide range of stakeholders.	a. Review and update projects' risk assessments quarterly, with particular focus on civic space restrictions b. Maintain incident management plans for safety and security threats c. Keep the team informed of safety and security related information in the country including political sensitivity, protests, and civic engagement threats d. Reporting incidences through the Hub reporting channels to Hub safeguarding Lead , Safeguarding Focal person as well as through the Whistleblowing policy
Compliance with Tax and Statutory Obligations	Inaccurate or incomplete tax returns, and failure to remit PAYE, Withholding Tax (WHT), or other statutory obligations, remain a concern. Some operational areas still face challenges with EFD receipts, and certain partner CSOs have limited understanding of compliance requirements, particularly under the new Finance Bill 2025.	This presents a high impact on the organization, including financial strain from penalties and interest, reputational risk with donors, operational disruptions due to audit demands, and potential legal consequences.	a. Conducting Monthly internal tax reviews using TRA portals b. Updated staff on tax obligations and mitigation measures c. Correct use of cost categories during reporting d. Strengthen documentation and filing systems for tax records
Fraud and Bribery	Risk of a major fraud or bribery incident that poses a reputational, financial or other threat to the entire organisation.	This is the impact of an incident of fraud or bribery that is of such magnitude that it poses a risk to the entire organisation. There are three aspects to the impact score:	a) Update and deliver Fraud and Bribery training as part of the quarterly re induction process

Risk area	Risk description	Impact of Risk	Management action/Mitigation
		a) Significant loss or misappropriation of charitable resources b) Major negative impact on donor relations with the potential to impact funding c) Serious non-compliance with the Bribery Act	b) Review internal audit tests to look at virtual/online finance processes and low number of frauds being reported at the hub
Programme performance	Significant under-delivery of programmes and commitments against key stakeholder expectations leading to lost income and/or damaged reputation and/or harm in communities	Impact on our partners/donors/stakeholders leading to: Reduction or withdrawal of funding	Revised system to provide live tracking of programmatic disruption - caused by Covid-19 and other factors

7 EMPLOYEES WELFARE

a) Employee Benefits

The Organization has a defined contribution plan for its employee with National Social Security Fund (NSSF), under which the employees contribute 10% of their gross salary and 10% is contributed by the Organization.

b) Medical Assistance

All members of staff with a maximum number of four beneficiaries (dependents) for each employee were availed medical insurance guaranteed by the Management. Currently these services are provided by Assemble insurance.

c) Professional fees

The Organization provides professional fees assistance to each staff member who wants to pursue or attend training at a maximum of TZS 250,000 per year. Training programs have been and are continually being developed to ensure employees are adequately trained at all levels.

d) Health and Safety

A safe working environment is ensured for all employees and contractors by providing adequate and proper personal protective equipment, training and supervision as necessary.

e) Financial Assistance to Staff

Salary Advance is available to all confirmed employees depending on the assessment of and the discretion of management as to the need and circumstances. The Organization provides staff with salary advance to cover housing rent up to 6 months.

f) One day off

The Organization provides one day off to all staff and volunteers who celebrates their birthday which provides more time for the staff to spend more time with their families.

g) Persons with Disabilities

Applications for employment by disabled persons are always considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Organization continues, and appropriate training is arranged. It is the policy of the Organization that training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

8 GOING CONCERN

The Board of Directors confirms that the applicable accounting standards have been followed and that the Financial Statements have been prepared on a going concerning basis. The Financial Statements have been prepared on going concerning basis despite the fact that the Organization has not made a surplus or deficit and had cash inflow from operations activities amounting to TZS 875,948,935 compared to cash outflow (2024: 17,574,707). The Board of Directors have reasonable expectations that the Organization has adequate resources to continue in operational existence for the foreseeable future. Furthermore, the Organization has a healthy liquidity position with the current ratio of 1.17:1 on 30 September 2025 (30 September 2024:1.05:1).

9 CASH FLOWS

The major sources of cash flows of the Organization are Grants from donors. From the cash flow analysis, the cash outflows of the Organization were contributed most by operating activities. The fundraising unit has developed short-term and long-term plan that will enable the Organization to raise more funds from unrestricted activities that will enable the Organization to meet the probable core activities for the next year.

10 RISK MANAGEMENT AND INTERNAL CONTROLS

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

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

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance with such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the Organization's system of internal controls is designed to provide the Directors with reasonable assurance that the procedures in place (a) credit risk management (b) liquidity risk management (c) market risk management.

The Directors assessed the internal control systems through the financial Period ending 30 September 2025 and is of the opinion that they met accepted criteria.

11 GENDER PARITY

The Organization attempts to abide by the national gender balance policy and has been very keen on gender balance appointments at various levels. The Gender parity as at 30 September 2025 was as follows.

Description	2025	2024
Male	10	13
Female	08	08
	18	21

DIRECTORS' REPORT
FOR THE YEAR ENDED 30TH SEPTEMBER 2025

12 FIDUCIARY RESPONSIBILITIES

The Organization's members as stewards of the Restless Development always acted for the good of the Organization, rather than for the benefit of themselves throughout the period ended 30 September 2025. Reasonable care was exercised in all decisions taken by the Organization, without placing the Organisation under unnecessary risk.

13 RELATED PARTY TRANSACTIONS AND BALANCES

All related party transactions and balances are disclosed in the notes to the Financial Statements. All transactions with related parties were carried out on an arm's length basis.

14 POLITICAL AND CHARITABLE DONATIONS

The Organization did neither make political donations nor charitable donations during the year under review.

15 ENVIRONMENTAL CONTROL PROGRAMME

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

16 EVENTS AFTER REPORTING PERIOD

There were no material events, adjusting or non-adjusting, which occurred between the reporting date and the date when Financial Statements are authorised for issue.

17 PREJUDICIAL ISSUES

As at the reporting date, the Organization had no legal case and is not aware of any legal allegations.

18 ACCOUNTING POLICIES

A summary of key accounting policies is in Note 2 to the Financial Statements and were consistently applied during the year under review.

19 STATEMENT OF COMPLIANCE

The Financial Statements of Organization have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) as issued by the International Accounting Standards Board and comply with the provisions of the Non-Government Organization Act No 24 of 2002.

20 APPOINTMENT OF AUDITORS

The appointment of the auditor is conducted through an evaluation of the shortlisted audit firms, as per the Organization's Procurement Manual. The auditors then present a Technical Proposal and a Financial Proposal, and these are used to determine their strength while considering the interest of the Organization. The proposals are then quantified in points and weighed in percentage and the audit firm that scores the most points is chosen considering other factors of the arrangement are in the best interest of the Organization.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30TH SEPTEMBER 2025

The Organization's auditors, ABA Alliance, have expressed their willingness to continue in the office. A resolution proposing the re-appointment of the ABA Alliance will be put to the Annual General Meeting. The audit firm is registered by the National Board of Accountants and Auditors (NBAA) and issued with registration number PF 216; the firm is also registered by Tanzania Revenue Authority and issued with Tax Identification Number 107-712-089. The office location of the auditors is PSSSF Commercial Complex, 10th Floor, Sam Nujoma Road. Dar es Salaam, Tanzania.

21 RESPONSIBILITY OF THE AUDITORS

The Auditors, ABA Alliance, have a statutory responsibility to report to the Board of Directors as to whether, in their opinion, the Financial Statements of the Organization present fairly the financial position, financial performance and cash flows for the year then ended in accordance with the International Public Sector Accounting Standards (IPSASs) and whether the Report of the Board of Directors complies with the requirements of Tanzania Financial Reporting Standard (TFRS 1).

ABA Alliance has expressed their willingness to continue as Auditors for the Restless Development Tanzania and is eligible for re-appointment subject to the Organization's internal procedures and processes in selecting auditors on an annual basis.

22 STATEMENT OF COMPLIANCE

The Directors' Report is prepared in compliance with the new Tanzania Financial Reporting Standard No. 1 (TFRS No. 1) as issued by the National Board of Accountants and Auditors (NBAA) and became effective from 1 January 2021.

23 APPROVAL

This Report was approved and authorized for issue by the Board of Directors during its Meeting held on 25-03-2026.......... and signed on its behalf by:

By Order of the Board

[signature] ....

25-03-2026 2026

Restless Development Tanzania

STATEMENT OF THE BOARD OF DIRECTOR'S RESPONSIBILITY FOR THE YEAR ENDED 30TH SEPTEMBER 2025

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

The Board of Directors is responsible for the preparation Financial Statements in accordance with International Public Sector Accounting Standards (IPSAS) and the requirements of the Non - Governmental Organization Act No 24, of 2002 and such internal controls as the Board determines as necessary to enable the preparation of the Financial Statements that are free from material misstatement whether due to fraud or error.

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

The Board of Directors 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 Board of Directors to indicate that the Restless development will not remain a going concern for a foreseeable future from the date of this statement.

Those charged with governance have made an assessment of the ability of the organisation to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

The Financial Statements set out on the pages 38 to 57 were approved and authorized by the Board of Directors on 25-03-2026........ and were signed on its behalf by:

BY THE ORDER OF THE BOARD

Kibamba
....   25-03-2026 2026

Deus M. Kibamba

Chairperson

Restless Development Tanzania

DECLARATION OF THE HEAD OF FINANCE FOR THE YEAR ENDED 30th SEPTEMBER 2025

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 by a Statement of Declaration issued by the Head of Finance/Accounting responsible for the preparation of Financial Statements of the entity concerned.

It is the duty of a professional accountant to assist the Management to discharge the responsibility of preparing Financial Statements of an entity showing true and fair view position of the entity in accordance International Public Sector Accounting Standards (IPSASs) and the requirements of the NGO's Act, 2002. Full legal responsibility for Financial Statements rests with Management as under Management's Responsibility Statement on an earlier page.

I Oscar Roman Chaulima, being the Chief of Administration and Finance of Restless Development Tanzania hereby acknowledge my responsibility of ensuring that Financial Statements for the year ended 30th September 2025 have been prepared in compliance with International Public Sector Accounting Standards (IPSASs) and the requirements of the NGO's Act, 2002.

I thus confirm that the Financial Statements give a true and fair view position of Restless Development Tanzania as on that date and that they have been prepared based on properly maintained financial records.

Signed by: Oscar Roman Chaulima FR-[signature]

Position: Ag. Head of Finance

NBAA Membership No. ACPA 2877

Date: 25th March 2026

ABA Alliance
Certified Public Accountants,
PSSSF Commercial Complex,
Wing A, 10th Floor, Along Sam Nujoma Road.
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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF RESTLESS DEVELOPMENT TANZANIA FOR THE YEAR ENDED 30th SEPTEMBER 2025

Opinion

We have audited the Financial Statements of Restless Development Tanzania ("the Organization"), which comprise the statement of financial position as at 30th September 2025, statement of financial performance, statement of cash flows, statement of changes in net assets, and the statement of budget and actual expenditure for the year ended 30th September 2025 and summary of significant accounting policies as well as other explanatory notes.

In our opinion, the accompanying Financial Statements give a true and fair view of the financial position of the Organization as at 30th September 2025, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Opinion

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

Responsibility of Those Charged with Governance

The Directors (Those Charged with Governance) are responsible for the preparation and fair presentation of these Financial Statements in accordance with International Public Sector Accounting Standards (IPSASs) and the requirements of the NGO's Act, 2002, and for such internal controls as the Directors determine is necessary to enable the preparation of the Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are 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 either management intends to liquidate the Organization or cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Organization's financial reporting process.

Other Information

The Directors are responsible for the other information. The other information comprises the Directors' Report. The other information does not include the Financial Statements and our auditors' report thereon.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 taken together, they could reasonably be expected to influence the economic decisions of users based on these Financial Statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the Going Concern Principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

Report on Other Legal and Regulatory Requirements

As required by NGO's Act, 2002 we report to you, based on our audit that:

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

ABA Alliance
Certified Public Accountants (T)

ABA ALLIANCE CERTIFIED PUBLIC ACCOUNTANTS
P. O. Box 11621
DAR ES SALAAM
TANZANIA

Signed by: Sylvester Orao CPA PP
NBAA Registration number: ACPA 1678
Dar es Salaam
27th March 2026

Restless Development Tanzania

STATEMENT OF FINANCIAL POSITION
AS AT 30th SEPTEMBER 2025

	Notes	2025 TZS	2024 TZS
ASSETS			
Current Assets			
Cash and Cash Equivalents	5	1,324,536,878	448,587,943
Receivables from Non-exchange Transaction	6	421,180,555	318,493,346
Prepayments	7	13,803,220	4,716,813
Total Current Assets		**1,759,520,653**	**771,798,102**
Non-Current Assets			
Property, Plant and Equipment	8	73,690,112	95,677,459
Total Non-Current Assets		**73,690,112**	**95,677,459**
TOTAL ASSETS		**1,833,210,765**	**867,475,561**
Current Liabilities			
Trade and Other Payables	9	97,702,893	109,368,772
Deferred Grant Income	10	1,547,494,249	548,105,819
Total Current Liabilities		**1,645,197,142**	**657,474,591**
Non-Current Liabilities			
Deferred Capital Grants	11	73,690,112	95,677,459
Total Non-Current Liabilities		**73,690,112**	**95,677,459**
TOTAL LIABILITIES		**1,718,887,254**	**753,152,050**
NET ASSETS		**114,323,511**	**114,323,511**
NET ASSETS			
Accumulated Surplus		114,323,511	114,323,511
TOTAL NET ASSETS		**114,323,511**	**114,323,511**

The Financial Statements on pages 38 to 57 were approved by the Board of Directors and signed on its behalf by:

……………………………… 25 March 2026
Hub Director Date

……………………………… 25-03-2026
Chairman Date

Restless Development Tanzania

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30th SEPTEMBER 2025

	Notes	2025 TZS	2024 TZS
OPERATING REVENUE			
Revenue From Non-Exchange Transactions	12	3,533,320,088	3,127,045,923
Other Income	13	21,987,347	30,022,120
Total Operating Revenue		**3,555,307,435**	**3,157,068,043**
OPERATING EXPENSES			
Office Cost	14	125,541,778	149,522,645
Staff Cost	15	928,497,644	1,114,075,350
Governance Cost	16	121,522,147	41,858,803
Fundraising and Partnership Cost	17	7,670,591	9,276,158
Direct Delivery Cost	18	2,350,087,929	1,812,312,967
Other Charges	19	21,987,347	30,022,120
Total Operating Expenses		**3,555,307,436**	**3,157,068,043**
Surplus for the year		-	-

The notes on pages 43 to 57 are an integral part of these Financial Statements

Report of the Auditors –Pages 35 to 37

The Financial Statements on pages 38 to 57 were approved by the Board of Directors and signed on its behalf by:

.... 25 March 2026
Hub Director Date

.... 25-03-2026
Chairman Date

Restless Development Tanzania

STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 30th SEPTEMBER 2025

	Accumulated Surplus/(Deficit)	Total
	TZS	TZS
Balance as at 1 October 2024	**114,323,511**	**114,323,511**
Surplus (Deficit)for the year	-	-
Balance as at 30 September 2025	**114,323,511**	**114,323,511**
Balance as at 1 October 2023	**114,323,511**	**114,323,511**
Surplus (Deficit)for the year	-	-
Balance as at 30 September 2024	**114,323,511**	**114,323,511**

The notes on pages 43 to 57 are an integral part of these Financial Statements

Report of the Auditors –Pages 35 to 37

The Financial Statements on pages 38 to 57 were approved by the Board of Directors and signed on its behalf by:

.... 25 March 2026
Hub Director Date

Rikambe
.... 25-03-2026
Chairman Date

Restless Development Tanzania

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30th SEPTEMBER 2025

	Notes	2025 TZS	2024 TZS
CASH FLOW FROM OPERATING ACTIVITIES:			
Surplus(deficit) for the year		-	-
Adjusted for non – cash Items			
Depreciation	8	21,987,347	30,022,120
Deferred Capital Grant release to income		(21,987,347)	(30,022,120)
Foreign exchange loss		-	-
Changes in Working Capital			
Decrease in receivables	6	(102,687,209)	53,402,750
Decrease in prepayments	7	(9,086,407)	6,832,697
Decrease in payables	9	(11,665,879)	55,868,959
Decrease in deferred income	10	999,388,430	(133,679,113)
		875,948,935	**(17,574,707)**
Tax paid		-	-
Net Cashflow from Operating Activities		**875,948,935**	**(17,574,707)**
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of Fixed Assets	8	-	(3,964,800)
Receipt of Capital Grant		-	3,964,800
Net Cash Flows from Investing Activities		-	-
CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES			
Fixed Deposits		-	-
Net Cash Flows from Financing Activities		-	-
Net increase/(decrease) in Cash and Cash Equivalents		**875,948,935**	**(17,574,707)**
Cash and Cash Equivalents at the beginning of the period	5	448,587,943	466,162,650
Cash and Cash Equivalents at the end of period		**1,324,536,878**	**448,587,943**

The notes on pages 43 to 57 are an integral part of these Financial Statements
Report of the Auditors –Pages 35 to 37

The Financial Statements on pages 38 to 57 were approved by the Board of Directors and signed on its behalf by:

.... 25 March 2026
Hub Director Date

.... 25-03-2026
Chairman Date

Restless Development Tanzania

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
FOR THE YEAR ENDED 30th SEPTEMBER 2025

	Original Budget (A)	Final budget (B)	Actual Amount (C)	Difference (B-C)	% Variance	Reference
	TZS	TZS	TZS	TZS		Note 21
REVENUE						
Grant Revenue	4,220,028,425	4,220,028,425	3,533,320,088	(686,708,337)	-16%	A
Other revenue	-	-	21,987,347	21,987,347	100%	B
Total operating revenue	**4,220,028,425**	**4,220,028,425**	**3,555,307,436**	**(664,720,990)**		
Operating expense						
Office cost	187,443,057	187,443,057	125,541,778	(61,901,279)	-33%	C
Staff cost	1,063,016,008	1,063,016,008	928,497,644	(134,518,364)	-13%	D
Governance cost	26,067,777	26,067,777	121,522,147	95,454,370	366%	E
Fundraising and partnership cost	8,431,084	8,431,084	7,670,591	(760,493)	-9%	F
Direct delivery cost	2,922,802,324	2,922,802,324	2,350,087,929	(572,714,395)	-20%	G
Other Charges	-	-	21,987,347	21,987,347	100%	
Total Operating expenses	**4,207,760,249**	**4,207,760,249**	**3,555,307,436**	**(652,452,824)**		
Surplus/(Deficit) for the period	**12,268,176**	**12,268,176**	**-**	**12,268,176**		

Explanation for significant variances is found on Note 21

The original and final budget are composed of amounts allocated during the year to implement the Organization’s activities.

The notes on pages 43 to 57 are an integral part of these financial statements.

Report of the Auditors –Pages 35 to 37

Restless Development Tanzania

NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30th SEPTEMBER 2025

1. REPORTING ENTITY

Restless Development Tanzania ("the Organization") is registered in Tanzania under the NGO Act No 24, 2002 with registration No. OONGO/R1/0046 and it is domiciled in the United Republic of Tanzania. The Financial Statements of the Organization are for the year ended 30th September 2025.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

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

the Accrual basis International Public Sector Accounting Standard (IPSAS) and its interpretations adopted by the International Accounting Standard Board (IASB).

The Financial Statements have been prepared under the historical cost convention except where otherwise stated in the accounting policies below. The Financial Statements are presented in Tanzania Shillings (TZS) rounded to the nearest ones.

b) Statement of Compliance

The preparation of the Financial Statements in conformity with IPSAS requires the use of certain critical accounting estimates. It also requires Management to exercise its judgment in the process of applying the Organization's accounting policies. The areas involving a higher degree judgement or complexity or areas where assumptions and estimates are significant to the Financial Statements are disclosed in note 4.

c) Changes in Accounting Policy and Disclosures

(i) New and amended standards that are effective and adopted during the year:

Standard	Key changes
IPSAS 41: Financial Instrument	The accounting policy on financial instruments in particular receivables and payables have been updated to reflect the requirement of IPSAS 43, para 60. The receivables and payables of RDT are short term therefore the effect of discounting is immaterial, they are expected to be settled within one year (twelve months period). At initial recognition, they are measured at the original invoice amount. Restless Development Tanzania recognizes and measures the loss allowance for financial instruments at an amount equal to lifetime expected credit loss through a simplified approach. For the current period and each prior period presented, no adjustment has passed because the adoption of this standard did not have material impact on any financial statement line item.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Changes in Accounting policy and Disclosures

(ii) New and amended standards that are not effective and yet to be adopted.

During the year ended 30 September 2025, the following new standards were issued and relevant to the Organization, however, they were not yet effective. These newly issued standards were not expected to have a significant impact on the Financial Statements on their initial application. The Organization will effectively adopt them on their respective effective dates as below:

Standard	Key changes	Effective date
IPSAS 44: Non-current Assets Held for Sale and Discontinued Operations	• The standard specifies the accounting for assets held for sale, and the presentation and disclosure of discontinued operations. • It requires the assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell, and depreciation on such assets to cease; and • Assets that meet the criteria to be classified as held for sale to be presented separately in the Statement of Financial Position and the results of discontinued operations to be presented separately in the Statement of Financial Performance.	1 January 2025
IPSAS 45: Property, Plant, and Equipment	• The standard replaces IPSAS 17, Property, Plant, and Equipment by adding current operational value as a measurement basis in the updated current value model for assets within its scope. • It also addresses the unique characteristics of heritage and infrastructure assets and provides guidance on how to recognize and measure them.	1 January 2025
IPSAS 46: Measurement	• The standard provides measurement bases that assist in reflecting fairly the cost of services, operational capacity and financial capacity of assets and liabilities. These include Historical cost basis, Current Operational Value, Cost of fulfilment and fair value. • It identifies approaches under those measurement bases to be applied through individual IPSAS to achieve the objectives of financial reporting.	1 January 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued…)

c) Changes in Accounting Policy and Disclosures

(ii) New and amended standards that are not effective and yet to be adopted (*Continued…)*

Standard	Key changes	Effective date
IPSAS 47: Revenue	• The Standard establishes the principles that an entity should apply to report useful information to users of Financial Statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from revenue transactions. • It presents two accounting models based on the existence of a binding arrangement. • It sets out the accounting requirements to account for the revenue transaction. • It also requires an entity to consider the terms of the transaction, and all relevant facts and circumstances, to determine the type of revenue transaction i.e. Revenue with or without binding arrangement.	1 January 2025
IPSAS 48: Transfer Expenses	• The standard establishes the principles that an entity shall apply to report useful information to users of Financial Statements about the nature, amount, timing, and uncertainty of expenses and cash flows arising from transfer expense transactions. • A transfer expense is an expense arising from a transaction, other than taxes, in which an entity provides a good, service, or other asset to another entity (which may be an individual) without directly receiving any good, service, or other asset in return. • It requires an entity to consider the terms of the transaction and all relevant facts and circumstances to determine the type of transfer expense transaction.	1 January 2025

d) Foreign Currency Translation

Transactions in foreign currencies are translated to the functional currency at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in local currency at the reporting date are retranslated to the functional currency at the exchange rate at that date.
Exchange gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the period.
Non-monetary assets and liabilities denominated in local currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value.

e) Revenue Recognition

The organization's revenue comprises revenue from non-exchange transactions (IPSAS 23).

Grants Income

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

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

Other Income

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

f) Cash and Cash Equivalents

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

g) Financial assets

i) Classification

Financial assets are classified at fair value through surplus or deficit. The Organization determines the classification of its financial assets at initial recognition.

All financial assets of the Organization are in the category of receivables based on the purpose for which the financial assets were acquired.

Receivables are non-derivate financial assets with fixed or determinable payments that are not quoted in an active market. They are included in the current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Receivables are initially recognized at fair value.

ii) Offsetting Financial Instruments

Financial assets and liabilities are offset, and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of services and in the event of default, insolvency or bankruptcy of the Organisation or the counter party.

iii) De-recognition

Financial assets are de-recognized when the rights to receive cash flows from such assets have expired or have been transferred and the Organization has subsequently transferred all risks and rewards of ownership.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continue…)

a) Financial assets (Continue…)

iv) Impairment of Financial Assets

The Organization assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred 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.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial re-organization, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

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 recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognised in the surplus or deficit.

h) Financial Liabilities

i. Recognition and Measurement

Financial liabilities are initially recognized at fair value and subsequently measured at amortized cost. Financial liabilities are derecognized when extinguished.

ii. De-recognition

Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When 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 de-recognition of the original liability and the recognition of a new liability, and the difference in respective carrying amount is recognized in surplus or deficit.

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

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

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

Impairment losses are recognized in profit or loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued…)

h) Property and Equipment

i. *Recognition and Measurement*

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

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

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

ii. *Subsequent cost*

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

iii. Depreciation

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

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

Motor Vehicles (class I)	37.5%
Furniture & fittings (class II)	12.5%
Equipment (class I)	37.5%

Gains or losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are recognized within other (losses)/income in the statement of income and expenditure. Full depreciation is charged in the year of purchase. The residual value, if not insignificant, is reassessed annually.

i) Employee Benefits

i. *Defined Contribution Plan*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal and constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss when they are due.

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

The Organization and its employees contribute to one of the following defined contribution plans: the NSSF.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued…)

ii. Termination Benefits

Termination benefits are recognized as an expense when the Organization is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date or provide termination benefits as a result of an offer made to encourage voluntary redundancy.
Termination benefits for voluntary redundancies are recognized as an expense if the Organization has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliable

iii. Short-term Benefits

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

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

j) Provisions

A provision is recognized if, as a result of a past event, the Organization has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.
Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

k) Income Tax

Restless Development is registered as a Non-Government Organization (NGO). The entity is deemed not to operate in commercial terms. The Organization does not have charitable status from the Commissioner General and as such liable to income tax.

l) Expenditure

Expenditure is charged on an accrual basis, inclusive of non-recoverable VAT. The expenditure cost includes the costs incurred directly in the normal course of the Organization's activities to get work done this also includes the cost of hiring staff and some other overheads to get work done.
Where costs cannot be directly attributable to a particular heading, they have been allocated on a basis consistent with the use of resources.
Expenditures have been sub-classified into office cost, staff costs, fundraising and partnership costs, and governance costs, direct delivery costs and other charges.

m) Grant and Receivables

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

n) Trade and Other Payables

Trade and other payables are stated at their nominal value.

Deferred revenue

Deferred revenue is a liability related to a revenue producing activity for which revenue has not yet been recognized. Generally, the Organization records deferred revenue when it receives consideration from donors before achieving certain criteria /conditions that must be met for revenue to be recognized.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2025

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued…)

o) Budget Information

The budget is approved on a cash basis by functional classification. The approved budget covers the fiscal period from 1 October 2024 to 30 September 2025. There is no difference between the original and final budget.

(i) The Organization's budget and the accounting bases differ. The financial statements are prepared on an accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the Statement of Comparison of Budget and Actual Amounts. Reconciliation between the actual amounts on a comparable basis as presented in the Statement of Comparison of Budget and Actual Amounts and the actual amounts in the Statement of Cash Flows for the Year Ended 30 September 2023 is presented in the Statement of Comparison of Budget and Actual Amounts.

(ii) Timing differences occur when the budget period differs from the reporting period reflected in the financial statements. As a result of the adoption of the cash basis for budgeting purposes, there are no timing differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

2. FINANCIAL RISK MANAGEMENT

The Organization's activities expose it to a variety of financial risks, including credit risk, liquidity risk, interest rates, and market price of equities. The Organization'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 Organization does not hedge any risks. The management is responsible for monitoring compliance with the Organization's risk management policies and procedures, and reviewing the adequacy of risk management framework in relation to the risks faced by the Organization.

The notes below provide detailed information on each of the above risks and the Organization's objectives, policies and processes for measuring and managing risk.

a) Credit Risk

Credit risk is the risk that the counterparty to any financial transaction may not be able to fulfil its obligation on the due date. The Organization does not have any significant concentration of credit risk. The table below analyses the Organization's receivables that will be settled on a net basis into relevant maturity groupings based on the remaining period at the statement of financial position.

Receivables	**Within 1 year**	**Within 1 year**
	2025 (TZS)	**2024 (TZS)**
Staff Imprest (Note 11 (a))	4,789,300	10,164,936
Sundry Debtors (Note 11 (a))	-	-
Project Partners (Note 11 (b))	200,531,677	126,985,285
Grant receivables from donors (Note 11(c))	248,384,312	109,131,504
Grants receivables from Restless Development International (Note 11 (d))	-	72,211,621
Prepaid costs (Note 12)	13,803,220	4,716,814
Total	**467,508,509**	**323,210,160**

b) Liquidity Risk

Liquidity risk is the risk of failing to meet obligations when they fall due. The Organization is exposed to daily calls on its available cash for meeting the Organization's daily expenditure. The Organization minimizes liquidity risk by managing its cash flows using budgetary controls.

The table below analyses the Organization's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the Statement of Financial Position. 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.

	Within 1 year 2025 (TZS)	Within 1 year 2024 (TZS)
Financial Assets		
Cash and cash equivalents (Note 5)	1,324,536,878	448,587,942
Grant receivables from donors (Note 11 (c))	248,384,312	109,131,504
Grants' receivables from related Party (Note 11 (d))	-	72,211,621
	1,572,921,190	**629,931,067**
Less: Financial Liabilities		
Payables under exchange transactions	(32,524,734)	(43,759,238)
Net contractual cash flow	**1,540,396,456**	**586,171,829**

c) Market Risk

Market risk is the risk that arises from changes in market prices, such as foreign exchange rates, interest rates and related risks that are bound to affect the Organization's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

d) Foreign Currency Risk

The Organization operates wholly within Tanzania, and its assets and liabilities are reported in local currency. Foreign currency risk is managed at an operational level and monitored by the finance department. Exposure to losses is managed through prompt payment of outstanding liabilities and holding of bank balance in relevant foreign currency. The Organization has limited transactional currency exposure on its daily operations as most of its transactions are denominated in Tanzania shillings, the Organization's functional and presentation currency. However, most of the grant income is received in the foreign currency hence increasing exposure on the income side.

3. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with IPSAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Organization's accounting policies. The Organization makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next period. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Useful lives of Property and Equipment

Critical estimates are made by the Management in determining the useful lives and residual values of Property and Equipment based on the intended use of the asset and the economic lives of those assets. Subsequent changes in circumstances such as technological advances or prospective utilization of the assets concerned could result in the actual useful lives or residual values differing from initial estimates. The useful lives of assets are disclosed in Note 2 (j).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2025

	2025 TZS	2024 TZS
5. CASH AND CASH EQUIVALENTS		
TZ BK IRINGA HO	588,347,796	13,393,129
TZ BB DAR HO	134,948,126	24,402,795
TZ DAR CASH	-	11,551
UTT Liquid Ac	13,729,757	12,098,437
TZ BK IRINGA USD	585,550,548	395,272,927
M-PESA Account	1,960,651	3,409,104
Total	**1,324,536,878**	**448,587,943**

6. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

	2025 TZS	2024 TZS
a) Debtors		
Staff imprest	4,789,300	10,164,936
Sundry Debtors	-	-
	4,789,300	**10,164,936**
b) Other Receivables		
Project Partners	**200,531,677**	**126,985,285**
c) Grants' receivable from donors		
Unrestricted (POD Receivable and others)	99,358,319	102,464,318
SWISS CONTACT - Set Ifakara	11,022,485	6,667,186
EU-AU	143,169,357	-
ACCESS	6,463,749	-
IBP 2	(11,629,598)	-
	248,384,312	**109,131,504**
d) Related Party Transactions*		
Receivable from Restless International	**(32,524,734)**	**72,211,621**
	421,180,555	**318,493,346**

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

7. PREPAYMENTS

	2025 TZS	2024 TZS
Office rent	12,977,220	3,090,000
Motor vehicle insurance	-	987,813
Other prepaid	826,000	639,000
Total Prepayment	**13,803,220**	**4,716,813**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2025

8. PROPERTY, PLANT AND EQUIPMENT

	Vehicles	Motorbikes	Furniture and fittings	Office equipment	Total
	TZS	**TZS**	**TZS**	**TZS**	**TZS**
COST					
As at 1 October 2024	179,134,700	12,259,867	85,187,659	223,506,050	500,088,276
Additions	-	-	-	-	-
Write-offs Assets	-	-	-	-	-
As at 30th September 2025	**179,134,700**	**12,259,867**	**85,187,659**	**223,506,050**	**500,088,276**
DEPRECIATION					-
As at 1 October 2024	158,497,414	10,563,275	29,620,862	205,729,266	404,410,817
Charge for the year	7,738,982	636,221	6,945,850	6,666,294	21,987,347
Depreciation on write-offs	-	-	-	-	-
As at 30th September 2025	**166,236,396**	**11,199,496**	**36,566,712**	**212,395,560**	**426,398,164**
NET BOOK VALUE					
As at 30th September 2025	**12,898,304**	**1,060,371**	**48,620,947**	**11,110,490**	**73,690,112**
As at 30th September 2024	**20,637,286**	**1,696,592**	**55,566,797**	**17,776,784**	**95,677,459**

9. TRADE AND OTHER PAYABLES

	2025	2024
	TZS	TZS
Tax Payable	9,345,014	5,748,787
Reimbursable expenditure	1,215,504	22,097,134
Statutory Payments	32,819,445	38,545,365
Auditors' fees	13,096,445	13,436,449
Other payables	39,169,625	29,213,169
Staff payables	2,056,860	327,868
Creditors and other payables	**97,702,893**	**109,368,772**

10. DEFERRED GRANT INCOME

MERCURY	22,901,638	21,674,731
UNICEF	412,281,665	637,274
AU-EC	-	84,447,921
Aga Khan	-	75,970,217
UNFPA	1,012,276,796	322,844,008
Ford Foundation (IV)	45,065,097	33,240,198
Ford Foundation (V)	13,382,407	-
Tanga Yetu	41,586,646	-
Deferred Grant Income	**1,547,494,249**	**548,105,819**

11. DEFERRED CAPITAL GRANTS

Opening Balance	95,677,459	121,734,778
Addition during the year	-	3,964,800
Release of deferred capital grant	(21,987,347)	(30,022,119)
Deferred Capital Grants	**73,690,112**	**95,677,459**

12. GRANT INCOME

Ford Foundation	421,641,324	452,305,736
MERCURY	86,223,092	45,390,097
UNFPA D	596,106,000	693,512,167
UNICEF	59,066,893	88,187,042
Habitat for Humanity	-	17,252,101
Aga Khan Foundation	89,885,250	209,391,286
Hungry for Action	-	56,805,238
EC EU Oxfam	227,617,278	69,439,529
Swiss Contact	244,978,943	335,175,030
Norec	3,427,687	-
Unrestricted	244,685,683	548,018,532
UNFPA	-	604,263,362
POD- University of Warwick	-	7,305,803
UNICEF	97,551,437	-
INOVEX	27,762,022	-
UNFPAA	1,228,883,704	-
ACCESS	6,463,749	-
Ford Foundation (E)	221,014,373	-
Total	**3,555,307,435**	**3,127,045,923**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th SEPTEMBER 2025

13. AMMORTISATION OF CAPITAL GRANT

	2025	2024
	TZS	TZS
OTHERS	21,987,347	29,774,320
AKF	-	247,800
Capital Grants Total cost	**21,987,347**	**30,022,120**

14. OFFICE COST

Rent & Rates	68,458,080	85,110,187
Cleaning & Sundries	10,269,504	9,290,140
Repair And Maintenance	170,000	557,500
Office Security	16,251,788	18,242,618
Gas, Water, Electricity	4,245,287	4,135,454
Financial Force Subscription	8,458,424	11,203,352
Office Stationery	20,000	255,285
Communications (Phone, Internet, Mobile)	15,351,800	19,989,970
Bank Charges and Fees	586,495	379,020
Equipment Maintenance	1,251,400	99,119
Other Small Equipment	479,000	260,000
Office Total Cost	**125,541,778**	**149,522,645**

15. STAFF COST

Support Staff Salaries	133,426,954	203,594,260
Programme Staff Salaries	754,738,159	881,262,432
Medical	33,943,205	23,271,834
Relocation	1,051,918	-
Bamboo HR Subscription	5,337,408	5,946,824
Staff Total Cost	**928,497,644**	**1,114,075,350**

16. GOVERNANCE COST

Audit (External)	13,675,934	8,010,895
Legal & Professional Fees	92,560,576	11,963,781
Trustees' Meeting Cost	7,384,410	6,351,587
Subscription And Memberships	1,015,228	50,000
Annual Conference	6,733,715	13,093,724
Workshops & Away Days	152,284	2,388,816
Governance Total Cost	**121,522,147**	**41,858,803**

17. FUNDRAISING AND PARTNERSHIP COST

Donor Relations (Cultivation)	-	1,453,800
Publication & Periodicals	474,950	885,000
Investments & Partnerships Recharges	-	5,000,000
Website	6,995,641	1,937,358
Fundraising and Partner Total Cost	**7,670,591**	**9,276,158**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2025

18. DIRECT DELIVERY COST

	2025	2024
	TZS	TZS
Accommodation Staff, Volunteers and Others	48,295,156	47,766,511
Allowance	98,865,367	195,030,294
Travel Staff Flights	10,662,232	8,717,084
Vehicle Insurance	-	3,038,660.00
Vehicle Maintenance	12,927,846.00	6,101,096.00
Vehicle Fuel	-	4,992,885.00
Travel Medical, Staffs, Volunteers and Others	1,226,367,505	58,923,803
Food Staff, Volunteer and Others	95,387,451	203,736,848
Venue Fees and Material	295,096,262	58,332,546
Stationery	17,743,846	9,076,246
Rental Items	-	80,000
Postage	255,000	447,133
Printing & copy	250,627,777	8,353,895
Others Materials	106,857,528	108,449,480
Dev result Mel Subscription	7,696,841	12,464,923
Consultant Costs	171,877,658	63,335,941
Freelance (Sessional) Workers	720,000	8,316,667
Activities Sundries	-	7,178,158
Inclusion And Access	640,000	-
Volunteer Insurance	864,000	1,344,000
Donations & Sub-Grants	-	1,006,470,002
Travel Visas & Permits	-	156,795
Translation	5,203,460	-
Direct Delivery Cost Total	**2,350,087,929**	**1,812,312,967**

19. OTHER CHARGES

Depreciation expense - Vehicles	7,738,982	12,382,371
Depreciation expense - Motorbikes	636,222	1,017,955
Depreciation expense - Office Fixture & Fittings	6,945,850	7,938,114
Depreciation expense - Electronic Equipment	6,666,293	8,683,680
Other Charges Total cost	**21,987,347**	**30,022,120**

20. TAXATION

The Organization is a registered Not-for-Profit Organization under the Non-Governmental Organization Act, 2002. Restless Development Tanzania has applied for the private ruling under Section 11 of the Tax Administration Act, 2015 as provided by Section 64 (8) of the Income Tax Act, 2004 for the grant of Charitable Status, which the directors are confident they will be granted. On the same understanding the Organization has applied the deduction provided under Income Tax Act, 2004 resulting into estimated taxable income of TZS NIL (2024: Taxable Loss of TZS 1,238,994). Consequently, no income tax charge was recognized during the year.

Deferred income tax is calculated using the enacted income tax rate of 30% on all temporary differences using the liability method. As at 30 September 2025, the computed differed tax was nil arising from net of tax losses carried forward and the excess of net book value of property plant and equipment over tax written value of the same.

21. EXPLANATION FOR THE VARIANCE

This explanation of variance is in reference to the Statement of Budget and Actual Expenditure for the year ended 31 December 2025 on Page 43. IPSAS 24 requires a comparison of the budgeted amount and actuals arising from the execution of the budget to be included in the Financial Statements of entities that are required to make publicly available their approved budget and for which they are held publicly accountable.

A The 16% decrease in grant income is due to part of the UNFPA activities being forecasted for October 2025, in order to accommodate partner reporting and handover activities, which were delayed due to funding delays.

B The 100% movement in other revenue is due to the amortization of capital grants, which was not budgeted.

C The 33% decrease was due to lower expenditure on office sundries and bank charges, resulting in savings.

D The 13% decrease was due to Renewal on the ended contracts due to the renewal of the projects ie Ford and UNFPA

E The 366% increase was due to minimization of Staff Workshops and Strategy review workshops to cover the shortage of funding from the reduction of Unrestricted

F The 9% decrease was due to Fundraising events were minimised as to cover the shortage of funding

G Direct activities are been replanned to the next financial Year to accommodate Quarterly reports and delayed fund from UNFPA for Q4 and AU EU.