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**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS  
FORUM (ESAFF)  
DIRECTOR'S REPORT AND AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**



**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)  
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**GENERAL INFORMATION**

**REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS**

Eastern and Southern Africa Small Scale Farmers Forum (ESAFF)  
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P. O. Box 1782,  
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**DIRECTORS' REPORT**

**1. INTRODUCTION**

The Eastern and Southern Africa Small-Scale Farmers Forum (ESAFF) is a network of grassroots small-scale farmers' organization working in 16 countries of Eastern and Southern Africa (ESA) region. The movement which **started** in 2002 during the World Summit on Sustainable Development (WSSD) in Johannesburg – South Africa, is a small-scale farmer initiated, farmer led and farmer owned. Its **purpose** is to enable small farmers in Eastern and Southern Africa to speak as a united voice so that issues, concerns and recommendations become an integral part of policies and practices at grassroots levels, national levels as well as at regional and global levels.

ESAFF is fully operational since April 2009. The organization is registered in Tanzania under Non-Governmental Organizations Act 2002 of the United Republic of Tanzania on 27 August 2007 with registration number **OONGO/1097**. The secretariat of ESAFF is in Morogoro and is led by the coordinator who reports to the Regional Board.

ESAFF operates at country level through its members: - In Tanzania (MVIWATA); Kenya - (KESSFF), Uganda (ESAFF Uganda), Zambia (ESAFF Zambia), Zimbabwe (ZIMSOF), Lesotho (ESAFF Lesotho), South Africa (ESAFF South Africa), Malawi (NASFAM), Rwanda (ESAFF/APPE), Burundi (ESAFF Burundi), Seychelles (SeyFA), Madagascar (CPM), eSwatini (ESAFF eSwatini), DRC-Congo (FOPAC) and South Sudan (SSAPU) and Mozambique (ROSA).

**2. MAIN OBJECTIVES OF THE FORUM**

**The following are among the main objectives of ESAFF:**

- To initiate the development and establishment of educational projects to alleviate illiteracy, improve and raise quality of agriculture and related activities to small scale farmers,
- To carry out field projects, educational programs, research and workshops on different arrears of study so as to enable people to alleviate ignorance in the small-scale farming,
- Creating increased small-scale farmers' awareness about the potential and capacity to defend their rights, needs, interests and demands socially, economically and culturally,
- Advocating for small scale farmers' rightful positions in society within respective countries, regionally and internationally,
- Mobilizing for self-organization and collective voice amongst small-scale farmers,
- Fostering the practice of a sustainable and viable agriculture practices for the benefit of small-scale farmers and the general public,
- To work in partnership or in affiliated manner with likeminded actors nationally, regionally and internationally,
- To enter into contracts or any other arrangements with any international bodies, governments or authorities which are supreme, municipal, local or otherwise, that may seem conducive to carrying out the Organization's objects,
- To promote or assist in the promotion of any organization or association having objects similar of which are calculated directly or indirectly to benefit the Organization,
- To raise funds, invite and receive donations, grants, assistance, and contributions in order to support the Organization's projects but on such terms and conditions congruent to the principal aim of the Organization and,
- To do all such other things as are incidental or conducive to the attainment of the above objects or any of them.



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**DIRECTORS' REPORT (CONTINUED)**

**3. ESAFF VISION, MISSION AND PURPOSE**

- **VISION STATEMENT** - A strong effective forum of empowered Small-Scale Farmers with united voices in the policy processes for ecological agriculture and poverty free Eastern and Southern Africa region.
- **MISSION STATEMENT** - Empowering Small-Scale Farmers in Eastern and Southern Africa to influence development policies and promote ecological agriculture through capacity strengthening, research and networking.
- **THE PURPOSE** - To enable small farmers in Eastern and Southern Africa to speak as a united voice so that the issues, concerns and recommendations of farmers become an integral part of policies and practices at grassroots, national, regional and international levels.

**4. REPORT ON ACTIVITIES IMPLEMENTED DURING THE YEAR**

During the reporting period ESAFF activities focused on 4 key results areas delivered from the new ESAFF Strategic Plan 2016-2026. In order to reach the program goal, the Forum focuses on the following key result areas, namely:

- (i) Influencing agriculture public policies and budgets to ensure realization of the Malabo Declaration by governments and institutions in eastern and southern Africa through PETS and PSAM at all levels.
- (ii) Supporting farmers on wealth creation activities through ecological agriculture, joint marketing, farmer managed seed system, land security and trade,
- (iii) Mainstreaming Climate change adaptation, HIV/AIDS and gender equality and youth involvement with ESAFF activities, and
- (iv) Institutional development of ESAFF members and ESAFF Regional Office.

**Key Result Area 1:**

**Agriculture public policy and budget influenced for the realization of the MALABO declaration through PETS and PSAM at all level:**

The following are the brief information on the performance for each key results area:  
Under this result the following key activities were executed between January to December 2023

- (i) Public Expenditure Tracking Survey (PETS) and Budget Tracking**
  - **In Tanzania**, more than 1,700 smallholder farmers willingly participated in the grassroots-level budget planning processes (O & OD). This initiative was facilitated by 7 trained leaders of PETS committees in the Wards of Nyandira, Tchenzema, Makuyu, Kibaoni, Mlali, Tangeni, and Lukenge. Through sustained engagement efforts by smallholder farmers at District, Ward and Village levels, the district council afterward presented the agriculture budget with an increase from 6% in the 2022/23 fiscal year to 6.8% in the approved budget for 2023/24
  - **In Zambia, September 2023**, smallholder farmers conducted a detailed review and analysis of the 2024/25 national budget. The analysis revealed that the primary objectives of the 2024 budget is to increase economic growth through increased Private Sector investment, productivity and enhancing public service delivery, it was observed that the budget for Agriculture was set to rise from 6.7% in 2023 to 7.8% in 2024, reflecting a commitment to the sector's development. Smallholder farmers identified limitations in the analyzed 2024 budget which include insufficient allocation to extension services. Lack of government guidelines and criteria for the participation of smallholder farmers in the Farming Blocks initiative and the non-recognition of farmer-managed seed systems as a strategic approach for achieving food security at the household level was pointed out.
  - **In Zimbabwe** - ESAFF engaged in Project management meetings together with ActionAid Zimbabwe (AAZ) and ZIMSOF to review progress against the national and regional level advocacy strategies on agricultural services for smallholder farmers and HIV/SRH services for adolescents and young people. The meeting deliberated on the project expansion and acceleration and contextual analysis of the operating environment in the country.



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**DIRECTORS' REPORT (CONTINUED)**

**4. REPORT ON ACTIVITIES IMPLEMENTED DURING THE YEAR (CONTINUED)**

**(ii) Influencing Malabo goals in supporting smallholder family farmers agroecology**

ESAFF members in eSwatini, Burundi, Kenya, Lesotho, Tanzania, Uganda, Zambia, Zimbabwe, Malawi, Rwanda, DR Congo, Madagascar, Seychelles, South Africa and South Sudan received a financial support from ESAFF HQ to conduct comprehensive analysis of their National Agriculture Investment Plans (NAIPs) and research budgets at national and district level and examining the state of agriculture extension services, agroecology, and climate change. To facilitate the dissemination and advocate for the identified issues, validation meetings were conducted bringing together 210 farmers, 28 government officials and 18 media followed by advocacy at various levels engaging the budgeting officers, Ministry of Agriculture officials and Parliament to advocate for the farmer raised issues.

**(iii) Data Consolidation - CAADP Biennial score for EAC Partner States on agricultural finance and access to agricultural extension and advisory services**

ESAFF with the support of a resource person from the EAC, consolidated information on Government expenditure in agricultural finance and access to agricultural extension and advisory services. Data provided show that in the year 2022 in 7 EAC partner states, only two countries DRC and Burundi allocated 10% of their national budgets to agriculture sector, followed by Rwanda with 8.5%, Tanzania (4.1%), Kenya (4%), Uganda (3.1%) and lastly South Sudan with 2.8%

Access to Agricultural Extension and Advisory Services, the data shows none of the EAC partner states has achieved this target. There is also a wide variation between countries in the level of achieving this indicator. Partner states such as Kenya, Rwanda and Tanzania are performing very well; over 60% of the agricultural population have access to agricultural extension and advisory services. DRC is performing rather poorly, with only 4-5% of the population accessing agricultural extension and advisory services.

Investments in Climate Resilience Building, Under the theme no. 6 of CAADP on building resilience against climate and related shocks there is a commitment to create permanent investment budget-lines and enabling environment to respond to spending needs on resilience building initiatives, especially for disaster preparedness plans, functioning early warning and response systems, social safety nets, and weather-based index insurance, from 2015 to 2025

In the 2020 Malabo Biennial Review Report (BRR) 6 out of the 7 EAC partner state were not on track in achieving the target for this indicator except the United Republic of Tanzania which was on track.

**(iv) The East African Community Farmers Agriculture Budget Summit**

04<sup>th</sup> May 2023, Arusha Tanzania, ESAFF organised the 6th East African Community (EAC) Agriculture Budget Summit. The meeting brought together over 65 smallholder farmers from East African Countries, officials from the EAC Secretariat, delegates from the East African Legislative Assembly (EALA) and likeminded organisations with the aim of sharing insights and perspectives of Small-Scale farmers on the path towards achieving the Malabo Declaration and the need of incorporating farmer's voice and experiences in shaping agricultural policies. Smallholder farmers presented a set of recommendations including; calling for more investing into the agriculture sector (10%), ATNR Committee to proceed with the initiative to visit partner states to assess the performance in food security, the EAC bloc to start producing the Annual Vulnerability Assessment Report to show level of hunger in region as in EAC as in SADC.



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**4. REPORT ON ACTIVITIES IMPLEMENTED DURING THE YEAR (CONTINUED)**

**(v) Engagement with the Agriculture Tourism Natural Resources Committee of the EALA**

**12<sup>th</sup> June 2023, Arusha, Tanzania**, as part of the continuum engagement on the EAC Agriculture Budget Summit, ESAFF engaged the East African Legislative Assembly (EALA) Committee of Agriculture, Tourism and Natural Resources (ATNR). The meeting was attended by over 35 delegates including smallholder farmers in East Africa, Members of the EALA, representatives of the EAC Secretariat, likeminded organisations and media. Small-scale farmers had a unique opportunity to present the current state of food security, regional performance on the agriculture sector and recommendations for improving the livelihoods of smallholder farmers in the region. The recommendations were centered on fostering agricultural growth and sustainability in East Africa encompassing crucial areas of the EAC Regional Agriculture Investment Plan (EAC RAIP), increased investment in the agriculture sector by partner states, the formation of the East Africa Agriculture and Food Security Commission, and the domestication of the AU Ecological Organic Agriculture Initiative (EOA-I) of 2011. The EALA ATNR Committee expressed their sincere interest in some of the recommendations where agreed to being taken forward for further consideration, including the proposal to visit to partner states by the Agriculture Committee to assess the progress on Malabo Commitments, their preparedness for ensuring food security and proper nutrition.

**(vi) National Engagement – Tanzania SADC NSA Platform and the Parliamentary Committee on Foreign Affairs, Défense and Security and CSOs**

**May 2023 in Dodoma Tanzania**, ESAFF, MVIWATA and the members of the Tanzania SADC NSA Platform engaged the Members of Parliament committee on foreign affairs, Security and defense. The meeting brought tother 35 participants including smallholder farmers, CSOs, Parliamentarians and Media. During the meeting deliberations were focused on the state of Food and hunger in the SADC region, the importance of having SADC National Committees in the country, as stipulated in Article 16A of the 1992 SADC Agreement and establishment of SADC Agricultural Development Fund (ADF - 2016) under SADC Development Fund to speed up the implementation of the SADC strategic program (RISDP 2020-2030) including peace, industry, agriculture, infrastructure and community services. Among other deliberations ESAFF presented key issues which were: (i) The Government of Tanzania put in place a SADC National Committee (ii) The Government of URT should allocate USD120 to the SADC Agriculture Development Fund (iii) The Parliamentary Committee of Foreign Affairs Defense and Security should hold a meeting with NSAs at least once a year before tabling the Ministry's budget in Parliament. (iv) The Parliament of URT should allocate one or two days to deliberate issues from various RECs Parliaments (EAC, SADC and AU). (v) The Government of Tanzania should review the law governing NGOs to include regional NGOs.

**(vii) Meeting with Parliamentary committee on Industry, Trade and Livestock advocating for Farmer Managed Seed System.**

**May 2023 in Dodoma Tanzania**, ESAFF together with other CSOs including TABIO, AAT, PELUM and Swiss Aid engaged the Parliamentary Committee on industry, Trade, Agriculture and Livestock in Dodoma. The discussion was centered on influencing the committee in advocating farmer managed seed system. Furthermore, participants emphasized on the contribution of the Farmer Managed Seed System in Food and Nutrition Security in Tanzania. Civil society presented various recommendations to the Parliamentary committee of Agriculture and Livestock including; The government to finalize the enactment of the NPGRC Act, and prepare a standalone system of managing farm saved seeds, the government to revise the Seed Act of 2003 so as to recognize farmer managed seed, continue with building capacity of smallholder farmers on their seeds for quality control and quality assurance, Parliamentary committee responsible for agriculture to continue allocating and approving budgets meant to support farmer managed seeds, recognition and support of farmer managed seed system should be promoted at SADC level.



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**4. REPORT ON ACTIVITIES IMPLEMENTED DURING THE YEAR (CONTINUED)**

**(viii) The parliament Budget office capacity and Learning exchange in Lilongwe-Malawi.**

**In June 2023 – Lilongwe Malawi-** ESAFF was part of the Parliamentary Budget Office (PBO) meeting organised by Action Aid Malawi, the meeting brought together representatives of the Parliamentary Budget Office, Smallholder farmers, CSOs and regional organisations to discuss and have a shared learning on the role of PBOs and challenges in Malawi. Among issues discussed were understanding the work, scope and role of PBO and showcase the result of the analysis of Debt Sustainability and Budget implementation monitoring that contributed in addressing identified learning needs. Moreover, the session realized there is a need of strengthening relationships amongst PBO staff Malawi, Zambia and Zimbabwe and CSOs including the PSAM.

**(ix) Parliamentary sessions in Dodoma during the reading of the budget of the MOF**

**On 22 June 2023- Dodoma,** ESAFF together with MVIWATA, ActionAid Tanzania and other NSAs engaged the parliamentary committee for Defense and Security and Foreign Affairs on the formation of SADC National Committee. During the meeting number of issues were presented and discussed on the state of Food and hunger in the SADC region, the importance of having SADC National Committees in the country, as stipulated in Article 16A of the 1992 SADC Agreement and operationalisation of SADC Agricultural Development Fund (ADF - 2016) under SADC Development Fund to speed up the implementation of the SADC strategic program (RISDP 2020-2030) including peace, industry, agriculture, infrastructure and community services. Members of Parliament deliberated on the recommendations and called for more engagement with the NSAs to sensitise the process and advocate together for the regional and national commitments.

**(x) Engagement with African Union, SADC PF and SADC Secretariat**

- **ESAFF, Key Actor in supporting the AUC CAADP Agenda,** In July 2023, ESAFF was nominated by AUC among key stakeholders supporting the Comprehensive Africa Agriculture Development Programme (CAADP) agenda, for improving food security and nutrition in the continent. ESAFF took part in Stakeholder and Landscape assessment to develop an understanding of the engagement framework and provide a clear picture of the landscape of CAADP actors, their relevant activities, networks, platforms, and interactions. The main objective of the discussion was to understand the existing gaps and opportunities within the existing framework/s and provide lessons, broader insights, and strategies for improving engagement resulting in effective CAADP implementation.
- **ESAFF – FANR Meeting: Agroecology as a Sustainable Response to Climate Change: International and Regional Evidence,** ESAFF was part of the meeting with the FANR Standing Committee which took place on 09<sup>th</sup> May 2023, the meeting brought together the FANR Standing Committee representatives, smallholder farmers and likeminded organisations to discuss on the situation of hunger and food insecurity in the SADC region, major international goals and African Agenda, performance of Malabo commitments, and the Youths in agriculture. ESAFF highlighted on the role of Agriculture in influencing economic growth in the region and how it can help millions of people to overcome poverty (crop, livestock, fisheries, forestry). ESAFF recommended key major action areas at SADC level, in which the region needs to consider, increase public expenditure to agriculture; increase farmers' access to agriculture inputs and technologies, strengthen agricultural data collection and management systems to ensure all Malabo Declarations goals and targets are reported on in future and invest in post-harvest technology to limit post-harvest loss and lastly to enhance investment in resilience building.



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**4. REPORT ON ACTIVITIES IMPLEMENTED DURING THE YEAR (CONTINUED)**

- **14<sup>th</sup> Africa Day for Food and Nutrition Security, 31 October to 2 November 2023 - Lusaka, Zambia** ESAFF took part in the 14th Africa Day for Food and Nutrition Security (ADFNS) Commemoration and the 19th Comprehensive Africa Agriculture Development Programme (CAADP) Partnership Platform. The event was organised by the African Union Commission (AUC), the African Union Development Agency (AUDA-NEPAD) and brought together various stakeholders including smallholder farmers, government officials, development partners, youth and NSAs. The event was organised under the theme, accelerating the Implementation of the African Continental Free Trade Area Agreement in the Context of CAADP Commitments for safer and healthier diets. The meeting aimed to explore the strategic synergy between implementing the African Continental Free Trade Area (AfCFTA) and fostering healthier, safer diets through the prism of CAADP commitments. It also explored the future post Malabo 2025 - 2035.
- **PSA Alliance Year 4 Annual Review Workshop in Lusaka, Zambia on 3rd - 5th April 2023. ESAFF participated in the PSA Alliance Year 4 Annual Review Workshop in April 2023 in Lusaka, Zambia.** Where the operational plans and budgets were reviewed as well as advocacy strategies on Food security and Agriculture based on the discussions and decisions during the review workshop. At the workshop ESAFF highlighted most SADC countries were not consistent on adhering to the Malabo goals as attributed to lack of political will and also lack of accurate and timely data.

**(xi) Third Regional Dialogue for Non-State Actors on the SADC RISDP 2020-2030**

ActionAid International and partners including ESAFF, SAfAID and PSAM organised a well-attended regional dialogue for Non-State Actors (NSAs) on the Southern African Development Community's (SADC) Regional Indicative Strategic Development Plan (RISDP), held from 13<sup>th</sup> to 14<sup>th</sup> September 2023 under the theme Accelerating SADC's Development through the Socially Accountable Generation and Use of Public Resources, Among others the dialogue objectives were to discuss the Progress in the implementation of the RISDP, noting achievements and challenges, with a focus on the health and agricultural sectors, and women and young people. The Dialogue came out with specific demands in a communique which among other issues it called for; the SADC Secretariat to promote the adoption by MS of the SADC National Committee (SNC) guidelines as working tools, and to support resource mobilisation training for Member States to inform the full establishment and/or strengthening of SNCs, SADC Secretariat to expedite the operationalisation of the Regional NSA Engagement Mechanism

**(xii) Capacitating National Civil Society Organisations (CSOs) and their networks to effectively participate in the SADC regional Integration process**

**28<sup>th</sup> April 2023 in Tanzania,** ESAFF in collaboration with SDGC organised **the 2nd national workshop** which was attended by over 35 participants and graced by an officer from the Ministry of Foreign Affairs (Mr. Augustine Likwelile), the workshop aimed to facilitate ongoing discussions regarding the role of non-state actors (NSAs) in SADC regional integration within Tanzania, while emphasizing aspects related to the current challenges and opportunities within the region. The workshop achieved the following objectives, all of which were successfully accomplished: Establishment of the Tanzania SADC Non-State Actors (NSA) platform, enhanced awareness and understanding among participants, assessed the state and performance of NSA engagement in SADC processes in Tanzania etc.



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**4. REPORT ON ACTIVITIES IMPLEMENTED DURING THE YEAR (CONTINUED)**

**(xiii) ESAFF's Engagement at the SADC National Regional Linkages (SNRL) Symposium in Lesotho**

**In July 2023, ESAFF participated in the Regional Learning and Exchange Symposium – Strengthening the Capacities of SADC National Structures for effective coordination and communication.** The meeting brought together more than 100 delegates from SADC countries and it aimed at showcasing the benefits of SADC's regional integration agenda at the national level through Lesotho's experience, facilitate an exchange of knowledge and best practices, tools that enhance understanding of the SADC regional integration to exchange practical experiences and models to support establishment, full operationalization, and sustainability of SNCs and launch of Lesotho SADC Success stories.

**(xiv) International Transparency and Accountability Conference 2023 (ITAC)**

**On 27<sup>th</sup> and 28<sup>th</sup> September in Arusha, Tanzania,** ESAFF participated in the 2023 International Transparency and Accountability Conference, centered around the theme 'Strengthening Accountability for Climate Action. The conference brought together more than 400 participants including smallholder farmers, Academia, Civil Society Organisations, the Government, Embassies and students. The aim was to deliberate on effective ways to address challenges and opportunities related to accountability for climate change action, focusing on enhancing financial accountability mechanisms at national and international levels.

**Key Result Area 2:**

**Wealth creation through ecological agriculture, joint marketing, farmer managed seed system, land security and trade;**

**(i) Analysis of Public Financing for Agroecology in Tanzania**

In May 2023, ESAFF commissioned a study to **Analyse Public Financing for Agroecology in Tanzania.** The study analysed whether domestic government policies, plans and budgets (including those supported through international development financing), supportive of agroecology, and, specifically, climate resilient and gender- responsive agricultural public services (including input and extension) which benefit smallholder farmers through promoting agroecology and community-based seed systems. The study also analysed whether domestic government policies, plans and budgets are supportive of agroecology, and, specifically, climate resilient and gender- responsive agricultural public services (including input and extension) which benefit smallholder farmers through promoting agroecology and community-based seed systems. Following a comprehensive analysis, ESAFF will leverage the findings for strategic and impactful actions and targeted advocacy efforts, collaborating with stakeholders at various levels to influence policy changes and resource allocation. ESAFF will advocate for increased funding and support for agroecological practices that promote sustainable and resilient agricultural systems

**(ii) ESAFF Participation in the 8th International Steering Committee Meeting for the UNDF**

**On 31<sup>st</sup> January, 2023,** ESAFF and allied organizations such as FAO, La Via Campesina, and World Rural Forum participated in the 8th International Steering Committee meeting for the United Nations Declaration on Family Farming (UNDF). The primary objectives of the meeting were to facilitate discussion on family farming and deliberate the initiation of a new developed monitoring process. This process aimed to amplify the implementation of agreed-upon action items related to family farming, enhance financial investments to strengthen family farming practices, intensify policy dialogues concerning family farming, and establish a unified strategy for resource mobilization.



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**4. REPORT ON ACTIVITIES IMPLEMENTED DURING THE YEAR (CONTINUED)**

**(iii) GFAR Collective Action for the implementation of a Family Farming Participatory Research Action Network**

From July to October 2023, ESAFF, in collaboration with the World Rural Forum (WRF), ESAFF undertook an initiative to document participatory research, supported by the GFAR Collective Action. This project involved working with two regional research entities which are; the Association for Strengthening Agricultural Research in Eastern and Central Africa (ASARECA) and The Centre for Coordination of Agricultural Research and Development for Southern Africa (CCARDESA). The objective was to evaluate and document the incorporation of participatory research in their planning and program implementation by conducting a comprehensive mapping and review of relevant documents such as strategic plans and annual reports. A virtual meeting was organised gathering over 41 participants which included smallholder farmers from Eastern and Southern Africa, researchers and likeminded organisations to deliberate on the significance of participatory research in fostering inclusive and resilient development for family farmers in eastern and southern Africa. The documented outcomes of this project include the establishment of a mutually beneficial Memorandum of Understanding (MOU) between ESAFF and CCARDESA

**Key-Result 3:**

**Mainstreaming Climate change adaptation, HIV/AIDS and gender equality and youth involvement**

**(i) Development and implement Youth and women engagement strategy**

During the inception workshop for the INFLUENCE-4 project held on 29th March 2023 in Dar es Salaam, Tanzania, ESAFF members formulated a comprehensive strategy for involving youth in ESAFF's advocacy efforts. This strategy aimed to effectively integrate the perspectives of youth to enhance representation and diversity and achieve a more inclusive and diverse representation within the organisation advocacy activities, ensuring that a broader range of voices are heard and considered to empower youth to actively participate in shaping agricultural policies and practices and propelling for the sustainability of the organisations.

**(ii) Eastern Africa Regional Consultative Workshop on Engagement with UNFCCC Processes**

In May 2023 in Uganda, ESAFF actively participated in the Eastern Africa Regional Consultative workshop regarding engagement with UNFCCC Processes. This workshop brought together over 30 delegates from the East African Community (EAC) member states. Among the participants were technical experts, observer organisations, and various stakeholders with interest in climate negotiations. The primary objective of the workshop was to discuss the prevailing climatic concerns of the region in preparation for the COP28 meeting. Key topics addressed included vital issues such as equitable access to climate finance, with a special emphasis on the recently established Loss and Damage Finance facility, as well as strategies for enhancing adaptation opportunities for smallholder farmers.

**(iii) ESAFF's Participation in the 19<sup>th</sup> Ordinary Session of the AMCEN: UNEP Major Groups & Stakeholders Meeting**

In August 2023, ESAFF actively participated in the nineteenth ordinary session of AMCEN, under the theme "Seizing opportunities and enhancing collaboration to address environmental challenges in Africa," held in Addis Ababa, Ethiopia. The objective was to foster stronger collaboration among diverse institutions and strengthen the implementation of regional and global environmental frameworks to effectively tackle the continent's environmental challenges. The session served as a crucial platform for reinforcing Africa's collective involvement in the global environmental agenda.



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**4. REPORT ON ACTIVITIES IMPLEMENTED DURING THE YEAR (CONTINUED)**

**(iv) ESAFF taking part in Conference of Parties (COP28)**

In December 2023, ESAFF, along with representatives from ESAFF Uganda and NASFAM, participated in the United Nations Framework Convention on Climate Change (UNFCCC) Conference of Parties (COP28) held in Dubai, UAE. The purpose of ESAFF's involvement in COP28 was to actively engage and advocate for the integration of smallholder farmers' agricultural perspectives, emphasizing the importance of prioritizing their needs in global climate change discussions. ESAFF aimed to promote the recognition of the distinctive challenges faced by agricultural communities and advocated for the development of climate policies and strategies that effectively address these challenges. ESAFF, ESAFF Uganda and NASFAM along with likeminded organisations, advocated for various key priorities at COP28 which include; the urgent need for support in developing and implementing climate-resilient agricultural practices (agroecology) to address the impact of climate change on smallholder farmers. Secondly, call for increased access to finance and technical support to implement sustainable farming practices. Lastly, on the importance of farmers' inclusion in decision-making processes,

**(v) Regional Common Ground Dialogue for Mainstreaming Sustainable Agriculture in Eastern and Southern Africa**

In 17<sup>th</sup> and 18<sup>th</sup> October 2023, ESAFF together with MVIWATA participated in the Regional common ground Dialogue for mainstreaming sustainable Agriculture in Eastern and Southern Africa. The event was organised by ASARECA under a theme of farmer's perspectives: Past and current initiatives towards the regional initiatives such as AUC Ecological Organic Agriculture Initiative (EOA-I). The aim was to share experiences and best practices that promote sustainable, climate-smart agriculture and deliberate on how to mainstream ecological organic agriculture into national agricultural production systems, plans, and policies in Africa. The dialogue brought together representatives of government, farmer-led organisations, CSOs, academia, and not-for-profit organisations from Uganda, Kenya, Rwanda, Burundi, Somalia, DR Congo, Ethiopia, Malawi, Tanzania, Sudan and South Sudan. The dialogue developed a joint communique which among other agreed calls to action to support sustainable agriculture including agroecology.

**Key-Result 4:**

**Organizational and institutional development of ESAFF members and ESAFF Regional Office**

**(i) EXCO and BOARD Meetings held.**

Throughout the year, ESAFF successfully organized three Executive Committee (EXCO) meetings and three Board Meetings, with the initial session held on 29th and 30th March followed by the second on 26th and 27th July, and the third on 6th and 7th December. Key agreements reached during these meetings included soliciting of a new ESAFF member from Botswana, a comprehensive review of the Terms of Reference (TORs) for the construction of the ESAFF office by the Construction Committee, confirming the coordinator's availability for the upcoming and the Annual General Meeting (AGM), establishing a deadline for subscription fees payment and penalties, and the initiation of the Board's annual self-assessment process. These deliberations underscore ESAFF's commitment to organizational development and the efficient functioning of its committees, paving the way for a success of the organisation.

**(ii) Procurement**

- **Purchase of office vehicle**, ESAFF under project INFLUENCE-4 purchased an office vehicle that will facilitate implementation of project activities. Through the purchase process, extensive research was conducted to identify a suitable vehicle that would meet the projects and organisations needs effectively. The procurement Committee analysed several vehicles from different service providers and lastly Toyota Alphard was proposed to be purchased.



**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)  
DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**DIRECTORS' REPORT (CONTINUED)**

**4. REPORT ON ACTIVITIES IMPLEMENTED DURING THE YEAR (CONTINUED)**

- **Working tools (Laptop, furniture and accounting package)**, ESAFF procured two office computers that supported BfdW Project INFLUENCE-4 implementation activities at the regional office. Office furniture which includes ergonomic office chairs, office files and cupboards, these acquisitions were done to provide robust support for the effective execution of projects and activities at the regional office.

**(iii) Fundraising**, on 30<sup>th</sup> March, 2023, ESAFF organised a master class session focused on fundraising and resource mobilization, bringing together its members. The primary objective of this meeting was to discuss fundraising initiatives at national and regional level. During the session, members shared insights into their approaches for securing funding, particularly highlighting the strategies they have employed during and post the COVID-19 pandemic and elaborated on the duration of funding and shed light on their methodologies for nurturing ongoing relationships with donors. ESAFF and members collaboratively developed action plans tailored to fundraising at regional and national level which will be used to foster an effective solicitation of funds for various activities in the thematic areas, **In March 2023**, ESAFF participated in the Financial Sustainability Workshop facilitated by Faith to Action Network and supported by Brot fur Die Welt, the workshop aimed to equip Brot Fur die Welt partners on the financial sustainability aspects, to learn on major 5 major components of financial sustainability, to enhance good understanding of costs, to understand resource mobilisation plans and to exchange on good resource mobilisation practices.

**(iii) Audit**

Half year project Audit (Jan-June 23), ESAFF conducted the half year audit of the BfdW Project for the period of Jan-June 23. The audit exercise was done by Nivex Assurance from 19<sup>th</sup> - 22<sup>nd</sup> Sept 23. On 26<sup>th</sup> Sept 23 the audit report was produced, signed by both parties and shared to the Donor

**5. FACTORS WHICH CONSTRAINED THE IMPLEMENTATION OF THE ESAFF ACTIVITIES IN JANUARY - DECEMBER 2023.**

There are few factors which affected the implementation of ESAFF activities during the period ended December, 2023. The main challenges included the followings as the previous end of financial year:

A significant challenge encountered during project implementation is the extensive bureaucracy in certain countries when interacting with government entities, posing difficulties for smallholder farmers in timely engagement with them.

**6. GOVERNANCE STRUCTURE**

The Organization powers and affairs are managed by the members through the following Organs: -

- (a) The Tri-Annual General Summit (TGS) is held after every three years. The Summit constitutes of four members or delegates or representatives from each member country, it has almost 48 members and these members change after each three years. Last TGS was done in December 2021 and next TGS is expected to be in end 2024. The TGS elects office bearers of the organization (executive committee of the Board exco); the Chairman, Vice Chairman, General Secretary and Treasurer. It also approves strategic plan, select bankers and auditors and amends constitution.
- (b) The Annual General Meeting (AGM) and or Extraordinary General Meetings held every year. AGM constitutes two members or delegates or representatives from each member country. The AGM main function is to approve annual plans.
- (c) The ESAFF Regional Board - is constituted of Sixteen (16) elected at the Tri-Annual General Summit of the Organization. The tenure of office for Board members is three (3) years but renewable once when deemed appropriate subject to re-election. The Board works to support the secretariat operations through the Executive Committee (EXCO). The ESAFF last regional board was held virtually in December 2023. The Board of Directors meets at least three times each year. Following are the Directors who served the Forum regional board during the year up to the date of this report.



**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)  
DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**DIRECTORS' REPORT (CONTINUED)**

**6. GOVERNANCE STRUCTURE (CONTINUED)**

<b>Name</b>	<b>Country of Residence</b>	<b>Qualifications /professional</b>	<b>Position</b>	<b>Appointment date</b>
1. Mr. Hakim Baliraine	Uganda	A farmer	Chairperson	December 2018
2. Mr. Andre Sopha	Seychelles	A farmer	Board Member	December 2018
3. Ms. Rachel Muyobokeye	Rwanda	A farmer	Board Member	June 2014
4. Ms. Mamalefetsane Phakoe	Lesotho	A farmer	Board Member	June 2014
5. Mr. Hajasoanirina Rakotomandimby	Madagascar	A farmer	Board Member	December 2018
6. Mr. Justus Lavi	Kenya	A farmer	Board Member	June 2014
7. Mr. Delma Ndolvu	Zimbabwe	A farmer	Treasure	May 2021
8. Mr. Joselyne Niyubahwe	Burundi	A farmer	Board Member	October 2023
9. Mrs. Clara Malikula	Malawi	A farmer	General Secretary	May 2021
10. Ms. Rachel Mathabathe	South Africa	A farmer	Board Member	May 2021
11. Mr. Abel Yubana	Zambia	A farmer	Board Member	December 2020
12. Mr. Apollo Chamwela	Tanzania	A farmer	Board Member	May 2021
13. Mr. Paluku Kaposho	DRC-Congo	A farmer	Vice Chairperson	March 2021
14. Ms. Ntombikayise Fakudze	eSwatini	A farmer	Board Member	March 2017
15. Mr. Edward Ugo	South Sudan	A farmer	Board Member	December 2018

The Secretariat is headed by the ESAFF Regional Coordinator and governed by rules, regulations and policies made by ESAFF Regional Board from time to time for the proper and efficient execution of the day-to-day activities of the organization under the oversight role of the Board through the EXCO.

**7. MEMBERS DURING THE YEAR**

The Forum relies on membership subscription and donations from donors' organizations to pursue its activities, the constitution stipulate rights and responsibilities of each member. The forum has the following categories of membership, namely:

- (a) **Founder members:** Founder members are the national farmers' organizations that have formed and registered the organization whose names and signatures appear in Constitution as founding members. There are 7 members in this category. These members are Zimbabwe (ZIMSOFF), Tanzania (MVIWATA), Uganda (ESAFF Uganda), Kenya (KESFFF), South Africa (ESAFF South Africa), Lesotho (ESAFF Lesotho) and Zambia (ESAFF Zambia);
- (b) **Ordinary Members:** Members are national farmers' organization in any country of the Region which joins the organization after its incorporation or registration. Currently there are sixteen members under this category.
- (c) **Associate Members:** Associate shall be any national farmers' organization or ESAFF Chapter in any country of the Region which is applying to be a member but the process of its admission has not been fully determined by the organization. Provided that such membership shall last for not less than one calendar year and shall not exceed two calendar years. No member in this category.



**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)  
DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**DIRECTORS' REPORT (CONTINUED)**

**8. DONORS DURING THE YEAR**

Forum do receive grants from different donors to implement different activities, during the year under review forum has received grants from the following donors:

<b>Donor</b>	<b>Period of Contract</b>	<b>Contracted amount</b>	<b>Amount received 2023</b>
Bread for the World (BfdW) Influence IV	36 Months	EURO 450,000	EURO 169,716.53
Southern Africa Trust (SAT)-GBV Project	8 Month	EURO 15,204	EURO 8,684
Swiss Development Cooperation (SDC)	18 Months	EURO 164,925	EURO 104,607.55
Association Prael (WRF)	5 Months	EURO 5,530	EURO 5,530
SDGC	17 Months	EURO 7,025	EURO 2,475

**9. RISK MANAGEMENT AND INTERNAL CONTROLS**

The Board accepts final responsibility for the risk management and internal control systems of the forum. The Secretariat oversees the management of financial risks and establishes the appropriate financial risk governance framework for the forum. It is the task of the Board to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:

The effectiveness and efficiency of operations;

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

The Forum has established log frame of targets to be achieved, perform capacity building and due diligence of its activities executed by members, performs internal audit reviews, performs monitoring and evaluation of its activities.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the internal control system is designed to provide the Board with reasonable assurance that the procedures in place are operating effectively. The Board of Directors assessed the internal control systems throughout the financial year ended 31<sup>st</sup> December 2023 and is of the opinion that they met accepted criteria.

**10. EMPLOYEES' WELFARE**

**Staff Welfare**

Staff welfare is covered under the terms and conditions of employment that outline various benefits and policies governing employment. In this ended financial year there were staffs on full time basis were 13 (6 from at ESAFF Headquarters and 7 from member countries).

**Management and Employees relationship**

ESAFF is managed by a secretariat at its headquarters in Morogoro. The secretariat headed by the regional coordinator is assisted by program Manager - Advocacy and Finance. Others are Fundraising and Communication Manager, and Finance officer. At national level ESAFF engaged national project coordinators in Burundi, Rwanda and Kenya and coordinators from Lesotho, eSwatini and South Africa as well as Zambia.

**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)  
DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**DIRECTORS' REPORT (CONTINUED)**

**11. FINANCIAL PERFORMANCE AND SOLVENCY OF THE FORUM**

The financial performance was good during the year and its results are set out on page 13 of these financial statements. Also, the board of directors consider the Forum to be solvent and state of affairs of the forum is noted on this financial statement.

**12. GOING CONCERN ASSUMPTION**

Nothing has come to the attention of the directors to indicate that the Organisation will not remain a going concern for at least the next twelve months from the date of this report.

**13. SUBSEQUENT EVENTS**

There were no events subsequent to year end that required adjustment to, or disclosure in, these financial statements as per IAS 10 "Events after the reporting period."

**14. AUDITORS**

The auditors of **Nivex Assurance** have expressed their willingness to continue in office and are eligible for reappointment.

**BY ORDER OF THE BOARD**



**Hakim Baliraine**  
ESAFF Chairperson

Date ... 28/03/24 .....



**Joseph Mzinga**  
ESAFF Regional Coordinator

Date... 28/03/2024 .....



**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)  
DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

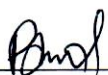
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Non-Governmental Organizations Act 2002 requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Organisation as at the end of the financial year and of the operating results of the Organisation for that year. It also requires the Directors to ensure that the Organisation keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Organisation. They are also responsible for safeguarding the assets of the Organisation.

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances. The management accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards and in the manner required by the Non-Governmental Organizations Act 2002.

The management are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Organisation and of its operating results. The management further accept responsibility for the maintenance of accounting records, which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control. Nothing has come to the attention of the Directors to indicate that the Eastern and Southern Africa Small-Scale Farmers Forum will not remain a going concern for at least the next twelve months from the date of this statement.

Approved by board of directors for issued on 28 March 2024 and signed on its behalf by:

  
\_\_\_\_\_  
**Hakim Baliraine**  
ESAFF Chairperson  
Date.....28/03/24.....

  
\_\_\_\_\_  
**Joseph Mzinga**  
ESAFF Regional Coordinator  
Date.....28/03/2024.....



**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)  
DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**DECLARATION BY ACCOUNTS AND FINANCE.**

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied by a 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 board to discharge the responsibility of preparing financial statements of an entity showing a true and fair view of the entity's position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements.

Full legal responsibility for the preparation of financial statements rests with the Management Board as understatement of responsibility by those charged with governance on an earlier page.

I, IPYANA KYAMBA, being the Financial Advisor of the Eastern and Southern Africa Small Scale Farmers Forum (ESAFF), hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2023 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of Eastern and Southern Africa Small Scale Farmers Forum (ESAFF) as on that date and that they have been prepared based on properly maintained financial records.

Signed by: [Signature]

Position: Head of Finance

NBAA Membership No.: ACPA - 3890

Date: 28/03/2024



**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM  
(ESAFF)**

**Unqualified Opinion**

We have audited the financial statements of Eastern and Southern Africa Small Scale Farmers Forum (ESAFF) (the "Organisation"), set out on pages 21 to 35, which comprise of the statement of financial position as at 31 December 2023, statement of financial performance, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Eastern and Southern Africa Small Scale Farmers Forum (ESAFF) as at 31 December 2023 and of its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) and in the manner required by the Non-Governmental Organizations Act, 2002.

**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 the National Board of Accountant and Auditors (NBAA) Code of Ethics, which is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants, together with other ethical requirements that are relevant to our audit of the financial statements in Tanzania, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

**Other Information**

The board of directors is responsible for the other information, including 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 on the other information that we obtained prior to the date of this auditors' report, 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.

**Responsibilities of the management and those charged with governance for the financial statements**

The management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the International Public Sector Accounting Standards (IPSASs; the National Board of Accountants and Auditors Technical Pronouncements; and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board either intend to liquidate the organization or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the organization's financial reporting process.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM  
(ESAFF) (CONTINUED)**

**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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement 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 management.
- Conclude on the appropriateness of the management use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM  
(ESAFF) (CONTINUED)**

**Report on Other Legal and Regulatory Requirements**

We report to you, based on our audit, that:

- We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of our audit;
- In our opinion, proper books of account have been kept by the organization, so far as appears from our examination of those books of account; and
- the Organization's statement of financial position (balance sheet) and statement of profit or loss and other comprehensive income (profit and loss account) agrees with the books of account.

Certified Public Accountants (Tanzania)

Dar es Salaam



Signed by: CPA Baraka Daudi (ACPA 3302)



28 March

2024

**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)**

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	2023 TZS	* 2022 TZS
<b>Revenue</b>			
<b>Restricted Income</b>			
Grants From Donors	5	723,426,978	856,175,625
Amortization of capital grants	16	7,353,875	-
<b>Non-Exchange Transaction Income</b>			
Membership Subscription	6	5,222,676	8,059,125
Other Income	7	1,582,968	601,611
<b>Total Revenue</b>		<b><u>737,586,497</u></b>	<b><u>864,836,362</u></b>
<b>Expenditures</b>			
Administration Expenses	8	55,287,795	62,607,682
Program Expenses	9	431,522,677	456,136,980
Personnel Expenses	10	235,331,089	344,597,146
Finance Cost	11	6,526,906	6,771,384
Provision for impairment on receivables	14	5,962,443	-
Depreciation on Property & Equipment	12	8,412,450	1,742,882
<b>Total expenditure</b>		<b><u>743,043,360</u></b>	<b><u>871,856,074</u></b>
<b>Net Surplus of income over expenditure</b>		<b><u>(5,456,864)</u></b>	<b><u>(7,019,712)</u></b>




**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023**

	Notes	2023 TZS	2022 TZS
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property and Equipment	12	61,999,239	14,273,689
<b>Current Assets</b>			
Prepayments and Advances	13	4,129,491	2,860,556
Grants Receivable	14	14,206,772	23,664,660
Cash and Cash Equivalents	15	91,029,153	45,610,119
		<u>109,365,417</u>	<u>72,135,335</u>
<b>TOTAL ASSETS</b>		<u>171,364,656</u>	<u>86,409,025</u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Accumulated Reserve Fund		46,149,620	51,606,484.33
Grant Reserve Fund		-	-
		<u>46,149,620</u>	<u>51,606,484</u>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Deferred Capital expenditure	16	48,784,125	-
<b>Current Liabilities</b>			
Deferred Income	17	67,078,946	25,356,853
Payables	18	9,351,965	9,445,686
		<u>76,430,912</u>	<u>34,802,539</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>171,364,656</u>	<u>86,409,023</u>

The financial statements on pages 21 to 35 were authorised for issue by the Board on.....28th March 2024..... and were signed on its behalf by:

  
 \_\_\_\_\_  
**Hakim Baliraine**  
 ESAFF Chairperson  
 Date...28/03/24.....

  
 \_\_\_\_\_  
**Joseph Mzinga**  
 ESAFF Regional Coordinator  
 Date...28/03/2024.....

**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)**

**STATEMENT OF CHANGES OF NET ASSET  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>Share Capital TZS</b>	<b>Retained Earnings TZS</b>	<b>Total TZS</b>
<b>For the year ended 31 Dec 2023</b>			
As at 01 January 2023	-	51,606,483	51,606,483
Net Surplus for the year	-	(5,456,864)	(5,456,864)
<b>As at 31 December 2023</b>	<b>-</b>	<b>46,149,620</b>	<b>46,149,620</b>
<b>For the year ended 31st Dec 2022</b>			
As at 01 July 2021	-	60,746,785	60,746,785
Prior year adjustment	-	(2,120,590)	(2,120,590)
Net Surplus for the year	-	(7,019,712)	(7,019,712)
<b>As at 31 December 2022</b>	<b>-</b>	<b>51,606,483</b>	<b>51,606,483</b>



**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)**

**STATEMENT OF CASH OF FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023 TZS</b>	<b>2022 TZS</b>
<b>Cash flow from Operating activities</b>		
Surplus/(Deficit) before tax	(5,456,864)	(7,019,711)
Adjustments for:		
Prior Year adjustment	-	(2,120,590)
Depreciation on fixed assets	8,412,450	1,742,882
	<u>2,955,586</u>	<u>(7,397,420)</u>
Operating loss /Profit before working capital changes		
Decrease/(increase) in Prepayments	(1,268,935)	15,123,533
Decrease/(increase) in Grants Receivable	9,457,888	(20,081,052)
(Decrease)/increase in Deferred Capital Grants	48,784,125	-
(Decrease)/increase in Deferred Income	41,722,093	(36,024,629)
(Decrease)/increase in Payables	(93,720)	(20,859,138)
	<u>101,557,037</u>	<u>(69,238,707)</u>
<b>Net cash from operating activities</b>		
<b>Cash flow from Investing activities</b>		
Cash paid for Purchase of fixed assets held for sale	(56,138,000)	(5,900,000)
	<u>(56,138,000)</u>	<u>(5,900,000)</u>
<b>Net cash from investing activities</b>		
Decrease in cash and cash equivalents during the year	45,419,037	(75,138,707)
<b>Movement in cash and cash equivalents</b>		
As at 01 January	45,610,116	120,748,823
As at 31 December	<u>91,029,153</u>	<u>45,610,116</u>



**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)**

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Annual budget	Actual on comparable basis	Performance difference	Variance	Explanation for Material Variations
	<b>TZS</b>	<b>TZS</b>	<b>TZS</b>	<b>Percentage</b>	
<b>Receipt</b>					
WRF	16,557,466	15,286,183	1,271,283	8	
BfdW Influence III	625,596,939	414,566,139	211,030,800	34	Ongoing Project
SDC	315,716,192	245,705,426	70,010,766	22	Opening Balance 2022
SAT- GBV	22,594,042	24,103,996	(1,509,954)	(7)	
SDGC	6,766,911	12,804,823	(6,037,912)	(89)	Receivable Funds.
<b>Total</b>	<b>987,231,549</b>	<b>712,466,567</b>	<b>274,764,982</b>	<b>28</b>	
<b>Expenditure</b>					
General Investment	87,933,896.00	56,138,000	31,795,896	36	Ongoing project
Personnel costs	256,505,686.19	235,331,089	21,174,597	8	
Administration costs	24,894,210.24	61,814,701	(36,920,491)	(148)	Includes non-cash item (depreciation) and pre financed costs
Programme Activities cost	567,582,863.36	431,522,677	136,060,187	24	
<b>Total</b>	<b>848,982,759.78</b>	<b>728,668,467</b>	<b>120,314,293</b>	<b>14</b>	



## **EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **1. GENERAL INFORMATION**

The Eastern and Southern Africa small-scale Farmers Forum is a network of grassroots small-scale farmers' organizations working in 16 countries of Eastern and Southern Africa (ESAFF) region. The movement is a small-scale farmer initiated, farmer led and farmer owned. Its purpose is to enable small farmers in Eastern and Southern Africa to speak as a united voice so that issues, concerns and recommendations become an integral part of policies and practices at national, regional/international levels.

The Eastern and Southern Africa small-scale Farmers Forum-ESAFF established in 2002 and registered in Tanzania under Non-Governmental Organizations Act 2002 of the United Republic of Tanzania on 27th August 2007, its registration number is 00NGO/1097. The secretariat of ESAFF is in Morogoro, Tanzania is led by the coordinator who reports to the Regional Board.

#### **2. NEW AND AMENDED STANDARDS AND INTERPRETATIONS**

##### **IPSAS 44: Non-current Assets Held for Sale and Discontinued Operations.**

This standard specifies the accounting for assets held for sale and the presentation and disclosure of discontinued operations. IPSAS 44 includes additional public sector requirements, in particular the disclosure of the fair value of assets held for sale that are measured at their carrying amounts, when the carrying amount is materially lower than their fair value. This standard is effective for annual periods beginning on or after 1 January, 2025. Earlier application is permitted

This standard does not have significant impact on the financial statements of the organisation

#### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

##### **(a) Basis of preparation and Statement of compliance**

The financial statements have been prepared on a historical cost basis and in accordance with International Public Sector Accounting Standards (IPSAS). The accrual basis of accounting has been applied as required under IPSAS and the presentation of the financial statement is in Tanzania Shillings (TZS), except where otherwise indicated and comply with the Non-Governmental Organizations Act, 2002 and Tanzania Financial Reporting Standard No. 1.

The preparation of 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 of judgment or complexity, or where assumptions and estimates are significant to the financial statements.

##### **(b) Foreign currency translation**

###### **(i) Functional and presentation currency**

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



**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(ii) Transactions and balances**

Transactions in foreign currencies during the year are converted into Tanzania Shillings at rates prevailing at the transaction dates. Monetary items denominated in foreign currency are translated using the exchange rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated at the date of initial recognition. Foreign exchange gains and losses resulting from the settlement of such transactions and the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in surplus or deficit. The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

**(c) Revenue from non-exchange transactions**

**Grants**

Grants for restricted purposes and specified funded projects are recognized when received and spent on qualifying activities any unutilized grants are recognized as deferred income and any excess expenditure over income is recorded as grants receivable at year-end where there is the commitment of additional funds from grant providers. And for completed projects balances are recognised as grant reserves for future activities.

**Explanation of Terms**

The Organization presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating period
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating period
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Organization classifies all other liabilities as non-current.

**(d) Revenue recognition**

Revenue represents the fair value of consideration received or receivable for the grants in the course of the Organization's activities. It is recognized when it is probable that future economic benefits will flow to the Organization and the amount of revenue can be measured reliably. Revenue for the forum is mainly in forms of members' contribution and grants from donor.

**Membership contributions**

Annual membership contributions from members are recognized on cash basis upon receipt of contribution from the member. They have 16 members and each member has to contribute USD 150 per annually.

**Donor grants**

Grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income over a period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where there is no basis existing for allocating a grant to periods other than the one in which it was received, grant is recognized on receipt basis.

**Other Income**

Other income is recognized to the extent that it is probable that the economic benefits will flow to the forum and income can be reliably measured, regardless of when payment is made.



**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Grants**

Grants received from donor for postponed activities are recorded as deferred liabilities and transferred to income of the period as corresponding the expenditure is incurred into implementation of the postponed activities. This is according to the matching concept.

**(e) Recognition of expenses**

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

**(f) Employees' benefits including post-employment benefits**

Short term employment benefits such as salaries and social security contributions are recognized in the statement of profit or loss and other comprehensive income when they fall due.

**Post- retirement benefits**

The Organization operates a defined contribution plan whereby each of its employees and the Organization contributes 10% of employee gross salary in respect of the National Social Security Fund (NSSF) for staff based in Tanzania. Apart from these monthly contributions, the Organization has no further commitments or obligations to NSSF. The contributions are charged to the statement of comprehensive income in the year to which they relate

**(g) Translation of foreign currencies**

**Functional and presentation currency**

Items included in the financial statements of each transaction that are denominated in foreign currencies during the period are converted into Tanzania Shillings (functional and presentation currency) at rates ruling at the transaction dates. Assets and liabilities at the reporting date which are expressed in foreign currencies are translated into Tanzania Shillings at the rates ruling at that date. The resulting differences from conversion and translation are dealt with in the Statement of Comprehensive Income in the period in which they arise. The presentation currency is Tanzania Shillings (TZS).

**Transaction and balances**

Foreign currency transactions are translated into Tanzania Shilling using the exchange rate prevailing at the dates of the transactions. Monetary assets at the statement of financial position date, which are expressed in foreign currencies, are translated into Tanzania Shillings at the rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated foreign currencies are recognized in profit or loss.

**(h) Property, plant and equipment**

All items of property, plant and equipment are initially recorded at cost and thereafter stated at historical cost less depreciation, less any cumulative asset impairment. Cost includes all expenditure directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Organization and the cost of the item can be reliably measured. All other minor repair and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial year in which they are incurred.

Depreciation is calculated on the reducing balance basis to write down the cost of each asset, to its residual value over its estimated useful life using the following annual rates:



**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

<b>Asset Class</b>	<b>Depreciation rates.</b>
Motor vehicles	25%
Office Equipment	12.5%
Furniture and fittings	12.5%
Motor Cycles	20%
Land and Building	4
Computer equipment	37.5%

Newly acquired assets are depreciated on pro-rata basing on their period of use. Similarly, depreciation on fixed assets disposed off is charged on pro-rata basis, basing on period of use during the year. Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount, and are considered in determining the net surplus or loss for the year.

**(i) Receivables**

Receivables include prepayments for the Grants receivables to be delivered in future. Receivables are only accounted for if there is tangible evidence that the fund will be performed/delivered in future.

**(j) Impairment of assets**

An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less costs to sell and value in use. Assets that have an indefinite useful life are subjected to amortization and are tested annually for impairment and whenever events or change in circumstances indicate that the carrying amount may not be recoverable.

**(k) Operating leases – rented premises**

Lease agreements that do not transfer substantially all risks and rewards of ownership to the Organization as the lessee are classified as operating leases. Rental receivable under operating lease are charged to the statement of comprehensive income.

**(l) Cash and cash equivalents**

Cash and cash equivalents include cash in hand and demand and short-term deposits, with maturities of three months or less from the date of acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(m) Payables**

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Organization.

**(n) Reporting period.**

ESAFF financial statements are prepared for the period of 12 months from January 2023 to December-2023.

**4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES.**

The Organization's activity exposes it to a variety of financial risks including credit risk, liquidity risk and currency risk. The Organization's overall risk management programme focuses on the unpredictability of the financial markets and seeks to minimize potential adverse effects on the Organization's performance.

**i) Liquidity risk**

Liquidity is the capacity to meet cash and collateral obligations without incurring unacceptable losses. Liquidity risk is the Organization's financial condition or safety and soundness arising from its ability (whether real or perceived) to meet its contractual obligations. The Organization's Finance Department monitors rolling forecasts of the Organization's liquidity requirement to ensure adequate cash is available to meet operational needs while maintaining sufficient headroom on its undrawn commitments.



**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

**4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**

**ii) Currency risk**

Currency risk is a form of risk that originates from changes in the relative valuation of currencies. Whenever an organization has assets, the Organization faces currency risk if its positions are not hedged. The currency changes can result in unpredictable gains or losses to the Organization when receivables are converted or translated from a foreign currency into a local one. The Organization does not hedge against foreign currency risks.

	<b>2023</b>	<b>2022</b>
	<b>TZS</b>	<b>TZS</b>
<b>5. GRANTS FROM DONORS</b>		
CJ TD Agro ecology	-	34,242,370
ASSOCIATIONPARAEL(WRF)	15,286,183	16,788,660
AFSA (EU AU PEOPLE'S SUMMIT)	-	7,405,505
Bread for the World (BftW) INF 3	10,960,411	386,678,803
Bread for the World (BftW) INF 4	469,096,484	-
Swiss Agency for Development & Cooperation (SDC)	289,135,262	347,868,054
Grants IDRC	-	5,817,125
SDGC Donor Income	12,704,735	4,782,288
SAT Lesotho Donor Income	24,103,996	16,568,192
Add: Deferred grant revenue released during the year	25,356,853	61,381,482
Less: Deferred revenue grants balance as at 31 December	(67,078,946)	(25,356,853)
Less: Deferred capital grants recognized during the year	(56,138,000)	-
	<b><u>723,426,978</u></b>	<b><u>856,175,625</u></b>
<b>6. MEMBERSHIP SUBSCRIPTION</b>		
Membership Subscription	<u>5,222,676</u>	<u>8,059,125</u>
<b>7. OTHER INCOME</b>		
Foreign Exchange Gain/Loss	1,160,117	6,439
Other Incomes	422,851	595,172
	<b><u>1,582,968</u></b>	<b><u>601,611</u></b>
<b>8. ADMINISTRATION EXPENSES</b>		
Audit Expenses	15,945,810	19,300,690
Office Stationery & Communication Expenses	11,536,832	18,097,628
Office Utility & Maintenance	11,416,138	-
Rent	16,389,015	24,532,904
Other Utility& Adjustment Expenses	-	676,459.96
	<b><u>55,287,795</u></b>	<b><u>62,607,682</u></b>
<b>9. PROGRAM EXPENSES</b>		
Key Result Area 1: Food security and sovereignty	274,216,474	456,136,980
Key Result Area 2: Wealth Creation	25,312,191	-
Key Result Area 3: Gender ,Youth & HIV AIDs	17,611,566	-
Key Results Area 4: Organisational Capacity	114,382,446	-
	<b><u>431,522,677</u></b>	<b><u>456,136,980</u></b>

**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

	<b>2023 TZS</b>	<b>2022 TZS</b>
<b>10. PERSONNEL EXPENSES</b>		
Payroll and related costs	172,795,491	249,142,500
Benefits - NSSF/LAPF	16,103,588	24,403,750
Skills Development Levy -Employers Contribution	-	523,000
Staff Annual Leave	13,419,656	20,336,458
Staff Gratuity	32,207,175	48,807,500
Workers Compensation Fund	805,179	1,383,938
	<u><b>235,331,089</b></u>	<u><b>344,597,146</b></u>
<b>11. FINANCE COST</b>		
Bank Charges	<u>6,526,906</u>	<u>6,771,384</u>



**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

**12. PROPERTY AND EQUIPMENT**

<b>COST</b>	<b>Land TZS</b>	<b>Computers TZS</b>	<b>Furniture &amp; Fittings TZS</b>	<b>Office Equipment TZS</b>	<b>Motor Vehicles TZS</b>	<b>Total TZS</b>
As at 1 Jan 2023	7,387,000	26,732,600	7,675,000	10,005,500	17,500,000	69,300,100
Additions	-	4,900,000	3,238,000		48,000,000	56,138,000
<b>At the end of the year</b>	<b>7,387,000</b>	<b>31,632,600</b>	<b>10,913,000</b>	<b>10,005,500</b>	<b>65,500,000</b>	<b>125,438,100</b>
<b>DEPRECIATION</b>						
As at 31st Dec 2023	-	25,941,644	6,926,142	4,658,625	17,500,000	55,026,411
Charge during the year	-	1,368,484	375,607	668,359	6,000,000	8,412,450
<b>As at 31 Dec 2023</b>	<b>-</b>	<b>27,310,128</b>	<b>7,301,749</b>	<b>5,326,984</b>	<b>23,500,000</b>	<b>63,438,861</b>
<b>Net Book Value</b>						
<b>As at 31 Dec 2023</b>	<b>7,387,000</b>	<b>4,322,473</b>	<b>3,611,251</b>	<b>4,678,516</b>	<b>42,000,000</b>	<b>61,999,239</b>

EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

12. PROPERTY AND EQUIPMENT (CONTINUED)

COST	Land	Computers	Furniture & Fittings	Office Equipment	Motor Vehicles	Total
	TZS	TZS	TZS	TZS	TZS	TZS
As at 1 July 2021	7,387,000	26,732,600	7,675,000	4,105,500	17,500,000	63,400,100
Additions	-	-	-	5,900,000	-	5,900,000
At the end of the year	<b>7,387,000</b>	<b>26,732,600</b>	<b>7,675,000</b>	<b>10,005,500</b>	<b>17,500,000</b>	<b>69,300,100</b>
<b>DEPRECIATION</b>						
As at 1 July 2021	-	24,924,701	6,753,328	4,105,500	17,500,000	53,283,529
Charge during the year	-	1,016,943	172,814	553,125	-	1,742,881
As at 31st Dec 2022	-	<b>25,941,644</b>	<b>6,926,142</b>	<b>4,658,625</b>	<b>17,500,000</b>	<b>55,026,411</b>
<b>NET BOOK VALUE</b>						
As at 31st Dec 2022	<b>7,387,000</b>	<b>790,956</b>	<b>748,858</b>	<b>5,346,875</b>	<b>1</b>	<b>14,273,689</b>



**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

	<b>2023</b>	<b>2022</b>
	<b>TZS</b>	<b>TZS</b>
<b>13. PREPAYMENTS AND ADVANCES</b>		
Member Countries Advances	1,065,601	-
Prepayment (Rent Building & Website Hosting)	3,063,890	2,860,556
	<u><b>4,129,491</b></u>	<u><b>2,860,556</b></u>
<b>14. GRANTS RECEIVABLE</b>		
Bread for the World (BftW)-INF 2020	14,206,772	23,000,068
Southern Africa Trust (SAT)- GBV	-	664,592
SDGC	5,962,443	-
	<u><b>20,169,215</b></u>	<u><b>23,664,660</b></u>
Less: Provision for impairment	(5,962,443)	-
	<u><b>14,206,772</b></u>	<u><b>23,664,660</b></u>
<b><i>Movement in provision for impairment on receivables</i></b>		
Balance as at 01 January	-	-
Charged during the year	5,962,443	-
Balance as at 31 December	<u><b>5,962,443</b></u>	<u>-</u>
<p>Trade receivables are non-interest bearing. As at 31 December 2023 debtors at initial value of TZS 5,962,443 (2022: Nil) were fully provided for. The movement in the provision for impairment of receivables is shown above.</p>		
<b>15. CASH AND CASH EQUIVALENT</b>		
BftW 2020 Project Bank A/C	85,124	628
Exim Bank Account - EURO	1,565,060	13,812,908
Exim Bank Account - TZS	59,253,062	2,404,447
Exim Bank Account - USD	3,241,163	3,005,796
Exim Bank Account - Staff Benefit A/c	10,840	1,757
Exim Bank Account - Own Fund A/c	26,873,905	26,384,584
	<u><b>91,029,153</b></u>	<u><b>45,610,119</b></u>
<b>16. DEFERRED CAPITAL GRANTS</b>		
Balance as at 01 January	-	-
<b><i>Added during the year:</i></b>		
Capital Grants : (SDC)	2,900,000	-
Capital Grants: BftW 2023 Infl IV	53,238,000	-
	<u><b>56,138,000</b></u>	<u>-</u>
Amortized during the year	(7,353,875)	-
<b>Balance as at 31 December</b>	<u><b>48,784,125</b></u>	<u>-</u>

**EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

	<b>2023</b>	<b>2022</b>
	<b>TZS</b>	<b>TZS</b>
<b>17. DEFERRED GRANTS</b>		
Grants: SDC	65,786,601	25,256,765
SDGCA	-	100,088
Grants: BftW 2023 Infl IV	1,292,345	-
	<b><u>67,078,946</u></b>	<b><u>25,356,853</u></b>
<b>18. PAYABLES</b>		
Accrued Expenses	1,509,565	-
Audit Fees Payable	7,770,000	-
Accrued Audit Fees	-	9,442,645
Staff Imprest	50,000	-
Member Countries Advances	-	3,041
Staff Imprest	22,400	-
	<b><u>9,351,965</u></b>	<b><u>9,445,686</u></b>

**19. RELATED PARTY TRANSACTIONS**

All transactions made with related parties were in normal course of the business

**20. GOING CONCERN**

The directors and management believe that the organization's going concern is not doubtful as it has funding agreement with Bread for the World with total amount of **TZS 1,176,157,500** for the period from 2023 to 2025 and Swiss Agency for Development and Cooperation (SDC) total amount of **TZS 450,998,075** for period July 2023 to Dec 2024.

**21. COMMITMENT AND CONTINGENT LIABILITIES**

There were no commitments during the year (2022: Nil)

There were no contingent assets in favour of or liabilities against the Trust as at 31 December 2023 (2022: Nil).

**22. EVENTS SUBSEQUENT TO THE REPORTING PERIOD**

There were no events after the reporting period which require adjustment or disclosure in the financial statements.