



ASSOCIATION marinecultures.org

**TRUSTEES' REPORT AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31. DECEMBER 2023**

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ORGANIZATION INFORMATION

PRINCIPAL PLACE OF ACTIVITIES:

Jambiani Kibigija
Zanzibar

REGISTERED OFFICE:

P.O. Box 210
House 65
Jambiani Kibija, Zanzibar - Tanzania
www.marinecultures.org
Registration Number
Z00000088 18 TIN I10-483-058

BANKERS:

People's Bank of Zanzibar
(PBZ) Zanzibar, Tanzania

EXTERNAL AUDITOR:

SMART CONSULTANT
P.O.BOX 4811
MCHINA MWANZO
ZANZIBAR

Association marinecultures.org
BOARD OF TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

1.1 INTRODUCTION

The board of trustees is pleased to submit the annual report together with audited accounts for the year ended 31st December 2023.

1.2 BACKGROUND/ESTABLISHMENT

Association marinecultures.org is organized as non-profit association on the island of Zanzibar in the Indian Ocean with headquarters in Zurich, Switzerland. marinecultures.org is organized as an association and was founded in 2008. We are financed by membership fees, donations, and project contributions.

1.3 REGISTERED OFFICE

The Registered office of the organization is situated at Jambiani, within south, Unguja, Zanzibar.

1.4 MISSION AND VISION

Mission:

Coastal inhabitants may improve their livelihoods thanks to income from ecologically compatible aquaculture. This reduces pressure on the local marine ecosystem and protects natural resources.

Vision:

Association marinecultures.org supports people in coastal regions of Zanzibar in the development and application of sustainable methods for the use of the sea and implements measures for the protection of marine resources in cooperation with local communities and authorities.

1.3 ASSOCIATION'S PURPOSE

Research, development, establishment, and promotion of a sustainable use of the sea in all areas, in particular improving the protection of the sea and coastal regions through aquaculture, in harmony with local people, local communities and eco- and economic systems.

1.4 ASSOCIATION ACTIVITIES

Growing sponges

On the east coast of Zanzibar marine cultures builds sponge farms and train women to become sponge farmers who earn a decent income. Natural sponges are a high-quality product popular in cosmetics, body care and painting.

Protecting coral reefs

In the coral farm in the lagoon of Jambiani the association grows corals for the reforestation of damaged reefs. Together with the community it builds artificial reefs, install buoys for fishing and diving boats to prevent anchor damage. Most importantly, these activities draw attention to the ecological importance of coral reefs.

Conserving fish stocks

To enable fish stocks to recover, marinecultures work with fishermen and local authorities to set up protected areas. Closed seasons for octopus can protect their populations and increase catch rates at the same time. The aim is to work with the communities and the authorities to achieve sustainable fishing in coastal waters.

1.5 BOARD OF TRUSTEES

The Current Members

S/N	NAME	POSITION
1	Saleh Sadique Osman	Advisory Board Member, Authorities
2	Mrisho Haji Vuai	Advisory Board Member, Administration
3	Dr. Narriman Jiddawi	Advisory Board Member, Research
4	Hassan Suha Hassan	Advisory Board Member,
5	Patricia Elias	Advisory Board Member,
6	Christian Vaterlaus	Managing Director/Member of the Board
7	Cornelia Sacchi	Administration/ Member of the Board

4.1 DONATIONS

During the Year 2023 there were both cash and in-kind donors who contributed to the organization as listed below;

- * • Cash donations
- In-Kind donations
- TZS 94,372,908.71
- TZS 95,501,102.80

In addition to donations, the organization also generated income from other sources amounting to TZS 96,159,287.75. The other sources of incomes include membership fees and contributions

4.2 ACCUMULATED FUND

There is un-utilized fund by Association marinecultures.org during the year of 2023. Although un-utilized fund planned to be used for the upcoming period as intended.

4.3 DIRECT AND OPERATIONAL EXPENSES

Direct and operational expenses were wholly and exclusive for the purpose of organization, the following expenses incurred during the year 2023:

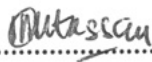
- a) Programme Expenses
- b) Personnel Costs
- c) Office Expenses
- d) Professional Fee

Association marinecultures.org
BOARD OF TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

4.4 AUDITORS

The board of Trustees of Association marinecultures.org has appointed Smart Consultant as their auditors who expressed their willingness to continue in office to conduct statutory audit in accordance with Zanzibar Non-governmental Organization (NGOs) Policy and it is eligible for the reappointment.

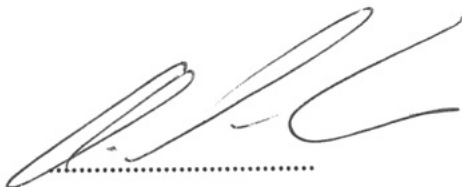
BY THE ORDER OF Association marinecultures.org's BOARD OF TRUSTEES


.....

Mrisho Haji Vuai
Advisory Board Member, Authorities
Association marinecultures.org

Date: 3/4/2024




.....

Christian Vaterlaus
Managing Director, I Member of the Board
Association marinecultures.org

Date: 5-4-24

Association marinecultures.org

**DECLARATION TO THE HEAD OF ACCOUNTS/FINANCE FOR
THE YEAR ENDED 31 DECEMBER 2023**

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 6f. 1995, requires financial statements to be accompanied with 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 Board/Governing Body/ Management to discharge the responsibility of preparing financial statements of an entity showing 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 Board of Trustees.

I, MRS. ISUO HAST VUAT being the Finance and Operations Manager of the Association marinecultures.org have the responsibility of ensuring that financial statements for the year ended 31st 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 the Association Marineculture.org as on that date and that they have been prepared based on property maintained financial records.

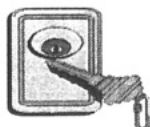
Signed by: Mrs. Isuo Hast Vuat

Position: _____

NBAA Membership No: _____

SMART CONSULTANTS

Our Ref. SMT/AU/Vol/2/50
S.L.P 4811
MCHINA MWANZO
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+255 773144446



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REPORT OF THE INDEPENDENT AUDITORS
FOR THE YEAR ENDED 31 DECEMBER 2023

To: The Board of Trustees and
Members Association
marinecultures.org

Opinion

We have audited the financial statements of Association marinecultures.org for the year ended 31st December 2023, which set out on page 12 to 15, which comprise of statement of financial position, the statement of income and expenditures, and cash flow statement for the year then ended.

The financial statements are in agreement with the accounting records, and we obtained the information and explanations we considered necessary for our audit.

In our opinion, the financial statements give a true and fair view of the financial position of the state of affairs of the foundation as of 31st December 2023 and its profit and loss account and cash flows statement for the year ended 31st December 2023 were prepared in accordance with the International Financial Reporting Standards.

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 under the audit of financial statements section of our report. We are independent of the foundation in accordance with International Ethics Standards Board

for Accountants, Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our responsibility and the evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The board of trustees is responsible for the other information. The other information comprises the Board of Trustees Report as required by the constitution of AAF, Statement of Board of Trustees Responsibilities and Declaration of Head of Finance.

The other information does not include the financial statements and our auditor's report thereon.

In connection with our audit of financial statements, our responsibilities are to read the information and in doing so, consider whether the other information is materially inconsistent with 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 materially misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

First Trustees are responsible for the preparation of these financial statements in accordance with the constitution, and for such internal control as board determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and

plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.



MANAGING PARTNER
SMART CONSULTANTS
MCHINA MWANZO
ZANZIBAR

DATE



Association marinecultures.org
 STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2023

	NOTE	2023		2022	
		TZS	CHF	TZS	CHF
Non current Assets					
Property, Plant & Equipment	2	37,910,447.76	12,700.00	35,606,060.61	14,100.00
Current Assets:					
Account receivables	3	-	-	181,060.61	71.70
Cash and Cash equivalent	4	219,596,179.10	73,564.72	231,306,161.62	91,597.24
TOTAL ASSETS		257,506,626.87	86,264.72	267,093,282.83	105,768.94
LIABILITIES & EQUITY					
Association Equity					
Association Capital		224,238,650.17	75,768.94	126,039,424.30	48,945.88
Annual Surplus/Deficit		<u>(17,645,247.19)</u>	<u>(6,560.15)</u>	<u>65,296,282.77</u>	<u>26,823.06</u>
		206,593,402.98	69,208.79	191,335,707.07	75,768.94
Non current Liabilities					
Provisions	5	44,776,119.40	15,000.00	75,757,575.76	30,000.00
Current Liabilities					
Account Payables	6	6,137,104.48	2,055.93	-	-
TOTAL LIABILITIES & EQUITY		257,506,626.86	86,264.72	267,093,282.83	105,768.94

Notes to the financial statements on page 15 to 16 form part of these financial statements

Auditor's Report on page 9-14

The Board of Trustees approved the financial statements on 3-5-24 and was signed on its behalf by:



 Mrisho Haji Vuai
 Advisory Board Member,
 Authorities Association
 marinecultures. Org



 Christian Vaterlaus
 Managing Director
 Member of the Board Association
 marinecultures.org



STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 DECEMBER 2023

	NOTE	2023		2022	
		TZS	CHF	TZS	CHF
Income					
Incoming Funds	7	-	-	14,316,779.86	5,881.19
Membership fees and donation	8	286,033,299.26	106,341.46	406,548,260.67	167,005.96
Release for Provision	9	<u>40,346,441.44</u>	<u>15,000.00</u>	<u>4,768,713.94</u>	<u>1,958.94</u>
TOTAL INCOME		326,379,740.71	121,341.46	425,633,754.47	174,846.09
Less: EXPENSES					
Expenses for material goods and services	10	44,440,717.63	16,522.17	56,700,406.53	23,291.96
Employee Expenses	11	190,291,866.16	70,746.71	217,477,518.93	89,337.59
Other operating Expenses	12	94,986,093.93	35,313.93	71,091,652.67	29,203.74
Financial Expenses	13	5,362,902.79	1,993.82	6,470,556.73	2,658.04
Extra ordinary Expenses					
TOTAL EXPENSES		335,081,580.50	124,576.63	351,740,134.86	144,491.33
Surplus/deficit before depreciation		(8,701,839.80)	(3,235.17)	73,893,619.61	30,354.76
Less: Depreciation Expenses	14	8,943,407.39	3,324.98	8,597,336.84	3,531.70
Surplus/deficit after depreciation		(17,645,247.19)	(6,560.15)	65,296,282.77	26,823.06

Notes to the financial statements on page 15 to 16 form part of these financial statements

Auditor's Report on page 9-14

The Board of Trustees approved the financial statements on 3-5-24 and was signed on its behalf by:


 Mrisho Haji Vuai
 Advisory Board Member,
 Authorities Association
 marinecultures. Org




 Christian Vaterlaus
 Managing Director
 Member of the Board Association
 marinecultures.org

Association marinecultures.org
 STATEMENT OF CHANGE IN EQUITY
 AS AT 31 DECEMBER 2023

	2023 TZS	2022 TZS
Equity as at 1st January	191,335,707.07	188,896,990.07
Translation differences	32,902,943.10	2,438,717.00
Surplus/Deficit	(17,645,247.19)	65,296,282.77
Equity as at 31st December	206,593,402.98	191,335,707.07

Notes to the financial statements on page 15 to 16 form part of these financial statements

Auditor's Report on page 9-14

The Board of Trustees approved the financial statements on 3-5-24 and was signed on its behalf by:

Mrisho

.....
 Mrisho Haji Vuai
 Advisory Board Member,
 Authorities Association
 marinecultures. Org



[Handwritten Signature]

.....
 Christian Vaterlaus
 Managing Director
 Member of the Board Association
 marinecultures.org

1. SIGNIFICANT ACCOUNTING POLICIE

I. Cost Basis

Financial statements are prepared on the historical cost basis of accounting.

II. Accrual Basis

Transactions are recorded on accrual basis only i.e, income and expenditure are recognized when it is earned or incurred respectively.

III. Expenditure

All materials and small value assets are expensed during the period of procurement.

IV. Currency Use

The accounts are expressed in Tanzania Shillings (TZS).

v. Foreign Currency Transactfons and Exchange Rate

Transactions denominated in foreign currency are reported into the reporting currency at the rate ruling on the transaction date and closing balances at the closing date. For TZS, USD, EUR & GBP cash balance rate revalued as at 31st December 2023

vi. Income (Fund)

Total revenue represents funds received from donors, membership subscription, donations, and other activities.

vii. Fixed Assets

Fixed assets are capitalized in Balance Sheet of Association marinecultures.org. The value of fixed assets valued at net amount of TZS 37,910,447.76 being the difference between acquisition cost/Opening

Association marinecultures.org
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 02: NON-CURRENT ASSETS

	2023		2022	
	TZS	CHF	TZS	CHF
Mobile fixed assets				
Machinery and equipment	3,582,089.55	1,200.00	3,787,878.79	1,500.00
Boats & accessories	34,328,358.21	11,500.00	31,818,181.82	12,600.00
Tangible fixed assets	37,910,447.76	12,700.00	35,606,060.61	14,100.00

NOTE 03: ACCOUNT RECEIVABLES

	2023		2022	
	TZS	CHF	TZS	CHF
Trade receivables- from third parties	-	-	181,060.61	71.7
Total	-	-	181,060.61	71.7

NOTE 04: CASH AND CASH EQUIVALENT

	2023		2022	
	TZS	CHF	TZS	CHF
Cash				
Kasse Zanzibar TZS	6,618,328.36	2,217.14	12,777,550.51	5,059.91
Kasse Zanzibar USD	23,497,641.79	7,871.71	11,635,454.55	4,607.64
Kasse Zanzibar EUR	5,356,179.10	1,794.32	13,490,151.52	5,342.10
Kasse Dinar Tunesia	875,014.93	293.13	740,227.27	293.13
Cash Desk Karim Tunesien	-	-	7,021,414.14	2,780.48
Cash card				
Paypal	10,690,746.27	3,581.40	5,633,409.09	2,230.83
Travelcard/Mastercard	7,224,805.97	2,420.31	6,111,893.94	2,420.31
Bank accounts				
PostFinance KK	131,418,358.21	44,025.15	168,303,914.14	66,648.35
People Bank of Zanzibar USD	8,363,970.15	2,801.93	2,608,181.82	1,032.84
People Bank of Zanzibar TZS	25,551,134.33	8,559.63	2,983,964.65	1,181.65
Total	219,596,179.10	73,564.72	231,306,161.62	91,597.24

NOTE 05: PROVISION

	2023		2022	
	TZS	CHF	TZS	CHF
Provision				
Provision sponge Farming	14,925,373.13	5,000.00	25,252,525.25	10,000.00
Provision for Coral Reeforestation	-	-	25,252,525.25	10,000.00
Provision for sea cucumber farming	14,925,373.13	5,000.00	12,626,262.63	5,000.00
Provision for Awareness	14,925,373.13	5,000.00	12,626,262.63	5,000.00
Total	44,776,119.40	15,000.00	75,757,575.76	30,000.00

NOTE 06: ACCOUNT PAYABLES

	2023		2022	
	TZS	CHF	TZS	CHF
Trade payables- to third parties	6,137,104.48	2,055.93	-	-
Total	6,137,104.48	2,055.93	-	-

NOTE 07: INCOMING FUNDS

	2023		2022	
	TZS	CHF	TZS	CHF
Payback COVID loans sponge farmers	-	-	14,316,779.86	5,881.19
Total	-	-	14,316,779.86	5,881.19

NOTE 08: MEMBERSHIP FEES AND DONATIONS

	2023		2022	
	TZS	CHF	TZS	CHF
Membership fees	17,322,072.19	6,440.00	14,619,878.77	6,005.70
Support contribution	73,128,866.53	27,187.85	169,914,895.69	69,799.34
Support contribution cooperative	5,708,349.02	2,122.25	-	-
Donations	94,372,908.71	35,085.96	100,033,399.06	41,092.72
Donations in kind	95,501,102.80	35,505.40	121,980,087.15	50,108.20
Total	286,033,299.26	106,341.46	406,548,260.67	167,005.96

NOTE 09: RELEASE OF PROVISIONS

	2023		2022	
	TZS	CHF	TZS	CHF
Release of provisions	40,346,441.44	15,000.00	4,768,713.94	1,958.94

NOTE 10: DIRECT EXPENSES

	2023		2022	
	TZS	CHF	TZS	CHF
Expenses for Materials goods and services	44,440,717.63	16,522.17	56,700,406.53	23,291.96

NOTE 11: EMPLOYEE EXPENSES

	2023		2022	
	TZS	CHF	TZS	CHF
Wages and salaries	165,085,668.94	61,375.55	199,469,607.34	81,940.12
Social security expenses	25,206,197.21	9,371.16	18,007,911.58	7,397.47
Total	190,291,866.16	70,746.71	217,477,518.93	89,337.59

NOTE 12: OTHER OPERATING EXPENSES

	2023		2022	
	TZS	CHF	TZS	CHF
Room expenses	2,400,021.52	892.28	1,319,993.18	542.24
Repairs and maintenance	12,199,015.55	4,535.35	9,127,972.93	3,749.68
Vehicle expenses	9,683,145.95	3,600.00	8,239,343.70	3,384.64
Insurance expenses	2,598,337.73	966.01	6,189,147.74	2,542.44
Energy and disposal expenses	7,427,053.63	2,761.23	5,616,543.73	2,307.22
Administrative and IT expenses	44,692,264.24	16,615.69	29,556,902.55	12,141.68
Advertising expenses	15,986,255.31	5,943.37	11,041,748.83	4,535.84
Total	94,986,093.93	35,313.93	71,091,652.67	29,203.74

NOTE 13: FINANCIAL EXPENSES

	2023		2022	
	TZS	CHF	TZS	CHF
Financial expenses	5,362,902.79	1,993.82	6,470,556.73	2,658.04

NOTE 14: DEPRECIATION EXPENSES

	2023		2022	
	TZS	CHF	TZS	CHF
Depreciation on fixed assets	8,943,407.39	3,324.98	8,597,336.84	3,531.70