PARTNERSHIP FOR NUTRITION IN TANZANIA (PANITA)

PANITA

Partnership for Nutrition in Tanzania

REPORT BY THOSE CHARGED WITH GOVERNANCE, FINANCIAL STATEMENTS AND AUDIT REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

March 2023

MKUKI CONSULTANTS

Certified Public Accountants in Public Practice, Tax Consultants and Financial Management Consultants.

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ORGANISATION GENERAL INFORMATION

Registration	**Tax Payer Registration Number** **123-562-631** **Organisation Registration Number** **00NGO/00010038**
Registered Office	**Partnership for Nutrition in Tanzania** **Mikocheni A, Off Rose Garden Road, 6** **Rwehabura Road, Plot No 305.** **P.O.Box 32095** **Dar Es Salaam, Tanzania.**
Board of Directors Chairperson	**Dr. Rose Rita Kingamkono**
Bankers	**CRDB Bank Plc** **Kijitonyama Branch** **P.O. Box 268** **Dar Es Salaam, Tanzania.** **Banc ABC** **Uhuru Heights Building** **Bibi Titi Road** **P.O. Box 31** **Dar Es Salaam, Tanzania.**
Auditors	**Mkuki Consultants** **P.O. Box 1827** **Dar Es Salaam, Tanzania.**

DIRECTORS' REPORT

Those Charged with Governance of PANITA present their 12 months' report together with the audited financial statements for the year ended 31 December 2022, which discloses the state of affairs of Partnership for Nutrition in Tanzania (PANITA) for the year then ended.

ABOUT PANITA

PANITA – Partnership for Nutrition in Tanzania - is a coalition of Civil Society Organizations (CSOs), with members across the country dedicated to building the political and public-will, commitment and support to end malnutrition in Tanzania. Besides, PANITA members are engaging both specific and sensitive nutrition interventions at their localities.

It was established in 2010 through technical and financial support from Save the Children International (SCI), UNICEF and Irish Aid. PANITA as a platform for CSOs is working to provide technical support, sharing of information, learning space and synergy on nutrition advocacy both at national and local levels. The members have become a positive catalyst in enhancing Nutrition Sensitive and Specific activities within their localities; Sensitive sectors include but not limited to: Agriculture, Education, Health, Community Development, Gender, WASH, Livestock and Fisheries etc.

PANITA operates in all regions in Tanzania through its members, where activities are coordinated in the 10 geographical Zones; this structural arrangement has resulted in a well-coordinated network, with an effective and wider coverage across the country. Overall, the secretariat engages with national level stakeholders while providing backstopping support to the members who operates at the community level. By and large, PANITA members contribute greatly in raising nutrition awareness at the community level, particularly in rural areas.

Vision

The Vision of PANITA is "A Tanzania that is free from malnutrition".

Mission

The mission of the Partnership is to advance advocacy efforts, improve coordination and reduce malnutrition by strengthening the capacity and increased mobilization and coordination of the civil society organizations (CSO's), private sector organizations, the media and other development partners to facilitate a more effective national and local response to addressing malnutrition.

Values

In pursuing the objectives of the network PANITA is accountable to the following core values: -

i. Volunteerism
ii. Professionalism
iii. Excellence
iv. Integrity
v. Accountability
vi. Responsibility
vii. Transparency
viii. Quality & Standards

OBJECTIVES OF PANITA

Primary Objectives

1. To establish and maintain a vibrant national civil society platform covering all nutrition relevant sector to facilitate the exchange of information, advocate for policy improvement and foster a dialogue on strategic nutrition issues in Tanzania.
2. To build capacity of Civil Society Organizations (CSOs) and other stakeholders to engage more effectively in quality service, planning and policy processes.
3. To advocate for increased prioritization of nutrition at the community to national level development plans.
4. To implement projects/programs and research in collaboration with its members and other stakeholders all over the country to foster the wellbeing of the Tanzanian community in areas of Nutrition, Health, Reproductive Maternal Child and Adolescent, Youth, Education, Gender, Water and Sanitation (WASH), Nutrition sensitive agriculture, Social Protection, and other cross-cutting sectors.

KEY ACHIEVEMENTS FOR THE YEAR 2022/23

i) **Strengthened advocacy and accountability for multi-sectoral nutrition coordination**

In FY 2022/23 USAID Lishe Endelevu worked with multi-sectoral leads across all implementing councils to harmonise planned activities, using gaps identified in the FY 2020/21 and semi-annual scorecards to prioritise nutrition activities by region. As a result, all four regions improved performance across Nutrition Compact Scorecard indicators compared to the previous year. Rukwa disbursed 80% of its nutrition budget at TZS 1,613 per child under five – the highest per-capita allocation among the four regions – while Dodoma and Iringa disbursed higher percentages (87% and 91% respectively) but at lower per-capita rates (TZS 941 and TZS 1,358). Morogoro remained the weakest performer, disbursing only 75% of TZS 837 per child, below the mandatory minimum of TZS 1,000, a decline attributed to a change in regional leadership.

Lishe Endelevu also took part in the 6th Annual National Nutrition Compact Assessment in Dodoma, chaired by President Samia Suluhu Hassan, where new performance contracts on NMNAP II implementation were signed between the President and Regional Commissioners.

ii) **Strengthened data collection and flow from village to council level**

To reinforce the sustainability of reliable nutrition data beyond the life of the project, PANITA conducted data harmonisation sessions with Ward Executive Officers across all four Lishe Endelevu regions, reaching all 545 wards (214 in Morogoro, 183 in Dodoma, 97 in Rukwa and 51 in Iringa). The sessions strengthened WEOs' understanding of nutrition data flow, NMNAP II and R/CMSCN guidelines, and agreed action points to cascade this knowledge to Ward Development Committee members and Village Executive Officers, improve communication between Community Health Workers and VEOs, and embed Lishe Endelevu's community actions into ward plans to sustain the gains achieved.

iii) **Strengthened accountability among sector leads for nutrition planning, budgeting and review**

Lishe Endelevu strengthened the capacity of multi-sectoral leads to own and use scorecard and Compact results in pre-planning, budgeting and review of nutrition activities, reaching 327 heads of department and decision-makers (193 male, 134 female) across all 23 implementing councils. This resulted in more timely disbursement of budgeted nutrition funds under Objective Y, all councils planning the mandatory TZS 1,000 per under-five child, reduced over-representation of heads of department at R/CMSCN meetings, and improved use of scorecard evidence in planning and reporting.

iv) **Targeted advocacy to underperforming regions**

PANITA conducted targeted advocacy and one-on-one meetings with Regional Administrative Secretaries, Regional Medical Officers, Regional Nutrition Officers, District Commissioners and District Executive Directors in Rukwa and Iringa, which had ranked 13th and 10th respectively out of 26 regions in the 2020/21 National Nutrition Compact review owing to lagging fund disbursement. Following these engagements – including a written commitment from the Rukwa Regional Administrative Secretary to all District Executive Directors – both regions improved fund disbursement significantly, with Rukwa rising to 1st position and Iringa to 3rd position out of 26 regions in the 2021/22 National Nutrition Compact Assessment.

v) **Strengthened private sector engagement and resource mobilisation for nutrition**

Working through District Business Councils, Lishe Endelevu collaborated with Regional and District Nutrition Officers and Trade Officers to follow up on private sector commitments to nutrition, mobilising a total of TZS 216,524,000 in private sector contributions across the implementing regions. Nationally, Lishe Endelevu’s experience of engaging 296 private sector and civil society stakeholders – securing USD 111,452 in in-kind commitments, 74% of the life-of-project target – was shared at the Joint Multi-Sectoral Nutrition Review and the SUN 3.0 Joint Annual Assessment as a model for other regions adopting NMNAP II’s private sector priorities.

vi) **Enhanced women’s leadership and CSO contribution to nutrition**

Through mentorship, coaching and supportive supervision, PANITA and implementing CSOs reached 274 women champions across all four regions (102 in Morogoro, 91 in Rukwa, 44 in Dodoma and 37 in Iringa), who went on to form 26 VICOBA savings groups – 12 of which registered with their district councils and received council loans – and to sensitise communities through village assemblies, Village Health and Nutrition Days and WDC/VDC meetings. PANITA also convened a one-day Tanzania Women in Nutrition Leadership Forum in Iringa, bringing together 82 women leaders, clinical mentors and community champions and officiated by the Iringa Regional Commissioner, to document lessons learned and strengthen a national community of women change champions for nutrition.

CHALLENGES

1. Low involvement of the private sector at sub-national level in domestic resource mobilisation for nutrition, and limited ownership and accountability from nutrition-sensitive departments, with a few councils still failing to plan and budget the mandatory TZS 1,000 per under-five child – most notably Morogoro, which allocated only 75% of TZS 837 per child.

2. Village Executive Officers continued to face difficulty obtaining reliable primary nutrition data from Community Health Workers, a gap reported by Ward Executive Officers across all councils visited during data harmonisation sessions.

3. Regional disparities in nutrition fund disbursement persisted, with Rukwa and Iringa lagging behind other Lishe Endelevu regions and ranking 13th and 10th out of 26 regions in the 2020/21 National Nutrition Compact review before targeted advocacy improved their performance.

4. A change in regional leadership in Morogoro contributed to reduced political will for nutrition, resulting in a drop in per-capita nutrition allocation compared to the previous year.

PRINCIPAL ACTIVITIES

Advocacy and Capacity building on nutritional issues and ending Mulnutrition in Tanzania

BOARD OF DIRECTORS

The Board of the organization consists of 6 Directors.

The Board has overall responsibility for the successful operations of the organization, including ensuring that the organization complies with all of its contractual, statutory and any other legal obligations, responsibility for identifying key risk areas, considering and monitoring investment decisions, considering significant financial matters, and reviewing the performance of management. The Board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative, and for compliance with sound corporate governance principles.

The Board's role is to govern the organization rather than to manage it. The Board delegates the day-to-day management of the business to the Executive Director assisted by the management team.

The organization is committed to the principles of effective corporate governance. The Directors also recognize the importance of integrity, transparency and accountability.

The Directors of the Organization at the date of this report who have served during the financial year ended 31 December 2022 are shown in the table below:

NAME	POSITION	TITLE	Nationality	Year of Appointment
Dr. Rose Rita Kingamkono (PhD-Nutrition)	Chairperson of the Board of Directors - PANITA	Independent Consultant on Nutrition and former Chief of Party Land O' Lakes Tanzania USAID funded project "Innovation Equality to Promote Household Food Security"	Tanzanian	2022
Prof. Joyce Kinabo (PhD-Nutrition)	Member	Professor of Human Nutrition- Sokoine University of Agriculture-(SUA)	Tanzanian	2022
Mr. Joseph Mugyabuso (BSc, MSc-Nutrition; MBA)	Member	Former Nutrition Advisor IMA World Health & Project Manager for PANITA under SCI	Tanzanian	2022
Mr. Abubakar Mohammed Ali. (BSc, MSc)	Member	The Executive Director for Zanzibar Clove Producers Organization – ZACPO.	Tanzanian	2022
Dr. Suma Kaare (PhD, Public Sector Management)	Member	M&E/Operations Research Team Lead Abt Associates, Public	Tanzanian	2022

		Sector Systems Strengthening PS3 Tanzania		
Dr. John Kalage (MSc in Education for Sustainability)	Member	Executive Director-HakiElimu	Tanzanian	2022

RISK MANAGEMENT AND INTERNAL CONTROL

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

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

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the organization's system is designed to provide the Board with reasonable assurance that the procedures in place are operating effectively.

The Board assessed the internal control systems throughout the financial period ended 31 December 2022 and is of the opinion that they met accepted criteria.

Employee Welfare

Management/employees relationship continued to be good during the period. There were no unresolved complaints by the employees at the end of the year.

The Organization is an equal opportunity employer and provides on-the-job and external training to employees, in and outside Tanzania, also provides medical insurance coverage for all employees, safe working environment and pays contributions to NSSF, which is publicly administered mandatory pension plans for all private and non-governmental organizations and qualify to be a defined contribution plan. As part of ensuring employees are safeguarded against disabilities from work place, PANITA also contributes 1% of the gross employee’s emoluments to Workers Compensation Fund.

Independent Auditors

In accordance with the provision of the Companies Ordinance and the company’s Article of Association, **MKUKI CONSULTANT** was appointed as an auditor by order of the board.

Statement of Directors' Responsibilities

Non-Governmental organization requires the Directors to prepare the financial statements for each financial period that present fairly, in all material respect, a view of the state of affairs of the organization as at the end of the financial period. It also requires the Directors to ensure that the organization keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the organization. They are also responsible for safeguarding the assets of the organization.

The Directors accept responsibility for the 31 December 2022 audited financial statements that have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with accounting policies set out in the financial statements. The Directors are of the opinion that the statement of income and expenditure give a fair view of the state of the financial affairs of the organization and of its operating results. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of statement of income and expenditure, as well as adequate systems of internal financial control.

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

By the Order of the Board

Dr. Rose Rita Kingamkono
Chairperson.

Date: 31st March 2023

Declaration of the Head of Finance of Partnership for Nutrition in Tanzania (PANITA)

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 with a declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the institute concerned.

It is the duty of a Professional Accountant to assist the Board of directors to discharge the responsibility of preparing financial statements of an institute showing true and fair view of the institute 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 Governing Board as under Governing Board's Responsibility statement on an earlier page.

I CPA Lauden Cheyo being the Head of Finance/Accounting of Partnership for Nutrition in Tanzania (PANITA) hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2022 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 Partnership for Nutrition in Tanzania (PANITA) as on that date and that they have been prepared based on properly maintained financial records.

Signed by: ______________________

Position: **Finance Manager**

NBAA Membership No: **A CPA 397**

Date: **31st March 2023**

INDEPENDENT AUDITOR'S REPORT
EXECUTIVE DIRECTOR
PARTNERSHIP FOR NUTRIOTION IN TANZANIA (PANITA)
P.O. BOX 32095
DAR ES SALAAMTANZANIA

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PARTNERSHIP FOR NUTRIOTION IN TANZANIA (PANITA) as of 31.12.2022, and the results of its operations and cash flows for the year then ended in accordance with International Financial reporting standards.

We planned and performed the audit to obtain reasonable assurance that the financial statements are free of materials misstatements. We examined on test basis evidence supporting the amounts and disclosures in financial statements; and evaluated the overall financial statement presentation.

We have audited the accompanying financial statements of PARTNERSHIP FOR NUTRIOTION IN TANZANIA (PANITA) which comprise of the Statement of financial position as of 31st December 2022, and the related statements of comprehensive income and Cash flow for the year then ended and the related notes to the financial statements and policies. We have verified the compliance to anti money laundering and to Income Tax Act, 2004 of Tanzania.

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Accounting Standards and in compliance with IFRS; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management is responsible for assessing the Company's ability to continue as a going concern, disclosing matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. To conduct our audit in accordance with International Standards on Auditing. Those standards require that we 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 statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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Angelo Boniphace Myalla
NBAA Membership no: PF 187
For and on Behalf of Mkuki Consultants
P.O Box 76622 Dar Es Salaam

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Notes	2022	2021
		TZS	TZS
ASSETS			
Non-Current Assets			
Property and equipment	**14**	14,400,000	20,160,000
		14,400,000	**20,160,000**
Current Assets			
Accounts receivables and prepayments	**11**	173,566,465	30,416,755
Cash and cash equivalents	**10**	94,886,713	239,165,011
Deferred grant income		-	-
		268,453,178	**269,581,766**
TOTAL ASSETS		**282,853,178**	**289,741,766**
NET ASSETS & LIABILITIES			
Net Assets			
Unrestricted net assets	**1**	**167,492,349**	**-**
Non-current liabilities		**-**	**-**
Current Liabilities			
Accounts payables and Accruals	**12**	17,669,760	132,285,720
Deferred grant income	**13**	97,691,069	157,456,046
		115,360,829	**289,741,766**
TOTAL NET ASSETS & LIABILITIES		**282,853,178**	**289,741,766**

STATEMENT OF FINANCIAL PERFOMANCE FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 TZS	2021 TZS
Income			
Grant income	2	894,562,000.00	1,334,907,507.00
Total Grant Income		**894,562,000.00**	**1,334,907,507.00**
Expenses			
Personnel Costs	3	344,702,478.51	295,945,923.00
Contractual costs	4	8,800,000.00	43,284,300.00
Supplies	5	21,856,650.00	29,818,600.00
Equipment purchases	6	3,500,000.00	12,236,000.00
Travel and meeting expenses	7	68,580,160.00	767,340,115.00
Other expenses	8	447,122,711.49	186,282,569.00
Sub Grantee expenses	9	-	-
Total expenses		**894,562,000.00**	**1,334,907,507.00**
Surplus/(deficit)		**-**	**-**

The Notes on pages 16 to 22 form an integral part of these financial statements. The financial statements on pages 12 to 15 were approved by the board of directors and authorised for issue on 31st March 2023 and were signed on its behalf by:

Tumaini Mikindo
Executive Director.

Dr. Rose Rita Kingamkono
Chairperson.

STATEMENT OF CHAGES IN FUND BALANCES FOR THE YEAR ENDED 31 DECEMBER 2022

	TZS	TZS	TZS	TZS
Fund	**Opening Balance**	**Surplus / (Deficit)**	**Transfers**	**Closing Balance**
Unrestricted Fund	167,492,349.24	-	-	167,492,349.24
	-	-	-	-
Restricted Fund	-	-	-	-
	-	-	-	-
Total	**167,492,349.24**	**-**	**-**	**167,492,349.24**

STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022	2021
		TZS	TZS
Cashflows from operating activities			
Surplus for the year		-	-
Changes in net assets		167,492,349	-
Adjustment for non-cash items			
Depreciation	14	5,760,000	5,760,000
Amortization		-	-
Movements in working capital			
Decrease/(increase) in trade and other receivable	11	(143,149,710)	(4,563)
(Decrease)/increase in trade and other payable	12	(114,615,960)	(289,680,250)
Net cash generated from/ (used in) operating activities		**(84,513,321)**	**(283,924,813)**
Cashflow from investing activities			
Purchase of equipment		-	-
Net cash from investing		-	**-**
Cashflow from financing activities			
Increase/(decrease) in deferred grant income	13	(59,764,977)	(239,463,952)
Net cash from financing activities		**(59,764,977)**	**(239,463,952)**
Net increase/(decrease) in cash and cash equivalent		(144,278,298)	(523,388,765)
Cash and cash equivalent at beginning of the year		239,165,011	762,553,776
Cash and cash equivalent at end of the year		**94,886,713**	**239,165,011**

NOTE – 01: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these general-purpose financial statements are set out below:

a) Basis of Preparation

The financial statements are prepared on a going concern basis in compliance with International Financial Reporting Standards (IFRS). The measurements basis used in the historical cost basis except where otherwise stated in the accounting policies below. The financial statements are presented in Tanzania Shillings (TZS) which is also the functional currency.

The preparation of financial statements is in conformity with International Financial Reporting Standards that requires the use of estimates and assumptions. It also requires the management to exercise its judgment in the process of applying the accounting policies adopted by the company. Although such estimates and assumptions are based on the directors' best knowledge of the information available, actual results June differ from those estimates. The judgments and estimates are reviewed at the end of each reporting period, and any revisions to such estimates are recognized in the year in which the revision is made.

b) Translation of Foreign Currencies

On initial recognition, all transactions are recorded in the functional currency (the currency of the primary economic environment in which the organization operates), which is Tanzania Shillings (TZS). Transactions in foreign currencies during the year are converted into the functional currency using the exchange rate prevailing at the average rate.

Monetary assets and liabilities at the balance sheet date denominated in foreign currencies are translated into the functional currency using the exchange rate prevailing as at that date. The resulting foreign exchange gains and losses from the settlement of such transactions and from year-end translation are recognized on a net basis in the statement of income and expenditure account in the year in which they arise.

c) Revenue Recognition

Revenue represents the fair value of consideration received or receivable for be sale of services in the course of the company's activities. It is recognized when it is probable that future economic benefits will flow to the company and the amount of revenue can be measured reliably. It is stated net of Value Added Tax, rebates and trade discounts. Cash discounts are included as part of finance costs. Sale of services is recognized upon performance of the service to be provided.

d) Property, Plant and Equipment

All categories of property, plant and equipment are initially recognized at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure directly attributable to the acquisition of the assets. Computer software, including the operating system that is an integral part of the related hardware is capitalized as part of the computer equipment. All other items of property, plant and equipment are subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

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 company and the cost of the item can be measured reliably. Repairs and maintenance expenses are charges to the statement of income and expenditure account in the year in which they are incurred.

Increases in the carrying amount arising on revaluation are recognized in other comprehensive income and accumulated in equity under the heading of revaluation surplus. Decreases that offset previous increases of the same asset are recognized in other comprehensive income. All other decreases are charged to the profit and loss account. Annual, the difference between depreciation charge based on the revalue carrying amount of the asset charged to the statement of income and expenditure account and depreciation based on the asset's original cost is transferred from the revaluation surplus reserve to retained earnings.

Depreciation is calculated using the reducing method to write down the cost or the revalue amount of each asset to its residual value using the following annual rates:

Name of Asset	**Depreciation %**
Buildings	5%
Furniture & Fittings	12.5%
Equipment's	12.5%
Motor Vehicles	25%
Machine	25%

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are considered in determining operation profit. On disposal of revalue assets, amounts in the revaluation surplus reserve relating to that asset are transferred to retained earnings

e) Provision for Liabilities and Charges

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

f) Cash and Cash Equivalents

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

g) Bad and Doubtful Debts

Specific provision is made for all known doubtful debts. Bad debts are written off when all reasonable steps to recover them have been taken without success.

h) Comparative Figures

Previous year's figures have been grouped wherever considered necessary to make them comparable with current year's figures.

NOTES TO THE FINANCIAL STATEMENTS

		2022 TZS	2021 TZS
1	**Net Assets**		
	Unrestricted net assets	167,492,349.24	-
2	**Grant income**		
	Previous year deferred grant income released to grant income (note 13)	157,456,046.00	396,919,999.00
	Nutrition international		-
	Pooled fund		137,854,060.00
	Saved the children TZ	684,491,275.21	744,128,285.00
	GAIN	-	-
	World Food Program	-	171,226,302.00
	Graca Machel Trust	15,757,271.50	31,464,166.00
	Interchurch Medical Assistance (IMA)	68,057,198.80	-
	Other income	66,491,277.08	10,770,742.00
	Deferred income carried forward (note 13)	(97,691,069)	(157,456,047)
		894,562,000.00	**1,334,907,507.00**
3	**Personnel Costs**		
	FTE cost	-	-
	Health insurance	27,935,824.34	21,018,681.00
	Pension Cost	25,775,765.00	27,721,376.00
	Salaries And wages	280,661,133.17	219,605,904.00
	SDL expenses	8,860,399.00	8,089,979.00
	Terminal grant	-	17,821,328.00
	WCF contribution	1,469,357.00	1,688,655.00
		344,702,478.51	**295,945,923.00**
4	**Contractual costs**		
	Audit fee	8,800,000.00	8,978,400.00
	Consultancy fee	-	34,305,900.00
	Legal fee	-	-
		8,800,000.00	**43,284,300.00**
5	**Supplies**		
	Office supplies	21,856,650.00	29,818,600.00
		21,856,650.00	**29,818,600.00**

Equipment		
Equipment purchase	3,500,000.00	12,236,000.00
	3,500,000.00	**12,236,000.00**

Travel and meeting expenses		
Conference package	6,683,500.00	30,192,000.00
Food and refreshments	19,265,500.00	44,257,900.00
Stationeries	6,726,800.00	6,042,551.00
Transport costs	35,904,360.00	290,548,527.00
Daily subsistence allowances	-	396,299,137.00
	68,580,160.00	**767,340,115.00**

Other expenses		
Bank charges	4,442,454.50	6,970,927.00
Printing and publications	468,000.00	5,207,000.00
Rent expenses	44,593,500.00	49,758,362.00
Repair and maintenance	7,914,497.00	12,305,000.00
Security expenses	20,040,000.00	20,020,000.00
Postage and Courier	10,000.00	-
Staff development and training	2,040,000.00	4,534,500.00
Website maintenance charges	6,197,920.02	6,885,885.00
Insurance expenses	833,522.52	2,069,955.00
Communication expenses	256,500.00	7,308,900.00
Utility expenses	8,691,654.09	16,110,580.00
Vehicle Fuel Costs	13,223,622.00	-
Accommodation	31,280,000.00	-
Car Hire	25,335,000.00	-
Flight expenses	16,426,600.00	-
Office Internet	5,876,460.00	-
Water Charges	1,754,100.00	-
Garbage Collection	650,000.00	-
Electricity Charges	7,200,000.00	-
Fuel for Generator	1,800,000.00	-
Sanitary supplies	4,248,300.00	-
Casual Labor Charges	420,000.00	-
Fire Inspection Fee	500,000.00	-
Tax payment	675,000.00	-
Taxi Expenses	4,853,000.00	-
Landline Charges	1,283,700.00	-
Levies and Charges	294,200.00	-
IT Services	1,030,000.00	-
Cleanliness Charges	1,500,000.00	-
Kitchen supplies	12,423,200.00	-
Staff Airtime	5,174,000.00	-

	Road License	100,000.00	
	MV Insurance	1,070,496.00	
	Bajaj Transport Expenses	5,287,000.00	
	Perdiem	200,987,054.00	
	Documentary	553,000.00	
	First aid costs	170,000.00	
	Incidental costs	35,400.00	
	Withholding tax	-	-
	Office running costs	-	44,217,178.00
	Life assurance expenses	1,724,531.36	5,134,282.00
	Depreciation	5,760,000.00	5,760,000.00
		447,122,711.49	**186,282,569.00**
9	**Sub-grantee expenses**		
	Sub-grantee admin cost	-	-
	Sub grantee program cost	-	-
			-
10	Cash and cash equivalents		
	Cash at bank	94,609,061.87	238,729,066.00
	Cash in hand	277,651.00	435,945.00
		94,886,712.87	**239,165,011.00**
11	**Account receivables and prepayment**		
	Prepaid health insurance	3,376,975.71	2,787,304.00
	Prepaid insurance -PPE	-	833,523.00
	Accounts receivable	150,007,191.91	-
	Prepaid rent	17,227,500.00	20,547,000.00
	Prepaid website charges	2,419,549.82	2,989,150.00
	Prepaid MV insurance	535,248.00	535,248.00
	Life insurance	-	2,724,530.00
		173,566,465.44	**30,416,755.00**
12	**Accounts payables and accruals**		
	Accounts payable control	2,632.14	2,620.00
	Audit fees accrued	8,778,760.00	8,957,160.00
	FTE accrued	8,888,368.34	98,432,915.00
	Other payables	-	834,625.00
	Terminal Grant benefit payable	-	24,058,400.00
		17,669,760.48	**132,285,720.00**

13 Deferred income grant

At start of the year	157,456,046.00	396,919,999.00
Add: Receipt during the year	834,797,022.59	1,095,443,555.00
less: Revenue grant utilized	(894,562,000.00)	(1,334,907,508.00
Capital grant	-	-
Add: amortization of capital grant	-	-
Deferred income grants as at 31 December	**97,691,068.59**	**157,456,046.00**

14 Property and Equipment

Cost		**Total Amount**
At 1 January 2022	28,800,000.00	28,800,000.00
Additions	-	-
Disposal	-	-
At 31 December 2022	**28,800,000.00**	**28,800,000.00**
Depreciation		
At 1 January 2022	(8,640,000)	(8,640,000)
Charge for the year	(5,760,000)	(5,760,000)
Disposal	-	-
At 31 December 2022	(14,400,000)	(14,400,000)
Net Book Value		
At 31 December 2022	**14,400,000.00**	**14,400,000.00**
		-
At 31 December 2021	**20,160,000.00**	**20,160,000.00**