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 2023

April 2024

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 2023, 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 2023/23

i) **Improved uptake of national nutrition strategic documents and guidelines by administrative and implementing actors at sub-national level**

Prior to project interventions, uptake of key national guidance – the National Multisectoral Nutrition Action Plan (NMNAP), the Terms of Reference for Regional/Council Multisectoral Steering Committees on Nutrition (R/CMSCN) and its supportive supervision toolkit, and the Nutrition Compact – was slow across Rukwa, Iringa, Morogoro and Dodoma, and existing nutrition committees were largely dysfunctional. In 2023, USAID Lishe Endelevu strengthened the technical capacity of Regional Secretariats and Local Government Authorities to conduct R/CMSCN sessions in line with their Terms of Reference, and cascaded NMNAP I & II, the R/CMSCN Terms of Reference and the Nutrition Compact down to Ward and Village levels through sustained follow-up engagement with LGAs. This translated government commitment into concrete action, improving personal accountability and transparency for nutrition implementation and strengthening dialogue on nutrition within Council Multisectoral Steering Committees and Ward Development Committees.

ii) **Increased capacity of district multi-sectoral coordination structures to implement NMNAP**

In 2023, Lishe Endelevu continued building the capacity of LGAs to understand and operationalise NMNAP targets, the R/CMSCN Terms of Reference, and the Nutrition Compact across all 4 regions and 23 councils. Regional and district government staff from relevant sectors received technical support to use these tools to coordinate stakeholders, provide technical assistance, and supervise LGAs in implementing key strategic documents such as NMNAP I & II. Sustained capacity building and technical support improved the functionality and accountability of nutrition steering committees in joint planning, budgeting and implementation, and strengthened vertical and horizontal accountability across the administrative hierarchy toward the shared goal of improving community nutrition status.

iii) **Improved data collection, analysis, storage, reporting and flow from village to ward level**

Prior to project interventions, nutrition data collection, analysis and reporting in Iringa, Rukwa, Dodoma and Morogoro was hampered by inadequate knowledge and skills among Ward and Village Executive Officers, incomplete or unavailable data, and poor data utilisation and reporting from village to council level – a challenge most pronounced in Kilolo DC, Sumbawanga MC/DC, Nkasi, Malinyi, Morogoro DC, Chamwino DC, Bahi DC, Kondoa DC, Iringa MC, Mlimba MC, Mpwapwa DC and Kongwa DC. During 2023, PANITA addressed this gap through capacity-building orientation meetings, mentorship and coaching for Ward and Village Executive Officers and Community Health Workers on nutrition data collection tools, data utilisation for planning and decision-making, and multi-sectoral reporting mechanisms. This improved the quality and functionality of community information systems, strengthened ownership and accountability, and enhanced ward and village reporting.

iv) **Strengthened planning, budgeting and monitoring tools – PLANREP and iMES**

In 2023, the project strengthened Regional and LGA capacity to use the Planning, Budgeting and Reporting system (PLANREP), the nutrition scorecard, and Nutrition Compact indicator analysis tools to monitor nutrition interventions across district councils, alongside continued technical support for councils to conduct R/CMSCN sessions per their Terms of Reference. In support of PO-RALG's Integrated Monitoring and Evaluation System (iMES), the project facilitated a cumulative 33 Regional/District Nutrition Officers (23 female, 10 male) from all project regions, PO-RALG and councils to attend iMES training in Dodoma. The training built the skills needed to use the system at all levels and across sectors, addressing the demand for quality data to inform planning, budgeting and policymaking at sub-national level, and produced measurable gains in participants' knowledge and practice as confirmed by pre- and post-test results.

v) **Strengthened LGA engagement with civil society and the private sector**

In 2023, Lishe Endelevu cascaded NMNAP targets to ward and village level and supported LGAs to develop resource mobilisation strategies and deepen engagement with private sector stakeholders, resulting in cumulative private sector contributions to implementation of USD 29,631 over the project period. The project learned that private sector actors are willing to support nutrition interventions once invited into the conversation and formally recognised, and worked with PO-RALG to help formalise recognition of both in-kind and cash contributions - laying the groundwork for CMSCNs to develop action plans that operationalise resource mobilisation strategies and sustain private sector interest in nutrition.

CHALLENGES

i. In 2023, multi-sectoral nutrition coordination structures - CMSCN, Ward and Village committees - had limited understanding of and capacity to fulfil their roles and responsibilities, compounded by weak communication and coordination among actors, requiring sustained capacity building throughout the year.

ii. In 2023, nutrition data collection, analysis and reporting from village to council level remained weak in a number of councils - including Kilolo DC, Sumbawanga MC/DC, Nkasi, Malinyi, Morogoro DC, Chamwino DC, Bahi DC, Kondoa DC, Iringa MC, Mlimba MC, Mpwapwa DC and Kongwa DC - due to limited WEO/VEO skills, unavailable or incomplete data, and poor data utilisation.

iii. As at the end of 2023, formalising private sector contributions to nutrition programming remained a work in progress; a standard system for recognising in-kind and cash contributions had not yet been institutionalised, and the project had to continue advocating with PO-RALG to put such a system in place.

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 2023 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 behavior 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 2023 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 workplace, 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 CONSULTANTS** 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 2023 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 gives 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 (PhD)

Chairperson

Date: 11th April 2024

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 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 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: ACPA 3972

Date: **10th April 2024**

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and Financial Management Consultants.

INDEPENDENT AUDITOR'S REPORT
TO 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 31.12.2023, and the results of its operations and cash flows for the year then endedin 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 2023, 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.

Anderson L. Kippa FCPA 102
Mkuki Consultants
P.O.BOX 76622
DAR ES SALAAM

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Notes	2023	2022
		TZS	TZS
ASSETS			
Non-Current Assets			
Property and equipment	14	8,640,000	14,400,000
		8,640,000	**14,400,000**
Current Assets			
Accounts receivables and prepayments	11	104,439,789	173,566,465
Cash and cash equivalents	10	152,861,059	94,886,713
Deferred grant income		-	-
		257,300,848	**268,453,178**
TOTAL ASSETS		**265,940,848**	**282,853,178**
NET ASSETS & LIABILITIES			
Net Assets			
Unrestricted net assets	1	**72,844,300**	**167,492,349**
Non-current liabilities		-	-
Current Liabilities			
Accounts and other payables	12	70,223,820	17,669,760
Deferred grant income	13	122,872,728	97,691,069
		193,096,549	**115,360,829**
TOTAL NET ASSETS & LIABILITIES		**265,940,848**	**282,853,178**

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023	2022
		TZS	TZS
Income			
Grant income	2	590,599,926.39	894,562,000.00
Total Grant Income		**590,599,926.39**	**894,562,000.00**
Expenses			
Personnel Costs	3	244,564,202.30	344,702,478.51
Contractual costs	4	200,000.00	8,800,000.00
Supplies	5	16,556,150.00	21,856,650.00
Equipment purchases	6	513,000.00	3,500,000.00
Travel and meeting expenses	7	20,066,500.00	68,580,160.00
Other expenses	8	308,700,074.09	447,122,711.49
Sub Grantee expenses	9	-	-
Total expenses		**590,599,926.39**	**894,562,000.00**
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....11 April........ 2024 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 2023

	TZS	TZS	TZS	TZS
Fund	**Opening Balance**	**Surplus / (Deficit)**	**Transfers**	**Closing Balance**
Unrestricted Fund	167,492,349.24	-	94,648,049.58	72,844,300.00
Restricted Fund	-	-	-	-
Total	**167,492,349.24**	-	94,648,049.58	**72,844,300.00**

STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 TZS	2022 TZS
Cashflows from operating activities			
Surplus for the year		-	-
Changes in net assets	1	(94,648,050)	167,492,349.24
Adjustment for non-cash items			
Depreciation	**14**	5,760,000	5,760,000.00
Amortization		-	-
Movements in working capital			
Decrease/(increase) in trade and other receivable	**11**	69,126,676	(143,149,710.00)
(Decrease)/increase in trade and other payable	**12**	52,554,060	(114,615,960.00)
Net cash generated from/ (used in) operating activities		**32,792,686**	**(84,513,320.76)**
Cashflow from investing activities			
Purchase of equipment		-	-
Net cash from investing		-	-
Cashflow from financing activities			
Increase/(decrease) in deferred grant income	**13**	25,181,660	(59,764,977.00)
Net cash from financing activities		**25,181,660**	**(59,764,977.00)**
Net increase/(decrease) in cash and cash equivalent		57,974,346	(144,278,298.00)
Cash and cash equivalent at beginning of the year		94,886,713	239,165,011.00
Cash and cash equivalent at End of the year		**152,861,059**	**94,886,713.00**

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

		2023	2022
		TZS	TZS
1	**Net Assets**		
	Unrestricted net assets	**72,844,299.66**	**167,492,349.24**
2	**Grant income**		
	Previous year deferred grant income released to grant income (note 13)	97,691,068.59	157,456,046.00
	The water Lo Foundation	123,886,878.19	-
	Pooled fund		-
	Saved the children TZ	324,964,868.98	684,491,275.21
	Chemonics International	132,846,883.97	-
	World Food Program		-
	Graca Machel Trust		15,757,271.50
	Interchurch Medical Assistance (IMA)		68,057,198.80
	Other income	34,082,954.97	66,491,277.08
	Deferred income carried forward (note 13)	(122,872,728)	(97,691,069)
		590,599,926.39	**894,562,000.00**
3	**Personnel Costs**		
	Health insurance	18,761,387.04	27,935,824.34
	Pension Cost	19,586,160.00	25,775,765.00
	Salaries And wages	191,221,926.67	280,661,133.17
	SDL expenses	-	8,860,399.00
	Terminal grant	13,880,805.00	-
	WCF contribution	1,113,923.59	1,469,357.00
		244,564,202.30	**344,702,478.51**
4	**Contractual costs**		
	Accounting & audit fees	-	8,800,000.00
	consultancy fee	-	-
	Legal fee	200,000.00	-
		200,000.00	**8,800,000.00**
5	**Supplies**		
	Office supplies	16,556,150.00	21,856,650.00
		16,556,150.00	**21,856,650.00**
6	**Equipment**		

Equipment purchase	513,000.00	3,500,000.00
	513,000.00	**3,500,000.00**

7 Travel and meeting expenses

Conference package	70,000.00	6,683,500.00
Food and refreshments	1,741,000.00	19,265,500.00
Stationeries	917,000.00	6,726,800.00
Transport costs	17,338,500.00	35,904,360.00
Daily subsistence allowances	-	-
	20,066,500.00	**68,580,160.00**

8 Other expenses

Bank charges	3,213,989.68	4,442,454.50
printing and publications	45,000.00	468,000.00
rent expenses	41,734,800.00	44,593,500.00
Repair and maintenance	5,047,500.00	7,914,497.00
security expenses	19,920,000.00	20,040,000.00
Postage and Courier	137,750.00	10,000.00
staff development and training	1,189,500.00	2,040,000.00
website maintenance charges	3,534,189.82	6,197,920.02
insurance expenses	-	833,522.52
communication expenses	-	256,500.00
utility expenses	992,500.00	8,691,654.09
Vehicle Fuel Costs	6,419,982.00	13,223,622.00
Accommodation	6,906,000.00	31,280,000.00
Car Hire	10,690,000.00	25,335,000.00
Flight expenses	6,765,050.00	16,426,600.00
Office Internet	2,988,000.00	5,876,460.00
Water Charges	796,500.00	1,754,100.00
Garbage Collection	350,000.00	650,000.00
Electricity Charges	7,480,000.00	7,200,000.00
Fuel for Generator	2,155,000.00	1,800,000.00
Sanitary supplies	3,411,600.00	4,248,300.00
Casual Labor Charges	-	420,000.00
Fire Inspection Fee	-	500,000.00
Tax payment	-	675,000.00
Taxi Expenses	2,978,000.00	4,853,000.00
Landline Charges	793,500.00	1,283,700.00
Levies and Charges	50,000.00	294,200.00
IT Services	246,200.00	1,030,000.00
Cleanliness Charges	600,000.00	1,500,000.00
Kitchen supplies	7,773,700.00	12,423,200.00
Staff Airtime	1,640,000.00	5,174,000.00
Road License	-	100,000.00

	MV Insurance	653,248.00	1,070,496.00
	Bajaj Transport Expenses	3,691,000.00	5,287,000.00
	Perdiem	160,669,564.59	200,987,054.00
	Documentary	-	553,000.00
	First aid costs	-	170,000.00
	Incidental costs		35,400.00
	Fines and Penalties	67,500.00	-
	life assurance expenses	-	1,724,531.36
	depreciation	5,760,000.00	5,760,000.00
		308,700,074.09	**447,122,711.49**
9	**Sub-grantee expenses**		
	Sub-grantee admin cost	-	-
	sub grantee program cost	-	-
		-	-
10	**Cash and cash equivalents**		
	Cash at bank	152,662,457.96	94,609,061.87
	cash in hand	198,601.00	277,651.00
		152,861,058.96	**94,886,712.87**
11	**Account receivables and prepayment**		
	Prepaid health insurance	2,206,616.33	3,376,975.71
	Accounts receivable	83,547,672.97	150,007,191.91
	Prepaid rent	18,685,500.00	17,227,500.00
	Prepaid website charges	-	2,419,549.82
	Prepaid MV insurance	-	535,248.00
	Life insurance	-	-
		104,439,789.30	**173,566,465.44**
12	**Accounts payables and accruals**		
	Accounts payable control	2,856.88	2,632.14
	Accounting & Audit fees accruals	8,778,760.00	8,778,760.00
	FTE accrued	-	8,888,368.34
	Other payables	23,480,340.00	-
	Accrued liabilities	37,961,863.41	-
		70,223,820.29	**17,669,760.48**
		-	-
13	**Deferred income grant**		
	At start of the year	97,691,068.59	157,456,046.00
	Add: Receipt during the year	615,780,824.98	834,797,022.59
	less: Revenue grant utilized	(590,599,165.00)	(894,562,000.00)
	Capital grant	-	-

Add: Amortization of capital grant	-	-
Deferred income grants as at 31 December	**122,872,728.31**	**97,691,068.59**

14. Property and Equipment

Depreciation		
At 1 January 2023	(14,400,000)	(14,400,000)
Charge for the year	(5,760,000)	(5,760,000)
Disposal	-	
At 31 December 2023	(20,160,000)	(20,160,000)
Net Book Value		-
At 31 December 2023	**8,640,000.00**	**8,640,000.00**
At 31 December 2022	**14,400,000.00**	**14,400,000.00**