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 2024

March 2025

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 2024, 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 2024/23

i) Facilitate integration of nutrition into Council Comprehensive Health Plans (CCHP)/ Medium Term Expenditure Framework (MTEF)

In year one the USAID Lishe (Nutrition) Project collaborated with RS and LGAs to provide technical support to R/DNuO, R/DHS, and DPLOs to ensure nutrition activities are incorporated into MTEF across all Council Headquarters, District Hospitals, Health centers, Dispensaries, and communities to realize all nutrition multi-sectoral plans and budgets fall under Objective Y. The activity also assessed the progress of CCHP, adherence to budget guidelines, and priorities of nutrition intervention and ensured all nutrition activities integrated into the council plans - MTEFs. Further to this, the Project advocated for the inclusion of gender and youth-related nutrition in the LGA's nutrition plans and budget. This initiative has led to a significant rise in the proportion of councils meeting the minimum budget allocation per child under five for nutrition, increasing from a baseline of 83.6% to 95% in the first-year target. This success stems from the project's comprehensive technical support and advocacy efforts across LGAs, particularly through focused interventions. The improvement is further highlighted by PORALG data in the iMES, which reflects an increase in budget expenditure for the fiscal year 2024/24

ii) Coordinate with Public Sector Systems Strengthening Plus (PS3+) to engage region/council multi-sectoral nutrition (R/CMSN) committees to participate in nutrition pre-budget scrutinization

During this reporting period, the USAID Lishe Project collaborated with the RS and LGAs to conduct feedback sessions following the pre-scrutinization of the nutrition budget by PO-RALG in the Katavi region. The regional pre-budget scrutiny involved members of the R/CMSN to address concerns raised during the national budget review. This included correcting issues such as the inclusion of non-nutrition activities in the nutrition budget, limited coverage of health facilities in nutrition planning, and the need to incorporate gender and youth interventions. Additionally, some multi-sectoral departments did not adhere to budget guidelines that required allocating nutrition funds to objective Y. The Project provided technical assistance to councils to refine their plans and budgets in alignment with these guidelines of mandatory allocation of TZ 1,000/= for every under-five child based on feedback from PO-RALG.

The Project contributed financially and actively participated in R/CMSCN sessions across all 5 implementing regions. These meetings were used as platforms to strengthen the capacity of multi-sectoral sectors in prioritizing nutrition issues improving the quality of planning and ensuring timely disbursement of allocated nutrition funds for effective and efficient implementation of high-impact nutrition interventions. Additionally, these platforms were used to advocate for gender-responsive budgeting to address gender and youth-related nutrition concerns

iii) Conduct advocacy sessions with PORALG, PMO, Ministry of Finance, Ministry of Planning, Ministry of Health, MoA, MoLF, MoEST, and TFNC on the inclusion of gender and youth issues in the Nutrition Budget Guidelines

In the efforts to develop strategic recommendations for improving nutrition budgets and including gender and youth issues in the budget guidelines, the USAID Lishe project in the year I conducted a two-day advocacy workshop with nutrition line Ministries, Departments, and Agencies (MDA).

Through this initiative, a total of 25 (Female 10, Male 15) participants attended this meeting. The agenda behind this meeting focused on discussing challenges and opportunities for financing nutrition actions at both MDAs and LGA levels, enhancing the percentage of allocated funds spent on nutrition interventions, and ensuring gender and youth issues are addressed in the National Budget Guidelines. The immediate outcomes of this session include i) reviewing and refining the recommendations to prioritize nutrition in the National Budget Guidelines ii) PO-RALG submitting the refined recommendations to the PMO, iii) PO-RALG should participate in the upcoming pre-budget National Budget Guideline which will give room to clarify on specific issues regarding nutrition in the upcoming National Budget Guidelines.

iv) Conduct a rapid assessment to determine the workforce status of nutrition officers at the council, ward, and village levels

In the reporting period, the USAID Lishe Project engaged DAMAX Solution Ltd to conduct a rapid assessment to evaluate the status of the nutrition workforce at the LGA level. The assessment revealed significant gaps in workforce availability and inconsistencies in training across the project regions. According to the findings, only 35% of clinicians and 16% of nurses had received nutrition training, highlighting a critical imbalance in the overall quality of nutritional care. Moreover, only 30.2% of health facilities had counselors available to provide dietary counseling at both regional and district levels. These findings were shared by the project through various platforms both at National and Sub-national levels. The platforms used include National nutrition coordination meetings, pause and reflection meetings, R/CMSCN, and Nutrition Compact review meetings. To mitigate these gaps, the project deployed 10 interns who are working closely with high-volume facilities and communities in the project regions. Additionally, targeted on-the-job training through mentorship and coaching was provided to clinicians, nurses, CHWs, and other multi-sectoral personnel at ward and village levels to ensure effective and high-quality delivery of nutrition interventions.

The assessment also outlined policy recommendations for the government, which included both short- and long-term strategies. Short-term measures focus on resource optimization, healthcare workforce development, community-based nutrition enhancement, and cross-sectoral coordination. Long-term strategies involve strategic workforce allocation and improvement of staffing policies at all levels of nutrition service delivery. The project will continue advocating for the implementation of the recommendations from the assessment at all levels to improve human resources for nutrition at the LGA level.

v) Enhancing Healthy Diets in Schools and Communities in the Kagera Region" project.

The initiative aims to complement the broader "Fortifying School Meals in Tanzania" project led by Sanku and GAIN. Enhancing Healthy Diets in Schools and Communities in the Kagera Region project focuses on increasing demand for and access to fortified foods and diverse diets for school children and the surrounding communities. To achieve this, various engagement and awareness campaigns were conducted with key community groups, including Community Health Workers (CHWs), religious leaders, clan leaders, traditional healers, local influencers, and maize millers. Additionally, the project collaborated with community governance structures such as Ward Development Committees (WDCs) and Village Development Committees (VDCs) to organize and conduct Village Health and Nutrition Day (VHND) events in Bukoba Municipal Council, Muleba District Council and Bukoba District Council to promote the consumption of fortified and diverse diets.

vi) Sensitize and promote the establishment of school gardening initiatives to complement fortified flour as a means to facilitate access to diversified diets in schools through school nutrition clubs:

The availability and uptake of diversified diets to complement the consumption of fortified flour in schools and the surrounding community are pivotal to human health. Enhancing Healthy Diets in schools and communities in Kagera region project in collaboration with school administration, existing school nutrition clubs, ward and district extension officers in Bukoba MC, Bukoba DC, and Muleba DC supported establishment and promotion of gardens and demo plots in 17 schools (7 Bukoba MC, 5 Bukoba DC, and 5 Muleba DC). This initiative aimed at giving students practical knowledge of modern school and home agriculture. Each school was provided varieties of seeds, including high iron bean seeds, hybrid mango and orange seedlings, amaranth, Chinese, and spinach, for the establishment of school gardens and revive school nutrition clubs, which were used in sharing the acquired knowledge with their parents and caregivers. During monitoring visits, the project observed the spill over effects of home gardening on many families as a result of this creativity across all 3 project implementing councils.

vii) Capacitate Community Health Workers (CHWs) and Civil Society Organizations (CSOs) on the importance of diet diversification, focusing on the consumption of fortified flour, vegetables, iron beans, and fruits who will cascade knowledge to the community:

In the efforts to accelerate the creation of demand for fortified food and diversified diets in the Kagera region, PANITA continued to work hand in hand with community-based groups. In the period under review, PANITA capacitated CHWs, local CSOs, the representatives of the RS and LGAs, traditional healers, clan leaders and people of influence, religious leaders, and millers to promote better nutrition, particularly on the consumption of fortified food, High-Iron-Beans, vegetables, and fruits to the community. This initiative is intended to increase ownership and awareness of the implementation of food fortification as a complementing effort to promote community pathways to nutrition activities and increase demand and accessibility of fortified food and diverse safe and nutritious diets in the community.

CHALLENGES

1. Dropping of funding level as the result of donor interest especially after the Ukraine war that limit our capacity to perform interventions across the country
2. Low CSO members involvement due to limited funding to support CSOs activities such as review meetings and capacity building sessions
3. Higher expectation from beneficiaries and stakeholders which does match the fundings available
4. Despite higher rates of stunting across the regions the amount that is available to address the problem is still very minimal from the central government leading to higher dependency from donor funded organizations

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 2024 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 2024 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 2024 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

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Dr. Rose Rita Kingamkono

Chairperson

Date: 02 April 2025

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 2024 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: 01 April 2025

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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 NUTRITION IN TANZANIA (PANITA) as of 31.12.2024, 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 NUTRITION IN TANZANIA (PANITA) which comprise of the Statement of financial position as of 31st December 2024, 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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Anderson L. Kippa FCPA 102

Mkuki Consultants

P.O.BOX 76622

DAR ES SALAAM

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Notes	2024	2023
		TZS	TZS
ASSETS			
Non-Current Assets			
Property and equipment	14	2,880,000	8,640,000
		2,880,000	**8,640,000**
Current Assets			
Accounts receivables and prepayments	11	104,525,712	104,439,789
Cash and cash equivalents	10	(8,578,133)	152,861,059
Deferred grant income		-	-
		95,947,579	**257,300,848**
TOTAL ASSETS		**98,827,579**	**265,940,848**
NET ASSETS & LIABILITIES			
Net Assets			
Unrestricted net assets	1	**71,830,150**	**72,844,300**
Non-current liabilities		-	-
Current Liabilities			
Accounts and other payables	12	20,455,986	70,223,820
Deferred grant income	13	6,541,443	122,872,728
		26,997,429	**193,096,549**
TOTAL NET ASSETS & LIABILITIES		**98,827,579**	**265,940,848**

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024	2023
		TZS	TZS
Income			
Grant income	2	765,000,000.00	590,599,926.39
Total Grant Income		**765,000,000.00**	**590,599,926.39**
Expenses			
Personnel Costs	3	519,729,671.81	244,564,202.30
Contractual costs	4	-	200,000.00
Supplies	5	3,223,700.00	16,556,150.00
Equipment purchases	6	-	513,000.00
Travel and meeting expenses	7	31,266,000.00	20,066,500.00
Other expenses	8	210,780,628.19	308,700,074.09
Sub Grantee expenses	9	-	-
Total expenses		**765,000,000.00**	**590,599,926.39**
Surplus/(deficit)		**-**	**-**

The Notes on pages 18 to 24 form an integral part of these financial statements. The financial statements on pages 14 to 17 were approved by the board of directors and authorised for issue on 02 | April | 2025 and were signed on its behalf by:

Tumaini Mikindo	**Dr. Rose Rita Kingamkono**
Executive Director.	**Chairperson.**

STATEMENT OF CHANGES IN FUND BALANCES FOR THE YEAR ENDED 31 DECEMBER 2024

Fund	TZS Opening Balance	TZS Surplus / (Deficit)	TZS Transfers	TZS Closing Balance
Unrestricted Fund	72,844,300	-	1,014,150	71,830,150
Restricted Fund	-	-	-	-
Total	72,844,300	-	1,014,150	71,830,150

STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024	2023
		TZS	TZS
Cashflows from operating activities			
Surplus for the year		-	-
Changes in net assets	1	(1,014,150)	(94,648,050)
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	(85,923)	69,126,676
(Decrease)/increase in trade and other payable	12	(49,767,835)	52,554,060
Net cash generated from/ (used in) operating activities		**(45,107,907)**	**32,792,686**
Cashflow from investing activities			
Purchase of equipment		-	-
Net cash from investing		**-**	**-**
Cashflow from financing activities			
Increase/(decrease) in deferred grant income	13	(116,331,285)	25,181,660
Net cash from financing activities		**(116,331,285)**	**25,181,660**
Net increase/(decrease) in cash and cash equivalent		(161,439,192)	57,974,346
Cash and cash equivalent at beginning of the year		152,861,059	94,886,713
Cash and cash equivalent at End of the year		**(8,578,133)**	**152,861,059**

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

		2024	2023
		TZS	TZS
1	**Net Assets**		
	Unrestricted net assets	**71,830,149.78**	**72,844,299.66**
2	**Grant income**		
	Previous year deferred grant income released to grant income (note 13)	122,872,728.31	97,691,068.59
	The Water Lo Foundation	123,886,878.19	123,886,878.19
	Saved the Children TZ	-	324,964,868.98
	Chemonics International	521,162,313.38	132,846,883.97
	Other income	3,619,523.45	34,082,954.97
	Deferred income carried forward (note 13)	(6,541,443.33)	(122,872,728.31)
		765,000,000.00	**590,599,926.39**
3	**Personnel Costs**		
	Health insurance	25,155,962.45	18,761,387.04
	Pension Cost	39,694,459.00	19,586,160.00
	Salaries And wages	452,616,169.50	191,221,926.67
	SDL expenses	-	-
	Terminal grant	-	13,880,805.00
	WCF contribution	2,263,080.86	1,113,923.59
		519,729,671.81	**244,564,202.30**
4	**Contractual costs**		
	Accounting & Audit fees	-	-
	consultancy fee	-	-
	Legal fee	-	200,000.00
		-	**200,000.00**
5	**Supplies**		
	Office supplies	3,223,700.00	16,556,150.00
		3,223,700.00	**16,556,150.00**
6	**Equipment**		
	Equipment purchase	-	513,000.00
		-	**513,000.00**

7	**Travel and meeting expenses**		
	Conference package	3,050,000.00	70,000.00
	Food and refreshments	3,836,000.00	1,741,000.00
	Stationeries	1,655,000.00	917,000.00
	Transport costs	22,725,000.00	17,338,500.00
	Daily subsistence allowances	-	-
		31,266,000.00	**20,066,500.00**
8	**Other expenses**		
	Bank charges	262,226.73	3,213,989.68
	printing and publications	800,000.00	45,000.00
	rent expenses	45,511,575.00	41,734,800.00
	Repair and maintenance	1,457,600.00	5,047,500.00
	security expenses	19,850,000.00	19,920,000.00
	Postage and Courier	200,000.00	137,750.00
	staff development and training	-	1,189,500.00
	website maintenance charges	6,869,960.00	3,534,189.82
	insurance expenses	-	-
	utility expenses	1,067,000.00	992,500.00
	Vehicle Fuel Costs	380,000.00	6,419,982.00
	Accommodation	2,250,000.00	6,906,000.00
	Car Hire	6,800,000.00	10,690,000.00
	Flight expenses	7,683,100.00	6,765,050.00
	Office Internet	2,988,000.00	2,988,000.00
	Water Charges	850,500.00	796,500.00
	Garbage Collection	500,000.00	350,000.00
	Electricity Charges	7,200,000.00	7,480,000.00
	Fuel for Generator	2,230,000.00	2,155,000.00
	Sanitary supplies	200,000.00	3,411,600.00
	Taxi Expenses	-	2,978,000.00
	Landline Charges	191,000.00	793,500.00
	Levies and Charges	50,000.00	50,000.00
	IT Services	260,000.00	246,200.00
	Cleanliness Charges	133,000.00	600,000.00
	Kitchen supplies	-	7,773,700.00
	Staff Airtime	-	1,640,000.00
	MV Insurance	-	653,248.00
	Bajaj Transport Expenses	2,061,000.00	3,691,000.00
	MV Repairs and Maintenance		
	Perdiem	87,886,760.46	160,669,564.59
	Fines and Penalties	-	67,500.00
	Life assurance expenses	7,338,906.00	-
	Depreciation	5,760,000.00	5,760,000.00
		210,780,628.19	**308,700,074.09**

7	**Travel and meeting expenses**		
	Conference package	3,050,000.00	70,000.00
	Food and refreshments	3,836,000.00	1,741,000.00
	Stationeries	1,655,000.00	917,000.00
	Transport costs	22,725,000.00	17,338,500.00
	Daily subsistence allowances	-	-
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	Bank charges	262,226.73	3,213,989.68
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	insurance expenses	-	-
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	Bajaj Transport Expenses	2,061,000.00	3,691,000.00
	MV Repairs and Maintenance		
	Perdiem	87,886,760.46	160,669,564.59
	Fines and Penalties	-	67,500.00
	Life assurance expenses	7,338,906.00	-
	Depreciation	5,760,000.00	5,760,000.00
		210,780,628.19	**308,700,074.09**

9	**Sub-grantee expenses**		
	Sub-grantee admin cost	-	-
	Sub grantee program cost	-	-
		-	**-**
10	**Cash and cash equivalents**		
	Cash at bank	(8,578,133)	152,662,457.96
	cash in hand	-	198,601.00
		(8,578,133)	**152,861,058.96**
11	**Account receivables and prepayment**		
	Prepaid health insurance	4,589,869.22	2,206,616.33
	Accounts receivable	82,260,967.85	83,547,672.97
	Prepaid rent	17,674,875.00	18,685,500.00
		104,525,712.07	**104,439,789.30**
12	**Accounts payable and accruals**		
	Accounts payable control	2,914.91	2,856.88
	Accounting & Audit fees accruals	8,778,760.00	8,778,760.00
	Other payables	-	23,480,340.00
	Accrued liabilities	11,674,310.73	37,961,863.41
		20,455,985.64	**70,223,820.29**
		-	-
13	**Deferred income grant**		
	At start of the year	122,872,728.31	97,691,068.59
	Add: Receipt during the year	648,668,715.02	615,780,824.98
	Less: Revenue grant utilized	(765,000,000.00)	(590,599,165.26)
	Capital grant	-	-
	Add: Amortization of capital grant	-	-
	Deferred income grants as at 31 December	**6,541,443.33**	**122,872,728.31**

14 PROPERTY, PLANT AND EQUIPMENT

Cost		**Total Amount**
At 1 January 2023	28,800,000.00	28,800,000.00
Additions	-	-
Disposal	-	-
At 31 December 2023	**28,800,000.00**	**28,800,000.00**
		-
Depreciation		
At 1 January 2024	(20,160,000)	(20,160,000)
Charge for the year	(5,760,000)	(5,760,000)
Disposal	-	-
At 31 December 2024	(25,920,000)	(25,920,000)
Net Book Value		
At 31 December 2024	**2,880,000**	**2,880,000**
		-
At 31 December 2023	**8,640,000**	**8,640,000**