

HEALTH AND INSURANCE MANAGEMENT SERVICES ORGANIZATION



**FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD
ENDED 30 NOVEMBER 2022**

**PROJECT TITLE: PROMOTION OF COLLABORATIVE EMERGENCY
TRANSPORT SYSTEM AND IMPROVED COMMUNITY HEALTH FUND IN
THE CONTEXT OF UNIVERSAL HEALTH INSURANCE IN TANZANIA.**

PROJECT NUMBER: A-TZA-2021-0356

FEBRUARY 2023

PROMOTION OF COLLABORATIVE EMERGENCY TRANSPORT SYSTEM AND IMPROVED COMMUNITY HEALTH FUND IN THE CONTEXT OF UNIVERSAL HEALTH INSURANCE IN TANZANIA.

**MANAGEMENT'S REPORT
FOR THE SIX-MONTH PERIOD FROM 1 JUNE TO 30 NOVEMBER 2022**

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LIST OF ABBREVIATIONS

BftW	Bread for the Word
CBO	Community Based Organization
CHuA	Community Health Users Association
CHMT	Council Health Management Team
CHW	Community Health Workers
DC	District Council
DCDO	District Council Development Officer
DHS	Director of Health Services
EA	Enrollment Agent
FM	Financial Management
GA	General Assembly
HIMSO	Health & Insurance Management Service Organization
iCHF	Improved Community Health Fund
KPI	Key Performance Indicator
OIO	Output Input and Outcome
PME	Project Monitoring and Evaluation
PORALG	President Office Regional Administration and Local Government
RHMT	Regional Health Management Team
NBAA	National Board of Accountant and Auditors
TC	Town Council
TFRS	Tanzania Financial Reporting Standards
TP	Transport Provider
UNICEF	United Nations Children's Fund
WAKINA	Wakina Mama na Watoto
WDC	Ward Development Committee

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1.0 MANAGEMENT REPORT

1.1 INTRODUCTION

The Management of HIMSO is pleased to submit the management report and audited financial statements for the six-month period from 1 June to 30 November 2022 which disclose the state of affairs of the project named Promotion of Collaborative Emergency Transport System and Improved Community Health Fund in the Context of Universal Health Insurance in Tanzania.

1.2. INCORPORATION

Health & Insurance Management Services Organization (HIMSO) is a non-government organization that was established and registered in 2012 under the Ministry of Health, Community Development, Gender, Elderly and Children under the Non- Government Act No. 24 of 2002 as amended in 2005 with registration number 00NGO/0005718 and registered amended constitution in 2016 with the registration number 00/0008760.

HIMSO aims to drive healthcare enhancement interventions as well as provide technical expertise for the development of social protection innovations, particularly micro- health insurance through Public-Private partnerships. Since 1st December 2021, HIMSO has been providing technical support to Songwe and Mbeya regions for the professional management of the improved Community Health Fund (iCHF), the project that will run up to November 2024. Also, HIMSO is implementing the Emergency Transport System (Dharura Fasta Insurance) in Busokelo, Rungwe, Mbeya DC, Chunya, and Mbarali (Mbeya Region), Mbozi, Momba, Songwe, Tunduma, and Ileje (Songwe Region).

To properly manage the two schemes, HIMSO established community Health users Association (CHuA) at each Council to manage and run the operations of Dharura Fasta Insurance and co-manage the Improved Community Health Facility (iCHF). CHuA is an independent Community Based Organization (CBO) registered at the District Community Development office (DCDO), it is formed by one representative from the village level to the district level. Each CHuA has an Executive Committee composed of four people (Chairperson, Vice-Chairperson, Secretary, and the Treasurer) and two employees (CHuA Coordinator and Office Attendant). CHuA has the following roles;

- i. To manage all functions of enrolment of Dharura Fasta and iCHF.
- ii. To manage all functions of promotion and sensitization of Dharura Fasta and iCHF.
- iii. To distribute and track enrolment materials for both iCHF and Dharura Fasta.
- iv. To ensure all Enrolments Agents (EAs) are timely paid their commission (10%).
- v. To manage Dharura Fasta funds.

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- vi. To contract private transport providers.
- vii. Organizing the governance of the Association.
- viii. iCHF and Dharura Fasta data collection from villages and health facilities.
- ix. To participate in the Council Health Services Board.

1.3. ORGANIZATION'S VISION

To have a healthy community with a comprehensive quality health care coverage in Tanzania.

1.4. ORGANIZATION'S MISSION

Promotion for health and community enrollment into the health insurance schemes and access to affordable and quality health services for sustainable development through partnership and collaboration with public and private stakeholders operating for the betterment of the Tanzanians.

1.5. PROJECT FINANCING

HIMSO is supported by Bread for the World (BftW) and United Nation's Children Fund (UNICEF). During this period, HIMSO was able to locally raise TZS 19,000,000 from various individuals that supported programmatic activities.

1.6 GOVERNANCE

The Board of Directors consists of nine board members of which the Secretary of the board is the Executive Director of the organization and the rest are non-executive directors. The Board takes overall responsibility for the organization, including responsibility for identifying key risk areas, considering, and monitoring decisions, and considering significant financial matters. 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 holds the management accountable for the operations of the organization and for proper management and utilization of the organization's financial resources. It approves the organization's policies, operational guidelines and procedures, operational plans, and budgets.

The Board is required to meet at least once every six months. The board delegates the day-to-day management of the organization to the Executive Director assisted by senior management.

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1.7 MANAGEMENT

The management of HIMSO is under the leadership of the Executive Director and it is organized with the following staff:

- i. Finance and Administrative Officer.
- ii. Marketing and Development Officer.
- iii. Operations Officer.
- iv. Monitoring, Evaluation, Research, and Learning Officer.
- v. Regional Project Managers.

1.8. ADMINISTRATIVE MATTERS

The organization is capable of handling administrative matters.

1.9. RESOURCES

HIMSO receives funds from donors such as BftW and UNICEF and has employees with the appropriate skills to implement projects in line with set objectives.

1.10. ACHIEVEMENTS DURING THE LAST SIX MONTHS

During the period from 1st June to 30th November 2022, HIMSO focused on the implementation of planned key activities. The implemented activities included Project introduction meetings, Management of iCHF and Dharura Fasta (Mapping CHWs, TP, and EAS, establishing three (3) CHuAs, Training CHWs and CHuA, Support Management for ten (10) CHuAs, Demand creation), Programmatic Development, Lobby, advocacy and Networking, Monitoring visits. Below are the details:

1.10.1 Project introduction meetings

HIMSO continued with the introduction of the project at the ward level in Mbeya region. The project was introduced in 98 wards of Mbeya region to Ward Development Committee (WDC) members. The WDCs were composed of Village Chairpersons, Village Executive Officers, Ward Executive Officers and Ward Councilors. A total of One thousand and seventy-six (1,076) WDC members were met during the implementation of this activity. The project was well accepted and HIMSO received a high level of cooperation and acceptance from the WDC members. Also, the project was reintroduced to the Government Officials during the annual reflective meeting that was done in Songwe region.

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1.10.2 Management of iCHF and Dharura Fasta.

1.10.2.1 Mapping/identification of CHWs, EAs, and TP.

A total of one hundred and eighty-six (186) transport providers were mapped (71 Tunduma TC, 72 Momba DC, and 43 Songwe DC). The mapping was done by CHuA Coordinators in collaboration with the Village Authorities and the Community during the public meetings. The terms used were reliability and trustfulness. The mapped Transport Providers (TP) were contracted at the villages during the same public meetings.

1.10.2.2 Establishing three (3) CHuAs

HIMSO finalized the process of establishing the three (3) CHuAs in Tunduma TC, Momba DC and Songwe DC by conducting the General Assembly (GA) with the representatives from each ward in June and July 2022. During the GA, the CHuA Constitutions were passed and the Executive Committee member were elected. The three CHuAs were registered at the district level with the District Development Office and become legal institutions.

1.10.2.3 Training CHuA and CHWS

HIMSO continued with the plan of providing the training to enhance the capacity of Community Health Workers (CHWs). A total of one hundred and eighty-six (186) CHWs (71 Tunduma TC, 43 Songwe DC and 72 Momba) were trained. The training aimed at building their capacities on the areas of the basics of communication during medical emergencies, promotion and sensitization, emergency case management, understanding the danger signs for (pregnant women and children under the age of five years, and management of the transport during the referral from the village to a nearby Health Facility and between Health Facilities in case the Public Ambulances are not available.

1.10.2.4 Support Management for 10 CHuAs

HIMSO provided support management to ten (10) CHuAs, five (5) of the Songwe region (Momba, Mbozi, Songwe, Ileje, and Tunduma) and five (5) of Mbeya region (Mbeya DC, Mbarali, Chunya, Rungwe, and Busokelo). The support focused on building the technical capacity of CHuA team and the financial support in terms of payment of Salary to employees of CHuA, motorcycles maintenance, and office utilities.

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1.10.2.5 Demand creation for Dharura Fasta and iCHF

HIMSO continued with its customized communication strategy on social and behavior change by integrating it into the demand creation approaches aiming to increase public awareness on the benefits of health insurance to the community in their localities so as to excel in product sales (enrollment). For the period under review, the customized communication strategy was conducted in ninety-eight (98) wards and three hundred and eighty-six 386 villages. The campaigns targeted the community leaders, village authorities and influential leaders (Chiefs), it comprised of tools like IEC materials, indoor and public meetings, and door-to-door campaigns done by CHWs. The demand creation involved CHuA coordinators, CHuA executive committee members, CHWs, HIMSO Staff, and iCHF coordination office. A total of thirty-two thousand (32,000) individuals were reached during the campaign, where 3,027 households were enrolled in iCHF, 13,451 individuals, and 188 villages were enrolled in Dharura Fasta for both regions Mbeya and Songwe.

1.10.3 Programming Development.

During the period from 1st June to 30th November 2022, HIMSO continued to ensure the team has quality skills to manage, implement and transfer knowledge generated during implementation to potential stakeholders, the team received the following pieces of training.

- i. A five (5) days of capacity strengthening for 19 CHuA staff (10 CHuA Coordinators and 9 CHuA Office Assistants) where the team were on the leadership skills, sales closing, communication skills, the management and the governance CHuA, Gender-based violence, report writing skills and CHuA Office management. They were also, oriented on iCHF IMIS to be to unlock challenges related to enrolment and claims management. The training was facilitated by members of HIMSO management team and external facilitator from The Health Promotion and System Strengthening Project (HPSS) team, who trained on the use of iCHF Insurance Management Information System (IMIS).
- ii. A three (3) days training to 10 CHuA Coordinators on the Dharura Fasta Digital Platform. CHuA Coordinators being the people who are at the ground, were oriented on the workability of the platform, data security and data entry. The training was facilitated by the Bridging Technology who is the developer of the Dharura Fasta Digital Platform.

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- iii. A two (2) days capacity building to 18 CHuA Executive Committee member from five (5) councils (Busokelo, Chunya, Mbarali, Mbeya Dc and Rungwe) of Mbeya region. It aimed at enhancing the capacity of Executive Committee members on the areas of financial management, resource mobilization, monitoring of the implementation of the project and the day to day CHuA operations.
- iv. Two (2) HIMSO staff (the Director and the Finance and Administrative Officer) attended a three (3) days' workshop on the compliance with the statutorily, regulations and the laws governing the prosperity NGOs. The workshop was prepared by SPAIDE and conducted in Morogoro.
- v. A three (3) days HIMSO Board meeting, where among other things, the meeting reviewed and approved the HIMSO Five Years Strategic Plan.
- vi. Five (5) HIMSO staff attended the visual workshop on the monitoring systems and 3 HIMSO staff attended the physical workshop in Dodoma. The workshop was facilitated by INTERFINi.
- vii. In 22nd and 23rd November, HIMSO conducted an annual reflective meeting which involved the HIMSO staff, nineteen (19) CHuA staff, forty (40) CHuA Executive Committee members, three (3) representatives from the President's Office Regional Administration and Local Government (PORALG), nine (9) HIMSO Board member, Regional secretariat from both region of Mbeya and Songwe, five (5) Districts Commissioners, ten (10) District Executive Directors (DEDs), invited NGOs working in Songwe and Mbeya regions and Media Houses. HIMSO used the meeting to celebrate the 10-year success, reintroduced the ongoing project to the congregation, made a round table discussion on the coming Universal Health Insurance bill, inaugurated the HIMSO Five Years Strategic Plan and also, inaugurated the Dharura Fasta Digital Platform. The meeting took place in Songwe at Songwe regional hall.

1.10.4 Advocacy, Lobby, and Networking

During the period from 1st June to 30th November 2022, HIMSO attended a series of advocacy, lobby, and networking meetings that intended to advance HIMSO visibility and strengthening the relationship with the government, the following meetings were attended:

At the national level:

- i. From 3rd to 4th October 2022, HIMSO participated in the Annual NGO Forum that took place in Dodoma.

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The event that is organized by National Council for Non-Governmental Organizations (NaCoNGO) was officiated by Tanzanian Prime Minister, Hon. Kassim Majaliwa.

- ii. In October 2022, HIMSO attended the Tanzania Health Summit, the meeting was organized by the Ministry of Health and attended by National and International delegates from the health sector. HIMSO used the meeting to excel its visibility and relevancy by presenting the Dharura Fasta intervention in the regions of Mbeya and Songwe. The meeting took place in Dar ES Salaam and HIMSO was represented by the Director and the Marketing and Development Officer.
- iii. In November 2022, HIMSO attended the CSOs week that took place in Arusha. HIMSO intended to learn from other CSOs, look for networking while showcasing its Dharura Fasta intervention in the two regions of Mbeya and Songwe. HIMSO was represented by the Director.
- iv. 24th November 2022, HIMSO was invited by the Ministry of Health and attended the meeting to provide the opinion on the coming bill for Universal Health Insurance before the bill is submitted for the second time. The meeting took place in Dodoma and HIMSO was represented by the Director.

At the regional level:

In August 2022, HIMSO attended the meeting for all NGOs working in the Songwe region, the meeting aimed at receiving the progressive report from each NGO working in Songwe region. The meeting took place at Songwe regional and was chaired by Regional Administrative Secretary (RAS).

At the district level:

For the period under review, HIMSO attended all stakeholders' meetings in Rungwe, Busokelo, Momba, Songwe DC, Mbeya DC and Mbarali respectively.

- i. In September 2022, HIMSO met with Tumaini Community Services Organization in Songwe DC. The Organization is supporting 715 Orphans and Vulnerable Children (OVCs) in Songwe DC and 855 OVCs in Chunya on the areas of emergency and referrals. HIMSO is looking to partner and work together on the area of referrals and enroll the Orphans and Vulnerable Children (OVCs) in Dharura Fasta for both Songwe DC and Chunya DC.

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1.10.5 Monitoring including baseline

During the period from 1st June to 30th November 2022, HIMSO made the field visits to all 10 CHuA Offices with the aim of conducting Data Quality Assessment (DQA) and increase the involvement of CHuA coordinators and CHuA Office Assistants in the project monitoring. The Observed gaps were shared during the HIMSO Senior Management Team (SMT) meeting for follow up and improvement.

HIMSO has continued to offer technical support in the field on the identified gaps in order to achieve the intended results.

Approved by the Management for issue and signed on its behalf by:



Fadhili Mtanga
Executive Director



16-02-2023
Date

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2.0. Statement of Management Responsibility

The Management of HIMSO has responsibilities to prepare, in all material respect, financial statements of the project in accordance with the accounting policies described in Note 6.1 to the financial statements. Further, the Management is responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the project. Management is also responsible for safeguarding the project's assets and hence taking reasonable steps for the prevention and detection of fraud, errors and other irregularities.

The Management accepts responsibility for the project financial statements, which have been prepared using appropriate accounting policies and supported by reasonable and prudent judgments in conformity with the basis of preparation set out in Note 6.1 to the financial statements. The management is of the opinion that the project's financial statements have been prepared, in all material respects, in accordance with the accounting policies detailed in the summary of significant accounting policies in Note 6.1 to the financial statements. The management further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the project's financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and presentation of financial statements that are free from material misstatement.

Signed on behalf of the Management by:


Fadhili Mtanga
Executive Director



16-02-2023

PROMOTION OF COLLABORATIVE EMERGENCY TRANSPORT SYSTEM AND IMPROVED COMMUNITY HEALTH FUND IN THE CONTEXT OF UNIVERSAL HEALTH INSURANCE IN TANZANIA

DECLARATION OF THE HEAD OF FINANCE
FOR THE SIX-MONTH PERIOD FROM 1 JUNE TO 30 NOVEMBER 2022

3.0. Declaration of the Head of Finance/Accounting HIMSO

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 project concerned.

It is the duty of a Professional Accountant to assist the Management to discharge the responsibility of preparing financial statements of the project showing true and fair view of the project position and performance in accordance with accounting policy stipulated on note 6.1 and the cooperation agreement. Full legal responsibility for the preparation of financial statements rests with the Management as stated on the statement of Management responsibility on page 9.

I, ~~NEEMA MCHARD CHARLES~~ being the Head of Finance/Accounting of HIMSO hereby acknowledge my responsibility of ensuring that financial statements of the project named Promotion of Collaborative Emergency Transport System and Improved Community Health Fund in the Context of Universal Health Insurance in Tanzania project for six-month period ended 30 November 2022 have been prepared in compliance with applicable accounting policy stipulated on note 6.1 and the agreement of cooperation.

I thus confirm that the financial statements give a true and fair view of the project as on that date and that they have been prepared based on properly maintained financial records.

Signed by: Charles

Position:

NBAA Membership No: 9771

Date: 16-02-2023

4.0 Independent Auditor's report

To the Management of Health and Insurance Management Services Organization (HIMSO)

Opinion

We have audited the project's financial statements named Promotion of Collaborative Emergency Transport System and Improved Community Health Fund in the Context of Universal Health Insurance in Tanzania implemented by Management of Health and Insurance Management Services Organization (HIMSO), which comprise the statement of income and expenditure for the six-month period ended 30 November 2022 and the cash balance as at that date. The statements have been prepared by the management based on the provisions contain in the Agreement of Cooperation dated 25 November, 2021 between HIMSO and BftW and in accordance with the accounting policy described in note 6.1 on page 16.

In our opinion,

1. Promotion of Collaborative Emergency Transport System and Improved Community Health Fund in the Context of Universal Health Insurance in Tanzania Project has adhered, in all material respects, to the terms of the Agreement of Cooperation with BftW;
2. The project funds have been used, in all material respects, exclusively for the purposes of the project in accordance with the Agreement of Cooperation and the budget; and
3. The project financial statements of Promotion of Collaborative Emergency Transport System and Improved Community Health Fund in the Context of Universal Health Insurance in Tanzania for the six-month period ended 30 November, 2022 show a true and fair view of its income and expenditure for the period and of its funds and cash status at that date.

Basis for opinion

We conducted out audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.



4.0 Independent Auditor's Report (Cont.)

We are independent of the Project in accordance with the ethical requirements that are relevant to our audit of the financial statements in Tanzania, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to the fact that the financial statements have been prepared on cash basis of accounting and in accordance with other reporting requirements of BftW. The financial statements are prepared to assist the project management to comply with the financial reporting provisions of the agreement referred to above. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for HIMSO and BftW and should not be distributed to or used by parties other than HIMSO or BftW. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of the agreement, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Project's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to cease the project or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Project's financial reporting process.



4.0 Independent Auditor's Report (Cont.)

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Basing on our review we have not determined any matter to be the key audit matter to be communicated in our report.

Other information included in the Semi-Annual Report

The management of HIMSO are responsible for the other information. The other information comprises the List of Abbreviation; Management Report; Statement of Management Responsibilities; Declaration of the Head of Finance but does not include the financial statements and our auditor's report thereon and an Appendix attached to the report.

Our opinion on the financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.



4.0 Independent Auditor's Report (Cont.)

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

.....
Focus Lutinwa, ACPA-PP
NBAA Registration No. ACPA1742
For and on behalf of Lindam Audit
Dar es Salaam
Date.....

PROMOTION OF COLLABORATIVE EMERGENCY TRANSPORT SYSTEM AND IMPROVED COMMUNITY HEALTH FUND IN THE CONTEXT OF UNIVERSAL HEALTH INSURANCE IN TANZANIA.

FINANCIAL STATEMENTS

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5.0 STATEMENT OF INCOME AND EXPENDITURE

	Notes	Six-month period ended	Six-month period ended
		30 Nov 2022 TZS	31 May 2022 TZS
Income			
BftW transfer	6.2	451,200,000.00	368,912,000.00
HIMSO own income	6.3	165,699,606.48	176,530,751.81
Total programme income		616,899,606.48	545,442,751.81
Less total expenditure	6.5	(516,371,411.53)	(500,383,429.95)
Surplus/(Deficit) for the period		100,528,194.95	45,059,321.86
Balance brought forward		45,059,321.86	-
Project balance carried forward		145,587,516.81	45,059,321.86
Represented by:			
Cash at bank	6.4	145,379,417.81	44,696,222.86
Cash in hand	6.4	208,099.00	363,099.00
		145,587,516.81	45,059,321.86

The financial statements on page 15 to 18 were approved by the Management of HIMSO for issue on 16-02- 2023 and were signed on their behalf by:


Fadhili Mtanga
Executive Director



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NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE.

6.0 GENERAL INFORMATION

The Health and Insurance Management Services Organization (the "NGO") is a not-for-profit organisation which was incorporated in Tanzania under the Non-Government Act No. 2 of 2002 as amended in 2005.

The address of its registered office is:

Health and Insurance Management Services Organization (HIMSO),
P.O. Box 2827,
Mbeya City.

6.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by the project management in the preparation of the statement of income and expenditure are set out below: -

a) Basis of preparation

Statement of Income and Expenditures has been prepared on cash basis under this accounting conversation the financial statements are presented in Tanzania Shillings (TZS).

- Income is recognized when the recognition criteria has been fulfilled and;
- Expenses are recognized when services are being implemented by HIMSO.

b) Project expenditure by the financing Partner

Project expenditure is recognized when expenses are incurred for the project activities. Expenses incurred directly by Financing Partners in respect of the project activities are included in the Statement of Income and Expenditure during the period they were actually paid.

c) Foreign currency transactions

Transactions in foreign currency are translated to Tanzanian Shillings (TZS) using the average exchange rate prevailing during the reporting period. Monetary assets and liabilities denominated in foreign currency at period end are translated to Tanzania Shillings (TZS) using the period end rate. Any gains or losses resulting from transactions are recognized in the Statement of Income and Expenditure.

Transactions denominated in foreign currency and transfers from the Financing Partners are converted into Tanzania Shillings (TZS) at the exchange rate ruling at the date of the transaction. At the year-end, balances denominated in foreign currency are translated into Tanzania Shillings (TZS) at the exchange rate ruling at the end of the reporting period. Exchange differences arising on the conversions and translations are dealt with in the Statement of Income and Expenditure.

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d) Capital expenditure

Fixed assets are expensed in the month of acquisition within the reporting period.

e) Currency

The accounts are presented in Tanzanian Shillings (TZS)

6.2. Project Grants

Project grants constitutes funds received from BftW for the period from 1 June to 30 November 2022 as detailed below;

	Six-month period ended 30.11.2022 TZS
BftW	<u>451,200,000.00*</u>

**Details of funds received during the period;*

Date Received	Amount Disbursed (Euro)	Amount confirmed in TZS
13/06/2022	80,000.00	189,840,000.00
06/09/2022	52,200.00	117,450,000.00
15/11/2022	61,500.00	143,910,000.00
Total	<u>193,700.00</u>	<u>451,200,000.00</u>

6.3. HIMSO Tanzania own source of income

Own source income is comprised of funds donated by United Nations Children's Fund (UNICEF) on activities with the same project objectives for the period from 1 June to 30 November 2022 amounting to TZS 146,699,606.48. Also, HIMSO was able to locally raise TZS 19,000,000 from various individuals that supported programmatic activities which makes total funds generated from own sources to be TZS 165,699,606.48.

6.4. Cash at bank

Cash at bank balance refers to the funds held in the designated bank accounts. The project bank balance as of 30 November 2022 was TZS 145,379,417.81. Also, the project had a petty cash of TZS 208,099.00 of which has been presented as cash in hand on the statement of Income and Expenditure.

PROMOTION OF COLLABORATIVE EMERGENCY TRANSPORT SYSTEM AND IMPROVED COMMUNITY HEALTH FUND IN THE CONTEXT OF UNIVERSAL HEALTH INSURANCE IN TANZANIA.

FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD FROM 1 JUNE TO 30 NOVEMBER 2022.

6.5 Total expenditure

Code	Project activities description	Amount (TZS)
1.1	Project introduction meetings	36,611,255.00
1.2.2	Establishing 3 CHuA	17,637,580.00
1.2.3	Trainings (CHW, CHuA)	37,002,477.00
1.2.4	Support management for 10 CHuA	49,051,133.00
1.2.5	Demand creation (community strategy, campaigns, reward system)	63,984,803.00
1.3	Programming development	80,248,500.00
1.4	Advocacy, lobby and networking	28,838,040.00
1.5	Monitoring incl. baseline	14,187,500.00
2.1.1	Operations officer (1072Euro*36*100%)	14,317,380.00
2.1.2	M&E officer (1125Euro*36*100%)	11,424,476.00
2.1.3	Regional project managers (645Euro*36*100%*2)	25,518,203.00
2.1.4	Project driver (415Euro*36*100%)	6,497,652.00
2.2.1	Managing Director (1822Euro*36*50%)	23,139,200.00
2.2.2	Finance and Administrative Officer(1108Euro*36*70%)	14,462,000.00
2.2.3	Marketing and Development Officer(1200Euro*36*70%)	15,546,650.00
2.2.4	Project Accountant (402Euro*36*100%)	6,652,520.00
2.2.5	Office attendant (100Euro*36*50%)	2,019,637.50
3.1.1	HIMSO office running cost: rent, electricity, water, communication, bank charges, security, office material)	21,175,992.34
3.1.2	Insurance and maintenance of vehicles	20,511,268.96
3.1.2	Audit (6*5000Euro)	8,207,323.73
3.2.1	CHuA Mbozi	384,000.00
3.2.2	CHuA Rungwe	394,100.00
3.2.3	CHuA Busokelo	1,713,240.00
3.2.4	CHuA Ileje	239,000.00
3.2.5	CHuA Mbarali, Chunya, Mbeya DC, Momba, Tunduma, Songwe DC (6*8700Euro)	7,092,480.00
4.1	Computer, Office furniture, printer for 3 new CHuA Office s @ 4800Euro	5,640,000.00
4.5	2- Laptops for HIMSO staffs	3,875,000.00
	Total	<u>516,371,411.53</u>

PROMOTION OF COLLABORATIVE EMERGENCY TRANSPORT SYSTEM AND IMPROVED COMMUNITY HEALTH FUND IN THE CONTEXT OF UNIVERSAL HEALTH INSURANCE IN TANZANIA.

FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD FROM 1 JUNE TO 30 NOVEMBER 2022.

7.0 APPENDIX 1: FINANCIAL REPORT AS PER BFTW FORMAT

Financial Report

Promotion of Collaborative Emergency Transport System and Improved Community Health Fund in the Context of Universal Health Insurance in Tanzania

Project partner:

Health & Insurance Management Services Organization (HIMSO)

Project period:

1st December 2021 to 30th November 2024

Reporting period:

1st June 2022 to 30th November 2022

I. INCOME/Receipts

Income sources

	Total planned income in EUR	Total planned income in national currency	Income in national currency					Total income 1st - 6th reporting period	Deviation from the plan (%) based on national currency
			1st reporting period	2nd reporting period	3rd reporting period	4th reporting period	5th reporting period		
1.0 Non-Bread for the World funds									
1.1 Funds balance from previous project									
1.2 Project partner's own means	369,300	960,180,000	176,530,751.81	165,699,606.48			342,230,358.29	0.00	
1.3 Domestic funds raised by project partner								-64.36	
1.4 Foreign funds raised by project partner (except 1.6)								0.00	
1.5 Project partner's funds raised by the European Union								0.00	
1.6 Other German public funds raised by project partner								0.00	
1.7 Interest and exchange gains from non Bread for the World - Protestant Development Service funds								0.00	
Total amount source 1.0	369,300	960,180,000	176,530,751.81	165,699,606.48	0	0	342,230,358.29	-64.36	
2.0 Funds provided from Bread for the World	600,000	1,560,000,000							
2.1 Bank transfers:									
Bank transfer			157,988,000.00	189,840,000.00					
Bank transfer			210,924,000.00	117,450,000.00					
Bank transfer				143,910,000.00					
Total amount source 2.1			368,912,000.00	451,200,000.00	0	0	820,112,000.00		
2.2 Interest									
2.3 Exchange gains									
Total amount source 2.0	600,000.00	1,560,000,000.00	368,912,000.00	451,200,000.00	0	0	820,112,000.00		
Total income	969,300	2,520,180,000	545,442,751.81	616,899,606.48	0	0	1,162,342,358.29	-47.43	
Remarks (if necessary):								-53.88	

Debit notes (considered as income in the project account of Bread for the World)
Debit notes are also considered as expenditure (see page 2).

Debit note n°

Amount in nat. currency

Reporting period: 1st June 2022 to 31st November 2022 Exchange rate=... ..00

II. EXPENDITURE/PAYMENTS

Expenditure items

Respective reporting period:	Total planned expenditure in EUR	Total planned expenditure in national currency	Expenditure in national currency					Total expenditure 1st - 6th reporting period	Deviation from the plan (%) based on national currency
			1st reporting period	2nd reporting period	3rd reporting period	4th reporting period	5th reporting period		
1.0 Project activities	454,000	1,180,400,000	294,672,797.78	327,561,288	0	0	0	622,234,086	-47.29
1.1 Project introduction meetings	34,000	88,400,000	51,989,273.60	36,611,255	0	0	0	88,599,528.60	
1.2 Management of CHW, DF	2,000	5,200,000	0.00	0.00	0	0	0	0.00	
1.2.1 Mapping/identification of CHW, Enrolment Agents and Transport Providers	8,000	20,800,000	1,853,649.90	17,637,580	0	0	0	19,491,229.90	
1.2.2 Establishing 3 CHUA	32,000	83,200,000	46,265,100.00	37,002,477	0	0	0	83,267,577.00	
1.2.3 Trainings (CHW, CHUA)	144,000	374,400,000	31,787,410.28	49,051,133	0	0	0	80,838,543.28	
1.2.4 Support management for 10 CHUA	114,000	296,400,000	109,793,894.00	63,984,803	0	0	0	173,778,697.00	
1.2.5 Demand creation (community strategy, campaigns, reward system)	61,000	158,600,000	15,789,750.00	80,248,500	0	0	0	96,038,250.00	
1.3 Programming Development	38,000	98,800,000	22,595,460.00	28,838,040	0	0	0	51,433,500.00	
1.4 Advocacy, Lobby and Networking	21,000	54,600,000	14,628,260.00	14,187,500	0	0	0	28,815,760.00	
1.5 Monitoring incl. Baseline	248,000	644,800,000	108,625,010.47	119,577,719	0	0	0	228,202,729	-64.61
2.0 Personnel	38,600	100,360,000	13,931,280.00	14,317,380	0	0	0	28,248,660	-74.63
2.1 Program personnel	40,500	105,300,000	11,611,063.00	11,424,476	0	0	0	23,035,539.00	
2.1.1 Operations Officer (1072 Euro*36*100%)	46,500	120,900,000	16,452,712.00	25,518,203	0	0	0	41,970,915.00	
2.1.2 M&E Officer (1125 Euro*36*100%)	15,000	39,000,000	5,917,665.00	6,497,652	0	0	0	12,415,317.00	
2.1.3 Regional project managers (645 Euro*36*100%* 2)	32,800	85,280,000	22,515,200.00	23,139,200	0	0	0	45,654,400.00	
2.1.4 Project driver (445 Euro*36*100%)	28,000	72,800,000	14,635,750.00	14,462,000	0	0	0	29,097,750.00	
2.2 Administrative staff	30,300	78,780,000	15,127,400.00	15,546,650	0	0	0	30,674,050.00	
2.2.1 Managing Director (1822 Euro*36*50%)	14,600	37,700,000	6,885,830.47	6,652,520	0	0	0	13,538,350.47	
2.2.2 Finance and Administrative Officer (1088 Euro*36*70%)	1,800	4,680,000	1,518,110.00	2,019,638	0	0	0	3,537,748.00	
2.2.3 Marketing and Development Officer (1200 Euro*36*70%)	180,500	469,300,000	59,330,621.70	59,717,405	0	0	0	119,048,027	-74.63
2.2.4 Project Accountant (402 Euro*36*100%)	36,000	93,600,000	34,610,137.00	21,175,992	0	0	0	55,786,129.00	
2.2.5 Office attendant (100 Euro*36*50%)	33,500	87,100,000	12,911,844.70	20,531,269	0	0	0	33,443,113.69	
3.0 Administration	30,000	78,000,000	0.00	8,207,324	0	0	0	8,207,324	
3.1.1 HIMSO office running cost: rent, electricity, water, communication, bank charges, security, office material	5,500	14,300,000	887,000.00	384,000	0	0	0	1,271,000.00	
3.1.2 Insurance and maintenance of vehicles	6,400	16,640,000	423,440.00	394,100	0	0	0	817,540.00	
3.1.3 Audit (6*5000 Euro)	8,400	21,840,000	2,988,100.00	1,713,240	0	0	0	4,701,340.00	
3.2 Running cost for 10 CHUA offices	8,500	22,100,000	910,900.00	239,000	0	0	0	1,149,900.00	
3.2.1 CHUA Mbozi	52,200	135,720,000	6,599,200.00	7,092,480	0	0	0	13,691,680.00	
3.2.2 CHUA Rungwe	21,300	55,380,000	37,755,000.00	9,515,000	0	0	0	47,270,000	-14.64
3.2.3 CHUA Busokelo	14,400	37,440,000	24,580,000.00	5,640,000	0	0	0	30,220,000.00	
3.2.4 CHUA Ileje	4,600	11,960,000	7,400,000.00	0	0	0	0	7,400,000.00	
3.2.5 CHUA Mbarali, Chumya, Mboya DC, Mombasa, Tunduma, Songwe DC (6*8700 Euro)	2,300	5,980,000	5,775,000.00	3,875,000	0	0	0	9,650,000.00	
4.0 Procurement	0	0	0.00	0	0	0	0	0	0.00
4.1 Computer, Office furniture, printer for 3 new CHUA Office @ 4800 Euro	14,400	37,440,000	24,580,000.00	5,640,000	0	0	0	30,220,000.00	
4.4 10 Tablets for CHUA Coordinators	4,600	11,960,000	7,400,000.00	0	0	0	0	7,400,000.00	
4.5 2- Laptops for HIMSO staffs	2,300	5,980,000	5,775,000.00	3,875,000	0	0	0	9,650,000.00	
5.0 Construction	0	0	0.00	0	0	0	0	0	0.00
5.1 Value of site	38,500	100,100,000	0.00	0	0	0	0	0	-100.00
5.2 Construction works	38,500	100,100,000	0.00	0	0	0	0	0	-100.00
5.3 Site works	942,300	2,449,980,000	500,383,429.95	516,371,412	0	0	0	1,016,754,841	-58.50
5.4 Equipment	17,700	46,020,000	0.00	0	0	0	0	0	-100.00
5.5 Professional fees	960,000	2,496,000,000	500,383,429.95	516,371,412	0	0	0	1,016,754,841	-59.26
6.0 Evaluations	0	0	0.00	0	0	0	0	0	0.00
6.1 Evaluations	38,500	100,100,000	0.00	0	0	0	0	0	-100.00
6.2 Reserve*	942,300	2,449,980,000	500,383,429.95	516,371,412	0	0	0	1,016,754,841	-58.50
Total expenditure	960,000	2,496,000,000	500,383,429.95	516,371,412	0	0	0	1,016,754,841	-59.26

Remarks (if necessary):

Debit notes (considered as expenditure in the project account of Bread for the World).

Debit note n°	Amount in national currency

* If expenditure is booked under the item '7. Reserve', the auditor describes in an explanatory note the nature of expenditure and confirms the consent of Bread for the World.

III. Balance of the project funds and cash status

TZS

1. Balance of the project funds at start of the reporting period:	45,059,321.86
2. Plus total income during the reporting period:	616,899,606.48
3. Less total expenditure during the reporting period:	516,371,411.53
4. Balance of the project funds at the end of the reporting period:	145,587,516.81
5. Cash status	
Cash in hand:	208,099.00
Cash at bank:	145,379,417.81
6. Balance of cash at the end of the reporting period:	145,587,516.81

(A)

(B)

Reconciliation of differences between (A) and (B), if applicable:

0.00

6. Detailed information on creditors and debtors (structured according to the approved expenditure items):

creditors	debtors

This is to confirm that the contents of this financial report are in accordance with the information and structure of the expenditure and income plan and with the cooperation agreement between project partner and Bread for the World.

Remarks (if necessary):

Mbeya, 16-02-2023

(Place, date)

FADHLI MTANGA

(Name and signature of authorised signatory)

