

HEALTH AND INSURANCE MANAGEMENT SERVICES ORGANIZATION



**FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD
ENDED 30 NOVEMBER 2023**

**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 2024

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 2023

Contents

List of abbreviations	ii
1 Management Report.....	1
2 Statement of Management Responsibility	8
3 Declaration of the Head of Finance/Accounting HIMSO	9
4 Independent Auditor's report	10
5 Statement of income and expenditure	13
6 Notes to the statement of income and expenditure	14

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 2023

List of abbreviations

AICC	Arusha International Conference Center
BftW	Bread for the Word
CBO	Community Based Organization
CSO	Civil Society Organization
CHuA	Community Health Users Association
CHMT	Council Health Management Team
CEO	Chief Executive Officer
CHW	Community Health Workers
DC	District Council
DCDO	District Community Development Officer
FCS	Foundation for Civil Society
EA	Enrollment Agent
HIMSO	Health & Insurance Management Service Organization
iCHF	Improved Community Health Fund
M&E	Monitoring and Evaluation
LGAs	Local Government Authorities
NaCoNGO	National Council of NGOs
RAS	Regional Administrative Secretary
NBAA	National Board of Accountant and Auditors
NGO	Non-Governmental Organization
SBCC	Social and Behavioral Change Communication
TECDEN	Tanzania Early Childhood Development Network
TFRS	Tanzania Financial Reporting Standards
UNICEF	United Nations Children's Fund

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 2023

1 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 1st June to 30th November 2023 which disclose the state of affairs of the *Promotion of Collaborative Emergency Transport System and Improved Community Health Fund in the Context of Universal Health Insurance in Tanzania*. This Report has been prepared in accordance with the Tanzania Financial Reporting Standards (TFRS) No. 1 Director's Report issued by the National Board of Accountants and Auditors (NBAA).

1.2 Incorporation

Health & Insurance Management Services Organization (HIMSO) is a non-government organization that was established and registered in 2012 under the Non-Government Act No. 24 of 2002 as amended in 2005 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 is providing technical support to Songwe and Mbeya region 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 the community Health users Association (CHuA) at each Council to manage and run the operations of Dharura Fasta Insurance and co-manage the 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 EAs are timely paid their commission (10%).
- v. To manage Dharura Fasta funds.
- 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.

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 2023

- 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 healthcare 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), UNICEF and TECDEN.

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 team.

On 23rd of November 2023, HIMSO conducted the Annual General Meeting (AGM). the meeting validated the proposed names for the new Board, passed the organization annual plan and the annual budget. It was resolved that the new HIMSO Board would officially start in January 2024 by convening its first meeting.

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 Administration Officer
- ii. Marketing and Development Officer

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 2023

- 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 (BftW, UNICEF and TECDEN) and fundraising activities; it has employees with the appropriate skills to implement projects in line with the set objectives.

1.10 Achievements during the last six months

From 1 June to 30 November 2023, HIMSO focused on implementing the planned key activities. The implemented activities included Management of iCHF and Dharura Fasta (Support Management for ten (10) CHuAs and Demand creation), Programming Development, Lobby, advocacy and Networking, Monitoring visits and baseline. Below are the details:

1.10.1 Management of iCHF and Dharura Fasta

a) Support Management for 10 CHuAs

HIMSO provided support management to ten (10) Community Health users Associations (CHuAs), five (5) of 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, materials support and the financial support in terms of payment of Salary to CHuA staff, motorcycles maintenance, and office utilities.

b) Demand creation for Dharura Fasta and iCHF

HIMSO continued with its customized communication strategy on Social and Behavior Communication Change (SBCC), integrated it into the demand creation approach to increase public awareness on the benefits of health insurances to the community in their localities aiming to excel in enrollment of individuals and villages into Dharura Fasta, and households into improved CHF (iCHF).

The demand creation was conducted in 226 villages and met with 8,193 individual including influential People. The campaigns targeted to enroll villages and individuals into Dharura Fasta, and households into iCHF, it comprised calling and meetings with village leaders, and door-to-door campaigns. The activity involved CHuA Coordinators, Community Health Workers (CHWs), iCHF coordination office, Members of Council Health Management Teams (CHMTs) and influential stakeholders.

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 2023

1.10.2 Programming Development

HIMSO continued to share the experiences generated during the implementation of the Project to the Local Government Authority and potential stakeholders aiming at improving the desired results and for the consideration of adoption in other areas, the following meeting were conducted;

- i. On 6th of July 2023, HIMSO participated on the virtual meeting on the Tanzania monitoring capacity development. The aim of the meeting was to share the experiences on how to monitor the groups for sustainability. The meeting was prepared by INTERFINi and BftW and attended by NGOs from Bangladesh and Tanzania. During the meeting, different aspects to monitor the groups for sustainability were shared.
- ii. From 24th to 29th July 2023, HIMSO attended the face-to-face workshop in Dodoma. Where the following topics were covered, (Our journey on the monitoring systems, what to monitor and analyses, preparing data for analyses, consolidating data for analyses, visualization of data, comparing data and filtering, data utilization for report writing, and learning and knowledge management).
- iii. On 5th of September 2023, HIMSO attended the virtual meeting with INTERFINi. The meeting aimed at discussion on the submitted assignment as following,
 - a) Group meeting facilitation plan (CHuA Executive Committee), the plan was accepted and advised to perform the group meeting with CHuA executive committee and beneficiaries.
 - b) What should be included in our next narrative report. The areas highlighted during Dodoma workshop remained the same, only insisted that we should start working on them now.
 - c) The project monitoring policy, the Policy was accepted with the minor amendments on the areas of participatory monitoring, data collection and data flow.
- iv. On the 9th of October 2023, HIMSO team met virtually with INTERFINi, the meeting aimed at looking on the tuning points of an organization since the start of the training on the Monitoring processes in Tanzania.
- v. On 16th November 2023, HIMSO team attended the virtual meeting with INTERFINi, INADES and MRHP also joined the meeting. The meeting aimed to close out the online workshop on the Monitoring processes in Tanzania, during the meeting, each Organization shared the experiences on the following:
 - a) Unintended change.
 - b) Integrating gender on the monitoring processes.

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 2023

- c) Shared experiences on the conducted reflective meeting with the community, CHWs and CHuA Executive committees.

The meeting ended while insisting on the application of the knowledge gained during the workshop to improve the planning, project results and the narrative reports. Not for BftW project only but also for other projects within HIMSO.

- vi. From 1st June to 30th November 2023, HIMSO conducted four (4) strategic partnership meetings with other NGOs. The meetings aimed at looking on the possible areas that HIMSO can enter partnerships with them in the near future. Further discussions to realize the partnerships are on.

1.10.3 Advocacy, Lobby, and Networking

From 1st June to 30th November 2023, HIMSO attended a series of advocacy, lobby, and networking meetings that intended to advance a friendly and close collaboration with the stakeholders including the government. The following meetings were attended:

1.10.3.1. At National level

HIMSO CEO attended the following meetings:

- i. NGO annual forum that took place from 3rd to 5th October 2023 at Jakaya Kikwete Convention Center in Dodoma. This annual event brought all Tanzanian NGOs to discuss key issues regarding to the operations of the organizations. This year event was officiated by the Vice President of the United Republic of Tanzania, Dr. Philip Isidor Mpango. The key issues discussed were:
 - a) NGO must work to fully comply with statutory requirements.
 - b) The government has received the concern on unfriendly terms for the NGOs to attain charitable status from Tanzania Revenue Authority.
 - c) The government has already started working on the suggestions to have the Basket Funds to financially support the NGOs.
 - d) The NGOs must continue to address to the government all challenges they are facing. They must make sure they follow the proper channels.

During the day 2 of the forum, Directors' dinner gala was held to bring together the executive of the NGOs in Tanzania for the purpose of networking. The gala took place at Royal Village Hotel.

- ii. On 23rd to 28th October 2023, HIMSO CEO attended CSO week that took place at Arusha International Conference Center (AICC) in Arusha, Tanzania. This activity brought onboard all Tanzanian civil societies. The event was organized by Foundation for Civil Society (FCS). This year's theme was technology and society (Tech X Society). The event included several activities such as plenary session, master class clinics, panel discussions and field visits.

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 2023

iii. On 31st of October 2023, the Director of HIMSO attended the meeting organized by Muhimbili University of Health and Allied Sciences (MUHAS) who were contracted by United Nations' Children Fund (UNICEF) to conduct implementation research on mechanisms of effects of survival at birth. This followed an intervention, Systems Package for Survival at Birth that UNICEF funded HIMSO to implement. The intervention was done through Dharura Fasta. The aims of attending the meeting were:

- a) To discuss the results of the implementation research by MUHAS.
- b) To recommend the better ways to improve Dharura Fasta.

1.10.3.2. At the regional level

On 13th July 2023, HIMSO attended the meeting of all NGOs working in Mbeya region called by the National Council of Non-Governmental Organization (NACoNGO). The meeting aimed at reminding the NGOs on the compliance issues by following the laws and regulations governing the NGOs. The meeting was opened by Regional Administrative Secretary (RAS) Mbeya region and chaired by the chairperson of NGOs in Mbeya region. The remarks from the RAS were the NGOs to work diligently by following the regulations governing the NGOs and getting away from LGBTs fund related.

1.10.3.3. At the district level

The Director and the Operations Officer joined CHuA coordinator of Rungwe and attended the meeting that took place on 17th August 2023 at Rungwe Council Hall. The meeting was hosted by the District Commissioner (DC) of Rungwe. The aim of the meeting was to ascertain the progress and the compliance of the NGOs on the directives that were given by the DC during the meeting on the 3rd of May 2023, and receive the reports for the second quarter of the year 2023 (April to June).

1.10.4 Monitoring including baseline.

From 4th to 21st July 2023, the Director of HIMSO and the Operations Officer, visited all ten (10) CHuAs with the aim of strengthening the relationship between CHuA and LGAs, addressing emerged challenges due to project implementation and responding on the M&E findings (one on one meeting).

From 18th to 27th September 2023, the M&E unit conducted four (4) reflective meeting with executive committee of CHuA Ileje, the beneficiaries at Hangomba village in Mbozi, the beneficiaries at Mpande village at Mbeya DC and the executive committee of CHuA Rungwe DC. The meetings aimed at presenting and interpreting data together, have their feedback on the services and the Project while highlighting the areas to improve.

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 2023

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


Fadhili Mtanga
Executive Director



29/02/2024
Date

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 2023

2 Statement of Management Responsibility

The Management of HIMSO has a responsibility to prepare, in all material respects, 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



29/02/2024

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 2023


3 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 earlier page.

Gabriel Gwakisira
I.....being the Head of Finance/Accounting of HIMSO hereby acknowledge my responsibility of ensuring that the project's 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 2023 have been prepared in compliance with applicable accounting policy stipulated on note 6.1 and the agreement of cooperation.

I thus confirm that the project's 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: 
Position: *HEAD OF FINANCE*
NBAA Membership No: *GA 10 805*
Date: *26/02/2024*

4 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 Health and Insurance Management Services Organization (HIMSO), which comprise the statement of income and expenditure for the six-month period ended 30 November 2023 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 14.

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 2023 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 our 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.

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.

4 Independent Auditor's Report (Cont.)

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.

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



4 Independent Auditor's Report (Cont.)

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.

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. ACPA 1742
For and on behalf of Lindam Audit
Dar es Salaam
Date..... 8th March 2024



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 2023.

5 Statement of income and expenditure

	Notes	Six-month period ended 30-Nov-23 TZS	Six-month period ended 31-May-23 TZS
Income			
Donors' grants	6.2	150,672,640	258,660,000
HIMSO own income	6.3	20,000,000	82,701,135
Total programme income		170,672,640	341,361,135
Less total expenditure	6.4	(250,700,457)	(349,200,578)
Surplus/(deficit)		(80,027,817)	(7,839,443)
Balance brought forward		137,748,074	145,587,517
Project balance carried forward		57,720,257	137,748,074
Represented by:			
Cash at bank	6.5	57,720,257	137,748,074
Cash in hand	6.5	-	-
Total		57,720,257	137,748,074

The financial statements on page 13 to 17 were approved by the Management of HIMSO for issue on 29/02 2024 and were signed on their behalf by:


Fadhili Mtanga
Executive Director



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 2023.

6 Notes to the statement of income and expenditure

6 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 received in the respective reporting period and;
- Expenses are recognized when services are incurred and paid for by HIMSO in the respective reporting period.

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.

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)

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 2023.

6.2 Project Grants

Project grants constitutes funds received from BftW for the period from 1 June to 30 November 2023 as detailed below;

	Six-month period ended 30.11.2023 TZS
BftW	<u>150,672,640*</u>

*Details of funds received during the period;

Date Received	Amount Disbursed (Euro)	Amount confirmed in TZS
05/09/2023	36,880	98,764,640
27/11/2023*	19,000	51,908,000
Total	<u>55,880</u>	<u>150,672,640</u>

*Euro 19,000 equivalent to TZS 51,908,000 was received during the reporting period but relates to the project activities for the period from 1 December 2023 to 29 February 2024.

6.3 HIMSO Tanzania own source of income

Own source income is comprised of funds received from Tanzania Early Childhood Development Network (TECDEN) on activities with the same project objectives for the period from 1 June to 30 November 2023 amounting to TZS 20,000,000.

6.4 Total expenditure

Code	Project activities description	Amount (TZS)
1.2.4	Support management for 10 CHuA Demand creation (community strategy, campaigns, reward	69,455,206
1.2.5	system)	9,028,368
1.3	Programming Development	15,112,481
1.4	Advocacy, Lobby and Networking	10,518,543
1.5	Monitoring incl. Baseline	5,497,950
2.1.1	Operations Officer (1072Euro*36*100%)	12,276,000
2.1.2	M&E Officer (1125Euro*36*100%)	7,716,450
2.1.3	Regional project managers (645Euro*36*100%*2)	19,306,750
2.1.4	Project driver (415Euro*36*100%)	4,149,432
2.2.1	Managing Director (1822Euro*36*50%)	20,834,000
2.2.2	Finance and Administrative Officer(1108Euro*36*70%)	12,276,000
2.2.3	Marketing and Development Officer(1200Euro*36*70%)	12,376,000
2.2.4	Project Accountant (402Euro*36*100%)	5,356,820
Sub-total (a)		<u>203,904,000</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 2023.

6.4 Total expenditure

Code	Project activities description	Amount (TZS)
2.2.5	Office attendant (100Euro*36*50%)	1,703,525
3.1.1	HIMSO office running cost: rent, electricity, water, communication, bank charges, security, office material)	20,890,976
3.1.2	Insurance and maintenance of vehicles	3,814,128
3.1.3	Audit (6*5000Euro)	8,250,000
3.2.1	CHuA Mbozi	3,044,207
3.2.2	CHuA Rungwe	914,800
3.2.3	CHuA Busokelo	240,000
3.2.4	CHuA Ileje	240,000
3.2.5	CHuA Mbarali, Chunya, Mbeya DC, Momba, Tunduma, Songwe DC (6*8700Euro)	7,698,822
	Sub-total (b)	46,796,457
	Grand-total (a+b)	250,700,457

6.5 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 2023 was TZS 57,720,257. The project had no petty cash at the end of the period.

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 2023.

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 number/project title:

Project partner:

Project period:

Health & Insurance Management Services Organization (HIMSO)

1st December 2021 to 30th November 2024

Reporting period:

1st June 2023 to 30th November 2023

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	6th reporting period		
1.0 Non-Bread for the World funds										
1.1 Funds balance from previous project									0.00	
1.2 Project partner's own means	360,000	936,000,000	176,530,752	165,699,606	11,732,421	20,000,000			0.00	
1.3 Domestic funds raised by project partner					70,968,714				-53.72	
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	360,000	936,000,000	176,530,752	165,699,606	82,701,135	20,000,000	0	0	-52.46	
2.0 Funds provided from Bread for the World	600,000	1,560,000,000								
2.1 Bank transfers:										
Bank transfer			157,988,000	189,840,000	121,500,000	98,764,640				
Bank transfer			210,924,000	117,450,000	137,160,000	51,908,000				
Bank transfer				143,910,000						
Total amount source 2.1			368,912,000	451,200,000	258,660,000	150,672,640	0	0	1,229,444,640	
2.2 Interest										
2.3 Exchange gains										
Total amount source 2.0	600,000.00	1,560,000,000.00	368,912,000	451,200,000	258,660,000	150,672,640	0	0	-21.19	
Total income	960,000	2,496,000,000	545,442,752	616,899,606	341,361,135	170,672,640	0	0	-32.92	

Remarks (if necessary):

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

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

Project number/project title:

1st June 2023 to 30th November 2023

Exchange rate=2600

II. EXPENDITURE/PAYMENTS

Expenditure items	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		
Respective reporting period:		May-22	22-Nov	May-23	Nov-23			
1.0 Project activities	454,000	294,672,798	327,561,288	206,595,374	109,612,548	0	-20.50	
1.1 Project introduction meetings	34,000	51,989,274	36,611,255	0	0	0		
1.2 Management of ICHF, DF								
1.2.1 Mapping/Identification of CHW, Enrolment Agents and Transport Providers	2,000	0	17,637,580	0	0	0		
1.2.2 Establishing 3 CHuA	8,000	1,853,650	37,002,477	0	0	0		
1.2.3 Trainings (CHW, CHuA)	32,000	46,265,100	31,787,410	81,128,200	69,455,206	0		
1.2.4 Support management for 10 CHuA	144,000	31,787,410	49,051,133	46,198,894	9,028,368	0		
1.2.5 Demand creation (community strategy, campaigns, reward system)	114,000	109,793,894	63,984,803	35,005,220	15,112,481	0		
1.3 Programming Development	61,000	15,789,750	80,248,500	33,769,186	10,518,543	0		
1.4 Advocacy, Lobby and Networking	38,000	22,565,460	28,838,040	10,493,874	5,497,950	0		
1.5 Monitoring incl. Baseline	21,000	14,628,260	14,187,500	90,177,117	95,994,977	0	-35.74	
2.0 Personnel	248,000	108,625,010	119,577,719	119,577,719	95,994,977	0		
2.1 Program personnel								
2.1.1 Operations Officer (1072Euro*36*100%)	38,600	13,931,280	14,317,380	11,423,500	12,276,000	0		
2.1.2 M&E Officer (1125Euro*36*100%)	40,500	11,611,063	11,424,476	7,253,006	7,716,450	0		
2.1.3 Regional project managers (645Euro*36*100%*2)	46,500	16,452,712	25,518,203	18,259,050	19,306,750	0		
2.1.4 Project driver (415Euro*36*100%)	15,000	5,917,665	6,497,652	4,800,300	4,149,432	0		
2.2 Administrative staff								
2.2.1 Managing Director (1822Euro*36*50%)	32,800	22,515,200	23,139,200	18,743,000	20,834,000	0		
2.2.2 Finance and Administrative Officer(1108Euro*36*70%)	28,000	14,635,750	14,462,000	11,722,500	12,276,000	0		
2.2.3 Marketing and Development Officer(1200Euro*36*70%)	30,300	15,127,400	15,546,650	11,172,500	12,376,000	0		
2.2.4 Project Accountant (402Euro*36*100%)	14,500	6,885,830	6,652,520	5,147,599	5,356,820	0		
2.2.5 Office attendant (100Euro*36*50%)	1,800	1,548,110	2,019,638	1,656,663	1,703,525	0		
3.0 Administration	180,500	59,330,622	59,717,405	52,428,087	45,092,932	0	-53.85	
3.1.1 HIMSO office running cost: rent, electricity, water, communication, bank charges, security, office material)	36,000	34,610,137	21,175,992	12,364,484	20,890,976	0		
3.1.2 Insurance and maintenance of vehicles	33,500	12,911,845	20,511,269	13,481,703	3,814,128	0		
3.1.3 Audit (6*5000Euro)	30,000	0	8,207,324	8,250,000	8,250,000	0		
3.2 Running cost for 10 CHuA offices								
3.2.1 CHuA Mbozi	5,500	887,000	384,000	2,030,000	3,044,207	0		
3.2.2 CHuA Rungwe	6,400	423,440	394,100	1,500,000	914,800	0		
3.2.3 CHuA Busokelo	8,400	2,988,100	1,713,240	1,500,000	240,000	0		
3.2.4 CHuA Ifeje	8,500	910,900	239,000	1,790,000	240,000	0		
3.2.5 CHuA Mbarali, Chunya, Mbeya DC, Momba, Tunduma, Songwe DC (6*8700Euro)	52,200	6,599,200	7,092,480	11,511,900	7,698,822	0		
4.0 Procurement	21,300	37,755,000	9,515,000	0	0	0	-14.64	
4.1 Computer, Office furniture, printer for 3 new CHuA Offices @ 4800Euro	14,400	24,580,000	5,640,000	0	0	0		
4.4 10 Tablets for CHuA Coordinators	4,600	7,400,000	0	0	0	0		
4.5 2- Laptops for HIMSO staffs	2,300	5,775,000	3,875,000	0	0	0	0.00	
5.0 Construction	0	0	0	0	0	0		
5.1 Value of site								
5.2 Construction works								
5.3 Site works								
5.4 Equipment								
5.5 Professional fees								
6.0 Evaluations	38,500	0.00	0	0	0	0	-100.00	
6.1 Evaluations	38,500	0.00	0	0	0	0		
Subtotal	942,300	500,383,430	516,371,412	349,200,578	250,700,457	0	-34.01	
7.0 Reserve*	17,700	500,383,430	516,371,412	349,200,577.97	250,700,457	0	-100.00	
Total expenditure	960,000	500,383,430	516,371,412	349,200,577.97	250,700,457	0	-35.23	

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.

Project number/project title: Promotion of Collaborative Emergency Transport System and Improved Community Health Fund in the Context of Universal Health Insurance in Tanzania
 Reporting period: 1st June 2023 to 30th November 2023

III. Balance of the project funds and cash status

(in national currency)

1. Balance of the project funds at start of the reporting period:	137,748,074
2. Plus total income during the reporting period:	+ 170,672,640
3. Less total expenditure during the reporting period:	- 250,700,457
4. Balance of the project funds at the end of the reporting period:	<u>57,720,257</u> (A)
5. Cash status	
Cash in hand:	0
Cash at bank:	57,720,257
6. Balance of cash at the end of the reporting period:	<u>57,720,257</u> (B)
Reconciliation of differences between (A) and (B), if applicable:	0

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, 29/02/2024
 (Place, date)

FADHICU MTANGA Mfulizetanga
 (Name and signature of authorised signatory)

